UNIVERSAL REGISTRATION DOCUMENT

2024
EDITION

COVIVIO
HOTELS

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COVIVIO HOTELS

2024 Universal Registration Document

including the Annual Financial Report

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document was filed on 19 March 2025 with the AMF, in its role as the competent authority under Regulation (EU) 2017/1129, without prior authorisation in accordance with Article 9 of said Regulation. The Universal Registration Document may be used for the purposes of a public offering of financial securities or for the listing of financial securities for trading on a regulated market if it is supplemented by a note regarding financial securities and, where applicable, a summary and all amendments made to the Universal Registration Document. The entire document is approved by the AMF in accordance with Regulation (EU) 2017/1129.

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Covivio Hotels

Partnership limited by shares with share capital of €592,565,808
Registered office: 10 rue de Madrid, 75008 Paris,
Paris Trade and Companies Register 955 515 895

Key figures 2024

Covivio Hotels is a public real estate investment company (Société d'investissement immobiliers cotée - SIIC) and a market leader in hotels.

Covivio Hotels is now the leading investor in hotel real estate in Europe. Covivio Hotels has a unique hotel portfolio comprising 283 hotels located at the centre of major European cities. It currently partners with around 17 hotel chains representing some 30 brands in Europe. Midscale and upscale hotels make up 73% of its portfolio.

Covivio Hotels supports brands in their leasing, operating properties and developments, positioning itself alongside them in Europe's most dynamic cities.

Covivio Hotels is supported by institutional shareholders including Covivio, the life insurance subsidiaries of Crédit Agricole, Crédit Mutuel-CIC, BNP Paribas, Generali, Société Générale, and Caisse des Dépôts et Consignations.

The company's investment policy is focused on building partnerships with leading operators in each business sector, as well as innovative players who stand out for their pioneering, profitable concepts, with a view to offering shareholders a recurring return on their investment.

The sector classification of the portfolios reflects the reporting segments used by the Covivio Hotels management. There are three segments:

- hotel leased properties (Accor, B&B, NH Hotel Group, IHG, Motel One, Melia, Hotusa, Barcelo Group, Pierre et Vacances, Club Med, Meininger, Iberostar);
- hotels under management (Radisson, Marriott, Accor, IHG, Hilton);
- retail premises.

Overall distribution of the portfolio (Group share) by value at 31/12/2024



(in € million)		2024 fiscal year	2023 fiscal year
Group Share revenues		**336.7**	**323.6**
Of which:	Hotel leased properties (rental income)	254.3	244.7
	Hotels under management (EBITDA)	80.3	72.5
	Retail premises (rental income)	2.1	6.4

(in € million)		2024 fiscal year	2023 fiscal year
Value of portfolio, Group share		**5,861**	**5,822**
Of which:	Hotel leased properties	3,593	4,434
	Hotels under management	2,226	1,337
	Retail premises	43	51

Simplified consolidated income statement

(in € million)	2024 fiscal year	2023 fiscal year
Net Rental Income	262.7	257.4
Managed hotel income	82.6	74.6
Other Activity income	0.0	0.0
Net operating costs	-15.1	-19.3
Depreciation of operating asset	-56.7	-48.2
Net allowances to provisions and other	14.7	23.8
Operating result	**288.2**	**288.4**
Income from asset disposals	12.6	0.3
Result of value adjustments	51.3	-197.5
Income from disposals of securities	-0.4	0.0
Income from changes in scope	-4.9	-3.8
Operating income	**346.8**	**87.4**
Net financial income	-152.1	-145.3
Share of income from companies accounted for under the equity method	15.1	-2.0
Net income before tax	**267.2**	**-59.9**
Taxes	-30.5	34.6
Net income	**236.7**	**-25.3**
Profit from discontinued operations	-	-
Minority interests	12.1	-13.7
Net income Group Share	**224.6**	**-11.6**

Figures, Group Share

	2024 fiscal year	2023 fiscal year
Net income, Group Share (in € per share)	1.52	-0.08
EPRA Earnings (in €M)	258.1	238.8
EPRA Earnings (in € per share)	1.74	1.61
EPRA NTA (in €M)	3,815	3,550
EPRA NTA (in € per share)	25.8	24.0
EPRA NDV (in €M)	3,690	3,512
EPRA NDV NAV (in € per share)	24.9	23.7
Dividend* (in € per share)	1.50	1.30

* 2024 dividend proposed to the General Meeting of 10 April 2025.

Number of shares during the period	2024 fiscal year	2023 fiscal year
Number of shares at opening	148,141,452	148,141,452
Number of shares created by capital increase	0	0
Number of shares at period-end*	148,141,452	148,141,452
Average number of shares	148,141,452	148,141,452

* Including treasury shares: 2,793 at 31 December 2024 (versus 7,687 at 31 December 2023).

Simplified consolidated balance sheet

(in €M)	Net 31/12/2024	Net 31/12/2023		Net 31/12/2024	Net 31/12/2023
ASSETS			**LIABILITIES**		
Non-current assets	6,354	6,291	Shareholders' equity	3,601	3,551
Current assets	224	324	Non-current liabilities	2,798	2,747
Cash	577	109	Current liabilities	756	426
ASSETS	**7,155**	**6,724**	**LIABILITIES**	**7,155**	**6,724**

Features of debt as at 31 December 2024

At 31 December 2024, the Group Share of net financial debt stood at €2,119 million, with an average rate for the period of 2.33% and an average maturity of 4.8 years. In 2024, the average active hedging rate was 94.8%.



NH Santa Lucia Venise
© Covivio / DR

283 hotels in the heart of major European cities with a value of €6.4 billion

1

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1.1 Strategy and outlook

Covivio Hotels – a real estate company listed on Compartment A of the Euronext regulated market in Paris, having opted for SIIC status – had, at 31 December 2024, a portfolio of 319 assets, including 283 hotels, with a total appraisal value of €6.5 billion (€5.9 billion Group Share), located throughout France and Europe.

The strategy of Covivio Hotels, Europe's leading hotel real estate company, is based on partnerships with the most innovative hotel operators in France and in the rest of Europe. It is in this spirit of partnership that Covivio Hotels continued its development with the signing at the end of November 2024 of an operation to consolidate the ownership of hotel properties and business assets held jointly with AccorInvest. This transaction involves the acquisition by Covivio Hotels of 43 business assets, in exchange for the transfer to AccorInvest of 16 other hotels held by AccorInvest as operating properties. The acquisition of a hotel in the Canary Islands at the end of 2024 marks Covivio Hotels' desire to strengthen its presence in the main tourist destinations in southern Europe.

Covivio Hotels and its partners hold regular partnership Committee meetings to define portfolio development initiatives, analyse the business and operations, and monitor the progress of works programmes.

2025 outlook

As a leader in hotel real estate in the main European markets, Covivio Hotels intends to continue its development and Asset Management to extract the potential of its existing portfolio.

1.2 Activity of the company and its subsidiaries

1.2.1 2024 events

Hotel market: positive momentum in Europe continued in 2024

The European hotel sector benefited from a good momentum in 2024, with the continued increase in RevPAR, by 4% on average, supported by the increase in prices and a slight increase in occupancy rates. Southern Europe contributed to this performance and in particular Spain, with a +13% increase in RevPAR. Germany continued to catch up, posting a +7% increase. France recorded more moderate results (+2%), with the wait-and-see attitude of tourists during the preparatory phase of the Olympic Games having partly offset the good performance of the summer.

Hotel investment in Europe in 2024 was up by 34%, at €19.5 billion and now represents 9.5% of total real estate investment volumes.

Major consolidation transaction with AccorInvest

In this context, Covivio Hotels had a particularly active year in 2024. At the end of November, the Group signed the transaction to consolidate the ownership of operating and property companies of hotels held jointly with AccorInvest, for a total exchange value of nearly €800 million.

Until the end of November 2024, Covivio Hotels held the property companies of 54 hotels, let to the AccorInvest group as variable rent based on revenue, under long-term leases. AccorInvest owned the operating companies assets for these hotels and signed long-term management contracts with the Accor Group.

Covivio Hotels was also, indirectly, owner and asset manager for a further 60 hotels let to AccorInvest and held via two joint ventures, established in 2010 and 2014 respectively: one is 80% held by Crédit Agricole Assurances and 20% by Covivio Hotels, while the other is shared between Caisse des Dépôts et Consignations, Société Générale Assurances and Covivio Hotels.

The transaction involves the acquisition by Covivio Hotels (and its partners for the two joint ventures) of 43 operating companies [1] – thereby enabling them to be consolidated as properties owned and operated by Covivio Hotels – in exchange for the transfer to AccorInvest of 16 other hotel property companies, subsequently owned by AccorInvest.

These consolidation transactions for Covivio Hotels and the joint-ventures represent a total of €393 million [2] for the hotel property companies sold by Covivio Hotels and its partners, equivalent to that of the operating companies owned and operated by the companies whose shares were acquired.

(1) Through the acquisition of shares in hotel operating companies.
(2) Duties included, at 100%.

The deal enables Covivio Hotels to strengthen its presence in the hotel sector in major tourist areas with considerable potential for value creation through repositioning and management optimisation.

Of the 43 hotels concerned, 14 are directly managed by the Covivio Hotels operational platform: WiZiU. Covivio Hotels also relies on two other players: Atypio and Sohoma, which will operate 12 and 10 establishments respectively, *via* management contracts. Five hotels are still operated by Accor.

The Covivio Hotels hotel portfolio is now 62% lease assets, mainly fixed, and 38% operating properties assets. This transaction strengthens Covivio Hotels' transition from a real estate investor approach to an asset manager and hotel operator approach. Today, the Group supports nearly twenty brands in Europe, with an increasingly diversified model (assets under lease or assets in operating properties).

Acquisition of a 4-star hotel in the Canary Islands, Spain's leading tourist destination

Covivio Hotels also acquired for nearly €81 million including transfer taxes, a hotel located in Tenerife, in the Canary Islands, Spain's leading tourist destination with 69.7 million overnight stays in 2023 (20% of the national total), and the only leisure destination in Europe without seasonality. The temperate climate of the island allows the hotel to be open all year round, with an average occupancy rate of between 85% and 90%. The establishment consists of 429 rooms, a restaurant, 3 bars, 3 swimming pools, a gym, squash and volleyball courts, as well as 2 meeting rooms that can accommodate up to 140 people. Renovated in 2021, it has a solid environmental performance, with a carbon footprint of 18.9 $kgCO2_e/m^2$/year in 2023, in line with CRREM [(1)] objectives. With a stabilised yield of around 6.75%, the hotel is leased on the basis of a firm triple net lease until 2041 with Iberostar, Spain's number 5 hotel operator which the Spanish Fluxa family has owned for 60 years. This first significant acquisition in Southern Europe marks Covivio Hotels' desire to strengthen its presence in the main tourist destinations in Southern Europe (Spain, Italy and Portugal).

Four hotel renovations completed during the year: strong revenue growth

In 2024, Covivio Hotels renovated two hotels in Lille and one hotel in Bruges, as well as a hotel leased to Melia in Malaga. These projects represent 458 keys, works worth a total of €28.5 million and a yield of more than 15%. Covivio Hotels has set up the new Novotel concept in Bruges, after having created 12 additional rooms and renovated the lobby and service areas. In Lille, two deliveries took place during the year: the Hilton Lille (replacing Crowne Plaza) after a complete renovation of the rooms, and the Grand Hôtel Bellevue located in the heart of the Grand Place de Lille, after the creation of five rooms and a rooftop bar.

€455 million of disposals at margins higher than 2023 values

At the same time Covivio Hotels signed new disposal commitments totalling €455 million in Group share (€606 million at 100%): 43 properties in France for €333 million, including 31 Accor-branded hotels, 6 hotels in Germany (€62 million), 4 in Poland (€34 million), 1 in Spain (€17 million) and 1 in Belgium (€9 million). The commitments were signed at a margin of around +4% over end-2023 appraisal values, reflecting strong investor appetite for the hotel industry.

Portfolio up by +1.5%, driven by higher revenues and hotel renovation

At the end of December 2024, Covivio Hotels held a portfolio worth €5,818 million (€6,439 million at 100%), characterised by:

- high-quality locations: the average grade given for "location" by customers on Booking.com is 8.9/10;
- a diversified portfolio, in terms of countries (12 countries), segments (66% of economy and mid-range hotels and 34% of high-end hotels) and partner operators (17 including leaders in Europe such as Accor, Marriott, IHG, NH and B&B);
- long-term leases of 11.0 years firm on average.

At like-for-like scope, the hotel portfolio was up +1.5% over a year. The growth mainly concerns hotels in France (+2%) and in Southern Europe (+4.8% in Italy, +3.4% in Spain), driven by the increase in revenues and asset management. The hotel portfolio has an average yield excluding transfer taxes of 6.4% (+50 bps over one year), of which 6% on the lease portfolio and 7% on the operating properties portfolio.

Successful refinancing, increased debt maturity and strengthened liquidity

Three new financings for an amount of €880 million were arranged in 2024, making it possible to refinance future maturities. In particular, in May 2024 Covivio Hotels carried out a €500 million Green Bond issue with a nine-year maturity and a 148-bps margin spread over the mid-swap rate. The fixed rate of the issue was largely swapped for a floating rate in order to leverage the Group's hedging position.

The net debt of Covivio Hotels decreased to €2,119 million in Group share compared to €2,260 million at 31 December 2023, for a rate of 2.33% at the end of December and an average maturity up by 1.2 years, to 4.8 years. Covivio Hotels had a strengthened debt coverage ratio of 95% at the end of December 2024 (compared with 89% at the end of 2023), with a high hedging maturity of 5.6 years.

At 31 December 2024, the LTV (Loan To Value) stood at 32.5%, down -1.9 points compared to 2023. The interest coverage ratio (ICR) was 6.09x, an improvement compared to the end of 2023 (5.38x). The net debt/EBITDA ratio stood at 7.6x compared to 8.5x at the end of 2023.
Covivio Hotels had €891 million liquidity (including undrawn credit lines) as of 31 December 2024.

(1) CRREM: Carbon Risk Real Estate Monitor

As part of its annual review, S&P Global Ratings confirmed Covivio Hotels' BBB+ stable outlook rating, in line with the overall Covivio rating. This confirmation recognises the solidity of the company's operational and financial profile. S&P also upgraded Covivio Hotels' standalone rating from BB+ to BBB-.

Revenue growth: +7.2% like-for-like

The good results of the hotel market and our hotels over the year resulted in revenue growth of +4.1% on a current basis and +7.2% on a like-for-like basis, to €334.6 million compared to €317.3 million as of 31 December 2023.

Hotel lease properties (76% of hotel revenue group share)

- Variable-rent hotels (22% of hotel revenue): the portfolio is mainly let to AccorInvest, in France and Belgium, and also includes the variable-rent portion of the minimum guaranteed rent leased assets located in Spain, Italy, and the UK. **The 31.2% like-for-like year-on-year increase** was driven by the excellent performance from hotels in Southern Europe.
- Fixed-rent hotels (54% of hotel revenue): **rents up +4.3% like-for-like**, mainly due to rental indexation (+5.6% in France, +3.8% in Germany, and +3.6% in Spain).

The occupancy rate remained at 100% across the leased hotel portfolio.

Hotel operating properties (24% of hotel revenue group share)

Most of these hotels are located in Germany and France. Like-for-like EBITDA for operating properties rose +4.9% year-on-year, mainly driven by good hotel performances in Berlin and Nice. Revenues from operating hotels include the EBITDA for the month of December of the assets taken over as part of the consolidation operation with AccorInvest (+€5.0 million).

Growth in recurring net income of +8% in 2024

Recurring net income (EPRA Earnings) was €258.1 million at the end of December 2024, up +8.1% from €238.8 million a year earlier, boosted by revenue growth. EPRA Earnings per share amounted to €1.74, also up +8.1% from €1.61 the previous year.

The EPRA NTA (net tangible assets) NAV stood at €3,815 million, compared with €3,550 million at the end of 2023. On a per-share basis, it was €25.8, up +7.5% compared with the end of 2023.

The EPRA NDV NAV, which takes account of the fair value adjustment of interest rate hedges and fixed-rate debt, rose to €3,690 million, from €3,512 million at end-December 2023, up +5.1%. It stands at €24.9/share.

Dividend

At the 15 April 2025 General Meeting, Covivio Hotels will propose a dividend of €1.50 per share, up +15% (€1.30 per share in 2023), putting the pay-out ratio at 86%. In order to support its development, Covivio Hotels will offer its shareholders the possibility of opting for the payment of this dividend in shares [1]. This payment option aims to give Covivio Hotels additional resources to accelerate its development in Europe.

(1) Subject to approval by the Shareholders' Meeting of 15 April 2025

1.2.2 Hotel portfolio

1.2.2.1 Hotel market in Europe

In France

(Source: MKG)

Overall, the year's performance was up +1.8% but was mainly driven by the performance of the "Upscale" segment. In the "Economy" segment, performance was down by -0.1% with a -1.5 point decrease in the occupancy rate, not offset by the increase in the average daily rate (+2.2%). Hotel performance varies depending on the city, from -4.1% in Lyon to + 9% in Nice.

In the United Kingdom

(Source: MKG)

2024 ended with a RevPAR increase of +2.3%. This increase was driven by the performance of the "Upscale" segment (+3.9% *vs* 2023). Over the year, the major cities did well: Edinburgh and Glasgow recorded a +13.7% and +11.6% increase in RevPAR, while London registered growth of +0.5%.

In Germany

(Source: MKG)

In 2024, Germany made up for lost time and posted +7.2% of RevPAR compared with 2023. This performance was driven by all segments (between +6.6% for the economy and +9.1% for the upscale). The performance was balanced between an increase in the occupancy rate (+2.0 points) and the average daily rate (+4.1%). However, performance is very uneven depending on the city, with Munich and Frankfurt posting growth of +10.0% and +12.6%, while Düsseldorf remains down compared to 2023 (-0.8%).

In Belgium and the Netherlands

(Source: MKG)

Belgium and the Netherlands remain at the back of the pack in Western Europe, with an increase in RevPAR *vs* 2023 of +2.6% and +2%, respectively.

Spain

(Source: MKG)

In 2024, Spain has significantly improved its performance compared to 2023, mainly thanks to a very positive summer season. The country recorded a 2-point increase in its occupancy rate. With regard to RevPAR, there is a clear improvement, mainly supported by the increase in average prices. In comparison with 2023, Spain posted an increase of 12.9%.

Portugal

(Source: MKG)

2024 ended with a RevPAR increase of +5.5%. This increase was driven by the performance of the "Upscale" segment (+7.5% *vs* 2023).

In Italy

(Source: MKG)

In 2024, performance continues to improve in Italy, with a RevPAR increase of +4.2% compared to 2023, after an increase of +32% in 2023 compared to 2019. Hotel performance varied by city, ranging from -2.7% in Florence to +15.9% in Venice.

In Central and Eastern Europe

(Source: MKG)

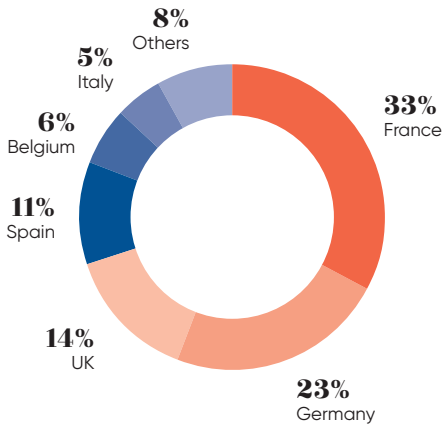
In Poland, the ADR (average daily rate) increased by 1.8% over the year, resulting in a +5.3% increase in RevPAR compared to 2023. In Prague and Budapest, the sharp increase in the average daily rate, respectively +10% and +5.8%, led to an increase in RevPAR, which posted performances of +13.9% and +11.3% compared to 2023.

1.2.2.2 Portfolio overview

The portfolio comprises 283 hotels and has a balanced distribution both in terms of range and geography. The hotel real estate business (rental income from operating properties and EBITDA of hotels under management) generated total revenues of €351 million in 2024, with a Group Share of €335 million, up 7.2% year-on-year on a like-for-like basis.

Geographic area of hotels by value at 31 December 2024 (€5,818 million in Group Share)

At 31 December 2024, the appraisal value of the hotel portfolio held by Covivio Hotels totalled €5,818 million, or a Group Share of €6,439 million (excluding duties).



The detailed list of assets is as follows:

Tenants	Brand	Asset Name	Town/City	Country	Number of rooms
AccorInvest	Ibis	Ibis Brussels Airport	Machelen	Belgium	98
AccorInvest	Ibis	Ibis Brussels. Expo Atomium	Grimbergen	Belgium	81
AccorInvest	Novotel	Novotel Brussels Airport	Brussels	Belgium	209
AccorInvest	Formule 1	Formule 1 Paris Porte de Montmartre	Paris	France	386
AccorInvest	Ibis Budget	Ibis Budget Gennevilliers	Gennevilliers	France	119
AccorInvest	Ibis Budget	Ibis Budget Lille Centre Gare	Lille	France	102
AccorInvest	Ibis Budget	Ibis Budget L'Isle Adam	L'Isle d'Adam	France	68
AccorInvest	Ibis Budget	Ibis Budget Lyon Gerland	Lyon	France	106
AccorInvest	Ibis Budget	Ibis Budget Paris Porte de Montmartre	Paris	France	464
AccorInvest	Ibis Budget	Ibis Budget Saint Cyr l'École	Saint Cyr l'École	France	48
AccorInvest	Ibis Budget	Ibis Budget Vélizy	Vélizy	France	123
AccorInvest	Ibis	Ibis Marseille Gare Saint Charles	Marseille	France	172
AccorInvest	Ibis	Ibis Metz Centre Cathédrale	Metz	France	79
AccorInvest	Ibis	Ibis Paris Bastille Opéra	Paris	France	305
AccorInvest	Ibis	Ibis Paris La Villette	Paris	France	284
AccorInvest	Ibis	Ibis Paris Porte d'Orléans	Montrouge	France	402
AccorInvest	Ibis	Ibis Strasbourg Centre Ponts Couverts	Strasbourg	France	244
AccorInvest	Mercure	Mercure Marseille Centre	Marseille	France	200
AccorInvest	Mercure	Mercure Massy Gare TGV	Massy	France	116
AccorInvest	Mercure	Mercure Paris Gare de Lyon	Paris	France	315
AccorInvest	Mercure	Mercure Paris La Défense 5	Courbevoie	France	507
AccorInvest	Mercure	Mercure Paris Porte d'Orléans	Montrouge	France	188
AccorInvest	Novotel	Novotel Atria Grenoble	Grenoble	France	118
AccorInvest	Novotel	Novotel Paris Massy	Palaiseau	France	147
AccorInvest	Novotel	Novotel Paris Roissy	Roissy	France	201
AccorInvest	Novotel	Novotel Roissy CDG Convention & Wellness	Roissy	France	295
AccorInvest	Novotel	Novotel Saclay	Saclay	France	139
AccorInvest	Sofitel	Sofitel Lyon Bellecour	Lyon	France	164
B&B	B&B	Aachen	Würselen	Germany	78
B&B	B&B	Baden Airpark	Rheinmünster	Germany	85
B&B	B&B	Berlin	Berlin	Germany	105
B&B	B&B	Berlin Messe	Berlin	Germany	140
B&B	B&B	Berlin-Süd	Genshagen	Germany	73
B&B	B&B	Böblingen	Böblingen	Germany	100
B&B	B&B	Braunschweig	Braunschweig	Germany	78
B&B	B&B	Duisburg	Duisburg	Germany	101
B&B	B&B	Düsseldorf – Ratingen	Düsseldorf	Germany	74
B&B	B&B	Düsseldorf Airport	Düsseldorf	Germany	100
B&B	B&B	Düsseldorf City	Düsseldorf	Germany	84
B&B	B&B	Erfurt	Erfurt	Germany	95
B&B	B&B	Erlangen	Erlangen	Germany	100
B&B	B&B	Essen	Essen	Germany	106
B&B	B&B	Frankfurt-Offenbach	Frankfurt	Germany	74
B&B	B&B	Frankfurt-Nord	Frankfurt	Germany	100
B&B	B&B	Freiburg	Freiburg	Germany	80
B&B	B&B	Hamburg East	Hamburg	Germany	155
B&B	B&B	Hannover	Hanover	Germany	74

Tenants	Brand	Asset Name	Town/City	Country	Number of rooms
B&B	B&B	Hannover	Hanover	Germany	73
B&B	B&B	Heidelberg	Heidelberg	Germany	123
B&B	B&B	Herne	Herne	Germany	78
B&B	B&B	Ingolstadt	Ingolstadt	Germany	73
B&B	B&B	Kassel	Kassel	Germany	74
B&B	B&B	Köln	Cologne	Germany	105
B&B	B&B	Köln-Porz	Köln-Porz	Germany	104
B&B	B&B	Konstanz	Konstanz	Germany	100
B&B	B&B	Lübeck	Lübeck	Germany	96
B&B	B&B	Mainz	Mainz	Germany	92
B&B	B&B	Mannheim	Mannheim	Germany	100
B&B	B&B	Mönchengladbach	Mönchengladbach	Germany	100
B&B	B&B	Mülheim	Mülheim an der Ruhr	Germany	101
B&B	B&B	Munich	Aschheim	Germany	127
B&B	B&B	Munich Airport – Hallbergmoos	Hallbergmoos	Germany	101
B&B	B&B	Niederrad	Frankfurt	Germany	148
B&B	B&B	Nuremberg	Nuremberg	Germany	135
B&B	B&B	Osnabruck	Osnabruck	Germany	100
B&B	B&B	Potsdam	Potsdam	Germany	101
B&B	B&B	Regensburg	Regensburg	Germany	96
B&B	B&B	Schweinfurt	Schweinfurt	Germany	74
B&B	B&B	Würzburg	Würzburg	Germany	95
B&B	B&B	Valencia	Valencia	Spain	125
B&B	B&B	Madrid Airport	Madrid	Spain	124
B&B	B&B	Alicante	Alicante	Spain	120
B&B	B&B	Girona	Salt-Girona	Spain	93
B&B	B&B	Angers 1	Beaucouze	France	60
B&B	B&B	Angers 2	Beaucouze	France	70
B&B	B&B	Arras	Arras	France	81
B&B	B&B	Arras Centre	Arras	France	63
B&B	B&B	Aulnay-sous-Bois	Aulnay-sous-Bois	France	113
B&B	B&B	Avranches	Avranches	France	60
B&B	B&B	Bagnolet	Bagnolet	France	108
B&B	B&B	Bayonne Tarnos	Tarnos	France	74
B&B	B&B	Beauvais	Allonne	France	72
B&B	B&B	Besançon	Besançon	France	59
B&B	B&B	Béziers	Villeneuve-lès-Béziers	France	60
B&B	B&B	Blois	Blois	France	63
B&B	B&B	Bordeaux Bruges	Bordeaux	France	72
B&B	B&B	Bordeaux Mérignac	Mérignac	France	72
B&B	B&B	Brest Kergaradec	Brest Kergaradec	France	46
B&B	B&B	Brest Port	Brest	France	40
B&B	B&B	Brignoles	Brignoles	France	70
B&B	B&B	Brive La Gaillarde	Ussac	France	70
B&B	B&B	Caen Mémorial	Saint-Contest	France	70
B&B	B&B	Cannes Ouest La Bocca	Cannes	France	96
B&B	B&B	Cergy	Cergy-Pontoise	France	84
B&B	B&B	Chalon Sur Saône Sud	Saint-Rémi	France	71
B&B	B&B	Châlons-en-Champagne	Châlons-en-Champagne	France	84

Tenants	Brand	Asset Name	Town/City	Country	Number of rooms
B&B	B&B	Chambéry	Chambéry	France	54
B&B	B&B	Chartres Centre	Chartres	France	82
B&B	B&B	Châtenay-Malabry	Châtenay-Malabry	France	127
B&B	B&B	Chevilly-Larue	Chevilly-Larue	France	83
B&B	B&B	Cholet	Cholet	France	56
B&B	B&B	Clermont Gerzat 1	Gerzat	France	71
B&B	B&B	Colmar	Wintzenheim	France	70
B&B	B&B	Corbeil	Corbeil-Essonnes	France	47
B&B	B&B	Creil Chantilly	Creil	France	83
B&B	B&B	Dieppe Saint-Aubin	Saint-Aubin-sur-Scie	France	72
B&B	B&B	Dreux	Dreux	France	45
B&B	B&B	Euralille	Lille	France	135
B&B	B&B	Évreux	Évreux	France	83
B&B	B&B	Évry Lisses 1	Lisses	France	99
B&B	B&B	Évry Lisses 2	Lisses	France	84
B&B	B&B	Herblay	Herblay	France	48
B&B	B&B	Hyères	Hyères	France	52
B&B	B&B	La Queue-en-Brie	La Queue-en-Brie	France	47
B&B	B&B	Le Mans Nord 1	Saint-Saturnin	France	69
B&B	B&B	Le Mans Nord 2	Saint-Saturnin	France	72
B&B	B&B	Le Mans Sud	Arnage	France	60
B&B	B&B	Lens	Lens	France	80
B&B	B&B	Lens Noyelles-Godault	Noyelles-Godault	France	72
B&B	B&B	Louveciennes	Louveciennes	France	81
B&B	B&B	Lyon Berthelot	Lyon	France	113
B&B	B&B	Lyon Gambetta	Lyon	France	116
B&B	B&B	Lyon Monplaisir	Lyon	France	95
B&B	B&B	Lyon Nord	Dardilly	France	107
B&B	B&B	Lyon Vénissieux	Vénissieux	France	137
B&B	B&B	Malakoff – Paris Parc des Expositions	Malakoff	France	233
B&B	B&B	Marne La Vallée	Bussy Saint Georges	France	130
B&B	B&B	Marseille Centre	Marseille	France	52
B&B	B&B	Marseille Parc Chanot	Marseille	France	82
B&B	B&B	Marseille Prado Parc des Expositions	Marseille	France	116
B&B	B&B	Maurepas	Maurepas	France	70
B&B	B&B	Metz Augny	Augny	France	60
B&B	B&B	Metz Jouy aux Arches	Jouy aux Arches	France	70
B&B	B&B	Metz Semecourt	Semecourt	France	70
B&B	B&B	Montélimar	Les Tourrettes	France	70
B&B	B&B	Montlhéry	Linas Montlhéry	France	50
B&B	B&B	Moulins	Toulon-sur-Allier	France	72
B&B	B&B	Mulhouse Dornach	Mulhouse	France	66
B&B	B&B	Nanterre	Nanterre	France	150
B&B	B&B	Nantes Centre	Nantes	France	60
B&B	B&B	Nantes La Beaujoire	Nantes	France	60
B&B	B&B	Nantes La Chapelle	La Chapelle-sur-Erdre	France	60
B&B	B&B	Nantes Saint Herblain	Saint Herblain	France	72
B&B	B&B	Nantes Saint Sébastien	St-Sébastien-sur-Loire	France	70
B&B	B&B	Orgeval	Orgeval	France	72

Tenants	Brand	Asset Name	Town/City	Country	Number of rooms
B&B	B&B	Paray-le-Monial	Paray-le-Monial	France	70
B&B	B&B	Paris Cergy	Cergy-Pontoise	France	191
B&B	B&B	Paris Est Bondy	Bondy	France	118
B&B	B&B	Paris Versailles Parly 2	Le Chesnay	France	72
B&B	B&B	Poitiers 1	Chasseneuil-du-Poitou	France	70
B&B	B&B	Poitiers 3	Chasseneuil-du-Poitou	France	76
B&B	B&B	Porte des Lilas	Paris	France	265
B&B	B&B	Rennes Cesson-Sévigné	Cesson-Sévigné	France	91
B&B	B&B	Rennes Saint-Grégoire	Saint-Grégoire Cedex	France	71
B&B	B&B	Roissy Paris Nord 2	Roissy	France	134
B&B	B&B	Roubaix	Roubaix	France	85
B&B	B&B	Rouen Centre Rive Droite	Rouen	France	88
B&B	B&B	Rouen Centre Rive Gauche	Rouen	France	80
B&B	B&B	Rouen Parc des Expositions	Le Grand-Quevilly	France	60
B&B	B&B	Rouen Saint-Étienne-du-Rouvray	St-Étienne-Du-Rouvray	France	57
B&B	B&B	Saint-Michel-sur-Orge	Saint-Michel-sur-Orge	France	70
B&B	B&B	Saint-Quentin	Saint-Quentin	France	54
B&B	B&B	Saint-Quentin en Yvelines Centre Gare	Montigny-le-Bretonneux	France	74
B&B	B&B	Saint-Witz	Saint-Witz	France	42
B&B	B&B	Salon Provence	Salon-de-Provence	France	83
B&B	B&B	Sophia Antipolis Le Biot	Biot	France	67
B&B	B&B	Sophia Antipolis Le Relais	Biot	France	47
B&B	B&B	Toulouse Cité de l'Espace N 2	Toulouse	France	69
B&B	B&B	Tours Nord 1	Tours	France	61
B&B	B&B	Tours Nord 2	Tours	France	70
B&B	B&B	Tours Sud	Joué-lès-Tours	France	72
B&B	B&B	Troyes Barberey	Barberey-Saint-Sulpice	France	64
B&B	B&B	Troyes Saint-Parres	St-Parres-aux-Tertres	France	69
B&B	B&B	Valenciennes Marly	Marly	France	83
B&B	B&B	Vannes Est	Vannes	France	71
B&B	B&B	Lyon Caluire	Caluire-et-Cuire	France	120
B&B	B&B	Porte De Choisy	Ivry-sur-Seine	France	182
B&B	B&B	Romainville	Noisy-le-Sec	France	107
B&B	B&B	Torcy	Torcy	France	130
B&B	B&B	B&B Lodz	Lodz	Poland	149
B&B	B&B	B&B Warsaw	Warsaw	Poland	154
Barcelo	Barceló Hotels & Resorts	Barceló Corralejo Bay	Fuerteventura	Spain	241
Barcelo	Barceló Hotels & Resorts	Barceló Torre De Madrid	Madrid	Spain	256
Club Med	Club Med	Da Balaia	Albufeira	Portugal	372
Hotusa	Eurostars Hotels	Eurostars Grand Marina	Barcelona	Spain	291
Hotusa	Exe Hotels	Exe Plaza Castilla	Madrid	Spain	262
Iberostar	Iberostar	Las Dalias	Santa Cruz de Tenerife	Spain	429
IHG	InterContinental	InterContinental Edinburgh George Street	Edinburgh	UK	240
IHG	Kimpton	Kimpton London	London	UK	334
IHG	Kimpton	Kimpton Manchester	Manchester	UK	270
IHG	Kimpton	Kimpton Edinburgh Charlotte Square	Edinburgh	UK	199

Tenants	Brand	Asset Name	Town/City	Country	Number of rooms
IHG	Kimpton	Kimpton Glasgow Blythswood Square	Glasgow	UK	113
IHG	Voco	Voco Oxford Spires	Oxford	UK	181
IHG	Voco	Voco Oxford Thames	Oxford	UK	104
IHG	Voco	Voco Cardiff	Cardiff	UK	142
IHG	Voco	Voco Glasgow Grand Central	Glasgow	UK	243
HCI	Holiday Inn	Holiday Inn Ciudad De Las Ciencias	Valence	Spain	100
HCI	Ramada	Almussafes	Almussafes	Spain	133
Radisson	Radisson	Paseo Del Arte	Madrid	Spain	260
Meininger	Meininger	Munich	Munich	Germany	173
Meininger	Meininger	Lyon Zimmermann	Lyon	France	169
Meininger	Meininger	Porte De Vincennes	Paris	France	249
Melia	Tryp	Tryp Oceanic Valencia	Valence	Spain	197
Melia	Tryp	Tryp Alameda Malaga	Malaga	Spain	132
Melia	Tryp	Tryp Aeropuerto Barcelona	Barcelona	Spain	205
Motel One	Motel One	Motel One Frankfurt Niederrad	Frankfurt	Germany	271
Motel One	Motel One	Motel One Berlin Mitte	Berlin	Germany	186
Motel One	Motel One	Motel One Porte Dorée	Paris	France	255
NH Hotel Group	Antanara	NY Palace Budapest	Budapest	Hungary	185
NH Hotel Group	Antanara	Palazzo Naiadi	Rome	Italy	232
NH Hotel Group	Antanara	Plaza Nice	Nice	France	151
NH Hotel Group	NH	NH Frankfurt	Frankfurt	Germany	165
NH Hotel Group	NH	NH Düsseldorf	Düsseldorf	Germany	111
NH Hotel Group	NH	NH Stuttgart	Stuttgart	Germany	208
NH Hotel Group	NH	NH Nuremberg	Nuremberg	Germany	244
NH Hotel Group	NH	NH Oberhausen	Oberhausen	Germany	171
NH Hotel Group	NH	NH Berlin City Ost	Berlin	Germany	99
NH Hotel Group	NH	NH Hamburg Mitte	Hamburg	Germany	134
NH Hotel Group	NH	NH Collection Colón	Madrid	Spain	146
NH Hotel Group	NH	NH Amersfoort	Amersfoort	Netherlands	114
NH Hotel Group	NH	NH Amsterdam	Amsterdam	Netherlands	232
NH Hotel Group	NH	NH Amsterdam Noord	Amsterdam	Netherlands	290
NH Hotel Group	NH	Santa Lucia	Venice	Italy	100
NH Hotel Group	NH Collection	Palazzo Dei Dogi	Venice	Italy	64
NH Hotel Group	NH Collection	Palazzo Gaddi	Florence	Italy	86
NH Hotel Group	NH Collection	Budapest City Center	Budapest	Hungary	138
NH Hotel Group	NH Collection	Carlo IV	Prague	Czech Republic	152
Pierre & Vacances	Sunparks	Kempense Meren	Kempense Meren	Belgium	594
Pierre & Vacances	Sunparks	Oostduinkerke	Oostduinkerke	Belgium	283
Sub-total Hotel lease properties					**229**

Manager	Brand	Asset Name	Town/City	Country	Number of rooms
Accor	Ibis	Ibis Paris Cambronne	Paris	France	527
Accor	Ibis Styles	Ibis Styles Paris Bercy	Paris	France	361
Accor	Mercure	Mercure Tour Eiffel	Paris	France	405
Accor	Pullman	Pullman Roissy	Roissy	France	305
Atypio	Mercure	Mercure Paris La Défense Residence	Nanterre	France	63
Atypio	Ibis	Ibis Fontainebleau	Fontainebleau	France	86
Atypio	Ibis	Ibis Toulouse Centre	Toulouse	France	178
Atypio	Ibis Budget	Ibis Budget Toulouse Matabiau	Toulouse	France	130
Atypio	Mercure	Mercure Paris Porte St Cloud	Boulogne Billancourt	France	180
Atypio	Mercure	Mercure Paris La Défense	Nanterre	France	97
Atypio	Novotel	Novotel Paris Pont de Sèvres	Sèvres	France	131
Event Hotels	Ibis	Ibis Dresden	Dresden	Germany	612
Event Hotels	Mercure	Mercure Potsdam City	Potsdam	Germany	210
Event Hotels	Park Inn	Park Inn Alexander Platz	Berlin	Germany	1028
Event Hotels	Radisson Blu	Radisson Blu Leipzig	Leipzig	Germany	214
Event Hotels	Radisson Blu	Radisson Blu Erfurt	Erfurt	Germany	284
Event Hotels	Westin	The Westin Grand Berlin	Berlin	Germany	400
Event Hotels	Westin	The Westin Leipzig	Leipzig	Germany	436
IHG	Crowne Plaza	Crowne Plaza Brussels Airport	Brussels	Belgium	315
RHG	Park Inn	Park Inn Leuven	Leuven	Belgium	133
RBH	Independent	York	York	UK	155
RBH	Independent	Wotton House	Wotton	UK	127
RBH	Independent	Hotel Indigo Leeds	Leeds	UK	120
Sohoma	Ibis	Ibis Annecy	Annecy	France	85
Sohoma	Ibis	Ibis Bordeaux Gare	Bordeaux	France	80
Sohoma	Ibis	Ibis Bordeaux Lac 2	Bordeaux	France	116
Sohoma	Ibis	Ibis Bordeaux Bastide	Bordeaux	France	92
Sohoma	Ibis	Ibis Lyon Part Dieu	Lyon	France	144
Sohoma	Ibis	Ibis Nancy Centre Gare	Nancy	France	82
Sohoma	Ibis	Ibis Strasbourg Halles	Strasbourg	France	98
Sohoma	Ibis	Ibis Paris Montmartre	Paris	France	326
Sohoma	Mercure	Mercure Lyon Saxe Lafayette	Lyon	France	156
Sohoma	Novotel	Novotel Strasbourg Halle	Strasbourg	France	96
TIFCO	Hilton	Hilton Dublin	Dublin	Ireland	130
Wiziu	Autograph C.	Bourgtheroulde	Rouen	France	78
Wiziu	Autograph C.	Hermitage Gantois	Lille	France	88
Wiziu	Crowne Plaza	Crowne Plaza	Lille	France	124
Wiziu	Holiday Inn	Holiday Inn Picardy	Le Touquet	France	88
Wiziu	Ibis	Ibis Brugge Centrum	Bruges	Belgium	128
Wiziu	Ibis	Ibis Antwerpen Centrum	Antwerp	Belgium	150
Wiziu	Ibis	Ibis Brussels Grand Place	Brussels	Belgium	184
Wiziu	Ibis	Ibis Gent Centrum St Baafs Kathedraal	Ghent	Belgium	120
Wiziu	Ibis	Ibis Gent Opera	Ghent	Belgium	134
Wiziu	Ibis Styles	Ibis Styles Lille Centre	Lille	France	140
Wiziu	Independent	Grand Hôtel Bellevue	Lille	France	64
Wiziu	Independent	Art Déco	Lille	France	56
Wiziu	Independent	Couvent des Minimes	Lille	France	83
Wiziu	Mercure	Mercure Nice	Nice	France	124

Manager	Brand	Asset Name	Town/City	Country	Number of rooms
Wiziu	Meridian	Méridien Nice	Nice	France	324
Wiziu	Novotel	Novotel Brugge Centrum	Bruges	Belgium	138
Wiziu	Novotel	Novotel Brussels Grd Place	Brussels	Belgium	140
Wiziu	Novotel	Novotel Gent Centrum	Ghent	Belgium	117
Wiziu	Novotel	Novotel Lille Centre Palais Congres	Lille	France	104
Wiziu	Novotel	Novotel Lille Flandres	Lille	France	96
Sub-total operating properties assets					**54**
TOTAL HOTEL REAL ESTATE ASSETS					**283**
TOTAL ROOMS					**39,477**

1.2.2.3 Partnership with AccorInvest, a subsidiary of the Accor group

In 2005, the year of the first investment transaction, Covivio Hotels and the AccorInvest group signed a partnership agreement to optimise the performance of leases and occupancy agreements.

Regular Committee meetings are held so that the parties can:

- decide which portfolio development initiatives to implement in the short and medium-term;
- analyse information on hotel management and the business;
- monitor the implementation of works programmes planned during transactions;
- decide on joint disposals of assets in the portfolio;
- discuss future development operations.

Plans to extend, develop or create new hotels are also regularly examined at partnership meetings.

Accor group: key figures

(Source: Accor & AccorInvest website)

Accor is a world leader in the hotel industry in Europe. Present in 110 countries, the group has 5,682 hotels and more than 40 hotel brands.

Accor has a broad and unique portfolio of award-winning, complementary brands. These cover the entire spectrum from luxury to budget and are internationally recognised for their quality of service: Raffles, Fairmont, Sofitel, Pullman, Swissôtel, MGallery, Novotel, Suite Novotel, Mercure, Mama Shelter, Ibis, Ibis Styles, Ibis Budget and HotelF1. With 260,000 employees working for Accor brands worldwide, the group's customers and partners have been benefiting from its knowledge and expertise for almost 45 years.

Supported by resolutely solid demand, 2024 demonstrated the resilience of the hospitality sector in a contrasting consumer environment. The group recorded revenue of €5,606 million, up 11% compared to the 2023 fiscal year. This increase translates into an increase of 5% for the Premium, Mid-Range and Economy division and of 19% for the Luxury & Lifestyle division.

In 2024, Accor opened 293 hotels, over 50,000 rooms, representing net organic growth for the network of 3.5% over the last 12 months. At the end of December 2024, the group had 850,285 rooms (5,682 hotels) and a pipeline of over 233,000 rooms (1,381 hotels).

1.2.2.4 Partnership with B&B

As of 31 December 2024, Covivio Hotels owns, directly or indirectly, 145 B&B hotels in France, Germany, Spain and Poland.

The Covivio Hotels and B&B partnership was formed in 2010.

As part of this partnership, development and acquisition projects are regularly reviewed, in particular the transaction signed in 2022 in Poland for an asset in Lublin.

B&B Group: key figures

(Source: B&B website)

The B&B Hôtels chain was established in France in 1990. Its pioneering concept proved an immediate success and is the reason for the company's continued growth. B&B opened its first hotel in Germany in 1998, in Italy in 2009 and crossed the milestone of 250 hotels in France in 2016. The group has continued to grow and now has more than 800 hotels in Europe and around the world. In 2019, the chain was bought by Goldman Sachs from PAI Partners for €1.9 billion.

1.2.2.5 Partnership with IHG

At 31 December 2024, Covivio Hotels owned 12 hotels under the IHG brand in the United Kingdom, France, Spain and Belgium.

The partnership between Covivio Hotels and IHG began in 2018 with the acquisition of a portfolio of upscale hotels located in major cities in the UK. The assets, which have benefited from recent work programmes, offer significant growth potential. This scope was the subject of a new rental agreement with IHG in 2022 covering nine hotels. Through this partnership, IHG is able to develop its upscale and innovative brands in Europe: Voco and Kimpton.

IHG group: key figures

(Source: IHG website)

The IHG group is one of the leaders in the global hotel industry, operating in more than 100 countries with more than 6,000 hotels at the end of 2024, including the opening of 371 properties this year, an increase of 59,117 rooms (+23% compared to 2023). With revenue of $2.3 billion and operating income of $1.1 billion, IHG outperformed forecasts for 2024.

1.2.3 Operating retail portfolio

1.2.3.1 Market overview

Commercial food service market

(Source: Stratégique Food Service Vision website)

Out-of-home consumption fluctuates according to consumer sentiment. However, several trends should be seen in the long term: increased attention to meal prices, with 89% of customers being vigilant (+5 points compared to 2023), and a diversity of consumption modes and channels.

To attract a volatile customer base, retailers are engaged in intense competition on prices and communication strategies, particularly via social media. This competition stimulates product innovations. However, certain categories, such as bakeries and coffee shops, remain vulnerable to inflation. The prices of certain products, such as chocolate (+52.9%) and butter (+12.1%), continue to increase.

Despite the challenges, Food Service Vision forecasts a 1% increase in revenue for 2024, thus concluding a respectable year.

1.2.3.2 Portfolio overview

At 31 December 2024, Covivio Hotels' portfolio of retail premises comprised 36 assets with an estimated value of €43 million. The portfolio is divided between 9 restaurants, and 27 assets formerly operated under the Courtepaille brand, vacant at 31 December 2024.

List of restaurants held at 31/12/2024

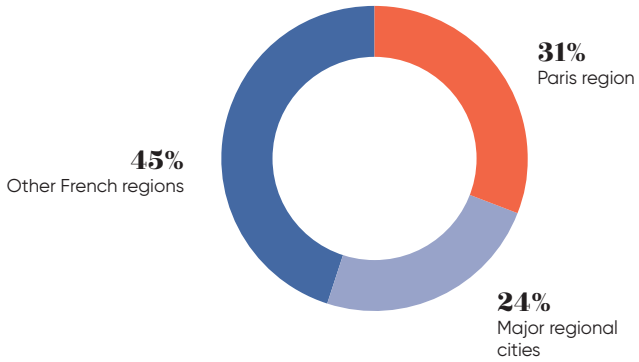
Brand	Town/City	Department
Anamour	Les Ulis	Essonne (91)
Courtepaille	Vallauris	Alpes-Maritimes (06)
Courtepaille	Caen Mondeville	Calvados (14)
Courtepaille	Puiboreau	Charente-Maritime (17)
Courtepaille	Rosny-sous-Bois	Seine-Saint-Denis (93)
Le Véritable Stade	La Plaine-Saint-Denis	Seine-Saint-Denis (93)
L'Ocean	Créteil	Val-de-Marne (94)
Maison Cesar	Vitrolles	Bouches-du-Rhône (13)
Signorizza	Saint-Saturnin	Sarthe (72)
TOTAL RESTAURANT ASSETS		**9**

Courtepaille: key figures

List of vacant assets (formerly Courtepaille)

Brand	Town/City	Department
Vacant	Aix-en-Provence	Bouches-du-Rhône (13)
Vacant	Brie Comte Robert	Seine-et-Marne (77)
Vacant	Trégueux	Côtes-d'Armor (22)
Vacant	Valence	Drôme (26)
Vacant	Évreux	Eure (27)
Vacant	Chartres	Eure-et-Loir (28)
Vacant	Nîmes	Gard (30)
Vacant	Mérignac	Gironde (33)
Vacant	Voreppe	Isère (38)
Vacant	Bouguenais	Loire-Atlantique (44)
Vacant	Mormant-sur-Vernisson	Loiret (45)
Vacant	Artenay	Loiret (45)
Vacant	La Chapelle-Saint-Mesmin	Loiret (45)
Vacant	Reims	Marne (51)
Vacant	Heillecourt	Meurthe-et-Moselle (54)
Vacant	La Charité-sur-Loire	Nièvre (58)
Vacant	Englos	Nord (59)
Vacant	Pierre-Bénite	Rhône (69)
Vacant	Châlon-sur-Saône Nord	Saône-et-Loire (71)
Vacant	Crèches-sur-Saône	Saône-et-Loire (71)
Vacant	Lognes	Seine-et-Marne (77)
Vacant	Mareuil-lès-Meaux	Seine-et-Marne (77)
Vacant	Moissy-Cramayel	Seine-et-Marne (77)
Vacant	Nemours	Seine-et-Marne (77)
Vacant	Guyancourt	Yvelines (78)
Vacant	Appoigny	Yonne (89)
Vacant	Linas	Essonne (91)
TOTAL VACANT ASSETS		**27**

Geographic area of retail premises by value as at 31/12/2024 (total: €43 million)



1.2.3.3 Partnerships with retail premises

The operating retail portfolio held by Covivio Hotels includes 9 restaurants and 27 vacant assets (formerly Courtepaille). At 31 December 2024, the portfolio was valued at €43 million, down compared to the previous year (-7% on a like-for-like basis).

The Courtepaille group, founded in 1961 and which had been taken over by the Napaqaro group in 2020, was placed in court-ordered liquidation in June 2023. Some sites have been taken over by La Boucherie, but most are now vacant.

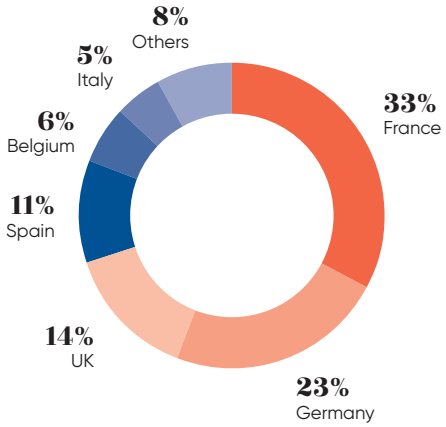
1.3 Portfolio

As at 31 December 2024, Covivio Hotels owned a portfolio of 319 assets, including 283 hotels, valued at €5,861 million excluding duties, Group Share (€6,482 million in total), up +1.5% on 2024 on a like-for-like basis.

1.3.1 Geographic area

The geographic breakdown of the Covivio Hotels portfolio by region is as follows:

Geographic area of the hotels portfolio as a % of value at 31/12/2024



The breakdown of the hotel portfolio underlines the company's strategy of geographical diversification, with no country exceeding 33% of the portfolio. 89% of the portfolio is located in the heart of major European cities.

1.3.2 Breakdown of revenues

Group Share of revenues rose 4.1% (+7.2% on a like-for-like basis) to €336.7 million, compared with €323.6 million at 31 December 2023. This performance is due to the combined effect of:

- acquisitions and deliveries of development portfolio (+€5.2 million);
- disposals made in 2023 and 2024 (-€9.0 million);
- the increase in variable rents and EBITDA on a like-for-like basis (+€12.0 million);
- the increase in indexation (+€6.0 million) in line with inflation.

Covivio Hotels has excellent visibility over its future cash flows, given the signing of firm long-term leases with tenants who have a solid credit rating and are leaders in their industries.

The average remaining term of firm leases in the Covivio Hotels portfolio was 11.2 years as at 31 December 2024.

Reconciliation of revenues, Group Share at 31/12/2024 and revenues in the consolidated financial statements (see section 4.2.6.2)

(€ million)	2024 revenues consolidated financial statements	Non-controlling interest	2024 revenues Group Share
Hotel real estate (rental income)	268.0	-13.7	254.3
Hotels under management (EBITDA)	82.6	-2.3	80.3
Retail premises (rental income)	2.1	-	2.1
TOTAL	**352.7**	**-16.0**	**336.7**

Annualised revenue

Group Share of annualised revenues amounted to €370.0 million at the end of December 2024, the details of which are as follows:

Breakdown by business segment

(€ million)	Number of rooms	Number of assets	2023 annualised revenues	2024 annualised revenues	in % of total rents
Hotel real estate (rental income)	29,095	229	254.5	215.0	58.0%
Retail premises (rental income)	-	36	1.2	1.0	0.4%
TOTAL	**26,402**	**180**	**255.7**	**215.9**	**58.4%**
Hotels under management (EBITDA)	10,382	54	75.9	154.1	41.6%
TOTAL	**39,477**	**319**	**331.6**	**370.0**	**100%**

Breakdown by geographic location

(€ million)	Number of rooms	Number of assets	2023 annualised revenues	2024 annualised revenues	As % of total rental income
Paris	3,046	11	36.5	14.5	3.9%
Inner rim	*1,366*	*5*	*6.0*	*3.0*	*0.8%*
Outer rim	*3,210*	*31*	*11.1*	*11.0*	*3.0%*
TOTAL PARIS REGION	**7,622**	**47**	**53.6**	**28.5**	**7.7%**
Major regional cities	3,560	34	26.0	15.6	4.2%
Other French Regions	3,680	54	9.3	7.0	1.9%
Rest of world	14,233	94	165.6	163.9	44.2%
TOTAL HOTEL LEASE PROPERTIES	**29,095**	**229**	**254.5**	**215.0**	**58.0%**
Retail premises (rental income)	-	36	1.2	1.0	0.4%
Hotels under management (EBITDA)	10,382	54	75.9	154.1	41.6%
TOTAL	**39,477**	**319**	**331.6**	**370.0**	**100%**

Breakdown by tenant/operator

(€ million)	Number of rooms	Number of assets	2023 annualised revenues	2024 annualised revenues	in % of total rents
Accor	11,815	63	79.1	94.1	25.4%
IHG	2,855	16	42.2	45.4	12.2%
B&B	13,509	153	42.0	46.2	12.5%
RHG	1,919	5	4.2	6.0	1.6%
Marriott	1,326	5	23.9	27.1	7.3%
NH Hotel Group	3,022	19	50.3	55.7	15.0%
Hotusa	553	2	8.1	9.6	2.6%
Barcelo	497	2	7.9	7.7	2.1%
Club Med	372	1	5.0	5.5	1.5%
AC Hotels	-	-	6.1	-	-
Melia	534	3	5.9	6.1	1.6%
Motel One	712	3	4.7	5.0	1.3%
Meininger	591	3	6.9	7.2	2.0%
Sunparks	877	2	7.9	8.4	2.3%
Others	895	6	36.0	45.1	12.2%
TOTAL HOTELS	**39,477**	**283**	**330.4**	**369.1**	**99.5%**
Retail	-	36	1.2	1.0	0.5%
TOTAL	**39,477**	**319**	**331.6**	**370.0**	**100%**

1.3.3 Lease schedule

The residual lease term was 11.2 years at 31 December 2024, including 13.0 years for hotels, compared with 12.1 years at 31 December 2023.

(€ million)	By lease end date	As % of the total
2025	2.5	1.2%
2026	11.3	5.2%
2027	4.2	1.9%
2028	5.8	2.7%
2029	2.6	1.2%
2030	2.4	1.1%
2031	30.9	14.3%
2032	8.3	3.8%
2023	10.2	4.7%
2034	6.5	3.0%
Beyond	131.3	60.8%
TOTAL RENTAL INCOME	**215.9**	**100%**

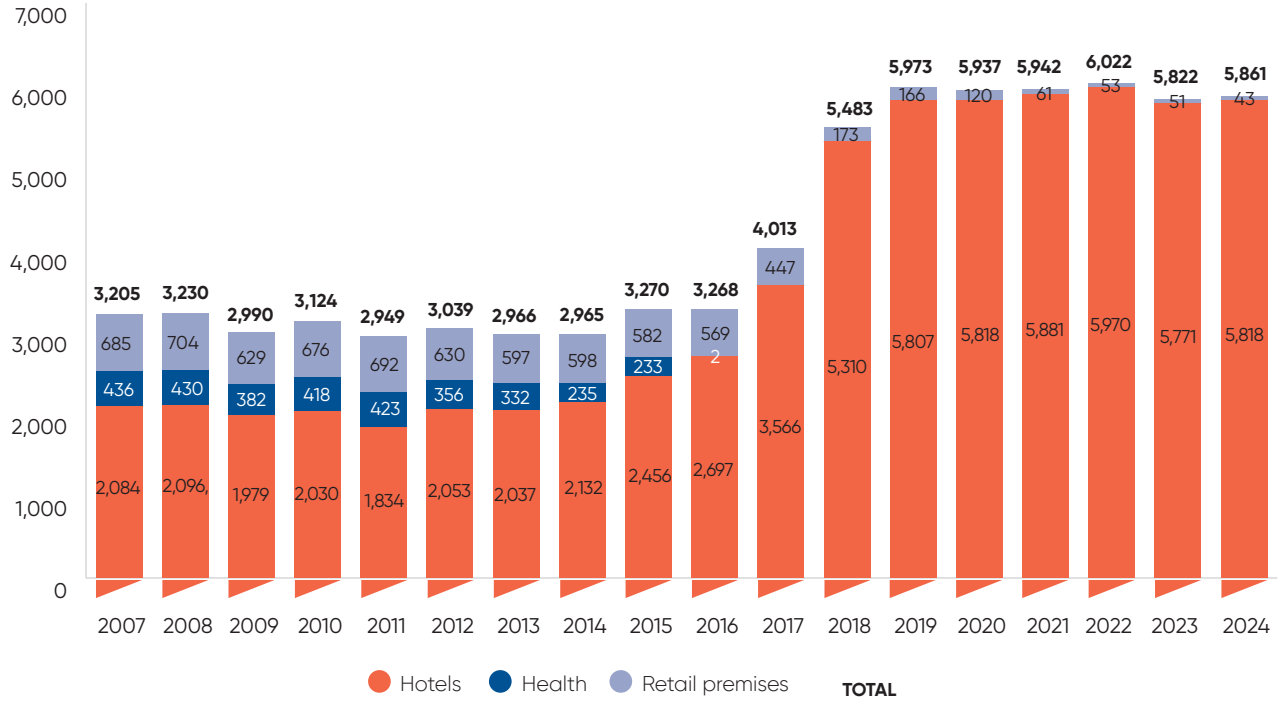
1.3.4 Hotel occupancy rate

The occupancy rate measures the ratio between the average rental value of the occupied space and the average rental value of the hotel portfolio, expressed as a percentage.

The structural rate has been 100% since the company's creation.

1.4 Valuation of assets and NAV

Change in Group Share of the portfolio by value excluding duties (in € million)



Reconciliation of Group Share of portfolio value as at 31 December 2024 and the value of real estate assets in the consolidated financial statements (see section 4.2.5.1.2)

Portfolio as of 31/12/2024 (in € million)	€5,861 M
Right-of-use on investment properties	+€248 M
Right-of-use on operating assets	+€46 M
Equity affiliates > 30%	-€156 M
Non-accrued goodwill of operating property assets	-€262 M
REAL ESTATE ASSETS GROUP SHARE	**€5,739 M**
The companies' fully consolidated non-controlling interest	+€269 M
100% REAL ESTATE ASSETS - IFRS ACCOUNTS	**€6,008 M**

1.4.1 Appraisals

As at 31 December 2024, the appraisal value of assets excluding duties was €5,861 million in Group Share (€6,482 million in total), compared with €5,822 million as at 31 December 2023.

Change in asset value and capitalisation rate

	Value excluding duties 2023	Value excluding duties 2024	Change 12 months at like-for-like scope	2023 yield rate*	2024 yield rate**	As % of total value
Hotels (leased properties and hotels under management)	5,771	5,818	+ 1.5%	5.9%	6.4%	99%
Retail premises	51	43	-7.4%	n.a	n.a	1%
TOTAL	**5,822**	**5,861**	**+1.4%**	**5.9%**	**6.4%**	**100%**

* Yields calculated on the basis of 2023 revenues.
** Yields calculated on the basis of 2024 revenues.

The value excluding duties is calculated by deducting a percentage from the value inclusive of duties ranging from 1.8% to 7.5% for France (depending on the department), 2.5% to 3.0% for Belgium, 10.4% for the Netherlands, 3.5% to 8.5% for Germany, 1.5% to 5.1% for Spain, 6.8% for the UK (6.3% for Scottish assets) and 7.3% for Portugal.

1.4.1.1 Asset valuation method

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

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

Covivio Hotels also abides by the Listed Real Estate Investment Company (SIIC) Code of Ethics applicable to FSIF (French Federation of Real Estate and Property Management Companies) member companies, particularly in terms of real estate appraisals.

Moreover, most of the French real estate appraisers selected – *i.e.* BNP Real Estate Valuation, Cushman & Wakefield Valuation, CBRE Hotels Valuation, CBRE Limited and BPCE Expertises Immobilières – are members of AFREXIM (Association Française des Experts Immobiliers – French Association of Real Estate Appraisers), and are considered as such under the real estate appraisal charter endorsed 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, in the same way as foreign appraisers.

Whenever a new asset is acquired or a new appraiser appointed, the asset undergoes a complete appraisal. Interim appraisals are carried out for discounting purposes. Site visits may also be made.

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 of the premises 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.

Leasing revenues discount method

This approach consists of capitalising the income originating from or likely to originate from the property at an appropriate rate: this rate is based on proven returns, the characteristics of the asset and its estimated potential. It is based on an analysis of sales of other leased real estate properties and must be applied within a general context of expected returns from the various investments in a given economic environment.

The main criteria for choosing yield rates are as follows:

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

Discounted Cash Flow (DCF) method

This method takes into consideration future revenues, including billed 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 the flows generated by the asset over a minimum of ten years and adding in the present exit value of the assets in the tenth year.

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.

Specific cases of assets in which Covivio does not own the land

Cases of temporary occupancy authorisation, long-term leases conferring ad rem rights, and construction leases:

These contracts transfer the right of ownership of the property to the lessor or concession holder at the end of the lease, without compensation for the tenant or beneficiary.

Uncertainty is always a factor in this type of contract, and although a preferential right or right of first refusal is often granted by the outgoing lessor or concession holder where the lease is due to be renewed upon expiration, there is no full and complete title to the property and the tenant – in this case Covivio Hotels – may have to purchase the asset at market price, sign a simple commercial lease with the new owner, or simply be forced to vacate the property without compensation of any kind.

The inclusion of a resale value to term (residual value) is therefore not possible for this type of contract, unless the residual value of the construction lease or long-term lease conferring *ad rem* rights is sufficient to offset the acquisition or construction cost over a typical holding period, while allowing a potential buyer a normal operating period. The appraisers considered that below a residual maturity of 30 years, the method of valuing the asset for this type of contract should be limited to the discounting of rent flows until the term.

Revenues projections for hotels are made on the basis of site visits, investment plans (construction and refurbishment) and market data. The distribution of revenues between accommodation and other sources of revenues (restaurants, bars, etc.) is in proportion to the average distribution in previous years.

Land-construction breakdown: on the basis of the value and the floor area of the establishment, the breakdown between land and buildings was estimated using the Afrexim ratio method.

Components method: the estimated distribution between the various building elements and their average age was carried out according to the ratios recommended by the FSIF and on the basis of technical information supplied by inspection questionnaires.

Specificity regarding hotel valuations in Belgium

The appraisals were carried out in accordance with national and international standards (International Valuation Standards) and their implementing procedures, particularly regarding estimates for property investment funds.

The investment value is defined as the most probable value that might be reasonably obtained under normal sale conditions between consenting and informed parties, less transaction fees. It is based on the discounted value of future net rental income for each property.

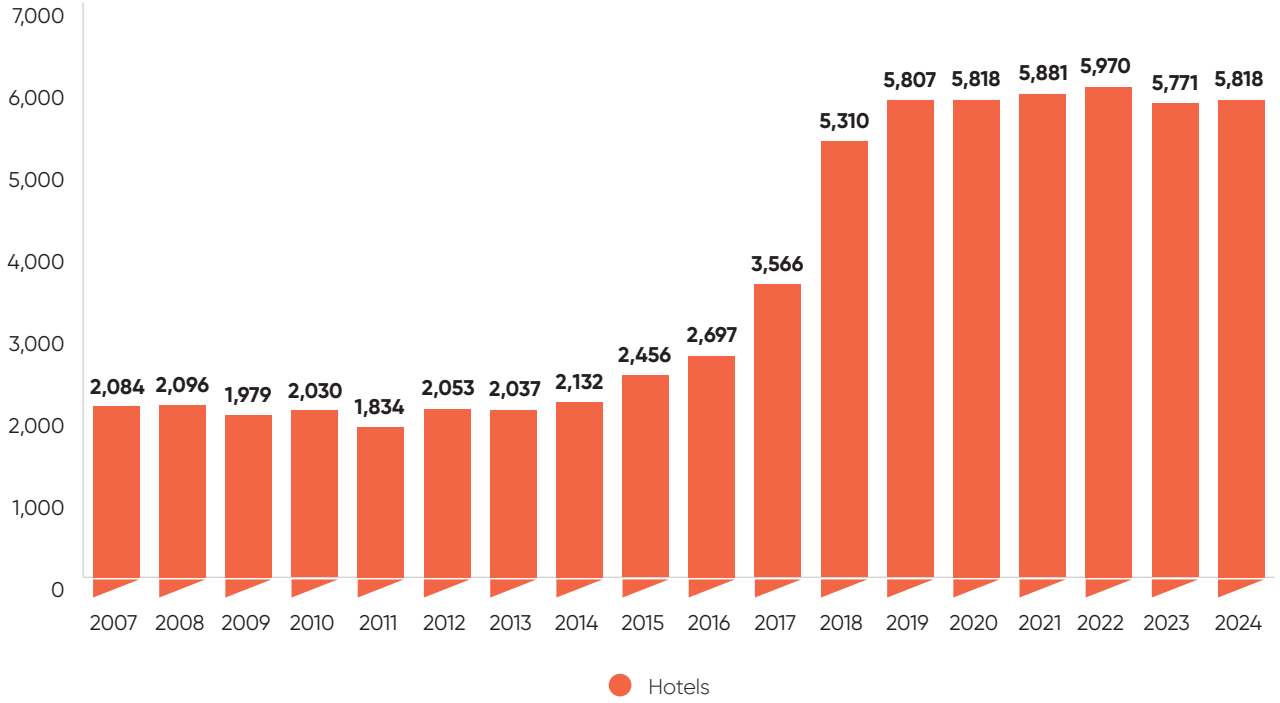
In theory, the sale of a property is subject to the French Government receiving transaction fees. The amount of duty depends on the type of sale, the buyer and the location. The first two conditions are only known, and therefore the amount of duties to be paid, once the sale has been completed. An analysis of past sales in the Belgian market reveals average transaction fees of 2.5%.

The probable realisable value of properties valued at more than €2.5 million, less transaction fees, corresponding to fair value as defined by IAS/IFRS, may thus be obtained by deducting from the investment value transaction fees equivalent to 2.5%.

1.4.1.2 Hotel valuation

The appraisals of hotel sector assets were carried out by BNP Paribas Real Estate Valuation, Cushman & Wakefield, CBRE Hotel Valuation France, CBRE Limited, BPCE Expertises Immobilières and MKG.

The change in value of the Covivio Hotels portfolio in the hotel real estate segment is shown below (in € million):

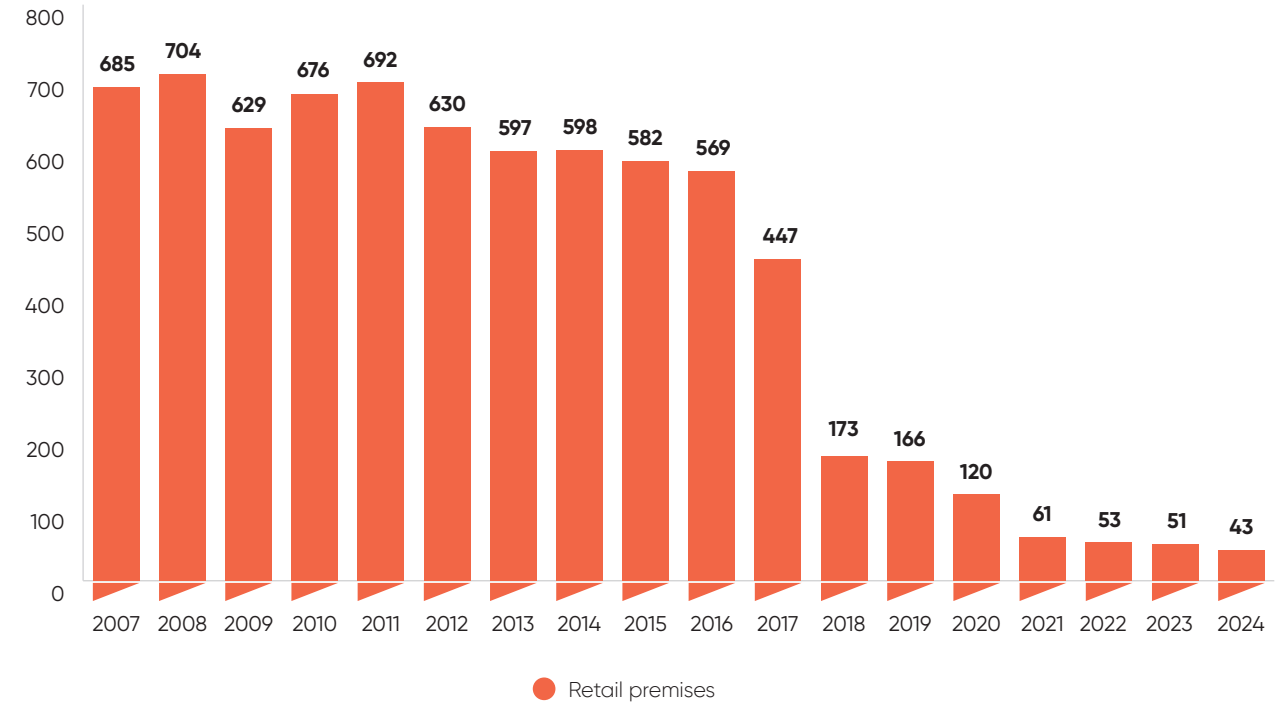


The rise in appraisal values was +1.5% on a like-for-like basis. After a rise of +0.5% in the first half of 2024, the values for December 2024 show an increase of +1.0% for the second half of 2024.

1.4.1.3 Valuation of retail premises

The appraisals were carried out by BPCE Expertises Immobilières.

The portfolio value has changed as follows (in € million):



The value of retail premises decreased by 7% on a like-for-like basis.

1.4.1.4 Summary of expert appraisals

Business sector	Country	Appraisers	Appraisal values in Group Share (in €K)	% of total portfolio value
Hotels	France	BNP Paribas Real Estate	191,410	3%
	France	CBRE Hotel Valuation	422,840	7%
	France	BPCE Expertises Immobilières	231,912	4%
	France	Cushman & Wakefield	719,893	12%
	Germany	BNP Paribas Real Estate	952,531	16%
	Germany	Cushman & Wakefield	216,356	4%
	Germany	MKG	172,867	3%
	Belgium	BPCE Expertises Immobilières	331,890	6%
	Netherlands	CBRE Hotel Valuation	159,100	3%
	Spain	BNP Paribas Real Estate	545,730	9%
	Ireland Spain Portugal	CBRE Hotel Valuation	140,700	2%
	UK	CBRE UK Hotel Valuation	712,117	12%
	UK	BNP Paribas Real Estate	82,007	1%
	Italy	MKG	279,107	5%
	France Hungary Czech Republic	MKG	248,049	4%
Retail premises	France	BPCE Expertises Immobilières	28,700	0.5%
Assets not subjected to an appraisal			425,534	7%
TOTAL			**5,860,742**	**100%**

The summary appraisal report is available in the "Information and management" section in Chapter 6.6 of this Universal Registration Document.

1.4.1.5 Appraisers' details

Appraisers	Address
BNP Paribas Real Estate Valuation	167, quai de la Bataille de Stalingrad – 92130 Issy-les-Moulineaux
CBRE Hotels Valuation France	76, rue de Prony – 75017 Paris
CBRE Limited	Henrietta House, Henrietta Pl, London W1G 0NB, United Kingdom
BPCE Expertises Immobilières	50, avenue Pierre Mendès France – 75013 Paris
Cushman & Wakefield Valuation France	185, avenue Charles de Gaulle – 92200 Neuilly-sur-Seine
MKG	5, rue Dantzig – 75015 Paris

The appraisers' fees are calculated on a fixed basis and totalled €681 thousand in 2024. For each company, the fees charged represent less than 10% of their revenues.

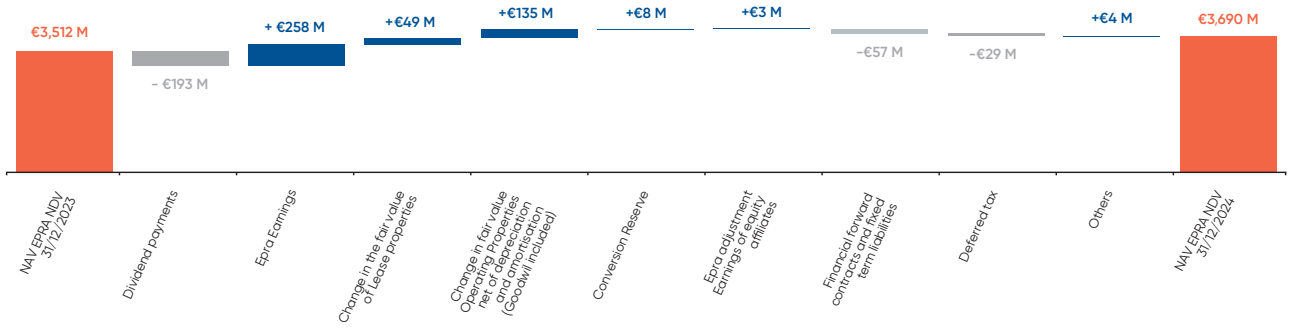
1.4.2 Net asset value (NAV) - EPRA format

At 31 December 2024, EPRA NTA NAV stood at €3,814.9 million (or €25.8 per share), a rise of 7.4% compared with the 2023 fiscal year. EPRA NDV NAV was €3,690.1 million (*i.e.* €24.9 per share), up 5.1% compared to the 2023 fiscal year.

The calculation of NAV and its year-on-year change is as follows:

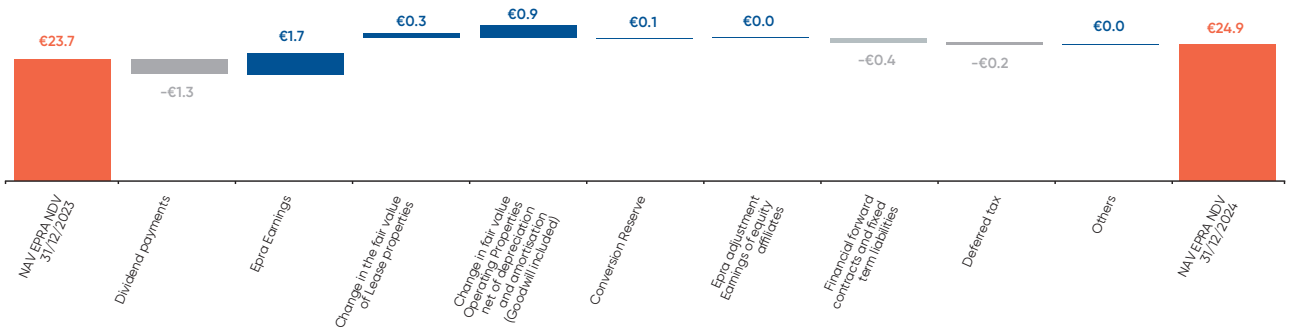
(In € million)	31/12/2024	31/12/2023	Variation
Group consolidated shareholders' equity	**3,434.5**	**3,387.1**	**47.4**
Revaluation of operating assets (hotels) net of deferred taxes	200.8	143.3	57.5
Duties	321.0	259.4	61.6
Fair value of financial instruments	-96.2	-109.5	13.3
Deferred tax liabilities	263.6	234.7	28.9
EPRA NRV	**4,123.7**	**3,915.1**	**208.6**
Non optimised transfer rights	-272.7	-214.2	-58.5
Intangible balance sheet assets (excl. goodwill) (1)	-0.9	-115.3	114.4
Deferred tax on non-core assets	-35.2	-35.2	-
EPRA NTA	**3,814.9**	**3,550.4**	**264.5**
Optimised transfer rights	-48.3	-45.2	-3.1
Intangible balance sheet assets (excl. Goodwill)	0.9	0.2	0.7
Fair value of fixed-rate debt	54.8	96.6	-41.8
Fair value of financial instruments	96.2	109.5	-13.3
Deferred taxes (excluding deferred taxes on non-core assets)	-228.4	-199.5	-28.9
EPRA NDV	**3,690.1**	**3,511.9**	**178.2**
Number of shares at period end	**148,141,452**	**148,141,452**	**-**
EPRA NRV/share (in €)	27.8	26.4	1.4
EPRA NTA/share (in €)	25.8	24.0	1.8
EPRA NDV/share (in €)	24.9	23.7	1.2

The change in the EPRA NDV between 31 December 2023 and 31 December 2024 is as follows:



(1) As goodwill is an integral part of the valuation of operating properties, it is no longer restated in this indicator.

The change in the EPRA NDV per share between 31 December 2023 and 31 December 2024 is as follows:



NAV calculation method

NAV basis – shareholders' equity

The entire real estate portfolio held by Covivio Hotels was valued at 31 December 2024 by real estate appraisers, most of whom are AFREXIM members, in compliance with common specifications prepared by the company in accordance with professional practices.

The assets were estimated at values excluding and/or including duties, and rents at market value. Where a sale has been agreed, the assets are valued at the price stated in the preliminary sale agreement.

The other assets and liabilities are valued on the basis of IFRS values in the consolidated financial statements; fair value is essentially applied to the valuation of debt hedges.

The level of exit tax is known and accounted for in the financial statements for all companies that have opted for the fiscal transparency regime.

Adjustments made for the calculation of EPRA NAV

In line with the EPRA Best Practice Recommendations, EPRA NAV is calculated by restating shareholders' equity for the impact of financial instruments and deferred tax.

Goodwill and intangible assets

The goodwill corresponding to the hotel business assets acquired for €323 million Group Share was not deducted. The price paid to acquire this goodwill is part of the value of the asset as a whole, as determined by the external appraiser. The Group did not pay any additional price for the acquisition of these business assets. The goodwill presented in the balance sheet therefore constitutes the fair value of the properties presented in the operating properties line of the balance sheet.

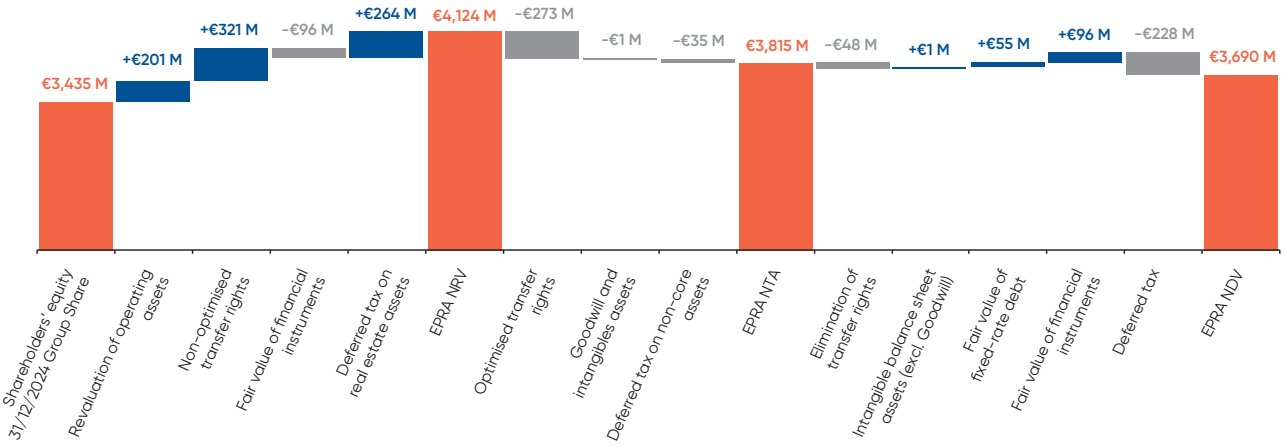
Definition of EPRA indicators

New indicators	Description
EPRA Net reinstatement Value **(EPRA NRV)**	• Replenishment NAV • Similar to the current EPRA NAV, plus transfer taxes

EPRA Net Tangible Assets **(EPRA NTA)**	• NRV NAV
	  ◦ excluding transfer rights, intangible
	  ◦ excluding deferred taxes on assets not intended to remain permanently on the balance sheet
	• Close to the current EPRA NAV

EPRA Net Disposal Value **(EPRA NDV)**	• Represents the value in the event of liquidation of the company • Triple Net NAV ◦ excluding optimisation of the transfer rights

Shareholders' equity, Group - IFRS Accounts (in € million)	€3,435 M
Revaluation of operating assets (hotels) net of deferred taxes	+€201 M
Fair value of financial instruments	-€96 M
Deferred tax (including IFRS adjustments)	+€264 M
Non-optimised transfer rights	+€321 M
EPRA NRV	**+€4,124 M**
Deferred tax on non-core assets	-€35 M
Intangible balance sheet assets (excl. goodwill) (1)	-€1 M
Optimised transfer rights	-€273 M
EPRA NTA	**€3,815 M**
Optimisation of the transfer rights	-€48 M
Intangible balance sheet assets (excl. Goodwill)	+€1 M
Fair value of fixed-rate debt net of deferred taxes	+€55 M
Fair value of financial instruments	+€96 M
Deferred tax liabilities	-€228 M
EPRA NDV	**€3,690 M**



(1) As goodwill is an integral part of the valuation of operating properties, it is no longer restated in this indicator.

1.5 Net financial income

1.5.1 Consolidated financial statements as at 31 December 2024

1.5.1.1 General 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) and IAS (International Accounting Standards) and their interpretations.

The annual consolidated financial statements were prepared in compliance with international accounting standard IAS 1 "Presentation of Financial Statements", as adopted by the European Union.

1.5.1.2 Scope of consolidation

The accounts of the Covivio Hotels group are fully consolidated by the Covivio group, the parent company of Covivio Hotels, which in turn is an associate of Delfin, consolidated by the equity method. In 2024, the percentage of Covivio Hotels held by Covivio increased from 43.86% to 52.53%.

At 31 December 2024, the scope of consolidation comprised 195 companies, compared with 185 companies at 31 December 2023. The increase in the number of companies is mainly due to a consolidation of the hotel portfolio and the purchase of business assets for which the Covivio Hotels group already owned hotels.

The scope and methods of consolidation are detailed in Section 3.2 – notes to the consolidated financial statements (see section 4.2.3.3).

1.5.1.3 Consolidated income statement

The consolidated financial statements for the year ended 31 December 2024 show a net profit, Group Share of €224.6 million.

The following table presents the main aggregates of the consolidated income statement.

(in € million)	2023	2024	Change
Net Rental Income	257.4	262.7	5.3
Managed hotel income	74.6	82.6	7.9
Operating result	288.4	288.2	-0.2
Result of value adjustments	-197.5	51.3	248.8
Income from disposals	-3.5	7.4	10.8
Operating income	87.4	346.8	259.4
Net financial income	-145.3	-94.8	50.5
Income (loss) of companies accounted for under the equity method	-2.0	15.1	17.1
Taxes	34.6	-30.5	-65.0
Minority interests	13.7	-12.1	-25.9
NET INCOME GROUP SHARE	**-11.6**	**224.6**	**236.2**

1.5.1.4 Consolidated income statement - Group Share

	Figures, Group Share		
(in € million)	2023	2024	Change
Net Rental Income	244.6	249.2	4.5
Managed hotel income	72.5	80.3	7.8
Operating result	275.1	274.3	-0.8
Result of value adjustments	-178.0	48.5	226.5
Income from disposals	-3.5	7.1	10.6
Operating income	93.7	329.9	236.2
Net financial income	-137.6	-90.5	47.2
Income (loss) of companies accounted for under the equity method	-2.0	15.1	17.1
Taxes	34.4	-30	-64.4
NET INCOME GROUP SHARE	**-11.6**	**224.6**	**236.2**

Taking into account Covivio Hotels' acquisition of 50.2% of B&B assets in France in 2012, the concept of "Group Share" was introduced in the overview of the financial statements and indicators from the 2012 fiscal year. By reporting on a Group Share basis, all aggregates can be weighted according to the percentage ownership.

As a reminder, the fully consolidated (but not wholly owned) companies are:

- OPCI B2 HOTEL INVEST: 50.2%
- Foncière B2 HOTEL INVEST: 50.2%
- Foncière B3 HOTEL INVEST: 50.2%
- Foncière B4 HOTEL INVEST: 50.2%
- MO Dreilinden: 94.0%
- MO Berlin and Koln: 94.0%
- B&B Invest Lux 6: 93.0%
- Rock portfolio (19 companies from the Operating Properties business): 94.9%
- LHM Propco: 90%
- MO First Five: 84.6%.

Net rental income Group Share for Covivio Hotels amounted to €249 million for the 2024 fiscal year, up by €4.5 million compared to the previous fiscal year, mainly due to the growth of activity over the course of the fiscal year in southern Europe and mainly variable rental income and indexations (+€12 million) minus disposals (-€9 million).

The result of hotels under management confirmed their growth in activity with an increase of €7.8 million compared to the 2023 fiscal year, mainly due to the effect of the acquisition of business assets in France and Belgium at the end of November 2024.

The result of valuation adjustments was €48.5 million at 31 December 2024 and shows a certain stability in values throughout Europe.

Net financial income totalled -€90.5 million, consisting of -€53 million in interest expenses (compared with -€60 million in 2023), -€22 million in negative change in fair value of financial assets and liabilities, -€16 million in interest expenses on rental liabilities relating mainly to long-term leases conferring ad rem rights (IFRS 16) on assets in the United Kingdom, Spain and Italy and exchange rate effects of +€0.9 million.

The tax recognised chiefly corresponds to taxes of foreign companies not eligible for the special regime for French real estate companies, and companies belonging to the Operating Properties business. This option does not generate any tax on exit from the current tax regime.

1.5.1.5 EPRA Earnings

EPRA Earnings resulting from the EPRA presentation

	31/12/2023	31/12/2024
Net income Group Share	**-11.6**	**224.6**
Variation in asset values	178.0	-48.5
Income from asset disposals	-0.3	-12.3
Change in scope	3.8	5.2
Variations in the value of financial instruments	62.3	21.7
Interest charges on rental liabilities	10.5	11.0
Rental charges	-7.4	-7.8
Deferred tax liabilities	-46.1	12.1
Provisions for taxes	-7.3	0.0
Depreciation of properties managed as Operating Properties	42.2	49.2
Fees and amortisation of loan costs for early repayment	0.4	1.2
EPRA Earnings adjustments for associates	14.4	-2.5
EPRA EARNINGS	**238.8**	**258.1**
EPRA EARNINGS IN €/SHARE	**1.61**	**1.74**

1.5.1.6 Balance sheet

1.5.1.6.1 Simplified consolidated balance sheet

(In € million)

Assets	2023	2024	Liabilities	2023	2024
Fixed Assets	5,883	5,940	Shareholders' equity Group Share	3,387	3,434
Investments in equity affiliates	205	217	Non-controlling interests	164	166
Financial assets	59	76	Shareholders' equity	3,551	3,601
Deferred tax assets	24	9	Financial liabilities	2,455	2,780
Financial instruments	178	157	Rental liabilities	289	297
Assets available for sale	162	69	Financial instruments	73	64
Cash	108	577	Deferred liabilities	210	208
Others	106	111	Others	147	205
TOTAL	**6,724**	**7,155**		**6,724**	**7,155**

1.5.1.6.2 Simplified group share balance sheet

(In € million)

Assets	2023	2024	Liabilities	2023	2024
Fixed Assets	5,615	5,671			
Investments in equity affiliates	205	217			
Financial assets	72	84	Shareholders' equity	3,387	3,434
Deferred tax assets	23	9	Financial liabilities	2,361	2,688
Financial instruments	178	157	Financial instruments	69	61
Assets available for sale	162	69	Rental liabilities	289	297
Cash	101	570	Deferred liabilities	206	205
Others	104	113	Others	146	204
TOTAL	**6,458**	**6,889**		**6,458**	**6,889**

1.5.1.6.3 Comments (Group Share)

The balance sheet total at 31 December 2024 was €6,889 million compared to €6,458 million at the end of 2023 (+€431 million).

Property, plant and equipment and intangible assets increased by €764 million mainly due to the change in activity of 23 hotels which were transferred from investment properties for €550 million and the recognition of goodwill on the acquisition of 23 business assets for €210 million.

Fixed assets and assets held for sale amounted to €5,739 million at the end of 2024, compared with €5,776 million at the end of 2023 (-€37 million). The main changes in this item are as follows:

- the change in asset value (+€48.5 million);
- the impact of the exchange difference on the United Kingdom portfolio (+€35 million);
- the increase in right-of-use assets related to the application of IFRS 16 to hotels in the United Kingdom (+€1.4 million);
- the acquisition of a hotel in Spain at the end of 2024 (+€81 million);
- work carried out in 2024 for a total of €54 million, including €34 million on the portfolio held in Operating Properties;
- the disposal of 30 hotels and three stores for (-€448 million);
- the depreciation of hotels under operation (-€55 million).

Assets held for sale amounted to €69 million at the end of 2024 and concern the sale commitments of 2 hotels in Poland, 4 hotels in France and 10 Courtepaille restaurants.

Investments in associates increased by €11 million at the end of 2024, mainly due to the acquisition of goodwill in line with the Vauban consolidation operation.

Shareholders' equity Group Share fell from €3,387 million at 31 December 2023 to €3,434 million at 31 December 2024. This €47 million decrease is due primarily to the following effects:

- total comprehensive income for the fiscal year of €240 million;
- the change in the conversion reserve for €15 million;
- the payment of the dividend in the amount of -€193 million.

Short-term and long-term borrowing stood at €2,688 million at the end of 2024, compared with €2,361 million at the end of 2023. This increase of €327 million is mainly due to the subscription of a bond issue for €500 million and a corporate debt for €150 million, less the partial repayment of the debt in GBP (-£130 million) and repayments of commercial paper (-€135 million).

The rental liabilities (€297 million) increased by €8 million. They concern the debt discounted on right-of-use assets related to the application of IFRS 16 from 1 January 2019. These rights mainly concern long-term leases for assets in the United Kingdom, Spain and Italy.

Deferred taxes increased by €12 million (net) over the year, in connection with the increase in appraisal values in Europe.

A detailed explanation of the various line items is provided in the notes to the consolidated financial statements.

1.5.1.7 Consolidated cash flows

(In € million)	2023	2024
Net cash generated by the business	324.1	348.2
Net cash flow from investment/disposal activities	-5.8	80.8
Net cash flow from financing activities	-327.6	38.8
Impact of changes in the exchange rate	0.9	0.1
CHANGE IN NET CASH	**-8.3**	**467.9**

The net cash flow generated by operating activities amounted to +€348 million in 2024.

It mainly corresponds to operating income (€288.4 million).

Net cash flow from investment activities/disposals of -€80.8 million mainly breaks down as follows:

- asset disposals (+€368 million net of fees);
- disbursements related to works and acquisitions during the period (-€292 million).

Net cash flow from financing operations of -€38.8 million mainly breaks down as follows:

- the issuance of new loans (+€723 million net);
- the change in net loans and interest paid (-€418 million);
- dividends of -€193 million, paid during the fiscal year.

Net cash flow stands at +€468 million.

A detailed explanation of the various line items in the cash flow statement is given in the notes to the consolidated financial statements.

1.5.1.8 Debt structure

At 31 December 2024, net financial debt, Group Share stood at €2,119 million (€2,203 million on a consolidated basis).

As a Group Share, and restated for assets under a preliminary sale agreement, net financial debt represents 32.5% (1) of total assets revalued at institutional value, including duties (*vs* 34.4% in 2023).

The bank covenants relating to the financial statements, calculated on a consolidated and Group Share basis, are set out in section 3.2.5.12.7 of the notes to the consolidated financial statements.

Features of the debt

The average interest rate on debt for the year, calculated at face value, was 2.33%, compared with 2.43% at 31 December 2023.

Debt maturity

The average debt maturity is 4.8 years.

Hedging

At 31 December 2024, the average active hedging rate was 94.8%. Hedging consists of:

- swaps;
- options (mainly caps, floors and tunnel options).

A €2 million balance was paid in 2024.

The net valuation of hedging instruments was €95.8 million at 31 December 2024. The change in the value of hedging instruments over the period impacts the income statement to the tune of -€21.7 million, Group Share and shareholders' equity to the tune of +€7.3 million for the part relating to the declassification of the Cross Currency Swap in GBP.

(1) At 31 December 2024, the amount of assets under sale agreements was €68.6 million. After restating the sale agreements, net financial debt amounted to €2,026.4 million, the institutional value, excluding duties, was €5,916.5 million, and the amount of duties was €321 million.

1.5.2 Company financial statements as at 31 December 2024

The 2024 financial statements mainly reflected:

- The sale of nine assets as part of the Vauban transaction. The net book value of these assets was €62,217 thousand;
- The gross value of equity investments decreased overall (-€71,874 thousand):
  - A decrease partly due to the sale of Bardiomar shares (-€79,224 thousand),
  - By reducing the share capital of Iris Invest 2010 (-€8,974 thousand),
  - Lastly, through the creation/acquisition of Covivio Hotels Belgique (+€62 thousand) and Las Dalias Propco (+€16,263 thousand);
- Investments and disposals:
  - Work carried out amounted to €3.32 million in 2024. Eighteen assets were sold during 2024 (including nine as part of the Vauban transaction).

The 2024 financial statements show a profit of €286.69 million, compared with €20.44 million in 2023.

1.5.2.1 Changes in the main income statement items

The main components of the 2024 and 2023 comparative income statements are as follows:

(In € million)	2024	2023	Change
Revenue	**67.7**	**66.0**	**1.7**
Reversals of provisions and transferred charges, other operating income	8.8	2.3	6.5
Operating expenses	-54.1	-44.0	-10.2
Operating result	**22.4**	**24.3**	**-2.0**
Financial income	344.9	216.7	128.2
Financial expenses	-227.9	-229.0	1.1
Net financial income	**117.0**	**-12.2**	**129.3**
Income from operations	**139.4**	**12.1**	**127.3**
Non-recurring income	**147.3**	**8.4**	**139.0**
CIT	-	-	-
NET INCOME OR LOSS	**286.7**	**20.4**	**266.3**

Revenues stood at €67.7 million at 31 December 2024, up 2.6% from 2023.

(In € million)	2024	2023	Change
Hotel rental income	41.1	40.9	0.2
Retail premises rental income	1.0	2.9	-1.9
Rent-free periods	-0.3	-0.8	0.5
Spreading of rent-free periods	0.0	0.6	-0.6
Rental rebates, discounts and other credits	0.0	-	0.0
Rental income	41.8	**43.5**	-1.8
Re-involving of expenses to tenants	7.5	6.2	1.3
Provision of services	18.4	16.2	2.2
TOTAL	**67.7**	**66.0**	**1.7**

The decrease (-€1.8 million) in rental income is mainly due to retail operating rents (-€1.9 million).

Revenue from services was up €2.2 million.

Operating expenses, which total €54.1 million, primarily include the following:

- other purchases and external expenses were €24.9 million, of which:
  - €7.1 million in intra-group expenses, including €5.8 million in fees paid to Covivio,
  - €13.5 million in fees and legal costs (including Vauban fees, a portion of which is re-invoiced),
  - €1.3 million in construction lease payments,
  - €7.2 million in loan issue costs,
  - duties and taxes totalling €4.6 million, including €3.5 million in Property Management taxes to be reinvoiced,
  - personnel expenses for €3.6 million,
  - depreciation, amortisation and provisions totalling €18.9 million,
  - other expenses for €2.2 million, including €2.1 million in remuneration for the Manager.

Net financial income of €117 million consists of:

- financial income totalling €344.9 million, of which:
  - €158.3 million in dividends from subsidiaries and equity investments,
  - €72.4 million in income from swaps and options,
  - €47.3 million in interest on loans granted to subsidiaries,
  - €40.1 million in reversal of provisions for impairment of securities,
  - €2.7 million in interest on Group current accounts,
  - €13.5 million reversal of provisions for foreign exchange losses;
- financial expenses for €227.9 million, of which mainly:
  - €66.4 million in interest on borrowings (including bonds),
  - €53.3 million in provisions for equity investments,
  - €46.4 million in swap interest,
  - €26.9 million in provisions for foreign exchange losses (including €18 million on the cross currency swap),
  - €8.7 million in financial expenses on hedging instruments,
  - €9 million in interest on Group current accounts,
  - €7.7 million in debt waivers from a subsidiary,
  - €6.8 million in foreign exchange losses.

The non-recurring income of €147.3 million is mainly due to the capital gain on asset disposals (+€159 million) as well as the loss on the disposal of Bardiomar shares (-€10.97 million).

1.5.2.2 Changes in the main income statement items

(in € million)	31/12/2024	31/12/2023
Non-current assets	4,129.3	4,174.0
Current assets	550.0	93.7
Deferred expenses	9.4	5.7
Bond redemption premium	4.2	2.2
Currency translation gains	23.5	15.1
TOTAL ASSETS	**4,716.5**	**4,290.7**
Shareholders' equity	2,432.5	2,340.2
Provisions for risks and charges	30.8	17.2
Current liabilities	2,238.3	1,931.9
Currency translation losses	14.8	1.5
TOTAL LIABILITIES	**4,716.5**	**4,290.7**

Fixed assets went from €4,174.0 million at 31 December 2023 to €4,129.3 million at 31 December 2024, a fall of €44.7 million. This decrease is mainly due to:

- -€87.7 million in asset disposal;
- work carried out for €3.3 million;
- depreciation, -€12.5 million;
- change in equity investments of -€71.9 million;
- new loans of €508.9 million;
- repayment of loans, -€370 million;
- variations in impairment of financial assets, -€13.1 million.

Current assets stood at €550 million at 31 December 2024, compared with €93.7 million at 31 December 2023. This change of €456.3 million is mainly due to a financial investment (NEU CP) of €350 million. Operating receivables also increased by €27 million, as did cash and cash equivalents, up by €73.1 million.

The currency translation gains mainly concern the unrealised loss on the £270 million bank loan valued at the closing rate on 31 December 2024 for €21.3 million. And also unrealised losses on current accounts and loans valued in pounds sterling, of €2.2 million.

Shareholders' equity, before distribution, was €2,432.5 million at 31 December 2024, *versus* €2,340.2 million at 31 December 2023. This change is due to the income for the fiscal year (change between 2023 and 2024 of €266.2 million), and the distribution of the dividend for the 2023 fiscal year (impact of -€193 million on retained earnings).

Borrowings amounted to €2,238.3 million at 31 December 2024 (compared with €1,931.9 million at 31 December 2023), of which €1,466 million in bonds, €524 million in loans and debts with credit institutions, €217 million in current accounts with subsidiaries, €13.3 million in trade payables and related accounts, and €4.2 million in payables on fixed assets. The remainder (€10 million) mainly consists of an intragroup debt of €7.7 million following the Vauban transaction.

The currency translation losses mainly concern the unrealised gain on the £316 million intragroup loan valued at the closing rate on 31 December 2024 at €14.8 million.

1.5.2.3 Non-tax deductible expenses

In accordance with Article 223 quater of the French General Tax Code, the financial statements for the fiscal year do not include any expense that cannot be deducted from taxable income under Article 39–4 of that Code.

During the past fiscal year, the company incurred no expenses subject to Articles 223 quinquies and 39-5 of the French General Tax Code.

1.5.2.4 Breakdown of trade payables by maturity date

The table below is presented in accordance with the provisions of Article L. 441-14 (formerly L. 441-6-1 repealed by Ord. No. 2019-359, 24 Apr. 2019) of the French Commercial Code, companies whose annual financial statements are certified by a statutory auditor must disclose information on the payment terms of their suppliers and customers. The provisions of Article D. 441-4 of the French Commercial Code setting out the terms of this communication in the management report were transferred, on the basis of established law, to Article D. 441-6 of the same code on 27 February 2021.

	Article D. 441 I.-1: Invoices received and due but not yet paid at the end of the fiscal year						Article D. 441 I.-2: Invoices issued and due but not yet paid at the end of the fiscal year					
(In € thousand)	0 days (indicative)	1-30 days	31-60 days	61-90 days	91 days and over	Total 1 day and over	0 days (indicative)	1-30 days	31-60 days	61-90 days	91 days and over	Total 1 day and over
(A) Late payment categories							**(A) Late payment categories**					
Number of invoices concerned	24					43	1					1,439
Total amount of invoices concerned incl. Tax*	**164**	**41**	**0**	**0**	**97**	**138**	**281**	**264**	**179**	**0**	**4,504**	**4,947**
Percentage of the total amount of purchases including tax during the fiscal year	0.51%	0.13%	0.00%	0.00%	0.30%	0.43%						
Percentage of revenues including tax during the fiscal year							0.35%	0.33%	0.22%	0.00%	5.55%	6.09%
(B) Invoices excluded from (A) relating to litigious or unrecorded payables and receivables							**(B) Invoices excluded from (A) relating to litigious or unrecorded payables and receivables**					
Number of invoices excluded			N/A						N/A			
Total amount of excluded invoices			N/A						0.00			
(C) Benchmark payment terms used (contractual or legal – Article L. 441-6 or L. 43-1 of the French Commercial Code)							**(C) Benchmark payment terms used (contractual or legal – Article L. 441-6 or L. 43-1 of the French Commercial Code)**					
Payment terms used for the calculation of late payment	Contractual terms: Legal deadlines: 60 days						Contractual terms: Legal deadlines: **Observations: no invoicing for late payment interest**					

* Invoices received, not paid but not due relate to rental payments on behalf of Covivio Hotels subsidiaries.

1.5.2.5 Appropriation of net income

It will be proposed to the Combined General Meeting of 15 April 2025 to allocate the profit for the year, which amounts to €286,692,984.94, as follows:

- payment of the preferential dividend of €1,000,000 to the limited partner in respect of the fiscal year;
- €222,212,178 upon the distribution of a dividend (including €4,189.50 on treasury shares to be transferred to retained earnings - see below);
- the difference (63,480,806.94) is carried forward to retained earnings.

Each share will thus receive a dividend of €1.50.

In accordance with the law, shares held by the company on the dividend payment date do not hold any dividend rights. The General Meeting resolves that the amount corresponding to treasury shares on the dividend payment date, as well as the amount the shareholders may have waived, will be allocated to the "Retained earnings" account.

The dividend will be paid on 19 May 2025.

Based on the total number of shares that made up the share capital at 31 December 2024, *i.e.* 148,141,452 shares, and subject to the potential application of the provisions of Article 9 of the company's Articles of Association to the Shareholders subject to Withholding, a total dividend of €222,212,178.00 will be distributed, excluding the preferential dividend. This dividend does not entitle the holder to the 40% allowance.

In accordance with the law, the General Meeting confirms that the dividends distributed for the previous three fiscal years were as follows:

Fiscal year	Number of shares	Dividend paid per share	Amount eligible for the 40% rebate	Amount not eligible for the 40% rebate
2024	148,141,452	€1.50	-	€1.50
2023	148,141,452	€1.30	€0 or €0.7537 if the income tax scale option is chosen	€1.30 or €0.5463 if the income tax scale option is chosen
2022	148,141,452	€1.25	€0 or €0.6999 if the income tax scale option is chosen	€1.25 or €0.5501 if the income tax scale option is chosen

1.5.2.6 Company results over the last five fiscal years

In accordance with Article R. 225-102 of the French Commercial Code, the following statement presents the company's earnings over the last five fiscal years:

		2020 fiscal year	2021 fiscal year	2022 fiscal year	2023 fiscal year	2024 fiscal year
I – Share capital at the end of the fiscal year						
a.	Share capital	530,190,464	592,565,808	592,565,808	592,565,808	592,565,808
b.	Number of ordinary shares outstanding	132,547,616	148,141,452	148,141,452	148,141,452	148,141,452
c.	Number of priority dividend shares (without voting rights) outstanding	0	0	0	0	0
d.	Maximum number of future shares to be created	0	0	0	0	0
d1.	Through conversion of bonds	0	0	0	0	0
d2.	Through exercise of subscription rights	0	0	0	0	0
II - Transaction and results for the year						
a.	Revenues net of tax	46,650,708	47,203,736	58,510,972	65,957,069	67,671,862
b.	Income before tax, employee profit sharing, depreciation, amortisation and provisions	182,382,551	81,875,739	114,099,309	150,159,589	330,329,413
c.	Income tax	0	265,510	0	0	0
d.	Employee profit sharing due for the fiscal year	0	0	0	0	0
e.	Income after tax, employee profit sharing, depreciation, amortisation and provisions	168,212,028	29,962,540	42,389,058	20,439,190	286,692,985
f.	Distributed earnings	34,462,380	96,291,944	185,176,815	192,583,888	222,212,178
III – Earnings per share						
a.	Income after tax and employee profit sharing, but before depreciation, amortisation and provisions	1.38	0.55	0.77	1.01	2.23
b.	Income after tax, employee profit sharing, depreciation, amortisation and provisions	1.27	0.20	0.29	0.14	1.94
c.	Dividend per share	0.26	0.65	1.25	1.30	1.50
IV - Personnel						
a.	Average salaried headcount over the fiscal year	22.83	19.67	18.42	19.75	18.08
b.	Total payroll for the fiscal year	2,432,920	1,980,480	2,036,306	2,507,885	2,521,100
c.	Amount paid in employee benefits for the fiscal year (social security, company welfare facilities, etc.)	2,092,055	1,924,612	688,173	1,099,452	1,097,334

* Proposed to the Combined General Meeting of 10 April 2025.

1.5.2.7 Control of Statutory Auditors

In accordance with the legislative and regulatory provisions, the Statutory Auditors' reports, which are included in the company's Universal Registration Document, are available for consultation.

1.6 Shareholder structure at 31 December 2024

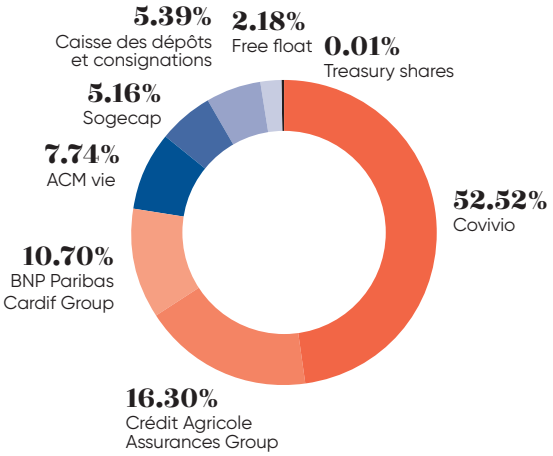
Built around a strategy of long-term ownership of specialised assets in the hotel and retail sectors, operated by their respective market leaders, the shareholder structure of Covivio Hotels consists of the groups Crédit Agricole Assurances, Assurances du Crédit Mutuel, Cardif Assurance Vie, Sogecap and Caisse des Dépôts et Consignations, together with Covivio, the founding shareholder.

1.6.1 Information on share capital

At 1 January 2024, the company's equity stood at €592,565,808. It was made up of 148,141,452 shares with a par value of €4 each.

The share capital of the company did not change during the fiscal year.

In accordance with the decision taken at the Combined General Meeting of 10 April 2015 and Article 9 of the Articles of Association, each shareholder has as many votes as the shares they hold or represent. Double voting rights are not granted pursuant to Article L. 22-10-46 of the French Commercial Code.



The shareholder structure at 31 December 2024 was as follows:

Name of shareholders	Number of shares/ Voting rights	Percentage
Covivio group	77,808,594	52.52%
Crédit Agricole Assurances group	24,149,055	16.30%
BNP Paribas Cardif Group	15,850,437	10.70%
ACM Vie	11,473,544	7.74%
Sogecap	7,639,782	5.16%
Caisse des Dépôts et Consignations	7,985,188	5.39%
Free float	3,232,059	2.18%
Treasury shares	2,793	0.01%
TOTAL	**148,141,452**	**100%**

1.6.2 Distribution of share capital and voting rights

For the last three fiscal years, the share capital and voting rights of the company have been distributed as follows:

	31/12/2024			31/12/2023			31/12/2022		
	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights
Covivio group	77,808,594	52.52	52.52	64,975,765	43.86	43.86	64,975,765	43.86	43.86
Crédit Agricole Assurances group	24,149,055	16.30	16.30	24,149,055	16.30	16.30	24,149,055	16.30	16.30
Generali Group	/	/	/	12,316,445	8.31	8.31	12,316,445	8.31	8.31
BNP Paribas Cardif Group	15,850,437	10.69	10.69	15,701,102	10.60	10.60	15,701,102	10.60	10.60
ACM Vie	11,473,544	7.74	7.74	11,473,544	7.74	7.75	11,473,544	7.74	7.75
Sogecap	7,639,782	5.16	5.16	7,639,782	5.16	5.16	7,639,782	5.16	5.16
Caisse des Dépôts et Consignations	7,985,188	5.39	5.39	7,985,188	5.39	5.39	7,985,188	5.39	5.39
Free float	3,232,059	2.18	2.18	3,892,884	2.63	2.63	3,889,703	2.63	2.63
Treasury shares	2,793	0.002	0	7,687	0.01	0	10,868	0.01	0
TOTAL	**148,141,452**	**100**	**100**	**148,141,452**	**100**	**100**	**148,141,452**	**100**	**100**

1.6.3 Threshold crossing disclosures and declarations of intent

Threshold crossing disclosures

During the 2024 fiscal year, the company was informed of the following legal and/or statutory thresholds being crossed:

Shareholder	Crossing date	Upward threshold crossing		Downward threshold crossing		Shares	Voting rights	% of share capital	% of voting rights
		Legal	Statutory	Legal	Statutory				
COVIVIO	19 April 2024	50%	from 44% to 52%*	/	/	77,292,208	77,292,208	52.17%	52.17%
GENERALI VIE	19 April 2024	/	/	/	from 6% to 1%*	0	0	0	0
GENERALI RETRAITE	19 April 2024	/	/	/	1%	0	0	0	0

*in successive increments of 1%

It is specified that these threshold crossings result from the transaction to contribute 12,316,445 shares of Covivio Hotels held by the Generali Group to Covivio in exchange for shares of Covivio on the basis of a parity of 31 Covivio shares for 100 Covivio Hotels shares.

Declarations of intent

No declaration of intent was made during the 2024 fiscal year.

1.6.4 Changes in equity over the last five fiscal years

Transactions affecting the company's equity over the past five years are detailed below:

		Transaction					After transactions	
Date	Type	Number of securities	Nominal (in €)	Share premium (in €)	Merger premium (in €)	Contribution premium (in €)	Number of securities	Successive amounts of capital (in €)
2 June 2020	Capital increase following payment of the dividend in shares	11,510,983	46,043,932	138,937,564.81		/	132,547,616	530,190,464
14 June 2021	Capital increase with preferential subscription right	15,593,836	62,375,344	187,126,032		/	148,141,452	592,565,808

1.6.5 Information on treasury shares and share buyback programme

The Combined General Meeting of 15 April 2024 authorised the company, pursuant to Article L. 22-10-62 of the French Commercial Code, to trade in its own shares, within a limit of a number of shares not exceeding 10% of the share capital for a period of eighteen months. On the same day, the Manager decided to implement the new share buyback programme, in particular as part of the continuation, under identical conditions, of the existing liquidity agreement entered into with ODDO BHF and NATIXIS.

The features of this share buyback program are as follows:

- the maximum price is €35 per share;
- the maximum amount of funds allocated to the buyback programme would be €200 million;
- purchase, disposal, 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:
  - delivering shares upon the exercise of rights attached to securities granting access to the share capital,
  - holding and delivering them as payment or in exchange under potential external growth transactions, mergers, spin-offs or contributions,
  - cancelling shares,
  - implementing a liquidity agreement with an investment service provider under the conditions and according to the methods set by the regulations and recognised market practices,
  - using them in any other practice that may come to be recognised by law or by the French Financial Markets Authority or any other purpose that would provide a basis for the presumption of legitimacy.

These transactions may take place at any time, in compliance with the regulations in force, except during a public tender offer.

The last authorisation brought an end to the previous share buyback programme, authorised by the Combined General Meeting of 18 April 2023, which resulted in 7,778 treasury shares being held by the company at 15 April 2024 under the liquidity agreement.

The General Meeting has conferred all powers on the Manager to place any orders on the securities exchange or over the counter, and in general to do whatever is necessary and useful for the execution of the decisions to be taken in connection with such authorisation.

This share buyback programme was implemented by decision of the Manager dated 15 April 2024.

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 15 April 2024.

The monthly trading volumes for the 2024 fiscal year are as follows:

	Purchase		Sale	
Share buyback programme authorised by the GM of 18 April 2023	Number of shares	Average price per share in €	Number of shares	Average price per share in €
January	3,913	16.3250	3,410	16.3762
February	2,204	16.3516	2,616	16.4190

	Purchase		Sale	
Share buyback programme authorised by the GM of 15 April 2024	Number of shares	Average price per share in €	Number of shares	Average price per share in €
June	162	14.5472	785	14.6904
July	7,693	14.5736	8,738	14.8994
August	6,079	16.8960	9,035	17.2019
September	6,355	18.5537	5,249	18.6466
October	4,521	18.5728	3,313	18.6737
November	3,746	18.6544	3,497	18.7230
December	3,450	19.2125	6,374	19.5373

Accordingly, in the 2024 fiscal year, the company proceeded under the liquidity agreement to purchase 38,123 of its own shares at an average price of €17.1849 per share, and to dispose of 43,017 of its own shares at an average price of €17.3347 per share.

No cancellation of shares took place during the year.

At 31 December 2024, Covivio Hotels thus held 2,793 of its own shares representing 0.01% of the share capital, valued at €58,094.40 at 31 December 2024, on the basis of the purchase price (*i.e.* €20.8 per share) and equivalent to a par value of €11,172.

The transaction costs during the 2024 fiscal year were €27,500 excluding tax.

As the authorisation that was granted by the General Meeting on 15 April 2024 was for a period of 18 months, a new share buyback programme will be submitted to the Combined General Meeting on 15 April 2025.

1.6.6 Options for the subscription or purchase of treasury shares

None.

1.6.7 Transactions carried out by corporate officers and related persons on the company's securities

Corporate officers	Purchase of financial instruments	Average price (in €)	Sale of financial instruments	Average price (in €)	Number of shares held at 31/12/2024
Mr Kullmann	/	/	/	/	2,779
Mr Estève	/	/	/	/	842
Ms Aasqui	/	/	/	/	6
Covivio Participations	/	/	/	/	1
Ms Roxane Maillard	/	/	/	/	0
Covivio	12,316,445 (1)	22.40	1 (2)	/	77,808,591
	516,384 (3)	14.50			
Ms Leonardi	/	/	/	/	0
Foncière Margaux	/	/	/	/	1
Ms Seegmuller	/	/	/	/	0
Predica	/	/	/	/	21,266,436
Mr Chabas	/	/	/	/	0
ACM Vie	/	/	/	/	11 473 544
Mr Morrisson	/	/	/	/	0
Technical SAS	1 (4)	/	/	/	1
Mr Marque	/	/	/	/	0
Cardif Assurance Vie	/	/	/	/	14,790,438
Ms Robin	/	/	/	/	0
Cardif retraite	149,335	16.92	/	/	1,059,999
Sogecap	/	/	/	/	7,639,782
Mr. Briand	/	/	/	/	0
Caisse des Dépôts et Consignations	/	/	/	/	7,985,188
Mr Tavern	/	/	/	/	0
Ms Saitta	/	/	/	/	10

(1) Contribution of 12,316,445 Company shares held by the Generali group to Covivio in exchange for Covivio shares.

(2) Share loan to Technical SAS.

(3) Transaction resulting from the public exchange offer for shares in Covivio Hotels initiated by Covivio, having received AMF visa no. 24-182 on 30 May 2024 and for which the notice of result was published on 24 June 2024 under number 224C1010.

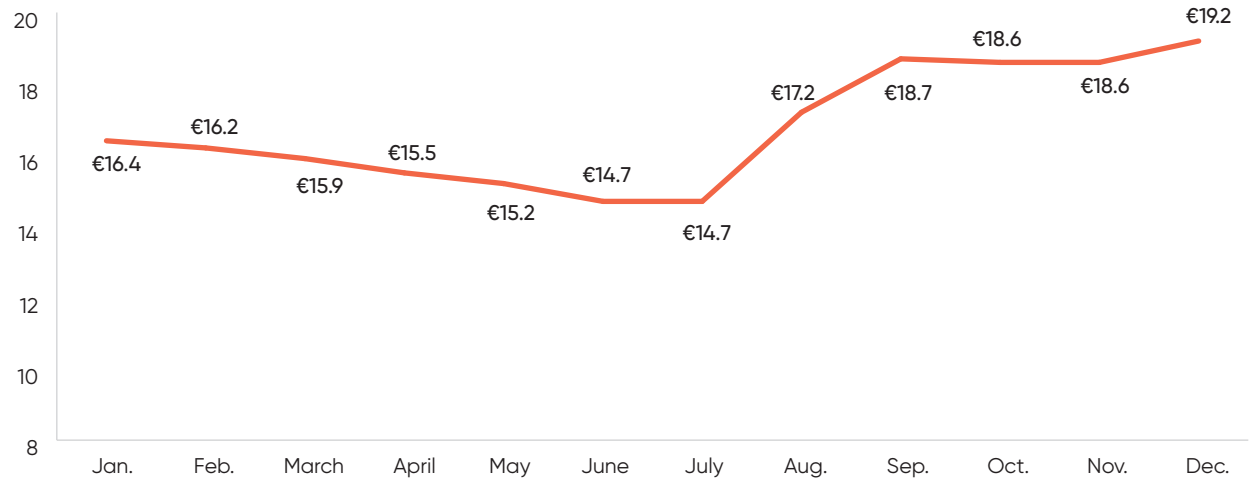
(4) Equity loan.

1.7 Stock market and dividend

1.7.1 Share price at 31 December 2024

The closing share price for the fiscal year was €20.8, bringing the market capitalisation to €3,081 million at 31 December 2024.

Performance of the share price of Covivio Hotels in 2024



The shares of Covivio Hotels are admitted to trading on Compartment A of the Euronext Paris market.

The performance of the share price of Covivio Hotels was as follows in the 2024 fiscal year:

	Low	High	Number of shares traded	Number of trading sessions
January 2024	16.2	16.5	28,604	22
February 2024	15.6	16.5	66,525	21
March 2024	15.5	16.4	60,069	20
April 2024	14.6	16.3	106,872	21
May 2024	14.8	15.7	111,098	22
June 2024	13.7	16.0	67,928	20
July 2024	13.9	16.7	191,768	23
August 2024	15.5	18.4	95,261	22
September 2024	17.6	19.4	69,843	21
October 2024	18.1	19.3	28,162	23
November 2024	18.5	19.0	61,981	21
December 2024	18.5	20.9	51,149	20

1.7.2 Dividend distribution

1.7.2.1 Dividends distributed over the last five years

Fiscal year	Number of shares	Dividend paid per share	Amount of dividend eligible for the 40% rebate	Amount of dividend not eligible for the 40% rebate
2020	132,547,616	€0.26	€0	0,26 €
2021	148,141,452	€0.65	€0 or €0.3414 if the income tax scale option is chosen	€0.65 or €0.3086 if the income tax scale option is chosen
2022	148,141,452	€1.25	€0 or €0.6999 if the income tax scale option is chosen	€1.25 or €0.5501 if the income tax scale option is chosen
2023	148,141,452	€1.30	€0 or €0.7536 if the income tax scale option is chosen	€1.30 or €0.5463 if the income tax scale option is chosen
2024	148,141,452	€1.50*	€0	€1.50

* Dividend proposed to the Combined General Meeting of 15 April 2025.

In accordance with Article 208 C II of the French General Tax Code, the SIIC status allows the exemption of rental income, real estate capital gains and dividends from SIIC subsidiaries, provided that at least 95% of income from operations, 70% of capital gains and 100% of dividends are distributed to shareholders.

The company's distribution policy has of course taken the provisions laid down by the regulations into account.

1.7.2.2 Dividend distribution policy

Covivio Hotels intends to undertake an active distribution policy for cash flow generated over the fiscal year, thus meeting objective of offering a high yield.

The Combined General Meeting of 15 April 2025 will accordingly be asked to approve a dividend payment of €1.50 per outstanding share, with the option of payment in shares. This dividend represents a total amount of €222,212,178, or 86% of EPRA Earnings.

The dividend should be reconciled to:

- EPRA Earnings of €258 million;
- EPRA Earnings of €1.74 per share, based on the average number of shares during the fiscal year, which gives a clearer picture of the dividend payout ratio of 86%.

1.7.3 Shares held by corporate officers

Number of shares held by corporate officers holding an office in Covivio

	Number of Covivio shares held	
	2024	2023
Christophe Kullmann	230,478*	188,466*
Olivier Estève	130,781	108,103

* Fully-owned shares to which may be added 12,000 shares beneficially owned resulting from a bare ownership transfer.

1.8 Information about the company and its investments

1.8.1 Group organisation

Covivio Hotels holds direct and indirect investments in 184 companies in France and abroad.

The companies SNC Foncière Otello, SNC René Clair and Société Civile Immobilière Ruhl Côte d'Azur hold real estate assets or investments in the hotel real estate sector in France and Belgium. In addition, Covivio Hotels holds real estate assets in Spain through investments acquired in 2017 (16 hotel real estate assets) and an investment in B&B Invest Espagne SLU (four B&B hotels).

Following the Extraordinary General Meeting held on 24 January 2018, FDM Management SAS was merged into Covivio Hotels. Following this transaction, Covivio Hotels holds hotel Operating properties, either directly or through investments. Since 2019, Covivio Hotels has equity investments in a hotel in Dublin, Ireland.

Murdelux, based in Luxembourg, holds investments in the following companies:

- Portmurs, holder of a Club Med in Da Balaïa, Portugal;
- Sunparks Tréfonds, Sunparks Oostduinkerke, and Foncière Kempense Meren, which directly hold two holiday villages operated by Pierre & Vacances in Belgium;
- B&B Invest Lux 1, B&B Invest Lux 2, B&B Invest Lux 3, B&B Invest Lux 4, B&B Invest Lux 5 and B&B Invest Lux 6 which hold 48 hotels in Germany;
- Mo Lux One, which holds two hotel real estate assets in Germany through investments;
- H Invest Lux and H Invest Lux 2, which directly hold seven NH hotel real estate assets in Germany;
- Ringer which holds a MEININGER hotel in Germany;
- NH Amsterdam Center BV, which holds a hotel real estate asset in the Netherlands through an investment;
- Amsterdam Noord, which holds an NH hotel real estate asset in the Netherlands through an investment
- Amersfoort, which holds an NH hotel real estate asset in the Netherlands through an investment;
- five companies owning assets in Poland: three hotels purchased in 2019;
- Rocky portfolio holdings (13 companies), which holds 12 hotel real estate assets in the United Kingdom through investments.

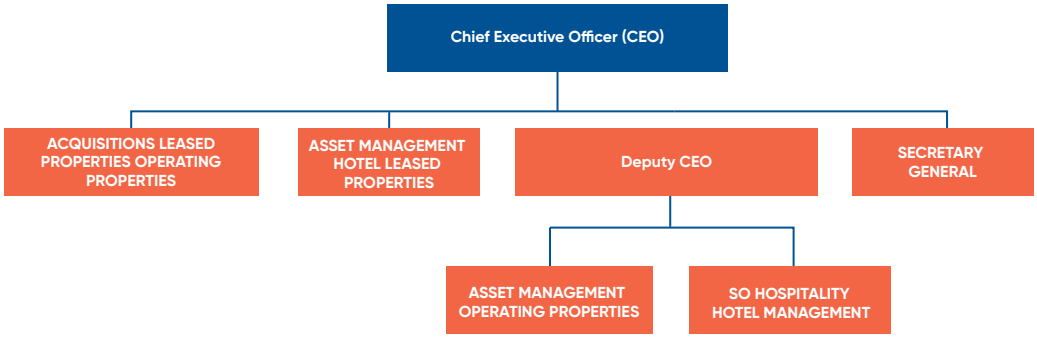
Covivio Hotels holds:

- 50.2% of the company OPCI B2 hotel Invest, created in partnership with Crédit Agricole Assurances and Assurances du Crédit Mutuel, and used to indirectly hold 181 B&B hotel real estate assets in France. OPCI B2 HI delivered a hotel real estate asset under development in 2018;
- 31.15% of the company Oteli, created in partnership with Caisse des Dépôts et Consignations and Sogecap, and used to indirectly hold Accor assets in France (hotel real estate sector);
- 33.33% of the company Kombon SAS, created in partnership with Caisse des Dépôts et Consignations and Sogecap, and used to indirectly hold Accor assets in France (hotel real estate sector);
- 33.33% of the company Jouron SAS, created in partnership with Caisse des Dépôts et Consignations and Sogecap, and used to indirectly hold Accor assets in Belgium (hotel sector);
- 31.15% of the company Holdco Phoenix, created in partnership with Caisse des Dépôts et Consignations and Sogecap, and used to indirectly hold assets in France (hotel real estate sector);
- 19.9% of the companies IRIS Holding France and OPCI IRIS INVEST 2010 and 20% of SCI Dahlia, created in partnership with Crédit Agricole Assurances, and used to directly or indirectly hold Accor assets (hotel real estate sector);
- 19.9% of the company OPCI CAMP INVEST, created in partnership with Crédit Agricole Assurances, and used to indirectly hold Campanile assets (hotel real estate sector);
- 20% of Holdco Iris Dahlia, created in partnership with Crédit Agricole Assurances, and used to indirectly hold assets in France (hotel sector).

Covivio Hotels has teams to undertake its development and Asset Management. These teams conduct Asset Management activities, focused on the real estate strategy to be adopted for the assets held (disposal, renovation, financial management, etc.). Asset by asset, the teams' role is to create value by optimising the profitability/risk ratio.

Covivio provides Covivio Hotels with assistance in the following functional tasks: IT, finance, communication, legal, tax, insurance, human resources, general services and sustainable development.

In France, Covivio Hotels' Property Management is mainly undertaken by Covivio Property, a subsidiary of Covivio. This role consists of managing all aspects of the real estate assets lifespan (rental payments, ongoing maintenance, etc.).



1.8.2 Equity investments

Equity investments are presented in Section 4.2.3.3.

1.8.3 Results of subsidiaries and equity investments

The table of subsidiaries and investments, drawn up in accordance with Article L. 233-15 of the French Commercial Code, is set out in Section 4.5 notes to the company financial statements (section 4.5.6.5).

1.8.4 Research and development activities of the company and its subsidiaries

Covivio Hotels did not conduct any research and development during the past fiscal year.

1.8.5 Significant events since the end of the fiscal year

None.

1.8.6 Information on trends

At the beginning of 2025, the European hotel activity is continuing the growth trend observed in 2024. This was notably the case in Spain, France and Italy in January. In 2025, the growth momentum of RevPar should mainly be driven by Southern Europe. Covivio Hotels will then be able to rely on the quality and diversity of its portfolio, let and operated by the major European and international operators.

1.8.7 Related-party transactions

Information relating to related parties and affiliates is presented in section 4.5 "Notes to the company financial statements" (see sections 4.5.6.4 and 4.5.6.5).

1.8.8 Competitive position

Since its creation in 2004, Covivio Hotels' hotel real estate investment activity in Europe has become increasingly competitive and has seen the development of a number of specialist players including Pandox, Axa Real Estate, Honotel, Algonquin, Event Hotels and Invesco.

With its extensive experience and based on real partnerships developed with its customers, Covivio Hotels is one of the main players in the market of outsourced hotel properties.

In the absence of an external source and figures from certain competitors, the company considers itself to be the leader in the sector on the basis of estimates that it considers reasonable (estimates and internal calculations made by Covivio Hotels on the basis of public information and information from competitors). In this respect, Covivio Hotels is the leading lessor among hotel real estate operators in Europe (B&B and NH Hotel Group).

1.9 Supplementary report by the General Manager to the Combined General Meeting of 15 April 2025

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 comment on those draft resolutions, the full text of which will be sent to you separately.

I. Ordinary resolutions

Resolutions 1 to 18 are resolutions for the Ordinary General Meeting.

1. Approval of the corporate and consolidated financial statements, allocation of income and dividend and option to pay the dividend in shares (Resolutions 1, 2, 3 and 4)

Draft Resolutions 1 and 2 concern the approval of the corporate and consolidated financial statements for the fiscal year ended 31 December 2024, approved by the Manager on 14 February 2025, in accordance with the provisions of Articles L. 226-7 and L. 232-1 of the French Commercial Code. The parent company and consolidated financial statements, which appear in the Universal Registration Document, show a profit of €286,692,984.94.

In Resolution 3, you are asked to allocate income for the 2024 fiscal year and to authorise a dividend of €1.50 per share. Based on the total number of shares outstanding at 31 December 2024, *i.e.* 148,141,452 shares, a total dividend of €222,212,178 will be allocated.

The fourth resolution gives you the option of receiving the entire dividend either entirely in cash or entirely in new shares.

The issue price of the new shares, which may not be lower than the par value of the shares, would be equal to 90% of the average price quoted at the close of the twenty trading sessions preceding the date of the General Meeting less the amount of the net dividend of €1.50. This price would be rounded up to the nearest euro cent.

The option should be exercised from Monday 28 April 2025 to Tuesday 13 May 2025 inclusive. After these dates or if the option is not exercised, the dividend will be paid in full in cash. The new shares thus issued as payment of the dividend would carry dividend rights and would, from their issuance, give entitlement to all subsequent distributions.

For tax purposes, shareholders who have exercised the option for payment of the dividend in shares will be taxed in the same way as in the case of payment in cash.

The payment of the dividend in cash and the settlement-delivery of the new shares would take place on Monday, 19 May 2025.

2. Approval of the agreements referred to in Article L. 226-10 of the French Commercial Code (Resolution 5)

Resolution 5 is intended to approve (i) the Statutory Auditors' special report on the agreements referred to in Article L. 226-10 of the French Commercial Code, as well as (ii) related-party agreements entered into or performed by the company during the fiscal year ended 31 December 2024. For more information, please refer to the Statutory Auditors' special report on related-party agreements in section 4 of the Universal Registration Document.

The related-party agreements entered into during the fiscal year ended 31 December 2024 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 Hotels website in the section dedicated to the General Meeting.

- Memorandum of understanding signed on 20 June 2024 between (i) AccorInvest and its subsidiaries Société de Participations Hôtelières and Hotelinvest Development Holding GmbH, on the one hand, and (ii) the company, Oteli France, Jouron Srl, Foncière Iris, Iris Investor Holding, Iris Verwaltungs GmbH, Foncière Otello, Holdco Phoenix, Holdco Iris Dahlia, Constance and Constance Lux 2, on the other hand, approved by the Supervisory Board on 13 May 2024;
- Amendment to the Vauban Memorandum of Understanding signed on 22 November 2024 between (i) AccorInvest and its subsidiaries Société de Participations Hôtelières and Hotelinvest Development Holding GmbH, on the one hand, and (ii) the company, Oteli France, Jouron Srl, Foncière Iris, Iris Investor Holding, Iris Verwaltungs GmbH, Foncière Otello, Holdco Phoenix, Holdco Iris Dahlia, Constance and Constance Lux 2, on the other hand, approved by the Supervisory Board on 14 November 2024;
- Holdco Phoenix shareholders' agreement signed on 26 November 2024 between the company, Constance (a wholly-owned subsidiary of the company), Caisse des Dépôts et Consignations, Sogecap and Orientex Holdings (a wholly-owned subsidiary of Sogecap), approved by the Supervisory Board on 13 May 2024;
- Shareholders' agreement relating to Holdco Iris Dahlia entered into on 26 November 2024 between Constance (a wholly-owned subsidiary of the company) and Predica, approved by the Supervisory Board on 13 May 2024;
- Amendment no. 1 to the shareholders' agreement dated 1 July 2019 relating to Oteli France, entered into on 26 November 2024 between Caisse des Dépôts et Consignations, SASU Fonae, Sogecap, Orientex Holdings, the company, Covivio SGP, Covivio Hotels Gestion Immobilière and Oteli France, approved by the Supervisory Board on 13 May 2024;
- Amendment no. 1 to the shareholders' agreement dated 1 July 2019 relating to Kombon SAS entered into on 26 November 2024 between Caisse des Dépôts et Consignations, Sogecap, the company, Covivio Hotels Gestion Immobilière and Kombon SAS approved by the Supervisory Board on 14 November 2024;
- Amendment no. 1 to the shareholders' agreement dated 1 July 2019 relating to Jouron entered into on 26 November 2024 between Caisse des Dépôts et Consignations, Simplon Belgique, Sogecap, the company, Murdelux, Covivio Hotels Gestion Immobilière and Jouron approved by the Supervisory Board on 13 May 2024;

- Amendment no. 1 to the shareholders' agreement dated 6 December 2010 relating to Project Iris entered into on 26 November 2024 between the company and Predica approved by the Supervisory Board on 13 May 2024;
- Amendment No. 1 to the shareholders 'agreement dated November 29, 2011 relating to the Dahlia project entered into on November 26, 2024 between the company, Predica and SCI Holding Dahlia, approved by the Supervisory Board on May 13, 2024;
- Contracts for the sale of real estate assets located in France directly sold by the company entered into on 29 November 2024 between the company and, where applicable, (i) SCI HOTEL LILLE CENTRE, (ii) SCI HOTEL PARIS LAFAYETTE, (iii) SCI HOTEL TOULOUSE COMPANS, (iv) SCI HOTEL BORDEAUX JUIN, (v) SCI HOTEL NICE CENTRE, (vi) SCI HOTEL PORTE DE CHARENTON, (vii) SCI HOTEL RUEIL MALMAISON, (viii) SCI HOTEL PARIS GARE DE LYON or (ix) SCI HOTEL PORT LA GRANDE MOTTE approved by the Supervisory Board on 13 May 2024;
- Contracts for the sale of real estate assets located in France not sold by the company entered into on 29 November 2024 between the companies FONCIERE IRIS and, where applicable, SCI HOTEL PARIS CDG or SCI HOTEL BORDEAUX LATEULADE to which the company is not a party but is indirectly interested in their conclusion, approved by the Supervisory Board on 13 May 2024;
- Contracts for the sale of real estate assets located in France not sold by the company entered into on 29 November 2024 between the companies OTELI FRANCE and, where applicable, SCI HOTEL LYON LA PART-DIEU or SCI HOTEL NANTES CENTRE to which the company is not a party but is indirectly interested in their conclusion, approved by the Supervisory Board on 13 May 2024;
- Contract for the sale of a real estate asset located in France not sold by the company, signed on 29 November 2024 between FONCIERE OTELLO and SCI HOTEL STRASBOURG CENTRE, to which the company is not a party but is indirectly interested in its conclusion, approved by the Supervisory Board on 13 May 2024;
- Contract for the sale of a real estate asset located outside France entered into on 29 November 2024 between IRIS INVESTOR HOLDING, IRIS VERWALTUNGS GMBH and HOTELINVEST DEVELOPMENT HOLDING GMBH, in the presence of the company and AccorInvest, approved by the Supervisory Board of 13 May 2024;
- Contract for the sale of a real estate asset located outside France entered into on 29 November 2024 between JOURON SRL and SOCIÉTÉ DE PARTICIPATIONS HOTELIERES, to which the company is not a party but is indirectly interested in its conclusion, approved by the Supervisory Board on 13 May 2024;
- Share sale agreements entered into on 29 November 2024 between HOLDCO IRIS Dahlia and SOCIÉTÉ DE PARTICIPATIONS HOTELIERES, in the presence of the company and AccorInvest, approved by the Supervisory Board on 13 May 2024;
- Share sale agreement entered into on 29 November 2024 between HOLDCO PHOENIX and SOCIÉTÉ DE PARTICIPATIONS HOTELIERES, in the presence of the company and AccorInvest, approved by the Supervisory Board on 13 May 2024;
- Share sale agreement entered into on 29 November 2024 between JOURON SRL and SOCIÉTÉ DE PARTICIPATIONS HOTELIERES, in the presence of AccorInvest, approved by the Supervisory Board on 13 May 2024;
- Share sale agreement entered into on 29 November 2024 between CONSTANCE LUX 2 and SOCIÉTÉ DE PARTICIPATIONS HOTELIERES, in the presence of AccorInvest, approved by the Supervisory Board on 13 May 2024;
- Share sale agreement entered into on 29 November 2024 between CONSTANCE and SOCIÉTÉ DE PARTICIPATIONS HOTELIERES, in the presence of the company and AccorInvest, approved by the Supervisory Board on 13 May 2024.

3. Approval of the information mentioned in Article L. 22-10-9 I. of the French Commercial Code relating to all remuneration of corporate officers for the fiscal year ended 31 December 2024 (Resolution 6)

In application of the provisions of Article L. 22-10-77 I. of the French Commercial Code, you are asked, by voting on Resolution 6, to approve the information noted in Article L. 22-10-9 I. of the French Commercial Code regarding all corporate officer remuneration in respect of the fiscal year ending 31 December 2024, including corporate officers whose terms of office have ended and those newly appointed during the completed fiscal year, as described in the Supervisory Board's report on corporate governance in Section 5.2.4.2 of the Universal Registration Document.

4. Approval of the components of individual remuneration paid and/or allocated to executive corporate officers of the company for the fiscal year ended 31 December 2023 (Resolutions 7 and 8)

In application of the provisions of Article L. 22-10-77 II. of the French Commercial Code, you are asked, by voting on Resolutions 7 and 8, to approve the fixed, variable and exceptional components of overall remuneration and benefits in kind paid during the fiscal year ended 31 December 2024 or allocated for the same year to executive corporate officers.

The components of compensation relate to the Manager, Covivio Hotels Gestion and the Chairman of the Supervisory Board, it being specified that Mr Christophe Kullmann, in his capacity as Chairman of the Supervisory Board, does not receive any fixed, variable or exceptional items or benefits of any kind paid during the financial year ended 31 December 2024 or granted in respect of the same financial year.

These components are described in the Supervisory Board's report on corporate governance in sections 5.2.4.3.1 and 5.2.4.3.2 of the Universal Registration Document.

5. Approval of the corporate officer remuneration policy (Resolutions 9 and 10)

Pursuant to the provisions of Article L. 22-10-76 II. of the French Commercial Code, the Manager proposes, by voting on resolutions 9 and 10, to approve the remuneration policy for corporate officers applicable to the Manager (Resolution 9) and to the members of the Supervisory Board (Resolution 10) in respect of their term of office for the 2025 fiscal year.

Covivio Hotels' corporate officer remuneration policy is described in the Supervisory Board's report on corporate governance in section 5.2.4.1 of the Universal Registration Document.

The Manager's remuneration policy for 2025 was approved by the limited partners, after receiving the favourable advisory opinion of the Supervisory Board at its meeting of 18 February 2025.

The remuneration policy for Supervisory Board members was approved by the Supervisory Board on 18 February 2025.

This policy will be subject, each year and during each important change in the remuneration policy, to a vote of the General Meeting and the unanimous consent of the partners.

6. Renewal of the terms of office of members of the Supervisory Board (Resolutions 11 to 14)

With the terms of office of the Supervisory Board members of Technical SAS (Resolution 11), Cardif Assurance Vie (Resolution 12), Predica SA (Resolution 13), and Covivio (Resolution 14) expiring at the end of the Combined General Meeting of 15 April 2025, you will be invited under Resolutions 11 to 14 to reappoint them for a period of three years expiring at the end of the Shareholders' Meeting called in 2028 to approve the financial statements for the year ended 31 December 2027.

Subject to the approval of said resolutions:

- Technical SAS will continue to be represented on the Supervisory Board by Yves Marque, a member of the Supervisory Board since 13 May 2024. He will continue to provide the Supervisory Board with his financial, environmental and strategic expertise as well as his experience of listed companies.
- Cardif Assurance Vie will continue to be represented on the Supervisory Board by Nathalie Robin, a member of the Supervisory Board since 19 February 2008, who will continue to provide the company with her financial, real estate and environmental expertise and her experience of listed companies.
- Predica SA, which has been represented on the Supervisory Board by Matthieu Arlot since 4 February 2025, who will provide the company with his financial, strategic and real estate expertise.
- Covivio will continue to be represented on the Supervisory Board by Céline Leonardi, a member of the Supervisory Board since 10 February 2023. She will continue to provide the company with her real estate, environmental and strategic expertise and her experience of listed companies.

If Resolutions 10 to 14 are approved by the General Meeting, the proportion of independent Supervisory Board members will be maintained at 23% and the percentage of women will be maintained at 46%.

A brief biography, a list of all appointments and positions held over the last five fiscal years, their attendance rates and the number of shares held can be found in section 5.2.2.1.3 of the Supervisory Board's report on corporate governance.

7. Renewal of the term of office of Ernst & Young et Autres as Statutory Auditors (Resolution 15)

The Combined General Meeting of 5 April 2019 renewed the term of office of Ernst & Young et Autres as Statutory Auditor for a period of six fiscal years, *i.e.* until the General Meeting of Shareholders in 2025 called to approve the financial statements for the year ended 31 December 2024.

You will be invited, under Resolution 15, to renew this term of office for a further period of six fiscal years, expiring at the end of the General Shareholders' Meeting called in 2031 to approve the financial statements for the fiscal year ended 31 December 2030.

Ernst & Young et Autres is a member of the Ernst & Young network, known worldwide for its expertise in auditing international groups. It will continue to be represented by Jean-Roch Varon until the limit set by Article L. 821-34 of the French Commercial Code is reached. A rotation will be carried out in favour of another partner of the firm at the end of this period.

The Audit Committee, which met on 14 February 2025, recommended to the Manager the renewal of Ernst & Young et Autres as Statutory Auditor. The Manager has therefore decided to submit their renewal to the shareholders for approval.

8. Renewal of mandate of Ernst & Young et Autres, and appointment of KPMG S.A as Statutory Auditors in charge of certifying sustainability information (Resolutions 16 and 17)

The Combined General Meeting of 15 April 2024 appointed Ernst & Young et Autres as Statutory Auditors in charge of certifying sustainability information, for a period of one fiscal year corresponding to the duration of its term of office remaining in respect of its assignment to certify the company's financial statements and expiring at the end of the General Shareholders' Meeting called in 2025 to approve the financial statements for the year ended 31 December 2024.

Given (i) the experience acquired by Ernst & Young et Autres in its mandate for the 2024 financial year, (ii) the synergies between financial and non-financial reports and (iii) the quality of their reputation, the Audit Committee, at its meeting of 14 February 2025, recommended to the Manager the implementation of a sustainability co-audit with the companies KPMG SA and Ernst & Young et Autres.

The Manager has therefore decided to submit to the approval of the shareholders the renewal of Ernst & Young et Autres and the appointment of KPMG SA as Statutory Auditors in charge of certifying sustainability information, a period of six fiscal years expiring at the end of the General Meeting of Shareholders called in 2031 to approve the financial statements for the fiscal year ended 31 December 2030.

As a result, you are asked to:

- under the Resolution 16, to renew the term of office of Ernst & Young et Autres as Statutory Auditors in charge of certifying sustainability information, for a period of six fiscal years;
- under the Resolution 17, to appoint KPMG SA, a limited company whose registered office is located at Tour Eqho, 2 avenue Gambetta, 92066 Paris La Défense Cedex, registered in the Trade and Companies Register of Nanterre under number 775 726 417, as Statutory Auditor in charge of certifying sustainability information, for a period of six fiscal years.

9. Authorisation to the Manager for the company to purchase its own shares (Resolution 18)

In Resolution 18, it is proposed that you authorise the implementation of a share buyback programme. The principal characteristics of this programme will be as follows:

- the number of shares bought back may not exceed 10% of the share capital of the company;
- the purchase price may not exceed €35 per share (excluding acquisition costs);
- the maximum amount of funds reserved for the share buyback programme will be two hundred million euros (€200,000,000);
- this programme may not be implemented during a public takeover bid.

The buyback by the company of its treasury shares would result in:

- delivering shares upon the exercise of rights attached to securities entitled to the award of treasury shares;
- delivering them as payment or in exchange under potential external growth transactions, mergers, spin-offs or contributions;
- cancelling shares in whole or in part, subject to the adoption of Resolution 20;
- the execution of a liquidity contract, it being specified that, in accordance with the law, in the event of acquisition under a liquidity contract, the ceiling of 10% of the share capital is calculated based on the number of shares purchased less the number of shares sold during the term of the authorisation granted by the General Meeting;
- any other practice recognised by law or the French Financial Markets Authority or any other objective authorised by law or regulations in force, it being specified that in such a case, the company would inform its shareholders by way of press release.

Prior to implementing the programme, a description of the programme pursuant to Article 241–1 of the General Regulation of the AMF will be published on the Covivio Hotels website.

This authorisation would be given to the Manager for a period of 18 months with effect from the date of the General Meeting of 15 April 2025 and would immediately terminate, for the unused portion, the authorisation given by the Combined General Meeting of 15 April 2024.

II. Extraordinary resolutions

You will be asked, on an extraordinary basis, to vote on the renewal of certain financial delegations granted to the Manager and to authorise your Manager, within the limits and conditions you will set, to decide upon the issuance of shares and/or securities directly or indirectly granting access to the company's equity.

The Manager wishes to continue having the means of swift and flexible access to the funding necessary for the company's development, if necessary by placing shares on the market.

Consequently, it is proposed that you grant the Manager the following financial authorisations:

- Resolution 19: capital increase through the incorporation of reserves, profits or premiums;
- Resolution 21: issue of company shares and/or securities giving access to the company's equity (or to the equity of companies of which the company owns, directly or indirectly, more than half of the equity), maintaining shareholders' preferential subscription right;
- Resolution 22: issue of company shares and/or securities giving access to the company's equity (or the equity of companies in which the company directly or indirectly owns more than half of the equity), with waiver of shareholders' preferential right of subscription, and with a mandatory priority period, by way of a public offering other than a private placement;
- Resolution 23: issue of company shares and/or securities giving access to the company's equity (or the equity of companies in which the company directly or indirectly owns more than half of the equity), with waiver of shareholders' preferential right of subscription, for the benefit of qualified investors or a limited circle of investors as part of a private placement;
- Resolution 25: issue of shares and/or securities giving access to the company's equity, with a view to remunerating contributions in kind granted to the company and consisting of equity securities or securities giving access to the equity;
- Resolution 26: issue of shares and/or securities giving access to the company's share capital, in consideration for securities contributed to any public exchange offer initiated by the company;
- Resolution 27: capital increases reserved for employees of the company covered by a savings plan, with waiver of shareholders' preferential subscription rights.

You will also be asked:

- Resolution 20, to authorise the Manager to reduce the share capital of the company by cancelling shares purchased under share buyback programmes adopted by the company;
- Resolution 24, to authorise the Manager, in the event of a capital increase with or without waiver of shareholders' preferential subscription rights, to increase the number of securities to be issued in case of over-subscription.

In proposing that you grant these authorisations, the Manager is keen to inform you, in compliance with the legal and regulatory texts, of the impact of the corresponding resolutions submitted for your approval.

In accordance with the applicable regulations, the Manager will, where appropriate, prepare a supplementary report relating to the use of these financial delegations, mentioning the following:

- the impact of the issuance on the situation of holders of equity securities and securities granting access to share capital (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.

1. Delegation of authority to be granted to the Manager 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 decide on the authorisation to be granted to the Manager, 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, which would also be granted for a period of 26 months, would enable the Manager to decide on one or more capital increases, up to a maximum nominal amount of fifty-nine million euros (€59,000,000) representing approximately 10% of the share capital. Furthermore, this cap would be set independently and separately from the capital increase caps resulting from share or security issues likely to be approved under Resolutions 21 to 27.

This delegation can not be used without your formal agreement during a public tender offer or exchange offer for the company's shares.

This delegation would terminate, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

2. Authorisation to the Manager 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 in its own shares under Resolution 18, it is proposed in Resolution 20 that you authorise the Manager, who may further delegate such authority, to cancel the shares acquired by the company under the share buyback programme presented 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 10% of the share capital in any 24-month period.

Consequently, you will be asked to authorise the Manager to reduce the share capital accordingly under the applicable legal conditions.

This authorisation, given for a period of 18 months, would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

3. Delegation of authority to the Manager to issue company shares and/or securities giving access to the company's share capital (or to the share capital of companies in which the company directly or indirectly owns more than half of the share capital), maintaining the shareholders' preferential subscription rights (Resolution 21)

In Resolution 21, it is proposed that you delegate to the Manager, which may further delegate such authority, powers to issue treasury shares and/or other securities (including warrants for new or existing shares), convertible by any means, immediately or in the future, to the company's equity, 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 for free or against payment, maintaining shareholders' preferential subscription rights.

The Manager 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 subscription rights to which these securities would be entitled.

The maximum nominal amount from capital increases that may be carried out immediately and/or in the future would be set at two hundred and ninety-six million euros (€296,000,000) representing approximately 50% 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 27.

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 a total amount of one billion euros (€1,000,000,000). This amount would also constitute an overall nominal cap for debt securities issues carried out pursuant to this delegation and Resolutions 22 to 26, an overall cap for all issues of debt securities.

The issue price of the shares or securities granting access to company's equity would be determined by the Manager if and when it implements this delegation, complying with legal and regulatory provisions.

This delegation can not be used without your formal agreement during a public tender offer or exchange offer for the company's shares.

This delegation, given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 15 April 2025, would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

4. Delegations of authority to the Manager to issue company shares and/or securities giving access to the company's equity (or to the equity of companies in which the company directly or indirectly owns more than half of the equity), with waiver of shareholders' preferential right of subscription and with a mandatory priority period by way of a public offering other than that mentioned in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (Resolution 22)

The Manager may, in the interest of the company and its shareholders, in order to seize the opportunities offered by the financial markets, be required to issue such securities without preferential subscription rights.

You are also asked, through Resolution 22, to grant the Manager, which may further delegate such authority, the power to issue by means of a public offering (not including offerings covered by paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code), shares and/or debt securities providing access to existing or new shares, or shares in a subsidiary which is majority-held, directly or indirectly, by the company.

Your decision would imply a waiver of your preferential subscription rights to the shares and other equity securities that could be issued based on this delegation, it being specified that this authorisation implies, in favour of the holders of such securities convertible to equity as may be issued and giving access to the company's equity, 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 Manager 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 Manager, 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 issuance of all securities other than shares.

The maximum nominal amount of the company's capital increases likely to be carried out by the company under this delegation may not exceed one hundred and eighteen million euros (€118,000,000), representing approximately 20% of share capital, and would be independent and separate from the capital increase caps resulting from the issuance of shares and/or transferable securities authorised by Resolutions 19, 21 and 23 to 27.

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 under this delegation may not exceed a total amount of €1 billion (€1,000,000,000), the overall nominal cap for all issues of debt securities set by Resolution 21.

You would be asked to delegate to the Manager, in accordance with Article L. 22-10-52 of the French Commercial Code, the power to freely set the issue price of the equity securities that may be issued under this agreement, within the following limits:

- the issue price of the shares will be set in accordance with the provisions of the laws and regulations in force at the time of use of this delegation, less a discount freely determined by the Manager up to a maximum limit of 10%, and must be at least equal to the lowest price (at the option of the Manager) between (x) the weighted average price of the last twenty trading sessions preceding the start of the public offering, (y) the weighted average price of the last three trading sessions preceding the start of the public offering or (z) the closing price preceding the start of the public offering.

Law 2024-537 of 13 June 2024 aimed at increasing the financing of companies and the attractiveness of France (the "Attractiveness Law") gives the General Meeting the possibility of giving full powers to the Manager to freely set the price, including with regard to the minimum price. However, in line with the practice observed in the vast majority of comparable companies and following the recommendations of most proxy advisors based on the principles of good governance, you are asked to set limits on the freedom given to the Manager in terms of setting the price in the context of the use of this delegation. The proposed stipulation of a floor issue price would make it possible to preserve the interests of shareholders in the event of their preferential subscription rights being waived. The combination of the various indicators contributing to the determination of the floor price would nevertheless give the Manager more leeway than that enjoyed before the Attractiveness Law, allowing it to more freely determine an issue price that meets market conditions on the day of the use of this delegation. Finally, we remind you that the Manager must prepare an additional report justifying the methods used to determine the issue price when implementing this delegation;

- the issue price of securities providing access, by any means, to the company's share capital (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 issuance of these securities, will be at least equal to the minimum subscription price defined in the previous paragraph, after a possible adjustment of that amount to cover any difference in dividend eligibility dates.

This delegation can not be used without your formal agreement during a public tender offer or exchange offer for the company's shares.

This delegation, given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 15 April 2025, would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

5. Delegation of authority to the Manager to issue company shares and/or securities giving access to the company's equity (or to the equity of companies in which the company directly or indirectly owns more than half of the equity), waiver of shareholders' preferential right of subscription, for the benefit of qualified investors or a limited circle of investors in the context of an offer referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (Resolution 23)

Under the 23rd resolution submitted for your approval, you are asked to delegate to the Manager, with the option of subdelegation, the authority to proceed with the issue of shares in the company and/or securities giving access to the equity of the company or a subsidiary majority owned, directly or indirectly by the company, for the benefit of qualified investors or a limited circle of investors in the context of an offer referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code.

The implementation of this delegation would facilitate the company's market access by offering it the flexibility granted by this text to quickly access qualified investors.

Your decision would imply a waiver of your preferential subscription rights to the shares and other equity securities that could be issued based on this delegation, it being specified that this authorisation implies, in favour of the holders of such securities convertible to 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.

The maximum nominal amount of the company's capital increases likely to be carried out by the company under this delegation may not exceed €59,000,000, representing approximately 10% of share capital, and would be independent and separate from the capital increase caps resulting from the issuance of shares and/or transferable securities authorised by Resolutions 19, 21, 22 and 24 to 27.

The nominal amount of the debt securities giving access to the company's equity, immediately and/or in the future, that may be issued under this delegation, may not exceed €1,000,000,000, the overall cap of all issues of debt securities provided for in this delegation and in Resolutions 21, 22, and 24 to 26.

You would be asked to delegate to the Manager, in accordance with Article L. 22-10-52 of the French Commercial Code, the power to freely set the issue price of the equity securities that may be issued under this agreement, within the following limits:

(i) the issue price of the shares will be set in accordance with the provisions of the laws and regulations in force at the time of use of this delegation, less a discount freely determined by the Manager within the maximum limit of 10%, and must be at least equal to the lowest price (at the choice of the Manager) of (x) the weighted average of the prices of the last twenty trading sessions preceding the start of the public offering, (y) the average price weighted price of the last three trading sessions preceding the start of the public offering or (z) the closing price preceding the start of the public offering.

The elements relating to the methods for determining the issue price provided for in the Resolution 22 above are transferable to this Resolution.

(ii) the issue price of securities providing access to the company's 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 issuance of these securities, will be at least equal to the minimum subscription price defined in the previous paragraph, after a possible adjustment of that amount to cover any difference in dividend eligibility dates.

This delegation can not be used without your formal agreement during a public tender offer or exchange offer for the company's shares.

It would be granted for a period of 26 months from the Combined General Meeting of 15 April 2025.

6. Authorisation to be given to the Manager to increase the number of securities to be issued, in the event of a capital increase with or without a preferential subscription right (Resolution 24)

By voting on Resolution 24, we propose that you authorise the Manager to decide, as permitted by law, in the event that they record excess demand during a capital increase with or without preferential subscription right, to increase the number of securities to be issued at the same price as that used for the initial issue, within the deadlines and limits provided for by the applicable regulations.

In the context of a securities issue, this option allows additional securities to be issued within 30 days of the subscription deadline, for up to 15% of the initial issue (this option being known as the "over-allotment option").

The nominal amount of securities issued under this resolution would be offset against the cap applicable to the initial issue.

This delegation can not be used without your formal agreement during a public tender offer or exchange offer for the company's shares.

This delegation would be granted to the Manager for a period of twenty-six (26) months from the date of the Combined General Meeting of 15 April 2025, and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

7. Delegation of authority to the Manager to issue shares and/or securities convertible into equity, in order to compensate the contributions in kind granted to the company, consisting of capital securities or securities convertible into equity (Resolution 25)

In accordance with the option offered by Article L. 22-10-53 of the French Commercial Code, you are asked, under Resolution 25, to authorise the Manager, who may further delegate such authority, to issue shares and/or transferable securities convertible to equity, in consideration for contributions in kind made to the company consisting of shares or transferable securities convertible to equity, when Article L. 22-10-54 of the French Commercial Code is not applicable.

The maximum nominal value of increases in the company's share capital made immediately or in the future under this delegation would be set at 20% of share capital of the company (corresponding to its amount on the date of use of this delegation by the Manager). This cap is set independently and separately from the caps for capital increases resulting from the issue of shares and/or securities authorised by Resolutions 19, 21 to 24, 26 and 27.

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 under this delegation may not exceed a total amount of €1 billion (€1,000,000,000), the overall nominal cap for all issues of debt securities set by Resolution 21.

You will be asked to note the absence of preferential subscription rights to the shares and/or securities issued, as these are intended exclusively to remunerate contributions in kind, it being specified that this delegation of authority fully entails the right, in favour of the holders of securities that may be issued and giving access to the share capital, to waive their preferential subscription rights to the shares to which these securities give entitlement.

This delegation can not be used without your formal agreement during a public tender offer or exchange offer for the company's shares.

The Manager would notably be required to approve the report of the contribution auditor(s) to be appointed, 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, 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 authorisation would be given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 15 April 2025 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

8. Delegation of authority to the Manager to issue shares and/or securities giving access to the company's share capital in consideration for shares contributed to any public exchange offer initiated by the company (Resolution 26)

In Resolution 26, you are asked to approve the delegation of authority granted to the Manager, which may further delegate such authority, to issue shares and/or securities giving immediate or deferred access to the company's equity, on one or more occasions, in France or abroad, in the event of a public exchange offer initiated by the company.

The maximum nominal amount of the capital increases likely to be carried out immediately and/or in the future under this delegation would be set at fifty-nine million euros (€59,000,000), representing approximately 10% of the share capital, and would be set independently and separately from the capital increase caps resulting from the issuance of shares and/or transferable securities authorised by Resolutions 19, 21 to 25 and 27.

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 under this delegation may not exceed a total amount of one billion euros (€1,000,000,000), the overall nominal cap for all issues of debt securities set by Resolution 21.

You will be asked to acknowledge the absence of your preferential subscription right to the shares and/or securities issued under this delegation, as these are intended exclusively to remunerate contributions of securities contributed to a public offering initiated by the company, it being specified that this delegation of authority would automatically entail, in favour of the holders of securities that may be issued and giving access to the company's share capital, the waiver by shareholders of their preferential subscription rights to shares which these securities would give entitlement.

For each individual offer, the Manager 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 can not be used without your formal agreement during a public tender offer or exchange offer for the company's shares.

This authorisation would be given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 15 April 2025 and would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

9. Delegation of authority to the Manager to carry out capital increases reserved for company employees who are members of a savings plan, with waiver of shareholders' preferential subscription right (Resolution 27)

You will be asked, under Resolution 27, to authorise the Manager, who 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 issuance of shares and/or 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, the Group and/or its affiliates within the meaning 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 company's capital increase immediately or in the future, resulting from the issuance made pursuant to this delegation of five hundred thousand euros (€500,000), representing approximately 0.10% of share capital, set irrespective of the par value of the treasury 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 or to securities convertible to equity in favour of these employees.

The subscription price of the shares and the discount offered will be set by the Manager in compliance with 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 provided for in the plan is greater than or equal to ten years, it being stated that the Manager may also replace all or part of said discount by the allocation of shares or other securities.

The Manager may likewise provide for the allocation of free shares or other securities granting access to share capital, 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 granting access to share capital that may be issued by virtue of this resolution.

This delegation, given to the Board of Directors for a period of 26 months with effect from the Combined General Meeting of 15 April 2025, would immediately terminate, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024.

10. Amendment of Article 13 of the Company's Articles of Association (Resolution 28)

By voting on the 28th resolution, we propose that you amend Article 13 (Supervisory Board Meetings) of the bylaws in order to:

- adapt the provisions relating to the participation, by means of telecommunication, of members of the Supervisory Board in meetings of the Supervisory Board, to the provisions of the new Article L. 22-10-3-1 of the French Commercial Code created by the Attractiveness Act;
- to define, in accordance with the provisions of Article L. 226-4 paragraph 5 of the French Commercial Code in its new version resulting from the Attractiveness Act, the conditions and procedures for the written consultation of the Supervisory Board;
- provide for the possibility for Board members to vote by mail in accordance with the provisions of Article L. 226-4 paragraph 5 of the French Commercial Code in its new version resulting from the Attractiveness Act.

11. Powers for formal recording requirements (Resolution 29)

Resolution 29 is a standard resolution concerning the granting of the powers required to make announcements and perform legal formalities relating 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 Manager



Novotel Bruges Centrum
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Covivio Hotels operates in 12 countries in Europe with critical mass in the main European markets.

2

Risk factors, internal control and risk management

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2.1 Risk factors

In accordance with the European Regulation (EU) 2017/1129 of 14 June 2017 and the two associated Delegated Regulations taking full effect from 21 July 2019 (together known as "Prospectus 3") and the ESMA guidelines on risk factors, the risks specific to Covivio Hotels, the occurrence of which could have a material effect on the company's financial position or results, after the application of risk management measures, are presented below.

Covivio Hotels' risk mapping is regularly reviewed by the Audit Committee and the Supervisory Board. Covivio Hotels updated it at the end of 2024 in order to take into account, in particular, changes to its operating environment, including the global political environment.

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

The attention of investors is, however, drawn to the fact that other risks may exist, which are unidentified or whose occurrence is not currently considered likely to have significant adverse effects.

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 done on the basis of interviews and the results of annual audit plans which make it possible to identify their level of control by analysing the effectiveness of the internal control processes deployed by the company.

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

2.1.1.1 Methodology

The risk rating results from a combined analysis of their potential negative impact and their probability of occurrence, while taking into account the control systems implemented by the company.

2.1.1.1.1 Impact and level of control

Once realized, the risk is likely to have an impact on the value of the company, its results, its image and/or its business continuity.

Thus, the rating of the impact is based on an estimate of the financial impact should the risk occur, on the NAV or EPRA Earnings of Covivio Hotels, depending on the financial flows concerned.

Certain non-quantifiable risks are estimated on the basis of their potential consequences on the continuity of the business and/or on the image of Covivio Hotels, consequences that could hinder the ability of Covivio Hotels to implement its strategy and establish new business relations with its stakeholders (buyers, sellers, customers, tenants, suppliers, etc.).

Once quantified, the gross impact is corrected for the level of risk control and insurance coverage.

This gives a net impact rating 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 Hotels, mainly based on the efficiency of its procedures and, more generally, its internal control system.

2.1.1.1.3 Overall risk classification

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

- low risk: less than 1.5;
- moderate risk: between 1.6 and 2.5;
- high risk: between 2.6 and 3.5;
- very high risk: more than 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 related to the environment in which Covivio Hotels operates;

II. Climate change risk;

III. Risks related to information systems, data security and cybercrime;

IV. Financial risks;

V. Risks related to Covivio Hotels' legal and regulatory framework;

VI. Risks related to the development of Covivio Hotels;

VII. HR risks.

The rating of the risks presented below reflects the good dynamics of the hotel sector in Europe as well as the improvement in the economic and financial context. This, although still uncertain, saw a positive evolution in 2024 thanks to the control of inflation in Europe and the fall in interest rates.

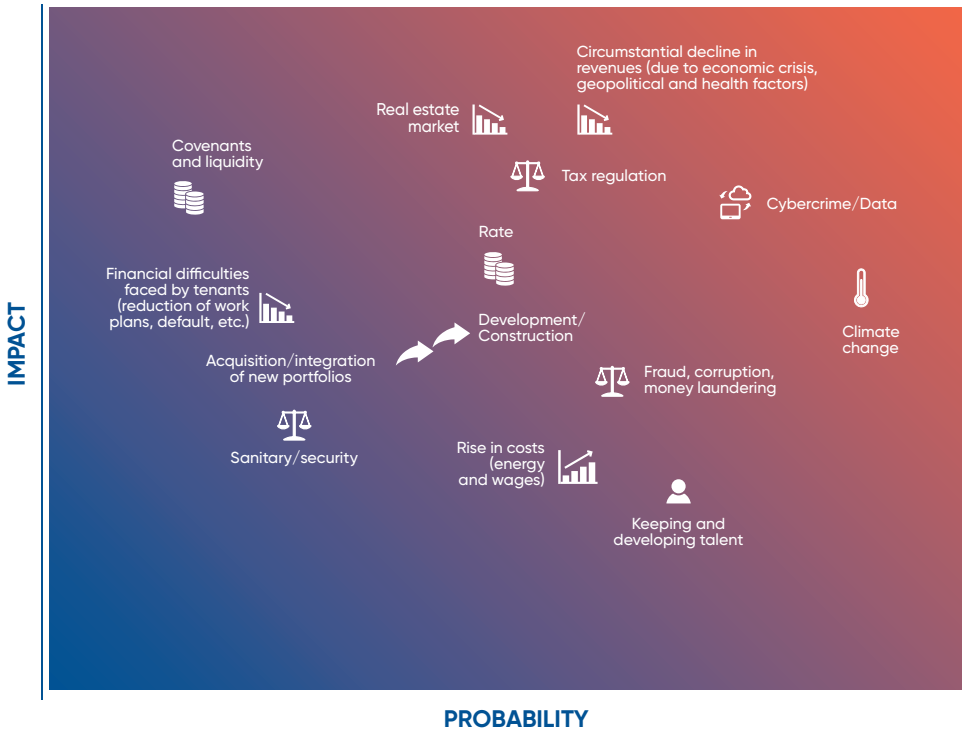
At the same time, the acquisition in 2024 by the Company (and its partners) of 43 hotel business assets from AccorInvest significantly increased the share of its portfolio held in operating properties (see section 1.2.1. of this Document), and thereby its exposure to certain risks specific to the operation of hotel funds.

In March 2025, the various announcements by the US government reinforce the uncertainties at the global level, both in terms of the organisation of international trade (tarifs) and the possible disruption of the geopolitical balance in place (relationship with Russia, NATO, etc.).

This new context could have consequences on the activity of Covivio Hotels: increase in certain costs and decrease in hotel attendance due to a slowdown in international tourism, without it being possible at present to precisely measure the potential impacts.

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

	Risk category		Risks	Risk (see graph)	Risk rating: Impact classification	Risk rating: Probability classification	Risk rating: Overall risk assessment (impact and probability)	Risk rating: Trend *vs* previous year
I.	**Risks related to the environment in which Covivio Hotels operates**		Decline/halt in activity resulting from an unfavourable geopolitical environment, terrorism, social unrest, pandemics etc.	Circumstantial decline in revenues (due to economic crisis, geopolitical and health factors)	■■■■	■■■	High	→
			Unfavourable evolution of the real estate market: fall or stagnation of values and rents	Real estate market	■■■■	■■	High	↘
			Increase in costs (energy and other expenses) in an inflationary context	Rise in costs (energy and wages)	■	■■■	Moderate	→
			Default or insolvency of tenants resulting from a deteriorated overall economic environment (essentially unpaid bills)	Financial difficulties faced by tenants (reduction of work plans, default, etc.)	■■	■	Moderate	↘
II.	**Climate change risk**		Financial consequences of climate change: "transition" risks (cost of adaptation to existing and future environmental constraints) and "asset" risks	Climate change	■■■	■■■■	High	→
III.	**Risks related to information systems, data security and cybercrime**		Failure of information systems, consequences of cyberattacks, theft and/or alteration of data, particularly personal data	Cybercrime/ Data	■■■	■■■	High	↗
IV.	**Financial risks**		Unfavourable change in interest and exchange rates	Rate	■■■	■■	Moderate	↓
			Liquidity risk and risk of non-compliance with banking covenants (LTV, ICR) related to declines in value and/or decline in revenues	Covenants and liquidity	■■■	■	Moderate	↘
V.	**Risks related to Covivio Hotels' legal and regulatory framework**		Unfavourable developments in tax regulations	Tax regulation	■■■	■■	High	↑
			Risk of fraud, corruption (and related offences), money laundering and related legal and image risks	Fraud, corruption, money laundering	■■	■■■	Moderate	↑
			Compliance with health and safety regulations	Sanitary/ security	■■	■	Low	↑
VI.	**Risks related to the development of Covivio Hotels**		Risks related to construction, property development or development operations: delivery delays, non-compliance with budget forecasts (construction costs, vacancy on vacant projects), risks related to safety on construction sites	Development/ Construction	■■	■■	Moderate	n.a
			Risks related to acquisitions of real estate assets, funds or securities of companies, overestimation of values, poor estimate of liabilities	Acquisition/ Integration of new portfolios	■■	■■	Moderate	↗
VII.	**HR risks**		Organisational risks related to not being able to keep the most sought-after staff on the labour market	Keeping and developing talent	■	■■■	Moderate	↑


IMPACT
PROBABILITY
Circumstantial decline in revenues (due to economic crisis, geopolitical and health factors)
Real estate market
Covenants and liquidity
Tax regulation
Cybercrime/Data
Rate
Financial difficulties faced by tenants (reduction of work plans, default, etc.)
Climate change
Development/ Construction
Acquisition/integration of new portfolios
Fraud, corruption, money laundering
Sanitary/security
Rise in costs (energy and wages)
Keeping and developing talent

2.1.2 Description of the main risks, impacts and control

I. Risks related to the environment in which Covivio Hotels operates

Risk	See graph	Risk category	Trend in relation to N-1
Decline/halt in activity resulting from an unfavourable geopolitical environment, terrorism, social unrest, pandemics, etc.	**Circumstantial decline in revenues (economic, geopolitical and health)**	**High**	→

Description

- Constituting 46% of the Company's total revenues in 2024, variable revenues (variable rents and EBITDA of the portfolio held in operating properties) increased by €11 million compared to 2023, from €143.8 million to €154.8 million; their share will increase in 2025 with the full-year collection of revenues from the acquisition from AccorInvest.
- In the event of a deterioration or instability of the political, geopolitical, health (pandemics) or social context in Europe, Covivio Hotels could suffer a decline in its revenue in the very short term.
- The Company was particularly affected by the Covid-19 pandemic and other pandemics in the future could have similar effects, in that they would constrain international travel, could require the implementation of restrictive health measures or the closure of establishments. Thus, at the height of the crisis, only 22% of hotel rooms were open.
- Instability or a deterioration in the economic environment in Europe and, more particularly in the countries where Covivio Hotels operates, could also lead to a significant reduction in its rental income.
- Covivio Hotels was confronted with this situation at the end of 2018 with the Yellow Vests movement when security conditions as well as economic conditions had a negative impact on hotel occupancy resulting in a decline of -0.5 points in the hotels' occupancy rate, which had been up +1.4 points since the start of the year. This phenomenon was exacerbated in Paris where the fall in the occupancy rate was -3.6 points.
- The risk of terrorist attacks can also have direct consequences on the number of visitors in hotels in the major cities. Consequently, the hotel located at Brussels Airport saw the number of its visitors decline by 14.4 points following the terrorist attacks in 2015.
- The Russian-Ukrainian conflict has not, to date, had an adverse impact on the number of visitors in Covivio Hotels' portfolio. Nevertheless, the resulting uncertainties mean that future consequences on international tourism can not be ruled out.

Summary of potential impacts

- Decrease in variable revenues: variable rents and hotel operating revenues.
- Financial fragility of certain tenants, which can go as far as bankruptcy and associated risks of default and vacancy.

Control system

- Covivio Hotels has chosen to form partnerships with major hotel groups (AccorInvest, NH hôtels, IHG, Marriott, B&B, RHG, Hotusa etc.) with a solid financial base enabling them to cope with a significant decrease in their revenues in the short/medium term.
- At the same time, the Company has been able to expand its geographical presence (12 countries in total), as well as the segments in which it operates (32% upscale, 42% midscale and 26% economy).
- This diversification has enabled it to take full advantage of the "post-Covid" recovery of tourism activity on its variable revenues portfolio.
- Although they cannot be controlled, future pandemic risks and their consequences could be better contained due to the experience of the last two years, along with the greater agility of hotel operators in the deployment of appropriate health and safety measures.

Risk	See graph	Level	Trend in relation to N-1
Unfavourable evolution of the real estate market: fall or stagnation of values and rents	**Real estate market (values)**	**High**	↘

Description

- The total assets of Covivio Hotels at the end of 2024 (€7,155 billion, Group share) mainly consisted of the appraisal value of the buildings, which amounted to €5.9 billion (*i.e.* close to 82%). Any change in the value of buildings has a direct impact on the balance sheet total.
- The value of the Covivio Hotels portfolio depends on changes in the real estate markets in which the Group operates. Both rent levels and market prices (and consequently the capitalisation rates used for comparison purposes by real estate appraisers) may be subject to fluctuations due to the financial environment, amongst other factors. Covivio Hotels recognises its investment properties at fair value in accordance with the option offered by IAS 40.
- In 2024, the value of the hotel portfolio, Group share, changed on a like-for-like basis by +1.5%, compared to -3.9% in 2023.
- The sensitivity of the asset valuation to yield rates (corresponding to the rent/appraisal value) is presented in section 4.2.5.1.3 of this Document.
- Thus, a decrease in appraisal values is likely to affect the revalued net asset value of Covivio Hotels and, possibly, its share price.
- In addition, Covivio Hotels may not always be able to implement its leasing, disposal and investment strategy on favourable market terms, due to fluctuations in the real estate markets.

Summary of potential impacts

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

Control system

- Covivio Hotels is committed to maintaining a solid rental base, with key accounts and long-term leases (remaining firm lease term of 11 years at the end of 2024).
- Covivio Hotels improves the quality of its portfolio through the development of assets with very good environmental performance and the implementation of targeted work plans.
- On its existing portfolio, Covivio Hotels is pursuing an ongoing asset management strategy to defend its value; this is reflected in an arbitrage policy aimed at strengthening its locations in the heart of European capitals as well as in the main business and leisure districts.
- An Innovation Department and a Transformation Department have been created to strengthen the competitive positioning of Covivio Hotels' portfolio through the implementation of innovative solutions.
- The system for managing this risk is also described in the sections dedicated to the risk "Default or insolvency of tenants resulting from a deteriorated global economic environment".

Risk	See graph	Level	Trend in relation to N-1
Increase in costs (energy and other expenses) in an inflationary context	Rise in costs (energy and wages)	Moderate	→

Description

Energy

- As a result of the increase in post-pandemic international demand and the invasion of Ukraine by Russia, the price of energy in the EU has reached record levels in recent years.
- Between December 2020 and December 2021, consumer prices for electricity, gas and other fuels increased by +25% in Europe. This increase continued in 2022, and to a lesser extent in 2023 and 2024, in a heterogeneous manner depending on the countries' energy policies.
- Covivio Hotels is particularly sensitive to these increases in its portfolio held in operating properties. Thus, a 10% increase in the cost of energy would be likely to have a financial impact on the results of Covivio Hotels' operating property assets of around -0.3%.

Wages

- The structural labour shortage in the hotel sector, exacerbated by the strong upturn in activity post Covid, has resulted in a significant increase in wages in Europe.
- While this trend has slowed down significantly over the last two years, the risk for Covivio Hotels of seeing the result of operating property assets decline remains. Thus, any salary increase is likely to have an impact on the Company's EBITDA.

Control system

- Covivio Hotels has an integrated management control team that closely monitors changes in the company's expenses.
- With a view to controlling its operating expenses, the company intends to develop the digitisation of its services by relying in particular on the Covivio group's Transformation Department.
- Achieving energy savings, notably through an improvement in the real estate quality of its portfolio (asset rotation, targeted works policy) is also a priority for the company, which is fully in line with the Covivio group's CSR strategy, more details of which can be found in section 3.3 of Covivio's Universal Registration Document on its website.

Summary of potential impacts

- Increase in expenses.

Risk	See graph	Level	Trend in relation to N-1
Default or insolvency of tenants resulting from a deteriorated overall economic environment (essentially unpaid bills)	Financial difficulties faced by tenants (reduction of work plans, unpaid risks, etc.)	Moderate	↘

Description

- Covivio Hotels is exposed to the risk that its tenants' financial stability might deteriorate or that they might even become insolvent, which would significantly affect the company's earnings. This risk of insolvency is mainly related to the geopolitical, health & pandemic context (see above).
- In addition, a deterioration in the financial situation of the company's hotel partners could force them to reduce their work plans, thus contributing to a deterioration in the attractiveness of Covivio Hotels' assets.

Control system

- The measures to reduce the risk of non-payment are detailed above in the section relating to the risks "Decline/halt in activity resulting from an unfavourable political and geopolitical environment, terrorism, social unrest, pandemics, etc.".
- Covivio Hotels also uses industry software to monitor the financial performance of its tenants, thus limiting the risk of potential insolvency.
- A monthly report on non-payments is prepared monthly and presented to General Management.
- The Partnership Committees formed with each key tenant enable Covivio Hotels to keep track of their business performance.
- Rental guarantees and security deposits generally reduce the risk of non-payment for Covivio Hotels.

Summary of potential impacts

- Increase in arrears.
- Increase in vacancy.
- Reduction of tenant work plans.

II. Climate change risk

Risk	See graph	Level	Trend in relation to N-1
Financial impact of climate change	Climate change	High	→

Description

- In 2022, Covivio Hotels commissioned MSCI to carry out an MSCI Real Estate Climate Value-at-Risk® study on its portfolio in Europe.
- In a context of climate change, this risk is broken down into two sub-categories of risks likely to have financial consequences on the company's portfolio or income: physical risk and transition risk.

Physical risks

- The physical risks consist of the potential direct financial impact of climate change on Covivio Hotels' portfolio: coastal and river flooding, extreme cold and heat, violent winds from tropical storms and cyclones, forest fires, etc. MSCI's model has more or less pessimistic scenarios enabling analysis of 11 physical risks following the update of the model in 2024: coastal, river and rain-fed floods, tropical cyclones, wildfires, extreme cold and heat, precipitation and extreme snowfall, wind and water stress.
- The financial impacts can thus be multiple both in terms of asset value and income: loss of assets, repair or replacement costs, construction delays, costs of resizing heating/cooling facilities, increase in operating costs, decrease in occupancy rates, lower rents, etc.
- Using the 5°C scenario - RCP 8.5 according to which there would be no reduction in carbon emissions achieved at the global level, the physical risks would represent 0.80% of the value of the assets analysed by 2100. This risk is reduced to 0.32% by choosing a scenario in which public policies limit global warming to 1.5°C. The main risks identified for Covivio Hotels are coastal and river flooding and extreme heat.

Transition risk

- The challenge for the portfolio held by Covivio Hotels is related more to the transition risks inherent in the need to reduce greenhouse gas emissions.
- The impacts of this risk can be modelled according to different scenarios of alignment with a carbon trajectory, taking into account expected changes in terms of demographics, the energy mix and carbon costs. For its portfolio, Covivio Hotels has selected an alignment with a 1.5°C trajectory:
  - according to the REMIND Net Zero model, the transition risk represents 4.39% of the value of the assets in the portfolio, due to the efforts to be made to align with a 1.5°C trajectory and the assumption of an increase in the carbon price over time,
  - according to the CRREM model, the transition risk represents 2.05% of the value of the portfolio's assets.

Summary of potential impacts

- Loss of attractiveness of the portfolio that may result in a decrease in its value and the rents it generates.
- Weakening of the rental base.
- Costs of compliance with existing and future regulations.
- Physical destruction of assets (limited).

Control system

- In order to bring its portfolio in line with its low-carbon objectives and control its transition risk, Covivio Hotels plans to implement around €50 million in investment works ("green" Capex) by the end of 2030. The impact of this work is not taken into account in the results of the above analyses, but will make it possible to reduce the average carbon intensity of the Covivio Hotels portfolio and thus reduce this level of value at risk.
- The sustainable development strategy of the Covivio group and in particular its most significant climate-related issues and action plans, are described in Chapter 3 of this Universal Registration Document and in the Group's Nature Report.

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

Risk	See graph	Level	Trend in relation to N-1
Failure of information systems, consequences of cyberattacks, theft and/or alteration of data, particularly personal data	Cybercrime/Data	High	↗

Description

Cyberattacks

- The amount of cash that Covivio Hotels may be required to disburse exposes it to the risk of cyberattacks and attempted fraud by clever engineering that could lead to extortion, theft and alteration or deletion of data that could lead to business interruption.
- Over the last three years, the Covivio group, which manages the IT infrastructure of Covivio Hotels, has recorded an increase in crafty engineering in phishing and phishing-type fraud attempts. Interruptions, breaches or failures of information systems, depending on their extent, are likely to cause, in addition to significant damage to IT equipment, an image risk and significant financial consequences: expenses incurred to restore systems and data, expert and legal fees, fines related to non-compliance with regulations on the protection of personal data, if applicable, etc.
- In early 2022, Covivio was the subject of a ransomware attack involving 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 thanks to the regular backups performed by the company. No data or application related to Covivio Hotels was affected.
- Despite very frequent phishing attempts and breaches of websites published by Covivio Hotels, the company's information systems were not affected.

Theft and/or alteration of data, including personal data

- In view of its activity as a hotel operator in Europe through its "operating properties" portfolio, Covivio Hotels is particularly concerned with the management of personal data.
- In addition, the increasing digitisation of its activities means that Covivio Hotels uses multiple data subcontractors.
- Thus, in addition to the 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 Hotels could be liable for fines issued by the competent data protection supervisory authorities, which, in accordance with the European Regulation (EU) 2016/679, known as the General Data Protection Regulation (GDPR), could reach 4% of its global revenues.
- More generally, Covivio Hotels 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 the rights of data subjects, including information provided to them regarding the processing of their data.
- Lastly, the increase in the share of the hotel portfolio in "operating properties" resulting from the ongoing discussions with AccorInvest, will imply, for Covivio Hotels, an increase in the processing of personal data and, consequently, its sensitivity to the aforementioned risk.

Summary of potential impacts

- Unavailability of systems that could seriously hamper business in the longer or shorter term.
- Costs of consulting and experts for the purposes of data recovery.
- Financial penalties related to non-compliance with regulations on the protection of personal data (data security).
- Image risk: loss of customer confidence.

Control system

- The measures put in place to reduce this risk are described in more detail in section 2.2.2.1.2 of this document:
  - back-up plan;
  - Business Continuity Plan;
  - intrusion tests;
  - cyber risk training and awareness;
  - cyber risk mapping;
  - cyber insurance;
  - implementation of an Information Systems Security Policy (ISSP) and appointment of a Chief Information Security Officer (CISO).
- Furthermore, the Covivio group has initiated a project to secure its data and systems by hosting its strategic applications in a network of Cloud servers using a renowned supplier implementing the highest security standards.
- Covivio Hotels, relying on the Group's Compliance Department, has also deployed an organisation dedicated to the protection of personal data at the European level. This is led by country Data Protection Officers and a Group Data Protection Officer, who are responsible for ensuring that data processing complies with regulations.

IV. Financial risks

Risk	See graph	Level	Trend in relation to N-1
Unfavourable change in interest and exchange rates	Rate	High	↓

Description

- The repeated increases in the key rates of the European Central Bank (ECB) aimed at curbing inflation continued until the third quarter of 2023.
- In 2024, the ECB began to reduce its key rates, reducing them by 25 points respectively in October and December, a trend confirmed by a further 25-point decrease recorded in January 2025.
- The latest inflation projections for 2025 for the euro zone are set at 2.5% and should stabilise in the medium term at around +2.0%.
- While this favourable outlook has a positive effect on the expected change in interest rates, the financing and refinancing needs of its maturing debts make Covivio Hotels' results sensitive to both past and future interest rate increases.
- Indeed, with €2.8 billion in long-term and short-term borrowings, Covivio Hotels is still exposed to the risk of an increase in its financial expenses in the coming years. In 2024, the cost of financial debt thus stood at €52.8 million Group share compared to €60 million in 2023, a decrease of €7.2 million.
- Sensitivities to an increase in interest rates are described in section 4.2.2.2 of this Document.

Control system

- Covivio Hotels uses hedging instruments to manage its interest rate risk.
- The average interest rate of Covivio Hotels' debt was 2.33% at the end of 2024 (compared to 2.40% at the end of 2023).
- The average maturity of the debt was 4.8 years at 31 December 2024, up by 1.2 years compared to the end of 2023.
- The company uses derivatives to hedge the interest rate risk to which it is exposed, mainly caps, swaps and floors; it does not carry out any market transactions for any other purpose than to hedge its interest rate risk.
- At the end of 2024, the company's debt was 95% hedged (compared to 89% at the end of 2023) with an average maturity of its interest rate hedging instruments of 5.6 years.
- Covivio Hotels aims to keep its LTV under control. At 31 December 2024, it stood at 32.5% compared to 34.4% at 31 December 2023.
- On its portfolio located in the UK (14%), Covivio Hotels has set up a debt in Pounds Sterling and a 79% hedge against the foreign exchange risk.

Summary of potential impacts

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

Risk	See graph	Level	Trend in relation to N-1
Liquidity risk and risk of non-compliance with banking covenants (LTV, ICR) related to declines in value and/or decline in revenues	**Covenants and liquidity**	**Moderate**	↘

Description

Liquidity

- The total debt of Covivio Hotels (Group share, including undrawn debt and excluding commercial paper) at the end of 2024 amounted to €3.0 billion of which €0.5 billion due in 2025 and €0.7 billion between 2026 and 2028 inclusive.
- Covivio Hotels cash and cash equivalents at 31 December 2024 amounted to €1,022 million (including €403 million in credit lines).
- Covivio Hotels therefore also runs the risk of having insufficient liquidity to service its debt or refinance debts on maturity.
- Such a shortfall could lead to early repayment and, if the debt were secured, foreclosure of the security with the lender taking ownership of the assets concerned.
- Covivio Hotels' debt maturities are presented in section 4.2.2.1 of this Document.

Covenants

- Risks related to changes in values and rents are detailed in the developments dedicated to "Real estate market" risk (see above).
- In the event of breaching a covenant, Covivio Hotels would theoretically have to repay all of its drawn debt. In practice, however, this risk appears unlikely, as banks generally prefer to renegotiate the financial conditions of the borrowers concerned, as seen during the 2008 financial crisis.
- Note that in 2020, Covivio Hotels had obtained, as a precautionary measure and as a security measure for its creditors, the suspension of the consolidated ICR covenant (2.0x) for 2020 as well as for the first half of 2021.

Control system

- The debt reduction policy pursued by Covivio Hotels for several years enables it to better control this risk. Thus, the ratio of net debt to asset value remained well under control at 32.5% at the end of 2024 (compared to 34.4% at the end of 2023).
- The tracking of multi-year cash management plans and, in the short term, the use of confirmed and undrawn lines of credit to limit this risk.
- Eighteen-month liquidity forecasts are analysed each month by the Finance Department and submitted to General Management.
- The Investment Grade BBB+ rating, with a stable outlook, of Covivio by Standard & Poors S&P as well as its ability to secure financing and refinancing on the market (€880 million in 2024 and €500 million in green bonds) attest to the operational and financial solidity of the Company; it should also be noted that S&P upgraded Covivio Hotels' stand-alone rating from BB+ to BBB-.

- 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:
  - "Real estate market";
  - "Financial difficulties faced by tenants";
  - "Rates".
- At the end of 2024, the most restrictive LTV (Loan to Value) covenant applying to Covivio Hotels is 60%, for an effective ratio of 35% (banking LTV) at the end of 2024. As a result, the company could suffer a 40% fall in the value of its assets before reaching its LTV covenant.
- At the end of 2024, Covivio Hotels' ICR (Interest Coverage Ratio) stood at 6.09x compared with 5.38x at the end of 2023 for a covenant of 2.0x.

Summary of potential impacts

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

V. Risks related to Covivio Hotels' legal and regulatory framework

Risk	See graph	Level	Trend in relation to N-1
Unfavourable developments in tax regulations	**Tax regulation**	**High**	↑

Description

- For some of its activities, Covivio Hotels benefits from the SIIC regime (for real estate investment companies). In return for its tax exemption, the company is required to distribute most of its profits, and its shareholders are subsequently taxed.
- A SIIC must be listed and not be 60% or more owned by a majority shareholder, alone or acting in concert. The real estate activities (SIIC activities) must represent more than 80% of its activity.
- Thus, in the event of the SIIC regime being called into question, Covivio Hotels would be subject to corporate income tax on the portion of its income previously exempt. More generally, any change in tax rules or any failure to comply with the resulting obligations could have an unfavourable impact on the company's results.
- In Spain and the United Kingdom, Covivio Hotels investments also benefit from specific tax regimes for real estate activities ("SOCIMI" and "UK REIT" regimes).
- Stemming from a project by the OECD and the European Commission, the "PILLAR 2" international tax reform aims to guarantee a minimum effective taxation of 15% of groups with revenue of at least €750 million. Applicable since 2024, the text of the reform provides for a specific exclusion for "ultimate parent company REITs" and their subsidiaries subject to certain ownership conditions.
- Given a certain number of uncertainties regarding the understanding of the rules relating in particular to the scope of application and the announcement of details of the representative bodies in 2025, no tax has been recognised relating to the PILLAR rules on the SIIC, SOCIMI and UK REIT scopes of Covivio Hotels at 31 December 2024.
- More generally, any change in the tax rules applicable to the real estate sector or any failure to comply with the resulting obligations could have an unfavourable impact on Covivio Hotels' financial results.

Summary of potential impacts

- Tax penalties.
- Tax increase.

Control system

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

Risk	See graph	Level	Trend in relation to N-1
Compliance with health and safety regulations	Sanitary/security	Low	↑

Description

- Covivio Hotels' activities are subject to laws and regulations relating to the environment and public health. These laws and regulations govern, in particular, the holding or use of facilities that present specific risks, the use of toxic materials or substances in buildings, and the storage and handling of such substances. If these applicable laws and regulations were to become more stringent, Covivio Hotels might have to meet additional expenses.
- Moreover, as the owner of these buildings, facilities or land, Covivio Hotels could be held liable under civil or even criminal law if it breaches its obligations.
- Likewise, the diversification of Covivio Hotels' accommodation range (with alternative solutions between traditional hotels and youth hostels) as well as the offer of catering services, mainly in its capacity as 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 system

- Covivio Hotels relies on Covivio's support departments to anticipate legal and regulatory changes in terms of the environment and public health.
- Each acquisition made by Covivio Hotels is subjected to careful analysis, particularly as regards ground contamination and asbestos.
- The leases signed by Covivio Hotels transfer liability for environmental and health risks to operators. At the same time, the Real Estate Engineering department closely monitors these risks during ownership of the buildings and entrusts the management of the asbestos and ground contamination risks to its specialist partner, Provexi (in France).
- For foreign assets, these risks are monitored by local property managers.
- Covivio Hotels operates its hotels in compliance with the permits granted by the prefectorial and safety authorities.

Summary of potential impacts

- Additional compliance costs.
- Sanctions by the competent authorities.
- Degradation of Covivio Hotels' image.

Risk	See graph	Level	Trend in relation to N-1
Risk of fraud, corruption (and related offences), money laundering and related legal and image risks	**Fraud, corruption, money laundering**	**Moderate**	↑

Description

- The activities of Covivio Hotels and in particular the sales, acquisition, leasing and development activities involve significant capital movements as well as regular contacts between Covivio Hotels employees and local service providers, intermediaries and/or public officials. This context therefore generates risks of fraud, corruption, money laundering and consequently associated legal and image risks.
- The reinforcement of the Company in hotel operating properties in 2024 is also likely to increase the occurrence of these risks, at least during the integration phase for processes and personnel of the newly managed OPCos.

Fraud

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

Corruption and influence peddling

- Covivio Hotels staff (employees, corporate officers), directly or *via* intermediaries may commit these offences, in their own interest, that of a third party or that of Covivio Hotels.
- 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 Hotels employees could be granted these same benefits to encourage the use of a service provider.
- In the event of a proven act of corruption or influence peddling, in addition to the penalties provided for by law, Covivio Hotels could be criticised for the weakness of its risk prevention system as defined by law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life and be subject to sanctions in this respect.

Money laundering

- Covivio Hotels could take part in or carry out operations involving a violation of French or European laws and regulations relating to asset freezes or embargoes. Likewise, Covivio Hotels 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 perform appropriate due diligence for each type of transaction.

Reputational risk

- Beyond the penalties (administrative, civil, criminal, etc.) and their financial impact, Covivio Hotels could, in the event of proven fraud, corruption or money laundering, experience a deterioration in its image, which would have the effect of limiting its ability to forge business relationships and consequently to implement its strategy of disposals of acquisitions, development or leasing.

Summary of potential impacts

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

Control system

- Covivio Hotels has a structured Internal Control system, the operation of which is described in section 2.6.4 of this Document.
- Measures to prevent specific risks of fraud, corruption and money laundering are detailed in section 2.2 of this Document. This system is coordinated at European level by the Group Compliance Officer, who also covers the activities of Covivio Hotels.

VI. Risks related to the development of Covivio Hotels

Risk	See graph	Level	Trend in relation to N-1
Risks related to construction, property development or development operations: delivery delays, non-compliance with budget forecasts (construction costs, vacancy on vacant projects), risks related to safety on construction sites	Development/ Construction	Moderate	n.a.

Description

- In 2024, Covivio Hotels delivered three hotels as operating properties in Lille and Bruges, as well as a Melia hotel under lease in Malaga. These projects represent 458 hotel room keys, i.e. a total of €15 million in CAPEX Group share (€28.5 million at 100%) and a marginal return on CAPEX of more than 15%.
- The acquisition of 43 business assets from AccorInvest will require Covivio Hotels to carry out work plans in order to get the best value out of certain assets while improving their positioning and profitability.
- As a result, Covivio Hotels is exposed to risks related to the development of real estate assets, in particular:
- construction cost of an operation higher than the prior appraisal of the project;
- construction period longer than estimated (technical difficulties or delay in execution due to failure to obtain administrative authorisations, construction site delays resulting from a shortage of materials, etc.) which may lead to delays in operation and marketing of the hotel;
- significant Health/Safety risk on all construction sites.

Increased costs and shortage of construction materials

- The production stoppages of construction materials suppliers during the pandemic, combined with very sustained 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.
- The trend observed since 2021 (increases in prices and lead times, and even order cancellations from suppliers aggravated by the war in Ukraine) slowed down significantly in 2023 and then in 2024. In France, the ICC (construction cost index) increased by +1.8% between Q3 2023 and Q3 2024 compared to +3.4% and +8.0% respectively one and two years earlier over the same period.
- More structurally and in the longer term, poor management of the resources (particularly natural) necessary for construction would be likely to lead to a shortage and consequently a significant and continuous increase in property development costs.

Control system

- The developments are subject, according to thresholds defined by the governance, to a presentation to (and validation by) the Executive Committee after review by the Risk Management, then to the Strategy and Investment Committee, and finally to the Board of Directors. The risks, challenges and opportunities are then analysed in detail.
- A procedure specifies all the studies to be carried out prior to the launch of any operation, including a process for selecting service providers, monitoring the construction period until the delivery of the asset and, if necessary, its reopening.
- In 2024, a Real Estate Commitment Committee (internal body) was also created. Its main function is to validate all the studies prior to the completion of any development project.
- The reinforcement in recent years of the team dedicated to development, which has experts, allows better control of projects, including the safety aspect of construction sites for which Covivio Hotels systematically uses specialised service providers.
- Lastly, commitments on prices and delivery deadlines are almost systematically made with construction companies, including penalties for late delivery.

Risk	See graph	Level	Trend in relation to N-1
Risks related to acquisitions of real estate assets, funds or securities of companies: overestimation of values, poor estimate of liabilities	**Acquisition/integration of new portfolios**	**Moderate**	↗

Description	Control system
• Covivio Hotels' development strategy is based in particular on the acquisition of real estate portfolios (either directly or via the acquisition of shares in companies) or hotel funds, as evidenced both by the transaction (involving 43 business assets) concluded with AccorInvest, and the acquisition of a hotel in the Canaries for €81 million completed in 2024. • During these acquisitions, Covivio Hotels could overestimate the value and not achieve the expected returns. • Covivio Hotels could also acquire assets with hidden faults (particularly in environmental matters), instances of non-compliance (not covered by seller guarantees) and, more generally, underestimate the amount of liabilities.	• Due diligence is carried out before each acquisition, with the help of specialised external consultants. The purpose of such technical, legal, fiscal and financial analysis is to identify any risks and to put in place, on behalf of Covivio Hotels, various guarantees. • Acquisitions are subject to approval by General Management and the Supervisory Board, depending on the thresholds defined by governance. The risks, challenges and opportunities are then analysed in detail. • In 2020, Covivio appointed a Group Risk Manager, whose mission is to provide General Management with, in addition to a detailed risk analysis, an independent perspective on the risks inherent to investment transactions prior to their presentation to governance bodies. • The Compliance Officer is also involved in investment transactions by carrying out prior probity analyses of the counterparties and target companies.

VII. HR risks

Risk	Level	See graph	Trend in relation to N-1
Organisational risks related to not being able to keep the most sought-after staff on the labour market	**Moderate**	**Keeping and developing talent**	↑

Description

- The year 2022 had been marked by a recovery in activity after the health crisis as well as by an upsurge in hires at the European level; the labour market is now back to its pre-crisis situation in most European countries: in September 2024, the euro zone's seasonally adjusted unemployment rate was 6.1%, down slightly from the rate of 6.6% recorded in September 2023, with, however, significant disparities between countries and sectors of activity (1).
- However, despite this general lull at the European level, the hotel sector is benefiting from a particularly strong and job-creating dynamic.
- The activities carried out within Covivio Hotels, both in operational areas and in so-called "support" functions, require a high degree of qualification.
- On the job market, Covivio Hotels is therefore in competition with many other hotel real estate operators, and also with financial groups (such as asset managers, investment funds, etc.).
- With regard to its operating property portfolio, Covivio Hotels is also faced with the growing labour shortage observed in the hotel and catering sector in recent years.
- In addition to the temporary organisational difficulties likely to result from too many departures (loss of know-how, reallocation of workload and associated psycho-social risks, etc.), Covivio Hotels could, if such tension persists in the longer term, find it difficult to implement its strategy optimally due to a lack of qualified staff and/or be faced with a significant increase in its wage bill.

Summary of potential impacts

- Temporary organisational risks (loss of know-how) and associated psychosocial risks.
- Impediment to the deployment of Covivio Hotels' strategy.
- Increase in payroll.

Control system

- The issues relating to the skills and attractiveness of Covivio Hotels as an employer were identified as major issues for the company during the Covivio group's CSR risk mapping.
- The measures deployed by the Group's Human Resources Departments are detailed in section 3.3 of Covivio's Universal Registration Document (URD).
- These include:
  - regular monitoring of HR indicators to analyse trends and anticipate social issues (departures, absenteeism, etc.);
  - systems aimed at promoting employee-employer dialogue, preventing psychosocial risks, reconciling personal and professional life (workload monitoring interviews, teleworking agreements, etc.);
  - training and development plans (coaching, mentoring, sponsorship of newcomers, etc.);
  - a performance-based remuneration system including a variable remuneration policy.
- Identification actions (people reviews, succession plans) and loyalty plans aimed at key employees (long-term incentive based on Covivio shares) are also rolled out.
- The Covivio group also increased its visibility on the job market by launching its employer brand in September 2019. The Group's 27 ambassadors are its cornerstone: participation in school forums, positioning as a "co-optor" by proposing profiles to be recruited, action on the various networks to promote Covivio and Covivio Hotels (LinkedIn, JobTeaser, advertising campaigns, etc.).

(1) *Source: Eurostat.*

2.2 Internal control, risk management and compliance policy

2.2.1 Objectives, scope and guidelines

2.2.1.1 Objectives and limits

To address the risks, including those described in this chapter, Covivio Hotels relies on the internal control and risk management system put in place by the Covivio group.

In particular, it seeks to ensure that:

- activities comply with laws, regulations and internal procedures;
- management actions are consistent with the guidelines defined 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 fully 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 Hotels and its subsidiaries.

2.2.1.3 Standards

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

- contribute to the management and efficiency of its business activities and the efficient use of its resources;
- give proper consideration to significant operational, financial and compliance risks.

2.2.2 System components

2.2.2.1 A structured organisation

In accordance with the recommendations of the AMF, the internal control system is based, in particular, on known objectives, a distribution of responsibilities, and adequate management of resources and skills.

2.2.2.1.1 Delegations of powers and responsibilities

Delegations and subdelegations of powers are in place. This delegation ensures 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 various software packages used provide Covivio Hotels teams with functionalities adapted to their 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 per person 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 back-up plan to mitigate any physical or electronic attack on the information systems. Daily back-ups are stored outside the building in which the main servers operate;
2. A business continuity plan, operational since June 2013. This plan was drawn up jointly by teams from Covivio's Information Systems Department and Risk, Compliance, Audit and Internal Control Department, with the help of the global leader in business continuity solutions. The business continuity plan is described in a special procedure. It includes a back-up centre, in the event of an IT incident that results in a computer malfunction for employees. Tests are carried out annually to ensure that the system is effective;
3. Regular intrusion tests are performed by a specialist service provider to ensure that the information system is as secure as possible. All recommendations made as a result of these tests are regularly monitored until their implementation;
4. Cyber risk mapping, carried out with the help of a service provider specialising in this field. It underlined that many elements of control were in place within the Group and the recommendations were taken into account;
5. Cyber risk training and awareness, carried out for all Group employees, reminding them of best practices and behaviours to adopt;

6. An IT charter, distributed and appended to the Internal Rules of the Covivio ESU, of which Covivio Hotels is part:
   - 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 scope of responsibility of the users and the company, in accordance with the legislation, in order to guarantee an appropriate use of the company's IT resources and internet services,
   - it helps to protect the integrity of the IT system, particularly the security and confidentiality of data and technical equipment,
7. The appointment of an external Chief Information Security Officer (CISO), responsible for IT security;
8. The existence of an ISSP - Information System Security Policy - which was reviewed in 2024.

2.2.2.1.3 Procedures updated, validated and disseminated

The procedures are drafted by the Risk, Compliance, Audit and Internal Control Department in close collaboration with operational staff.

The procedures describe the risks and control points of 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, validation, informing, archiving);
- the control points in place.

Any procedure (creation, updating, elimination) is presented to an ad hoc Committee composed of members representing the Group's various business lines (operational and support) chosen on the basis of their expertise and knowledge of how the company operates. The procedures are then validated by the Management Committee.

To strengthen their validity and relevance, the procedures are co-signed 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.

2.2.2.1.4 Employee training

The Group's Risk, Compliance, Audit and Internal Control Department holds training sessions called "Les Matinales du Process". They are intended for all employees in order to raise their awareness of:

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

In 2024, these training courses focused on the fight against fraud, cybercrime, corruption and the protection of personal data as well as best practices in the use of Artificial Intelligence tools.

In addition, all new employees of the Group, during their induction programme, meet with the Risk, Compliance, Audit and Internal Control Department, where the department's role and the company's procedures are explained.

2.2.2.1.5 An established ethics and compliance system

Covivio Hotels has placed among its values not only compliance with regulations and internal procedures, but also with the rules of professional conduct and ethics, the proper implementation of which is ensured in particular by Covivio's Group Compliance Officer and Ethics Officer (covering Covivio Hotels' scope of activity). The company can count on a comprehensive framework that provides guidance on the regulations and proper conduct that must be adhered to by the company, its managers, corporate officers, all employees and partners.

2.2.2.1.5.1 Ethical Charter

The Ethical Charter sets out the rules and principles that all employees must follow in their professional practices and in their dealings with stakeholders. The basic principles contained in this charter are:

- compliance with laws and regulations, including the prevention of insider trading, money laundering, corruption and related offences;
- respect for the environment and people (health and safety at work, non-discrimination, respect for third parties, etc.);
- protection of the company's assets (image, assets, resources) and transparency of the information provided;
- protection of personal data.

It is published and relayed to all hierarchical levels, including each new employee when they are inducted into their post.

The charter is regularly updated (most recently in 2024) to reflect changes in the Group's organisation and the legal framework in which it operates.

The Ethical Charter has been approved by employee representatives. It is legally enforceable against employees and takes the place of a Code of Conduct as defined in the Sapin 2 law. Therefore, any failure to comply with the rules laid down in the charter, and in particular any proven act of corruption, could lead not only to legal penalties, but to the termination of the employment contract or of the appointment of the employee concerned.

The charter emphasises zero tolerance for corruption and influence peddling and the option for any stakeholder (internal or external) to report such acts via the whistleblowing system.

2.2.2.1.5.2 The whistleblowing system

Covivio Hotels has had an internal whistleblowing system since 2015. It was updated in 2018 and again in 2022 to reflect the provisions of the Sapin 2 law.

The whistleblowing system covers various scenarios, including offences and misdemeanours, clear and serious infringement of national or international laws, or a serious threat or harm to the public interest, etc. It also enables any employee to report breaches to the principles laid down by the Ethical Charter and more generally in the following areas:

- financial;
- accounting;
- banking;
- anti-fraud and anti-corruption;
- non-compliance with competition law;
- prevention of workplace discrimination and harassment, etc.

All Group employees and their stakeholders may access the whistleblowing system, or be the subject of a whistleblowing procedure. It is covered by an internal procedure disseminated and explained during training sessions. Its existence is also brought to the attention of partners and suppliers via its publication on the Covivio group's website and the reference made to it in the Responsible Purchasing Charter.

The company undertakes to protect the whistleblower in accordance with the applicable regulations. Anonymous whistleblowers are taken seriously if the severity of the facts disclosed is established and there is sufficient detailed evidence.

2.2.2.1.5.3 Fraud and Corruption risk mapping

A mapping dedicated to the specific risks of corruption and fraud at the European level was carried out in 2018 by a specialised advisor. Complying with the Sapin 2 Law, the mapping has been the subject of several updates, including the last in 2024.

Mapping led to recommendations, the implementation of which at the European level by the Group Compliance Officer is monitored regularly by the Audit Committee and the General Management. In view of the major risks identified by the mapping, Covivio Hotels pays particular attention to the integrity of its key customers and suppliers by conducting due diligence. It also has a specific financial reporting process to detect the main risks of fraud and corruption identified. In addition, operations deemed sensitive, such as acquisitions, sales of buildings or companies, construction or renovation work, are governed by adequate procedures, in particular with regard to the knowledge of intermediaries.

2.2.2.1.5.4 The Ethics Officer

The Ethics Officer is independent and reports only to the General Management. He or she has a duty of confidentiality with regard to the information disclosed. Their mission includes several components:

- advising employees on conflicts of interest, compliance, stock market regulations, gifts and other benefits in kind received or offered;
- verifying the application of ethical principles;
- performing regulatory oversight on the subject of ethics.

The role of Ethics Officer is held by Covivio's Chief Operating Officer.

2.2.2.1.5.5 Group Compliance Officer

To ensure that the Group complies with the ethical rules and principles applicable to it, the Compliance Officer:

- is involved in drafting and updating the Ethical Charter;
- ensures that it is distributed to all employees when it is updated and to new employees when they join the company;
- supervises its implementation; in this respect, the compliance officer ensures that each department puts in place suitable measures to comply with the provisions applicable to it, and relies on the Audit and Internal Control Department to perform the necessary checks;
- carries out due diligence on third parties;
- in the event of a breach of these rules, ensures that appropriate measures are taken.

2.2.2.2 A structured organisation

2.2.2.2.1 Risk mapping

For more than ten years, the company has been mapping risks, enabling it to have a better understanding of events that could affect the company's results, to monitor their evolution and to strengthen their control. Significant risks are presented in sections 2.1 *et seq.* of this Document. In addition to the mapping of general risks, corruption risks are also mapped and updated in accordance with the Sapin 2 law.

2.2.2.2.2 Incidents database

Incident databases have been set up. They make it possible to reinforce the effectiveness of the systems for managing risks, by managing proven incidents, to avoid their repetition, and to contain their consequences.

This incident database enables employees to assess risks quantitatively and qualitatively, setting itself the following objectives:

- support employees with incident management, especially those that have not yet occurred;
- characterise these incidents by assessing their financial impact;
- produce risk analysis statements and summaries;
- suggest solutions to limit these risks and any occurrence or repetition thereof;
- allocate any necessary resources.

2.2.2.2.3 Internal control manual

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

It 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 the risks

Control activities are designed to control risks that may affect the achievement of the company's objectives. The frequency of controls is adapted to the scale and nature of the risks.

It 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.

2.2.2.3.1 Control of risks on investments, disposals and financing

In accordance with the rules of governance, decisions relating to the highest risks are placed, above certain amounts, under the control of the Supervisory Board and its specialised Committees. They concern 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.

In 2020, Covivio appointed a Group Risk Manager, a member of the Executive Committee of Covivio, whose mission is to provide, in addition to a detailed risk analysis, an independent perspective on the risks inherent to transactions prior to their presentation to governance bodies. The Group Risk Manager also examines transactions over €5 million initiated by Covivio Hotels.

In 2024, a Real Estate Commitment Committee (internal body) was also created. Its main function is to validate all the studies prior to the completion of any development project.

2.2.2.3.2 Control of the company's activities

Control of proprietary companies, management companies and functional departments

Activities are controlled in order to identify the necessary actions to:

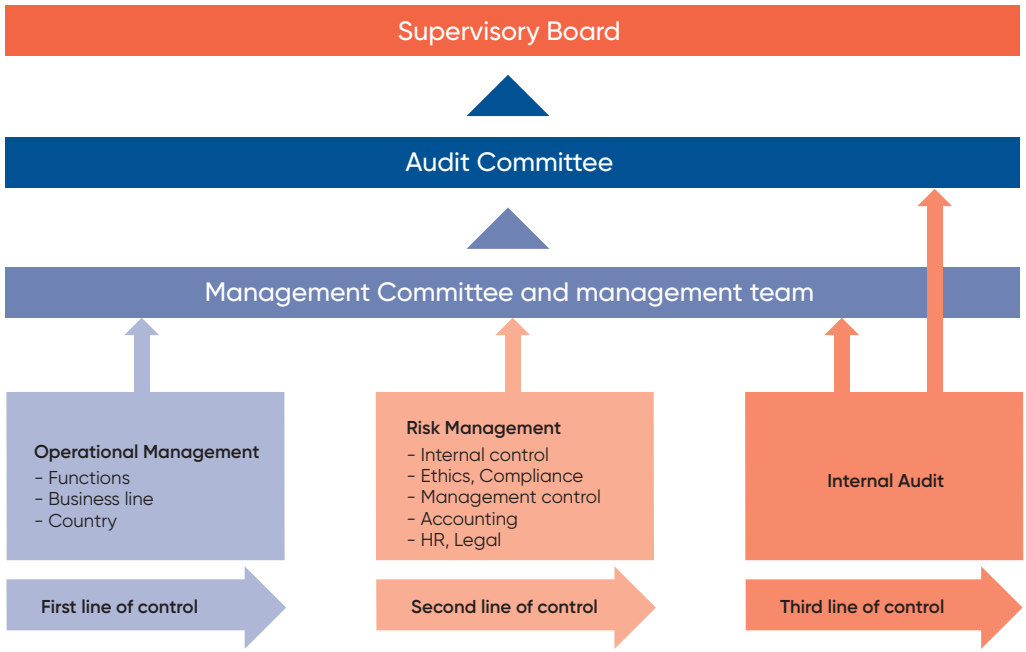
- deliver the budgeted receipts;
- control operating expenses related to assets;
- control direct operating expenses (personnel expenses, appraisals, asset management, etc.).

Covivio Hotels Management Control monitors compliance with budgets.

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

2.2.2.4 Levels of control and stakeholders

The system is based on the lines of control presented below:



Covivio Hotels relies on the Covivio group's centralised services, particularly in the areas of Accounting, Legal, HR, Audit, Ethics and Compliance.

2.2.3 Internal control of accounting and financial information

The internal control of accounting and financial information 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 instructions set by General Management;
- the prevention and detection of fraud and accounting irregularities.

2.2.3.1 Scope

For the purposes of the consolidated financial statements, Covivio Hotels' internal accounting and financial control scope includes all consolidated subsidiaries.

2.2.3.2 Actors and governance

As the consolidating company, Covivio Hotels defines and supervises the process of preparing the accounting and financial information published.

Two persons are particularly involved:

- The Manager of Covivio Hotels is responsible for the organisation and implementation of the accounting and financial internal control and the preparation of the financial statements:
  - he approves the financial statements,
  - he presents the financial statements to the Audit Committee and the Supervisory Board,
  - he ensures that the process of preparing the accounting and financial information produces reliable information and gives a true and fair view of the company's results and financial position;
- The Audit Committee, as the representative of the Supervisory Board, conducts the verifications and controls it deems appropriate. It presents its report to the Supervisory Board before the closing of the financial statements.

2.2.3.3 Production of accounting and financial information

The quality of the financial statements production process stems in particular from:

- the formalisation of accounting procedures;
- the consolidation manual, adapted to the features of the consolidation software;
- validation and updating of accounting scenarios;
- verification of balances and the usual validation and control reconciliations, in conjunction with work carried out by management control;
- analytical reviews to validate, with operations staff, changes in the principal balance sheet and income statement entries;
- separation of roles between the power to commit to an action and the accounting for it;
- review of consolidation reporting for each subsidiary;
- review of the impact of taxes and disputes.

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

The reliability of the processes allows the Covivio Hotels teams to focus more on control.

2.2.3.4 Production of the consolidated financial statements

For preparation of the consolidated financial statements, the Covivio Accounting Department, on which Covivio Hotels relies, has drawn up a detailed consolidation manual, and gives specific instructions to the Group's French and foreign subsidiaries, including Covivio Hotels and its own subsidiaries.

The consolidated financial statements are produced using a dedicated software package. This tool is regularly updated to comply with IFRS requirements and the specificities of the various operational and financial activities of Covivio Hotels and its subsidiaries. The consolidated entities have a single accounting plan. The processed data is uploaded into the program in data packages.

2.2.3.5 Control of financial and accounting information

The Manager approves the financial statements and sends them to the Supervisory Board, which reads the report from the Chairman of the Audit Committee.

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

Covivio Hotels applies the EPRA Best Practices Recommendations, notably when presenting its financial statements and performance indicators. This presentation provides better readability and allows comparability with real estate companies that publish in the same format.

2.2.4 Insurance system

2.2.4.1 General policy

Covivio Hotels has set up an insurance policy to cover its operational risks. This policy consists of seeking comprehensive coverage in the insurance market suited to the activities and 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 risk management policy implemented by Covivio Hotels, which relies on the Covivio group's Insurance Department. The main risks covered relate to property damage and acts of terrorism/attacks likely to affect the company's real estate portfolio, as well as civil liability that may be incurred as part of its business as real estate company, owner and manager of buildings, hotel operator (owner of hotel business goodwill) or in its construction and development projects.

Covivio Hotels also benefits from an insurance programme against cyber risks, which supplements its insurance coverage against the risks of fraud and malicious IT actions.

In 2024, the policies were renegotiated with guaranteed levels maintained and rate increases mitigated. The insurance guarantees thus subscribed were extended to the acquisitions made at the end of the year. Covivio Hotels has leading insurance partners such as Allianz, Chubb, Zurich, MMA, Liberty Mutual, XL/Axa, Generali, AIG and Ace Europe.

2.2.4.2 Description of coverage levels

2.2.4.2.1 Real estate portfolio insurance

The real estate assets of Covivio Hotels and its subsidiaries are characterised by a strong geographical dispersion, thus protecting the company from a single claim affecting all of its portfolio.

Most of the risks incurred by partners operating the hotel, restaurant and leisure portfolio of Covivio Hotels are insured under insurance schemes covering the risk of property damage (including damage to the building itself, based on the rebuild cost), operating losses, loss of rental income and public liability. These risks are covered by leading insurers with a global reputation, all with good financial strength ratings.

In terms of property damage, the insurance taken out covers material damage and financial losses resulting from a total loss affecting the largest asset in the Covivio Hotels portfolio. Covivio Hotels examines and annually checks insurance cover when these are taken out by the hotel operator on its behalf and takes out its own insurance cover for property damage and loss of rent or operating losses directly according to the portfolios when the company owns the hotel business.

The contractual limitations of the policies taken out are all adapted to the specificities and value of the portfolio covered. In addition, advised and assisted annually by the prevention engineering departments of its insurers, Covivio Hotels implements the necessary procedures to respond to their recommendations and maintain its assets in a permanent context of fire safety, security and generally, insurability in the insurance market. For all redevelopment projects, Covivio Hotels systematically takes out legal insurance coverage locally, whether in Europe or in France, such as "Constructors all risk" during the period of construction, non-mandatory insurance guarantees post-delivery, "civil liability of the project owner/developer", in order to secure financially at each of its stages all its development operations.

2.2.4.2.2 Liability insurance

The financial consequences of any claims, due to bodily injury, material and immaterial damage, suffered by third parties/customers and attributable to faults committed in the exercise of the company's activities, or due to the real estate assets and the property and all the equipment that depends on it is insured under a specific insurance policy that provides high amounts of cover and is consistent with the size of the portfolio. The personal liability of corporate officers and de jure or de facto managers of the company and its subsidiaries is covered for amounts regularly reviewed and adapted to the risks incurred, the financial importance of the company and its activities.

2.2.4.2.3 Insurance of other risks

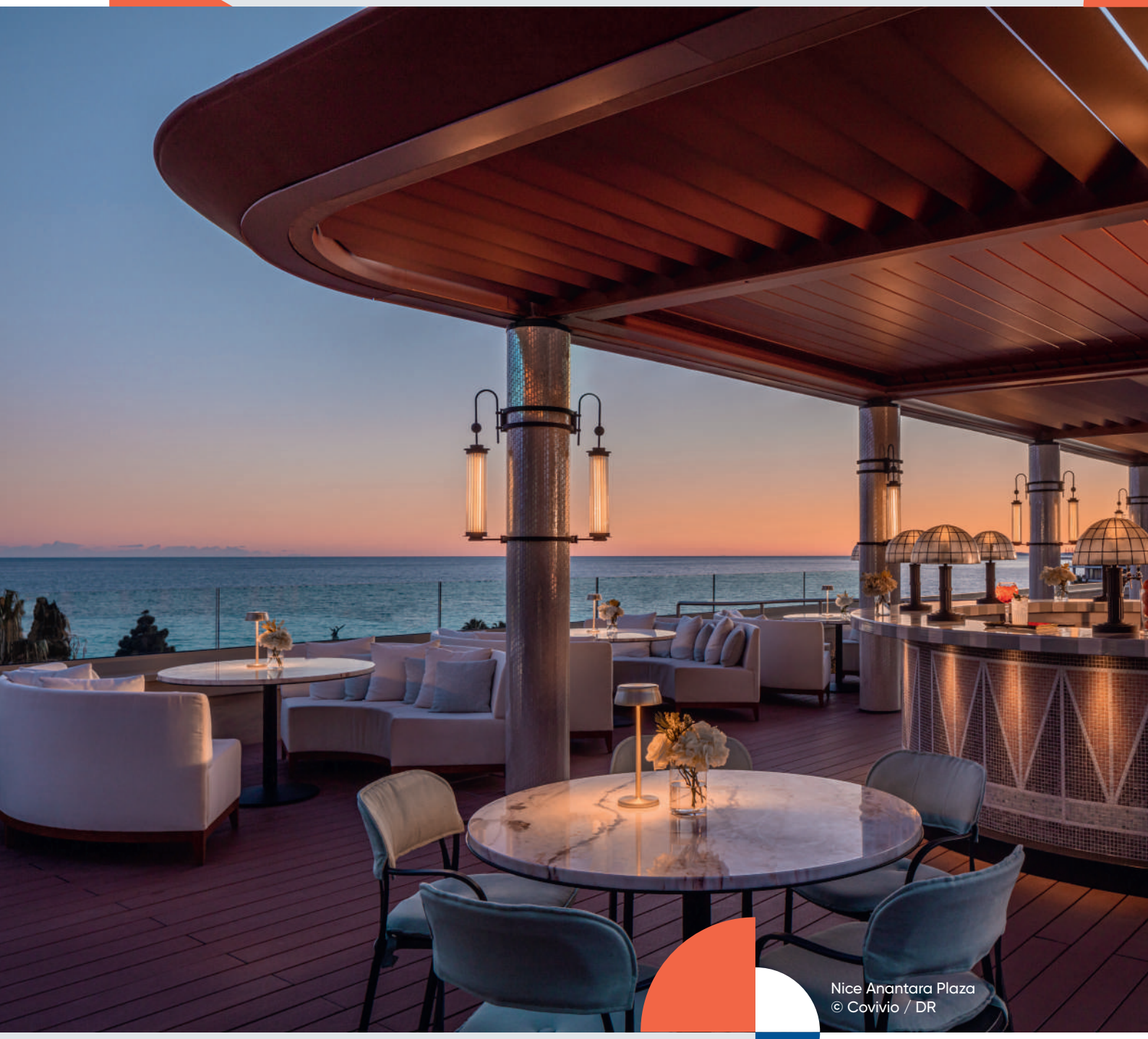
Covivio Hotels has taken the necessary measures to protect its interests and that of its shareholders with regard to exposure to financial risks resulting from acts of fraud or malfeasance, and computer malevolence, with a Group insurance contract taken out by Covivio. In view of the increase in cyber risks, Covivio Hotels also subscribes to the insurance programme taken out by Covivio, which enables it to benefit from all the guarantees currently available on the cyber risk insurance market. In addition, in the event of events that could harm the image and reputation of Covivio Hotels, insurance coverage has been taken out to enable it to finance the immediate intervention and fees of a communication firm specialising in crisis management.

2.2.4.2.4 Professional portfolio insurance (Offices, IT, vehicles)

The professional portfolio, which includes office buildings when the company is the owner, but also its furniture, equipment and IT equipment, is insured by policies with guarantees extended to various events. A contract specific to the information system provides cover for additional costs, which has been adapted to the conditions and particularities of the Covivio group Business Continuity Plan from which Covivio Hotels benefits. Company vehicles are covered for all risks by a "fleet-car" policy and the personal vehicles used by employees occasionally in the performance of their duties are covered by a "Mission Car" policy.

2.3 Trends and outlook for 2025

As a follow-up to actions taken in 2024, the Risk, Compliance, Audit and Internal Control Department will ensure the full and thorough implementation of the year's audit plan. It will strive to improve the management, identification, understanding and hedging of risks within Covivio Hotels. The control of cyber risks, as well as compliance with regulations relating to the protection of personal data and the use of Artificial Intelligence tools as part of the company's digital transformation and its growing exposure to the "Operating Properties" sector, will also constitute major challenges in 2025.



Nice Anantara Plaza
© Covivio / DR

97.5%

of the portfolio had an environmental certification at the end of 2024.

3

Sustainability report

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3.1 General information

3.1.1 Editorial by the Chief Executive Officer

Droughts, heat waves, forest fires, floods, extreme weather conditions have reached new heights [1] in 2024, with their train of human tragedies. In this context, European regulations continued to gradually strengthen, in an attempt to contain global warming (which reached + 1.3°C in 2024), reduce pollution, the use of plastics, etc., or to standardise CSR reporting, with the implementation of the CSRD [2].

Our CSR report for 2024 is the first to be drafted in compliance with the provisions of the CSRD. As Covivio Hotels' Sustainable Development strategy stems from the Group's strategy in this area, this report is an extension of the report published at Group level.

Covivio Hotels wishes to continue its development in the main tourist destinations and in particular in Southern Europe, in the mid to upscale hotel segment. Covivio Hotels is increasingly choosing to directly manage part of its portfolio, by acquiring the business assets of the properties it owns. This reflects our ambition to increasingly become a hotel operator, and not just a real estate investor (fixed or variable leases). Thus, 43 business assets, previously held by AccorInvest, were exchanged at the end of 2024, against 16 hotel properties belonging to Covivio Hotels.

A major challenge for Covivio Hotels is to meet the targets of our carbon trajectory. Extensive audits and analyses have been performed in recent years. A performance monitoring and modelling platform has been developed and deployed across the portfolio in order to refine the action plan and, in particular, the improvement work to be implemented to achieve the target of -70% between 2010 and 2030 (-53% by the end of 2024) and to comply with the CRREM trajectory [3]. This approach is the subject of frequent discussions with our partners. We are gradually phasing out fossil fuels by replacing heating equipment. The repositioning work is an opportunity to improve the efficiency of the technical installations, as at the Novotel in Bruges this year [4].

The development of our Nature strategy is another major achievement for Covivio. It is the result of more than two years of work and a synthesis of our policies and actions in the areas of climate and biodiversity, water and the circular economy. This is a collaborative effort at the European level with operational teams and the involvement of governance at each stage of the project, both at the level of the Executive Committee as well as the Board of Directors *via* its CSR Committee. This Nature strategy, based on a holistic approach, addresses several of our material challenges that emerge from the analysis of the Group's impacts, risks and opportunities. Our Nature report, which is aligned as closely as possible with the TCFD and TNFD recommendations [5], presents the 21 multi-year objectives adopted.

21 is also the number of associations which our Corporate Foundation supports, with equal opportunities as the common objective. Covivio is also continuing its commitments in the social and societal field.

2025 is beginning with a number of uncertainties over how the European Green Deal and associated regulations will be simplified. Despite the frequent regulatory changes, Covivio and its subsidiaries are maintaining their CSR objectives and continuing to transform, with the support and commitment of all levels of the company.

Agility and adaptability, our culture of partnerships and innovation are all assets that have enabled Covivio and Covivio Hotels to establish themselves amongst the leaders of their markets in Europe and to anticipate and adapt to constantly changing situations, while remaining true to our convictions and values.

Tugdual Millet-Taunay

Chief Executive Officer (CEO)

(1) first annual review by the World Weather Attribution institute published this Friday, December 27, 2024, in collaboration with the Climate Central research institute

(2) CSRD : Corporate Sustainability Reporting Directive

(3) CRREM: Carbon Risk Real Estate Monitor.

(4) Covivio and Accor unveil the hotel Novotel Bruges Centrum - Covivio

(5) TCFD/TNFD: Taskforce on Climate/Nature Financial-related Disclosures.

3.1.2 General information (ESRS 2)

3.1.2.1 Sustainability reporting scope and methodology (ESRS 2 BP-1/2)

The sustainability information of Covivio Hotels, a consolidated subsidiary of Covivio, was previously included in the CSR Chapter (Chapter 3) of Covivio's Universal Registration Document. As the CSRD has removed the reporting exemption for consolidated subsidiaries, this Chapter 3 constitutes Covivio Hotels' sustainability report. However, Covivio Hotels' sustainable development strategy is implemented at Group level, with operational variations by activity. This is the reason why a large amount of the information in this chapter relates to the Covivio Group.

This information has been compiled in the context of the first-time application of the above-mentioned articles, and is characterised by uncertainties regarding the interpretation of the legal texts and the lack of a reference framework, particularly for the double materiality analysis. These uncertainties concern, in particular, the treatment of greenhouse gas emissions related to the tenants of the buildings, accounted for in Scope 3 of greenhouse gas emissions (see section "3.2.1.6 / Gross GHG emissions of Scopes 1, 2, 3 and total GHG emissions (E1-6)"). The context of the first year of application is also characterised by the estimation of part of the energy consumption data (see the "3.2.1.5 Energy consumption and mix (E1-5)" section), water (see the "3.2.3.4.1 / Total water consumption across the portfolio" section) and waste production and treatment (see the "3.2.5.5.1 / Production and treatment of waste in the operating portfolio" section), as well as by an initial reporting exercise of social data on the Covivio Hotels operating properties scope (see the "3.1.2.5 / Action plan (MDR)" section).

Covivio Hotels has prepared this sustainability report in accordance with the European Corporate Sustainability Reporting Directive (CSRD) and its 12 European Sustainability Reporting Standards (ESRS). The provisions of the CSRD were transposed into French law by the Order of 6 December 2023 and Decree No. 2023-1394 of 30 December 2023. Strengthening corporate sustainability reporting requirements is a key aspect of the Green Deal for Europe. The main objective of the CSRD is to harmonise companies' sustainability reporting and to improve the availability and quality of published ESG (environmental, social and governance) data. This information has been compiled in the context of the first-time application of the above-mentioned articles, and is characterised by uncertainties regarding the interpretation of the texts and the lack of a reference framework, particularly for the double materiality analysis. Despite the uncertainties highlighted, the sustainability report was prepared and presented in accordance with the ESRS requirements, and improvements are already expected to improve the quality of reporting:

- a better understanding of future requirements with the publication of guidance and Q&A from the European Commission (in particular guidance relating to the transition plan);
- improvement in the quality of the source data on certain indicators, thus improving future estimates;
- benchmark information, which is limited at present but which should emerge as more and more companies publish/report information in accordance with the CSRD;
- the stabilisation of reporting practices, particularly with regard to taxonomy.

The 12 ESRS standards

Cross-cutting standards	Environment	Social	Governance
ESRS 1 General requirements	ESRS E1 Climate change	ESRS S1 Own workforce	ESRS G1 Business conduct
ESRS 2 General information	ESRS E2 Pollution	ESRS S2 Workers in the value chain	
	ESRS E3 Water and marine resources	ESRS S3 Affected communities	
	ESRS E4 Biodiversity and ecosystems	ESRS S4 Consumers and end-users	
	ESRS E5 Resource use and circular economy		

Other legislation and reference frameworks

Over the past several years, Covivio has followed the recommendations of the European Public Real Estate Association (EPRA) to prepare its financial and sustainability reports. The table of compliance with EPRA recommendations is presented in section 3.5.1. Covivio also conforms with the GRI Standards, the SASB [1] standards and the TCFD AND TNFD, which the Group began applying in March 2023 and December 2024 respectively.

This Chapter 3 of the Universal Registration Document (URD) details the objectives and actions comprising Covivio Hotels' low-carbon strategy and notably presents the energy consumption and CO_2 emissions associated with the use of buildings, corrected for climatic conditions. Annually, Covivio presents a detailed report on greenhouse gas emissions by activity, in particular by reviewing the climate-related issues connected to the obligation introduced by the Grenelle II law of conducting a greenhouse gas assessment.

(1) Sustainability Accounting Standards Board.

This reporting has been part of the 17 Sustainable Development Goals (including SDG 13 "Climate Action") defined by the United Nations since 2017. It collects information on the company's handling of the social and environmental consequences of its activity, as well as an analysis of the consequences of this activity on climate change. The financial risks inherent in the effects of climate change appear to be limited in the short term for the Group. Nevertheless, Covivio has been carrying out a range of more specific and in-depth assessment studies since 2017. Actions are often carried out in coordination with key tenant accounts, associations and leading initiatives (Alliance HQE, BBCA, Orée, Sekoya).

Covivio's risk review takes the provisions of the law of 23 October 2018 on the fight against tax evasion into account. Chapter 4, section 4.2.6.7.4 describes the policies and actions taken to comply with the tax regulations of the countries in which Covivio operates. The list of consolidated companies is presented in Chapter 4, section 4.2.3.3 of this document. Furthermore, given the nature of Covivio's activities, as detailed in this document and more specifically in its business model (3.1.2.3), the implications of the sustainable food law of 30 October 2018 (combating food insecurity, respect for animal welfare and responsible, fair and sustainable food) appear to be limited for the company. In accordance with law n°. 2023-703 of 1 August 2023 amending Article L. 225-10-21 of the French Commercial Code aimed at promoting the bond between the Nation and the army and supporting engagement in the reserves, the Group will authorise leave for reservist employees who declare themselves to the Human Resources Department in this capacity. To date, given the absence of employees declared to Covivio, this has no impact on the Group's financial performance.

Reporting scope

This sustainability report covers the scope of the consolidated activities, in line with Covivio Hotels' financial report. This reporting covers the company's upstream and downstream value chain as far as possible (3.1.2.3). It focuses both on its relations with its different upstream (suppliers, regions, consultants, etc.), and downstream stakeholders on its partnership strategy, which is one of the keys to its success, in particular with tenants, financing organisations, etc.

Marginal differences between financial and non-financial reporting scopes are specified in the relevant sections, when they exist. This Chapter 3 also takes the provisions already published as part of the European regulation of the European "green" taxonomy into account.

The environmental reporting is based on the financial control scope. A distinction is made for environmental indicators according to the management method used by Covivio:

- **Operational control:** this is the scope covered by the EPRA recommendations. This concerns the common areas of multi-tenant buildings, which are directly managed by Covivio's or its subsidiaries' teams. This scope also includes Covivio's head offices in Europe. These are Covivio's Scopes 1 and 2 (direct emissions related to the energy consumption of the scope, managed directly and paid for by Covivio). The "operational control" scope following the acquisition of new business assets in 2024 now includes hotels whose business assets are managed by Covivio Hotels (previously included in the non-operational control scope).
- **Non-operational control:** this concerns the scope of buildings or parts of buildings which Covivio or its subsidiaries do not manage directly, but which is carried out by the tenant (value chain – assets leased downstream), from whom energy and water consumption and waste volume (if available) are collected. These are single-tenant buildings under leases. This class of assets constitutes Scope 3 for Covivio, linked to the energy consumption of the buildings it owns.

The scopes and calculation methods are detailed in two reporting protocols: one dedicated to environmental indicators and the other to social indicators. They are online on the Covivio website. Unless otherwise specified, the data presented in this report is provided on a like-for-like scope basis. The main calculation rules, estimates and data sources are specified in the ESRS concerned, in particular for ESRS E1, E3, E5 including the environmental reporting of the assets held. Covivio depends on its value chain (tenants and suppliers) for a majority of the quantitative data points for the information required to produce its reports. Some social information not available from hotel operators will be collected in 2025 following this first reporting fiscal year. To the best of the knowledge of the persons responsible for the preparation of this report, the information contained in the CSR Chapter of this document is factually correct and contains no omissions likely to affect its significance. Moreover, the CSR Chapter of Covivio Hotels' URD is not subject to the disclosure exemption this year.

Time horizons

The time horizons are defined as follows in the pages of this CSR Chapter:

Horizon	Time frame	Scope covered
Short-term	< 1 year	Preferred scope for actions that do not require an in-depth analysis or a high level of governance approval.
Medium-term	2 to 5 years	The CSR action plan is divided into 5-year sequences in order to measure the progress made on longer-term objectives.
Long-term	6 to 10 years	The horizon for larger-scale projects (including developments) requiring the use of forward-looking scenarios and a long-term vision of regulatory and market developments.
Very long-term	> 10 years	Although distant and not defined by the CSRD, very long-term work is necessary to fully understand risks, particularly those related to climate, in order to understand potential IROs and adapt the strategy.

These definitions comply with ESRS 1 and the sequencing of Covivio's CSR action plan. If a different time horizon is used in any of the sections of this chapter, it will be specifically mentioned.

Commitment to transparency with stakeholders

Different channels are used to communicate with stakeholders:

	Universal Registration Document	Nature report	Covivio Online	The magazine	Ethical Charter	Responsible Purchasing Charter
Targets/ Stakeholders	Investors/Banks/SRI analysts/French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF) Individual shareholders/NGOs	Investors/Banks/SRI analysts/French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF)/ Individual shareholders/NGOs	Investors/SRI/ Customers and partners/Suppliers/ NGOs/Employees/ Civil society	Investors/SRI/ Customers 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?	Publications - Covivio	Publications - Covivio	covivio.eu/Linkedin	Publications - Covivio	Publications - Covivio	Publications - Covivio

Covivio has also adopted and published the following policies, which apply to the activities of Covivio Hotels:

- an Environmental policy in 2022, updated in early 2025;
- a Human Rights policy in 2024.

Reliability and accuracy of the information produced

Covivio strives to produce the most reliable data possible, using several levels of analysis, consistency checks and validation. However, there is no such thing as zero uncertainty, particularly with regard to the environmental data of the buildings which are not directly managed by Covivio. Covivio therefore cannot guarantee a zero level of uncertainty, either for the results presented or for future objectives. The internal control procedures for sustainability information are described in section 3.1.2.2.5. They apply the Group's risk management practices and aim to ensure that the information produced is reliable. If changes in the preparation or presentation of sustainability information occurred, Covivio would explain the reasons for these changes in the future and, if necessary, would provide the restated figures for the previous year. Similarly, if a material error was identified in the CSR reporting for one or more previous periods, this would be reported in the Sustainability Report, together with, if possible, corrective data and the origin of the error.

In each ESRS, Covivio includes the quantitative metrics and monetary amounts measured to date. The levels of uncertainty or the reasons for the absence of data are specified in the relevant sections. The main source of uncertainty comes from value chain data, especially concerning water and energy consumption and waste production.

The Group's Sustainable Development Department collects consumption data from the Property Management services and operators (invoices for communal areas), tenants, and energy and water producers or distributors. After consolidation, these data are restated by making climate adjustments (winter and summer) so that the results are comparable on a year-to-year basis. The data is analysed internally, involving investigations with the relevant parties and then an audit by an independent third party (3.6.1). The systematisation of automated data collection is a way forward for guaranteeing data accuracy and reducing the reporting burden associated with the current process.

Use of estimates

The calculations for estimating missing data are explained in Covivio's environmental and social reporting protocols. When data are derived from an estimate, this is clearly indicated in the reporting tables or in the narrative section where the data is presented.

The estimates mainly concern:

- water and energy consumption: for the months when the data is not available in time (December for energy, last quarter for water);
- waste production: the data is available for assets which have a specific waste collection contract. If not, the data is systematically estimated on the basis of the frequency of collections and volumes collected.

The resources and means implemented

This report was prepared with the assistance of the Group's functional and operational departments working at various levels of the Company. CSR intermediaries in each activity (operational and functional levels) periodically submit information which is relevant to monthly, quarterly or annual reporting to the Group's Sustainable Development Department. The resources used are detailed in each ESRS in connection with the action plans.

3.1.2.2 Governance of sustainability issues anchored in the Group's organisation (GOV)

Covivio Hotels is a partnership limited by shares (*société en commandite par actions* - SCA). It is distinguished by the presence of two types of partners:

- General Partners, who are indefinitely liable for corporate liabilities out of their own assets;
- Limited Partners (shareholders), whose liability is limited to their contribution and whose shares are freely negotiable. They are represented by a Supervisory Board.

The governance of the SCA is based on a separation of powers: the Management, composed of natural or legal persons, who are General Partners, who perform the executive functions, while the Supervisory Board exercises a controlling role. Collective decisions require a dual consultation: of the Limited Partners at the Shareholders' Meeting and of the General Partners. However, only the limited partners appoint the members of the Supervisory Board, thereby excluding general partners from this vote if they are also limited partners.

Unlike public limited companies, a SCA is managed by the management and not by a collegial body such as a Board of Directors. Similarly, the financial statements are closed by management, without intervention by the Supervisory Board. The company has been managed by a single manager since 30 November 2004: Covivio Hotels Gestion, chaired by Tugdual Millet-Taunay.

The main information related to the Supervisory Board of Covivio Hotels (EPRA Gov-Board):

- **13** members
- **46%** women and **54%** men
- **23%** independent members
- **80%** attendance rate at the 7 Board meetings in 2024
- Average terms of office of **8.3 years**
- **1** Audit Committee

For more information on:

- the Composition of management: 5.2.1.1;
- the Powers of the Manager and its limitations: 5.2.1.2;
- the diversity policy: 5.2.1.5.

Covivio Hotels' General Management is structured around various committees set up within the Covivio Group, including the Executive Committee at European level. The Executive Committee, which is the body at the heart of the corporate governance system, is a forum for reflection, consultation and decision-making on the Group's major strategies. It meets several times a month, either in person in one of the cities where the company is present or remotely, *i.e.* around thirty times in 2024. The Executive Committee, which has a European dimension, approves every important decision or operation concerning the asset rotation policy, the monitoring of subsidiaries and shareholdings, the financial policy, etc. It also addresses issues of organisation, CSR, tools, etc.

The Executive Committee, whose composition is presented in section 5.2.1.4 of the Group's Universal Registration Document (URD), consists of 12 members at the end of the 2024 financial year, including representatives from all of Covivio's "country" and "product" activities and corporate functions.

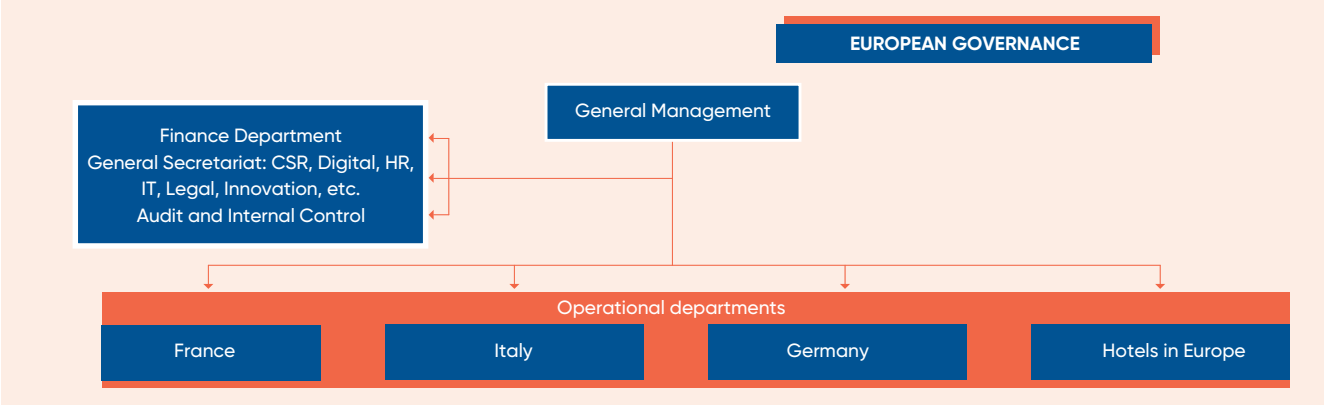
The diversity of this Committee, in terms of gender, age, experience, nationality and skills, enables it to provide the best support for the Group's strategic challenges. Covivio's Executive Committee is responsible for approving all investment and disposal projects in excess of €5 million. Its members are responsible, in their area of accountability, for implementing the Group's CSR objectives, in coordination with the Sustainable Development Department.

The Executive Committee is supported by the country and operational Management Committees, in charge of:

- monitoring operations;
- budget implementation (finance, asset management, portfolio);
- corporate issues.

Covivio Hotels is represented on the France Management Committee by its Chief Executive Officer (CEO) and its Deputy CEO, in charge of the operating properties business, thus acting as a link with the Covivio Hotels' Management Committee.

Simplified organisation chart of the European Executive Management



3.1.2.2.1 Overview of sustainability governance (GOV-1)

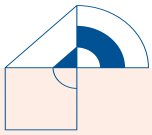
As CSR has a strategic dimension for Covivio's business model and development, its governing bodies are committed to promoting the creation of value by the company by taking the social, societal and environmental issues that the company's activities face into account.

Covivio confirmed the importance of social and environmental issues at the heart of its corporate and property strategy by defining its Purpose (Build sustainable relationships and well-being) at the end of 2019, and enshrining it in its articles of association in 2024. By modifying their economic model, Covivio and its subsidiaries are going beyond the simple pursuit of profit, because they believe that this goal should form part of a broader mission involving all of the stakeholders who contribute to the company's success. Thus, with its Purpose, Covivio is affirming its ambition to get even closer to its end users and to create, for them, living spaces for working, travelling and living.

Covivio's CSR policy is adapted to the regulations and specific characteristics of the markets in each country where the Group is developing. It is shared by all its businesses in Europe and at all levels of the company. This CSR policy is described in plans of action, which are rounded out and adapted by regularly analysing the risks and opportunities presented by the environment in its field of activity. This strategy is the subject of a dedicated Group-wide governance structure. The Executive Department, which has a European dimension, ensures that the various functions and operational departments of the Group take social, societal and environmental issues into account as part of the implementation of the strategy defined by the Board of Directors. In addition, specific meetings are regularly organised with the operational departments of Covivio Hotels to monitor the implementation of the action plan. In addition, all Covivio Hotels employees attended an information session on European non-financial regulations (Taxonomy and CSRD).

The four aspects of Covivio's CSR strategy apply to all its businesses: Sustainable buildings, Society, Social and Governance:

The four pillars of the Covivio Group's CSR strategy



SUSTAINABLE BUILDINGS

ENVIRONMENT

- Develop assets that meet the highest environmental standards
- Improve the portfolio's environmental performance
- Fight obsolescence and ensure the resilience of assets
- Turning each site into a biodiversity driver



SUSTAINABLE AND INCLUSIVE CITY

SOCIETAL

- Offer buildings that meet customer needs
- Support the local economy and culture
- Offer more services
- Thanks to the Foundation, support projects that improve equal opportunities in France, Germany and Italy



ATTRACT, DEVELOP AND RETAIN TALENT

SOCIAL

- Develop employee skills
- Encourage mobility
- Commitment to the diversity and gender diversity of teams



EFFICIENT GOVERNANCE AND ETHICS

GOVERNANCE

- Long-term shareholding and 50% free float
- Board of Directors with diverse skills, mostly independent
- Strong internal audit and control procedures
- A Group ethical charter applicable to all employees in Europe

Significant changes have been made with the support of the Board of Directors in recent years, enabling the CSR approach of Covivio and its subsidiaries to develop and strengthen.

Evolution of the Covivio Group's CSR governance

2019

Covivio's purpose is: "**Build sustainable relationships and well-being**" and through this, it has committed to:

- improving its impact on the environment
- maximising the well-being of its clients and teams
- strengthening its social commitments

2020

In order to monitor, challenge and review its commitments, Covivio has created a **Stakeholders Committee** and set up its **Corporate Foundation** which promotes equal opportunities and environmental protection.

2021

On 21 July 2021, the Board of Directors decided to create a **CSR Committee** to help it perform its work regarding environmental, societal and social responsibility and governance and to ensure that CSR issues are taken into account in the Group's strategy and its implementation.

2022

The Board of Directors has aligned the financial policy with Covivio's ESG ambitions regarding **progress on debt greening** and has set up **a green investment plan** so that Covivio complies with its carbon reduction targets.

2023

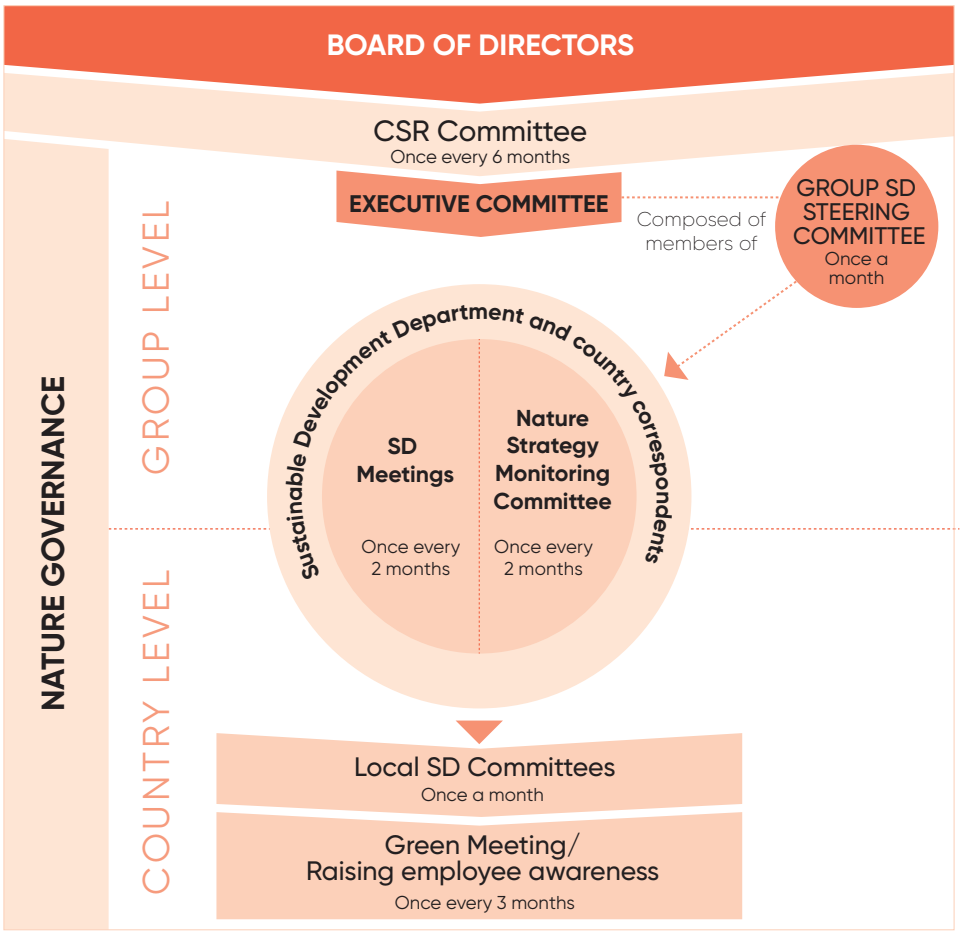
Covivio's climate and carbon policy was supported by 94.19% of shareholders with **the adoption of the "Say on Climate" resolution** by the General Meeting on 20 April 2023.

2024

The Shareholders' Meeting of 17 April 2024 approved **the statutory registration of Covivio's Raison d'Etre by 99.98%.**

For many years, Covivio has made CSR an important component of its business model and development strategy, with a central role dedicated to the climate issue, which has now been extended to biodiversity through the definition of a holistic Nature strategy. Drawing on the CSR governance already in place, Covivio's Nature strategy is shared across the different levels of the company and covers all of the Group's activities. The diagram below shows all the bodies involved in monitoring sustainability issues and the associated ROID (risk, opportunity, impact and dependency) as well as their links to the main governance bodies, the Board of Directors and the Executive Committee.

Governance of the Covivio Group's sustainable development strategy



The Innovation and Transformation Committee, which is not included in the diagram above, also contributes to certain cross-functional issues related to the sustainable development strategy. It comprises the Deputy CEO, the heads of Development, Asset Management, IT, Wellio (Covivio's co-working subsidiary), Innovation and Sustainable Development, as well as the Chief Transformation Officer.

3.1.2.2.2 A Board engaged in sustainability issues (GOV-1/2)

The Supervisory Board of Covivio Hotels approves the Group's strategic objectives, which in particular includes the multi-annual strategic objectives in terms of social and environmental responsibility, for which it is the guarantor. It oversees their implementation and places particular emphasis on monitoring CSR performance in conjunction with the Group's governance bodies. This Sustainability Report is approved by the Manager of Covivio Hotels. Furthermore, it was decided that Covivio Hotels' Audit Committee would review the audit methodology and approach, in the context of implementing the CSRD. The item was put on the Audit Committee's agenda for February 2025, when it was approved.

Information relating to the Board's consideration of CSR issues

Percentage of Supervisory Board members with CSR expertise	62%
Demonstrated expertise in the field by at least one of the members of the Supervisory Board	Environment: Nathalie Robin, Marielle Seegmuller, Olivier Estève, Christophe Kullmann, Céline Leonardi, Joséphine Lelong-Chaussier, Adriana Saitta, Yann Briand Social and societal aspects: Céline Leonardi, Yves Marque, Tugdual Millet-Taunay Governance: Emmanuel Chabas, Christophe Kullmann, Yves Marque
Training for members of the Supervisory Board	Covivio Hotels' Supervisory Board is mainly composed of representatives of the Covivio Group and its other institutional investor shareholders. All have implemented a sustainable development strategy within their structure aimed at reducing the environmental impact of their real estate portfolio. The training of the five members who hold positions within the Covivio Group is provided in the context of the Group's CSR strategy, which aims to train all its employees on these subjects. In addition, Christophe Kullmann and Olivier Estève participate in Covivio's CSR Committee meetings.
Percentage of Board meetings with at least one CSR topic on the agenda	100%, 4 meetings in 2024 The CSRD was included on the agenda of the meeting of 14 November 2024
CSR topics on the agenda in 2024	• approval of the non-discrimination and diversity policy, particularly with regard to the balanced representation of women and men on the governing bodies presented in the Supervisory Board's report on corporate governance; • presentation of energy consumption and the certification of all assets in the portfolio; • presentation of the new European standard for non-financial reporting resulting from the transposition of the European directive called the CSRD.

The following information is intended to explain how the administrative and management bodies ensure that the objectives related to material impacts, risks and opportunities are defined, and how they monitor the progress made towards achieving them during the reference period, in relation to the IRO table presented in section 3.1.2.3.3.

CSR Committee

Covivio Hotels does not have a CSR Committee attached to its Board, however Covivio's CSR Committee has Group-wide scope. Its work therefore encompasses the activities of Covivio Hotels.

One session of the 2021 Board of Directors' meeting was devoted to the carbon trajectory. Following this, the Council decided to create a CSR Committee, which has since examined all CSR issues in detail. The CSR Committee, which comprises members of the Board of Directors, and is coordinated by the Executive Committee and independent experts, is responsible for validating and monitoring the implementation of the Group's CSR strategy, supporting the other bodies on these issues, guaranteeing the diversity and equality policy within the governing bodies, and reviewing, with the Audit Committee, the relevance and reliability of the sustainability information reported. The Committee meets at least twice a year and systematically reviews the objectives and progress of the CSR strategy. The Committee's Chairwoman reports to the Board of Directors on the Committee's work after each meeting, *i.e.* at least twice a year. The CSR Committee, which is already mobilised on CSR and Climate issues, was involved at all stages of shaping the Nature strategy, reviewing the main results of the ROID studies on biodiversity (CSR Committee meeting of March 2023), as well as the objectives of the new Nature strategy (CSR Committee meetings of April 2024 and October 2024). Similarly to the carbon trajectory and the climate strategy, which have been on the agenda of every CSR Committee meeting since its creation (either directly, or *via* the taxonomy or *via* more specific studies such as the quantification of green Capex), the CSR Committee has systematically monitored the objectives relating to the other environmental dimensions of the Nature Strategy since the end of 2024.

The CSR Committee interacts with the Audit Committee on CSR risk factors, and with the Appointments and Remuneration Committee on determining relevant CSR criteria for executive remuneration. The members' qualifications are set out in Covivio's URD (ESRS 2, section 3.1.2.2.2).

Shareholders' Meetings, a vehicle for sharing the CSR policy and the actions undertaken

Shareholders were informed at the General Meeting of 17 April 2024, of the objectives of Covivio's CSR policy, which has been commended several times by non-financial rating agencies, and of the progress made on these objectives in the 2023 financial year, focusing in particular on:

- the strategic priorities set up to achieve the goal of reducing the carbon trajectory by -40% between 2010 and 2030 aimed at:
  - favouring low-carbon developments;
  - reducing carbon emissions and energy consumption;
  - intensifying the use of renewable energy;
  - limiting water consumption.
- the real estate portfolio's environmental certification, which was 95% at the end of 2023;
- the complete renovation of the existing building at L'Atelier, the Company's European headquarters, which is the showcase of Covivio's ESG strategy and know-how;
- the 94% approval of the "Say on Climate" resolution by the General Meeting of 20 April 2023 and the proposal to include Covivio's Purpose in the Articles of Association submitted to the shareholders' vote;
- the strong societal commitment, through the support of the Covivio foundation in Europe as part of long-term partnerships.

3.1.2.2.3 Involve managers and employees in implementing the strategy

The sustainable development strategy of Covivio Hotels is adapted from that of Covivio. It cannot be separated from the company's economic model. Its implementation is guaranteed by the support of a dedicated team, the Covivio Sustainable Development Department, in coordination with the Covivio Hotels teams.

Sustainable development

The Sustainable Development Department drives, deploys and coordinates initiatives within the various layers and activities of the Group, in direct contact with the General Management, Covivio's Board of Directors via the CSR Committee and the Sustainable Development Steering Committee. Cross-cutting across the entire Group, this team provides technical expertise to the different departments and divisions, playing a driving role in terms of strategic management, innovation, awareness-raising and CSR reporting. In 2024, Covivio Hotels also hired a specialised full-time consultant to set up a platform to monitor and model the greenhouse gas emissions of its assets. This task, in conjunction with the Sustainable Development Department, also aims to create a pathway between the Group's climate strategy and its operational implementation with regard to assets and in relation to real estate operators. The Sustainable Development Department meets formally every two months in "SD Meetings" (Sustainable Development) to monitor how the CSR commitments are being implemented at Group and country level. Alternating with the SD Meetings, the Sustainable Development Department also meets once every two months within the Nature Strategy Monitoring Committee. Created in 2024, this body is dedicated to steering the new Nature strategy and supporting the deployment of its actions. According to the needs and the progress made, it convenes not only the team members but also the operational managers of the actions of the Nature strategy. This Committee is also a platform for sharing experiences and knowledge on Nature issues across the Group's various European entities.

Sustainable Development Steering Committee

The Sustainable Development Steering Committee is a forum for regular discussions between the Sustainable Development Department, represented by Jean-Éric Fournier (Sustainable Development Director) and the Executive Committee, represented by Christophe Kullmann (Chief Executive Officer (CEO)) and Yves Marque (Chief Operating Officer). It meets every month and provides an opportunity to report on progress made in implementing the various CSR action plans (including the Nature strategy), formalising certain decisions relating to its implementation, and sharing them with the Executive Committee and the Board of Directors. The Steering Committee is also a forum for discussion on studies and diagnostics associated with CSR issues, including Nature topics (ROID studies), as well as the associated strategic implications.

The Sustainable Development Department formally attended two meetings of the Covivio Hotels Steering Committee in 2024 to discuss the European taxonomy applied to the hotel industry, after the biodiversity objective came into force, and then for the CSRD, in order to validate the dual materiality matrix applied at the Covivio Hotels scope. A discussion channel has also been set up between the Sustainable Development Department, the Deputy Chief Executive Officer and representatives of the operating properties activity (in particular WiZiU).

Green Meetings

Green Meetings are bimonthly awareness and information meetings on sustainable development related to Covivio's business lines. Open to all Covivio employees, these meetings enable internal or external experts (design offices, associations, etc.) to present key or emerging topics for the Group: new labels, regulations, feedback on CSR-related projects, presentation of remarkable buildings, etc. The following topics were addressed in 2024 in connection with nature-related topics: protection of biodiversity illustrated by the example of the Atelier (Covivio's new European headquarters in Paris), circular economy and food, presentation of the 2024 Eco-challenge, progress of the Covivio for Climate (C4C) project. The Nature strategy will be the subject of a specific Green Meeting in early 2025.

3.1.2.2.4 Sustainability-related performance incentive schemes (GOV-3)

Specific criteria are included in the variable remuneration of executives and then implemented within the operational teams, in order to align the corporate strategy with the Group's CSR challenges. The CSR Committee determines a set of remuneration criteria for corporate officers, which are then allocated according to responsibilities. The Chief Executive Officer then applies them to the different departments and managers.

In 2022, the Board of Directors decided, on the proposal of the CSR Committee, to, in relation to the Long-Term Incentives for Covivio's Chief Executive Officer (CEO) and the Chief Operating Officer:

- increase the weighting of CSR criteria from 20% to 30%;
- apply the criterion of the feminisation of teams every other year, alternating with the criterion of the commitment of employees (based on the results of the Social Barometer), with each criterion counting for 15%;
- retain as another criterion, an environmental criterion, weighing 15%: the progress of the portfolio's environmental certification rate (as defined in the Sectoral Issues section), or, for the past two years, the progress of the carbon trajectory.

Thus, the remuneration policy for Covivio's executive corporate officers approved by the Shareholders' Meeting on 20 April 2023 now states that the weight of CSR criteria must represent 30% of long-term remuneration, with the criteria mentioned above.

Similarly, the CSR Committee proposed an increase in the weighting of the CSR criteria related to the annual bonus of corporate officers to the Remuneration Committee, which accepted this. Thus, 15% of Christophe Kullmann's 2025 bonus will be subject to the implementation of the green Capex plan, the achievement of a high level on certain non-financial ratings, the attraction and development of talent and the strengthening of the management team, and the setting of CSR objectives for the top 50 managers. Similarly, 15% of Olivier Estève's 2025 bonus will be subject to obtaining at least Gold or Excellent certification for 100% of the developments and alignment with the taxonomy, the BBCA label for 75% of operations in France and 50% in Germany/Italy, coverage of 100% of calls for tenders by the Responsible Purchasing policy and EcoVadis rating, and a circular economy approach for 100% of development projects.

CSR objectives are now systematically included in the criteria for calculating the variable portion of the remuneration of the members of the Executive Committee, starting with the Chief Executive Officer (CEO) of Covivio Hotels. The calculation of the variable compensation of the Chief Executive Officer (CEO), the Deputy CEO and the members of the Executive Committee includes targets related to the progress of Covivio's carbon objectives, the number of women in teams, the attraction and development of talents, the implementation of Green Capex programmes, the implementation of the Responsible Purchasing policy, etc. These targets are then assigned operationally to the Group's managers, according to their operational responsibilities, and are discussed during individual interviews. The ultimate goal is to give all Group managers at least one CSR objective tailored to their responsibilities.

Variable remuneration of the Chief Executive Officer (CEO) of Covivio Hotels

Proposal for variable remuneration to the 2025 Shareholders' Meeting (5.2.4.1.1.)	
Tugdual Millet-Taunay **20% of annual fixed salary**	(1) Achievement of the target of 100% of the portfolio certified by 31 December 2025 (2) Achievement of the portfolio's annual operating carbon intensity objective (in $kgCO_2e/m^2$) in order to achieve the objectives of the CRREM 1.5°C scenario in 2030, *i.e.* 21.1 $kgCO_2e/m^2$) in 2025 (or 2024 equivalent if 2025 data are not available at the reporting date)

3.1.2.2.5 Risk management and internal controls regarding sustainability reporting (GOV-4; GOV-5)

In 2021, Covivio updated its risk mapping at Group level, including all its subsidiaries and activities. The results were presented and shared with Covivio' Audit Committee. This was an opportunity to review the improvement in the level of control of the risks subject to specific action plans that have been defined and implemented, and to apportion the levels of control and the action plans put in place for the company's major risks. In 2018, the Sustainable Development Department, in coordination with the Risk, Compliance, Audit and Internal Control (ACI) Department, mapped out the CSR risks. This was validated by the Management Committee and enabled the inherent and residual risks associated with Covivio's activities to be identified. A risk mapping of procurement risks was then carried out in 2020/2021. The ACI carries out an annual risk review to ensure that these analyses are consistent and to report on how certain risks have changed in the overall mapping.

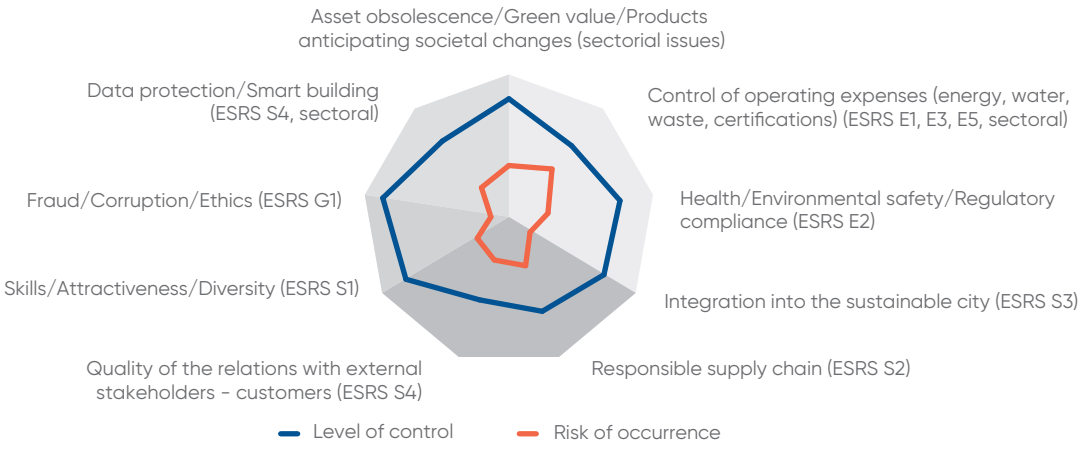
CSR risk mapping

The CSR risk mapping was carried out as part of the process of compliance with the previous Directive on non-financial reporting and provided input for the work undertaken for the double materiality analysis. This study was conducted among a panel of French, German and Italian Covivio managers (including Covivio Hotels), in charge of operational or functional departments exposed to the identified risks. The first step involved a series of interviews conducted internally with this panel, in order to define the universe of CSR risks at the European level. The second stage involved rating the risks identified based on three criteria: reputation, frequency and level of control. The CSR mapping performed differentiates between:

- inherent risks, considered in absolute terms in view of Covivio's sector and activities;
- residual risks, assessed after taking Covivio's actions to control these risks into account.

The CSR risk mapping identified nine major risks. Subjects such as resilience and the topics of well-being and health are covered by several of these nine risks, which is why they do not appear separately.

Summary of Covivio's CSR risks



This mapping was validated by the Executive Committee and shared by the Board of Directors.

The strategies for mitigating these risks are detailed in this report (see corresponding ESRS).

CSRD-related developments

Covivio has made changes to its control procedures in line with the management of the implementation of the CSRD within the Group. Specific governance has therefore been applied and incorporated into the sustainability information verification process presented below. This organisation can be summarised as follows:

- **operational:** a monthly CSRD Steering Committee meeting comprising the Chief Operating Officer, the Risk and Compliance Director, the Accounting and Consolidation Director, the Hotels Director and the Sustainable Development Department, oversees the implementation of the CSRD.
- **supervision:** Covivio's CSR Committee, in consultation with the Board of Directors, establishes the Covivio Group's CSR strategy and monitors the CSRD's objectives and action plans;
- **validation:** the Supervisory Board of Covivio Hotels checks the accuracy of the CSRD information and reporting process;
- **verification:** the sustainability auditor (Ernst & Young & Autres in 2025 for 2024) checks the information and issues a limited assurance certification report.

Control procedures

Covivio has had its non-financial reporting audited by an independent third party since 2012, and has therefore set up information reporting and internal control procedures. These procedures are reviewed and supplemented each year taking regulatory and market changes into account. They are drawn up in coordination with the departments involved (*e.g.* HR for procedures related to ESRS S1) and verified by the ACI before being shared with all the interlocutors who contribute to producing indicators at Group level. The scope of action of the Audit and Internal Control Department covers all of the Group's activities. The general internal control, risk management and compliance policy and the relating organisation are detailed in Chapter 2 - Risk factors (ESRS GOV-1).

All the procedures are summarised in three documents as indicator reference sheets:

- the environmental reporting protocol;
- the social and societal reporting protocol;
- the protocol dedicated to the production of taxonomic indicators.

The social reporting protocol and the environment protocol were updated in 2024 to comply with the CSRD reporting requirements and are available on the Group's website. In addition to regulations, these protocols aim to provide a framework for the management system for sustainability issues and to ensure that practices are harmonised within the Group.

The Sustainable Development Department and its country and business CSR coordinators supervise data collection from the contributors for the activities concerned. It consolidates the data and carries out the appropriate consistency checks. Before publication, the data is validated by the various departments and verified by the sustainability auditor.

Procedure for collecting and verifying sustainability information

The calculation of some indicators may require additional steps. This applies in particular to the energy consumption data for buildings, because of the early collection of data on 30 September (*vs* a single collection on 31 December for all other information).

An example of consistency checks: the energy consumption of buildings

The relevant Sustainable Development manager must conduct preliminary checks when they receive the consumption from a contributor.	Once these checks have been performed, the table is sent to the Sustainable Development consolidator, who carries out a new control before sending it for external verification.
• Changes: variations (+/- 20%) compared to the previous year (N-1) must be justified by a comment or a new request must be sent to this effect. • Consistency: checking the presence of fluids declared in N-1 *vs* N and *vice versa*, validation to be requested if new or absent fluid. • Comprehensiveness: complete data for the period concerned or estimates made in accordance with the reporting protocol and clearly stated as such in the table (estimates are not made directly by the contributor). • Control: the manager performs a double check for data in the operational scope using the supervision systems when they are operational.	• Comments are provided for the cases listed (variations, consistency, completeness, control). • Control of abnormal intensity levels (+/- 20%) compared to the asset class. • Control of parameters and formulas (climate adjustments, primary energy conversion factors and CO_2). • Assets are excluded from the scope if there is insufficient evidence (thereby impacting the coverage rate).

External audit of sustainability information

The audit process is detailed in the sustainability auditor's report presented in section 3.6.1. It is broken down into three successive levels, according to the materiality of each data point:

- level 1: verification of the consistency of the sustainability report;
- level 2: Group level interviews, analytical review and consistency tests of quantitative indicators;
- level 3: interviews at the activity level and detailed tests on the reliability of data based on samples and consolidation.

3

Due diligence

Covivio Hotels is not subject to the due diligence obligation under the French Duty of Care law of 2017. Nevertheless, the Group has adopted vigilance measures throughout the life cycle of the building: purchase, management, renovation, deconstruction or sale, etc. Those responsible for each of these steps must comply with the procedures attached to the operations to be carried out. For example, in the case of an acquisition, the Asset and Property Management Department carries out an analysis of the available documentation during the due diligence phase in coordination with the support services (Environment, Legal, Sustainable Development, etc.). Its purpose is to obtain the necessary guarantees for acquisitions. The environmental risks are therefore assessed by examining this documentation, which is supplemented where necessary by additional investigations (security, connectivity, digital, taxonomy, etc.), and their estimated short-or long-term impacts in order to assess potential remediation costs. These diagnoses and studies are then monitored. A similar process is organised during a sale of assets, in order to make the necessary data accessible to the buyer. Suppliers are also monitored during the building's operational period and are assessed using the process developed with EcoVadis (ESRS S2, section 3.3.2.5).

3.1.2.3 A sustainable value-creating business model (SBM)

3.1.2.3.1 Assert a role as a responsible real estate operator (SBM-1)

With 283 hotels in the portfolio, located in 12 countries with a value of €6.4 billion at the end of 2024, Covivio Hotels is the partner of choice of 17 hotel operators in Europe (AccorInvest, IHG, NH Hotel Group, B&B Hotels, etc.).

Covivio Hotels is equipped to support brands in their lease, operating properties and development projects, and is a trusted partner in the most dynamic cities (London, Paris, Amsterdam, Florence, Rome, Berlin, etc.). Covivio is thus helping to renew the hotel offering in Europe by identifying the most ground-breaking concepts, initiating partnerships with new entrants or leveraging the repositioning of its hotels in its portfolio to provide a hotel offering that is increasingly tailored to their markets and travellers' expectations. All of this is geared towards improving the environmental performance of the hotels, in line with the Group's CSR strategy.

Covivio Hotels manages its hotel portfolio *via* two main management methods: as leases or as operating properties.

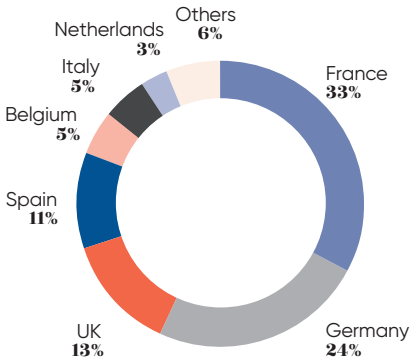
Hotel Lease Properties represent 62% of the portfolio and the remaining fixed term of the leases is 11 years on average. The portfolio is let mainly to AccorInvest (20%) in France and Belgium and consists of economy (Ibis) and midscale (Novotel, Mercure) hotels. In the United Kingdom, Hotel Lease Properties are let to IHG (13% of the hotel portfolio). Lastly, the other Hotel Lease Properties are let to B&B, NH Hotels, Motel One, Barcelo, Hotusa, etc. under long-term leases.

Hotel Operating Properties (38% of the hotel portfolio) are mainly located in Germany (particularly in Berlin), France and Belgium.

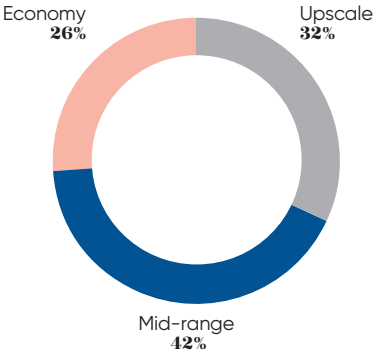
Covivio Hotels activity

- **283 hotels**
- **39,500 rooms**
- **€6.4** billion hotel portfolio in Europe (€5.8 million Group share)
- **12 countries**
- **90% of hotels located in major European cities**
- **17 partner hotel operators:** AccorInvest, IHG, B&B HOTELS, NH Hotels, Motel One, Barcelo, Radisson Hotel Group, Marriott, etc.

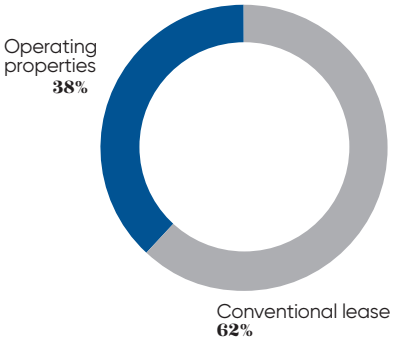
A presence in 12 countries in Europe:



A wide range of hotels:

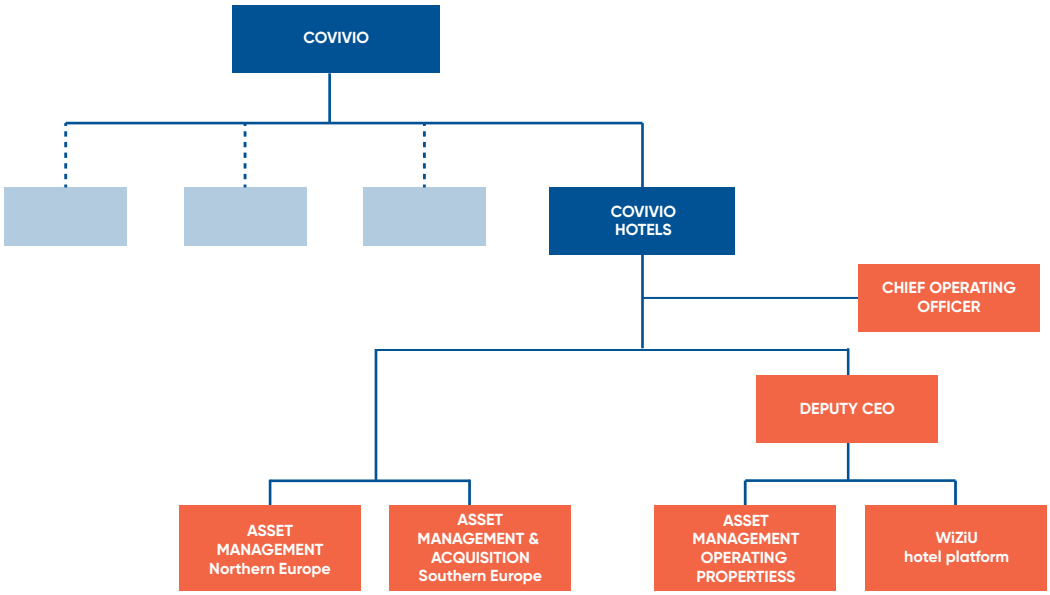


A diversified profile:



90% of the portfolio located in the main tourist destinations

Covivio Hotels' organisation chart and positioning within the Covivio Group



A long-term strategic vision

Covivio's business involves investing to hold real estate assets, while developing and renovating buildings. Covivio is constantly striving to improve the technical, environmental, service and financial performance of its portfolio. Its business model is based on a long-term vision, organised around three pillars:

- **central location:** a strong presence in the centre of Europe's major capital cities and main business and leisure centres, offering good market depth and attractive economic prospects;
- **hospitality:** assets and an offer modelled on new concepts, designed to keep pace with urban transformation and the new demands from customers. The aim is to facilitate "nomadism" and teleworking in a context where the boundaries between work and personal life are blurring;
- **sustainability:** a commitment to the climate transition for a sustainable and resilient city, by placing CSR at the heart of the business model in order to accelerate the company's transformation.

From the mindset of an investor and real estate asset manager to the mindset of an asset manager and hotel operator, with a focus on creating value.

A unique positioning for a REITs

- **A major player in hotel investment:** by favouring the best real estate investments in the hotel sector in Europe, while diversifying its modes of intervention (Hotel Lease Properties, Hotel Operating Properties) whilst continuing to support the development of tenant operators.
- **A forerunner in the renewal of the European hotel offering and experience:** by identifying the most innovative lifestyle concepts (Zoku Meininger, Anantaran Kimpton, etc.), while reworking and repositioning its existing portfolio due to an active asset & brand management policy.
- **Creator of a local and bespoke hotel experience:** the aim today is to adapt to the specific characteristics of the building, its environment and its customers. Covivio Hotels aims to offer its customers a unique experience in each city based on a personalised approach: in one city, local cooking classes will be offered, while in another, guided tours of the city's most beautiful sites will be available.

Towards a more responsible hotel industry

Covivio Hotels has taken up the challenge of the hotel sector, *i.e.* maintain its quality standards and satisfy its customers' expectations while reducing its carbon footprint:

- at the end of 2024, 97.5% of the hotel portfolio was environmentally certified and the target is 100% by the end of 2025;
- a 53% reduction in carbon intensity between 2010 and 2024, consistent with the 1.5°C scenario of the CRREM/SBTi trajectory;
- Covivio Hotels gets its hotel partners involved in a joint and virtuous approach to reducing their carbon footprint: a collective objective.

The means deployed by Covivio Hotels to reduce the carbon footprint of its assets:

- a precise diagnosis is carried out on each hotel to identify the levers for improving energy performance, in order to optimise their operation and to consider, if necessary, a programme of works;
- support for tenant operators and managers, in order to train staff in the most virtuous practices possible and raise customer awareness;
- capitalise on the Group's experience in Sustainable Development deployed in offices and residential, by identifying and disseminating best practices among its hotel partners.

In 2024, the hotel operating properties activity underwent a further expansion with the reorganisation of the ownership of hotel operating properties and businesses for a total exchange value of nearly €800 million. At the end of this operation initiated at the end of 2023, Covivio Hotels and its partners now holds the freehold title to 43 hotels located in France, Belgium and Germany and have transferred 16 hotels located in the same territories to AccorInvest.

WiZiU, Covivio's hotel management platform

WiZiU's mission is to manage hotels owned by Covivio Hotels in France and Belgium, and which are operated directly or through franchise agreements with prestigious operators - Accor, Hilton, IHG, Marriott. WiZiU is involved in all stages of a hotel's management and operation.

WiZiU's conviction: the alignment of interests between stakeholders (teams, customers, operators, partners and owners) is the best lever for value creation.

By the end of 2024, WiZiU had 24 hotels, with a total of over 3,100 rooms in Lille, Le Touquet, Nice, Rouen, Antwerp, Bruges, Brussels, Ghent and Leuven. WiZiU's ambition is to support the repositioning of these hotels through rebranding and an investment programme.

The platform believes that people are the cornerstone of the hotel sector and its professions. WiZiU flourishes from encounters, teamwork and dialogue with all those who contribute to the life of its hotels. This collective spirit, and this dynamic approach to the hospitality industry are in WiZiU's DNA.

A sustainable value-creating business model

A DIVERSITY OF CAPITAL

FINANCIAL
- **€6.4** BN portfolio of which > 90% in central locations, in the heart of major European cities
- **€84** M of investments contributing to a climate objective of the taxonomy
- **100%** green bonds **(€4.1 BN)**
- **40.8%** debt ratio under control

Financial stability · Investments · Liquidity

HUMAN RESOURCES
- **~1,500** employees in hotel operating properties
- **48%/52%** male/female ratio
- **93%** employees trained
- Maintaining a good quality of life at work

Talent retention · Skills · Attractiveness

INDUSTRIAL
- Renovation measures on the existing portfolio
- Development of a complete Group-wide offer: **Work - Travel - Live**

Asset management · Infrastructure · Facilities

RELATIONSHIP
- Long-term relationship of trust with an average lease term of 11 years and with 17 partner hotel operators
- Development of **partnerships** with local authorities and organisations

Responsible procurement · Long-term relationship · Partnerships

NATURAL
- Strategy of **improving environmental performance** of the portfolio (energy, carbon, water)
- Deployment of the Nature strategy at Group level

Climate strategy · Biodiversity · Resilience

INTELLECTUAL
- **Expertise** in real estate, financial and technical matters
- Fight against obsolescence
- Innovation and smart building (digital strategy)
- Participation in working groups on low-carbon innovations

Innovation · Research · Expertise

BUSINESS ACTIVITIES

INVESTING/ DEVELOPING
- Location
- ZAN (Net Zero Artificialisation)
- Green financing
- Sustainable city

PURPOSE
Building well-being and lasting relationships

BUSINESS/ CSR STRATEGY: LONG-TERM VISION

Centrality · Hospitality · Sustainability

STAKEHOLDERS

ARBITRAGE/ DISPOSAL
- Strengthen the operating properties activity
- Choice of high-quality destinations

OPERATE/OPTIMISE
- Service, health, safety
- Optimise customer satisfaction
- Anticipate new needs

VALUE CREATED

ECONOMIC VALUE
- **€263** M rent received
- **€83** M income from operating hotels
- Taxonomy: **32%** of revenues aligned (real estate scope)

SOCIAL AND SOCIETAL VALUE
- **3%** of the payroll allocated to skills development (training - France ESU)
- **€1.7** M over 5 years allocated to the Covivio foundation
- **17,000** jobs supported thanks to the Group's activities
- **22** charities supported by the Foundation to fight for equal opportunities

ENVIRONMENTAL CONTRIBUTION
- **97.5%** of hotels certified
- **14%**decrease in energy consumption between 2019 and 2024
- **24%** reduction in water consumption over the same period

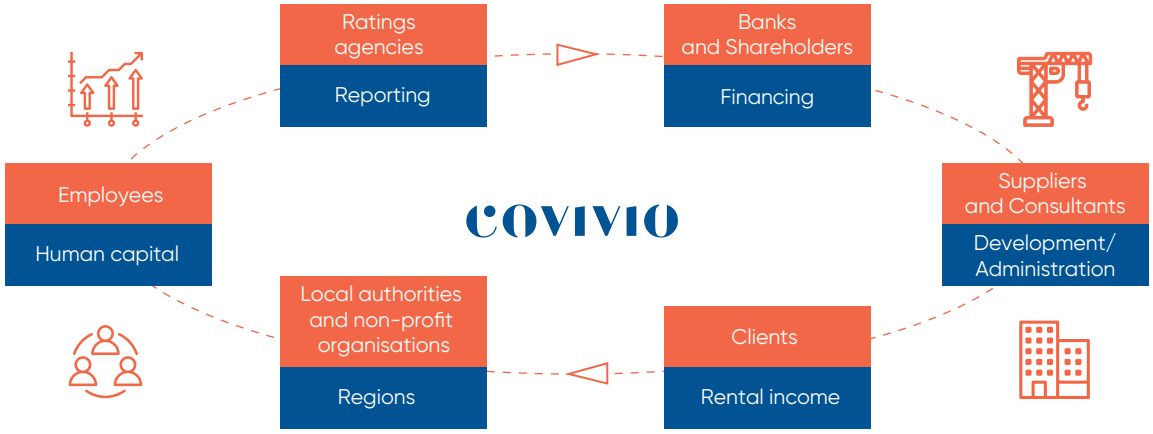
3.1.2.3.2 Involving stakeholders (SBM-2)

A driving force at the heart of the sector

The building and real estate sector covers an extremely diverse range of professions and expertise, each contributing to the activity of the others: architects, technical design offices, local authorities, surveyors, bankers, suppliers, marketers, legal professions, operator and end customers, investors, associations, the media... and of course employees.

Covivio is at the heart of this network of relationships. The Group, which is aware of its economic weight and its leading role, strives to set an example in how it manages its business activities and, especially, in its relationships with its different stakeholders. Covivio works with and listens to its different stakeholders, co-inventing real estate solutions that meet their expectations.

Covivio's positioning in the building/real estate sector



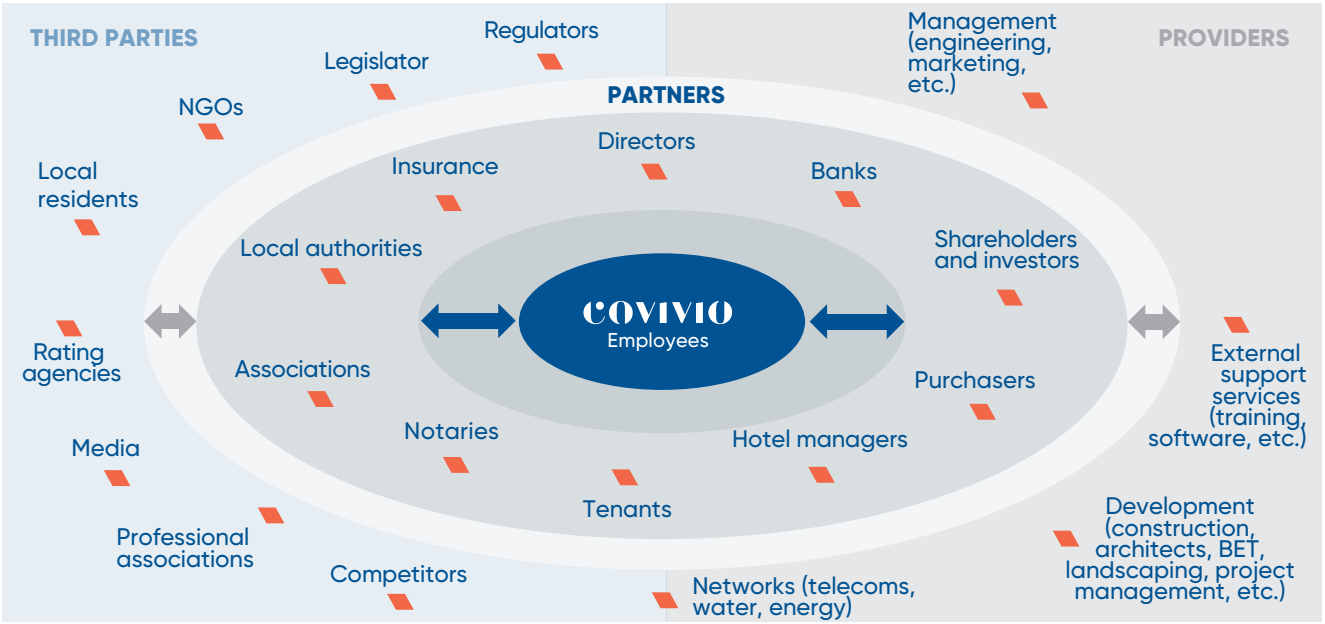
Meeting stakeholder expectations

The mapping of the Group's stakeholders since 2010, has enabled their expectations to be more effectively taken into account and a materiality matrix to be produced. The main stakeholders were selected from:

- the commercial community (key account tenants, suppliers);
- the financial community (shareholders, banks);
- human capital (managers, employees);
- public authorities (local authorities);
- civil society (associations, media).

Interviews with these internal and external stakeholders enabled their expectations, constraints and challenges in terms of CSR to be better identified. These issues have been prioritised according to their importance and their impact on the company's activities, resulting in the map below and the introduction of appropriate dialogue tools. They were re-examined when the Group's Purpose was defined in 2019.

Covivio Hotels' stakeholders throughout the value chain



Because of the diversity of the main stakeholders identified and their expectations, Covivio has gradually set up a specific communication for each one. The Group uses a variety of internal and external communication methods to do this, in particular *via* social networks: tenant extranet, X, LinkedIn, Yammer, etc.

Adapted communication methods

Main stakeholders	Stakeholder expectations	Communication method	Chapter
Hotel operators	Co-construction of innovative "tailor-made" solutions to best support each individual's real estate strategy	Sustainable Development Partnership Committees	ESRS S4
Shareholders	Visibility and sustainability of the business model and profitability	Letter to shareholders, press releases, financial releases, road shows, investor days, website, etc.	Chapter 6
Rating agencies	Transparency of financial and non-financial communications	Universal Registration Document, Sustainable Performance Report, Nature Report	3.2.6
Employees	Professional career monitoring, training	Intranet, internal communication tools	ESRS S1
Local authorities and associations	Consideration of their socio-economic issues	Sustainable performance report, Nature report Participation in various collaborative projects, conferences, etc.	ESRS S3
Suppliers	Fair practices	Responsible Purchasing Charter Evaluation system *via* EcoVadis	ESRS S2

Stakeholders Committee

When it defined its Purpose, Covivio decided to create a Stakeholder Committee for the Group's governance bodies in order to take stakeholders' interests into account in a more regular and structured way. Its purpose is to engage in long-term reflection on Covivio's future challenges and their inclusion in the strategy. Its goals are to involve stakeholders in the design process for the products and services developed by Covivio, to keep track of major changes and long-term trends, and to compare viewpoints to ensure that these changes are incorporated into the Group's development projects and strategy. This work focused on the rupture of the social bond, giving a place in the city to the most vulnerable, practical ways of creating diversity and a sense of community, and giving city dwellers the chance to relax. A report on this Committee's work was given to Covivio's Board of Directors and a summary of its work (link) was published in 2024.

3.1.2.3.3 Resilience of the business model (SBM-3)

Positioning in the value chain: ⇐: upstream/❑: direct transactions/⇒: downstream

Time horizon: ST: short term/MT: medium term/LT: long term

■: material

❑: non-material

Topics	Positioning in the value chain			IRO	Description	Time horizons			Reference	Materiality
	⇐	❑	⇒			ST	MT	LT		
E1 - Climate change adaptation	■	■	■	**Impacts**	Contribution to exacerbating the effects of climate change, particularly with air conditioning equipment and/or the soil artificialisation. In the event of misadaptation, the impact on people's safety and well-being can be severe. Positive impact: participation in urban resilience at the regional level, for example by countering the effects of urban heat islands.	■	■	■	3.2.1.1.11	■
				Risks	Physical risk related to the occurrence of a natural disaster. Financial risk related to the obsolescence or devaluation of certain assets and increased insurance costs.					
				Opportunities	Strengthening portfolio resilience.					
E1 - Climate change mitigation	■	■	■	**Impacts**	Strong sectoral impact: the building sector represents 28% of French emissions. Positive impact: contribution to the energy renovation of the portfolio.	■	■	■	3.2.1.1.11	■
				Risks	Risk to the attractiveness of the buildings, especially due to increased expenses for customers. Risk to the liquidity of the asset in a regulatory context encouraging energy-efficient buildings. Significant financial and reputational risk in the event of a class action lawsuit for inaction on climate change.					
				Opportunities	Liquidity of assets. Strengthening competitiveness.					
E1 - Energy (consumption, supply, renewable energy)	❑	■	■	**Impacts**	The building sector accounts for 43% of national energy consumption. The impact on the environment for a REITs can be significant if the building is energy-intensive and uses fossil fuels. Positive impact: contribution to the energy renovation of the portfolio.	❑	■	■	3.2.1.1.11	■
				Risks	Financial risk related to the increase in energy costs and the cost of aligning and implementing new regulations if they have not been anticipated (tertiary decree, RE2020 and European equivalents).					
				Opportunities	Liquidity of assets. Strengthening competitiveness.					
E2 - Pollution of air, water and soil	❑	■	■	**Impacts**	The impact for human well-being is high in the sector. Potential impact on the environment during construction operations. Positive impact: soil remediation in the context of development operations.	■	■	❑	3.2.2.1	❑
				Risks	Risk of environmental pollution (particularly water) on buildings or development projects limited in relation to the Group's activities. Financial risk (costs of precautionary measures to avoid infiltration, any clean-up and fines in the event of pollution).					
E2 - Use hazardous substances	❑	■	■	**Impacts**	Potential impact related to phytosanitary products and asbestos. The Covivio Hotels portfolio is mainly urban. Nevertheless, when spaces require maintenance, the use of phytosanitary products is very limited.	■	■	❑	3.2.2.1	❑
				Risks	Reputational and legal risk combined with a health risk from using phytosanitary products.					
				Opportunities	Creation of ecological continuities in respect of nature.					

Topics	Positioning in the value chain			IRO	Description	Time horizons			Reference	Materiality
	⇐	❑	⇒			ST	MT	LT		
E3 - Water (consumption, supply)	■	■	■	**Impacts**	Pressure on available resources. The use of water is omnipresent in the hotel business (showers, catering, swimming pools) and is increasing as hotels upscale.	❑	❑	■	3.2.3.1	■
				Risks	Physical risk: flooding, rising water levels. Business continuity risk in the event of restrictive measures. Risk of image: hotels, particularly with swimming pools, may be targeted by the media and associations during water restriction periods. Financial risk, an average 10% increase in the price of water in France in 2023.					
E3 - Marine resources	■	■	■	**Impacts**	The impacts are mainly related to catering for the hotel business: supply of fish, shellfish. The abstraction of groundwater is not significant for Covivio Hotels.	❑	❑	■	3.2.3.1	❑
				Risks	Reputational risk and fines (fairly limited). Financial risk related to the increase in costs (hospitality) with the implementation of responsible sourcing.					
E4 - Biodiversity policy and actions	■	■	■	**Impacts**	The impact of Covivio Hotels is not insignificant: - land use is the pressure to which Covivio contributes the most, mainly through the purchase of construction materials, but also through its existing portfolio; - hydrological disturbances and ecotoxicity related to the supply and use of raw materials for improvements and renovations as well as the electricity consumption of tenants; - GHG emissions, for the same reasons. Positive impact: use of the portfolio's green spaces to contribute to ecological continuity or to bring biodiversity back to city centres (based on ecological diagnostics), mainly on large land sites.	■	■	■	3.2.4.1.3	■
				Risks	The financial risks are difficult to quantify and can be localised at project level: preventive measures, compensation up to and including the risk of refusal of planning permission. Significant reputational risk.					
E5 - Waste management & Circular economy and management of resources and materials	■	■	■	**Impacts**	Operational component: Waste management is a major issue in the hotel sector (particularly for catering). Development component: Strong impact of the construction sector on waste production (46 million metric tons of waste generated by the construction industry (excluding public works), *i.e.* 1.5 times the production of household waste in France). Only 40 to 60% are recovered. The impacts are mainly related to the renovation activity of Covivio Hotels. This means that the circular economy must be taken into account throughout the project. Positive impact: participation in the development of the circular economy sector.	■	■	❑	3.2.5.1	■
				Risks	Operational component: The financial risk is limited, although there is an increase in the cost of waste management. The risk to business continuity in the hotel industry is solely related to external factors (*e.g.* strikes by refuse collectors). This risk is heightened in the hotel sector, with an even greater reputational risk because of the commercial aspect. Development component: Financial risk difficult to estimate but the risk of difficulty in supplying certain resources (timber) can delay projects and increase costs. Reputational risk at project level: revaluation becomes a key element, including in the communication of companies in the sector.					

Topics	Positioning in the value chain			IRO	Description	Time horizons			Reference	Materiality
	⇐	❑	⇒			ST	MT	LT		
S1 - Working conditions	❑	■	❑	**Impacts**	Impact on labour relations in the event of operational organization difficulties (management of working hours, workload, absenteeism). Impact on employee health/safety related to working environments that can be demanding at times, and to stress at work. Impact on the well-being of affected employees. Limited impact at Covivio Hotels level due to its direct activities and its commitments to equal opportunities. Impact on Human Rights: limited in terms of frequency but could be significant in terms of employee well-being if it occurred (in relation to the personal data protection aspect).	■	❑	❑	3.3.1	■
				Risks	Working conditions: Health/Safety risk: workplace accidents (falls, cuts, burns in the kitchen)/occupational illnesses and financial risk: cost of additional recruitment. Equal opportunities: Possible risk of loss of skills and know-how in the event of high turnover or low ability to attract, retain and develop talent and Financial and reputational risk: in France, the maximum fine for discrimination is €45,000 (and 3 years' imprisonment). Human rights: Financial and/or reputational risk: growing demand from investors and rating agencies.					
				Opportunities	Business continuity. Employer brand.					
S2 - Working conditions and respect for Human Rights in the value chain	■	■	■	**Impacts**	Maximum impact on the well-being and health/safety of people on construction sites. Impact on Human Rights, particularly with certain precarious jobs (part-time, temporary contracts, temporary work).	■	❑	❑	3.3.2.1.3	■
				Risks	Limited criminal risk in the construction activity because criminal liability lies with the contractor. Significant reputational risk in the event of an accident on one of the construction sites or in an operational site. Criminal risk in the event of discrimination or human rights violations.					
				Opportunities	Relationship of trust with suppliers; brand appeal; reputation.					
S3 - Societal involvement - integration in the sustainable city	❑	❑	■	**Impacts**	Impact mainly related to hotel operations. Positive impact linked to contributing to boosting the local economy and regenerating districts.	❑	■	■	3.3.3.1.3	■
				Risks	Risk to business continuity: community integration and integration into the ecosystem is essential, particularly in the context of renovation projects. Risk of asset obsolescence due to poor accessibility (PRM and public transport). High reputational risk, plus the risk of the project not being completed.					
S3 - Rights of indigenous peoples	■	❑	❑	**Impacts**	The main impact is a supplier's failing to respect the rights of indigenous peoples, particularly with regard to the extraction and production of raw materials.	❑	❑	■	3.3.3.1.3	❑
				Risks	Reputational risk in the event of an incident occurring on Covivio's value chain.					
S4 - Information for customers and end-users	❑	■	■	**Impacts**	Direct impact on customer satisfaction, who may consider Covivio Hotels responsible for the failures.	■	❑	❑	3.3.4.1.3	■
				Risks	Financial risk related to data protection (GDPR sanctions up to 4% of a company's revenues in the event of a breach). Reputational risk: the principle of Name and Shame in the event of GDPR infringement.					
				Opportunities	Long-term financial stability.					

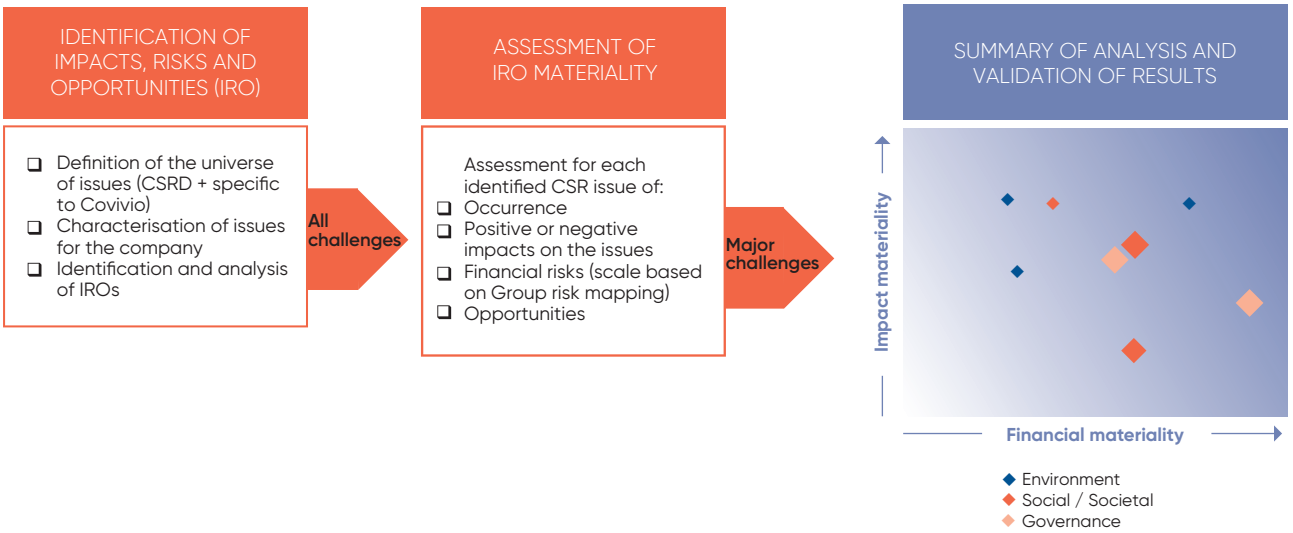
Topics	Positioning in the value chain			IRO	Description	Time horizons			Reference	Materiality
	⇐	❑	⇒			ST	MT	LT		
S4 - Customer and end-user safety	❑	■	■	**Impacts**	The impact on the health of occupants has become a major topic since the Covid pandemic in 2020. Direct impact on customer satisfaction, who may consider Covivio Hotels responsible for the failures. Positive impact: contribution of the well-being to occupants.	■	❑	❑	3.3.4.1.3	■
				Risks	Risk of building security or asset resilience defects, resulting in an inability to manage major crises that could cause an incident, accident or health risk, or even engage the company's liability.					
				Opportunities	Long-term financial stability.					
S4 - Social inclusion of customers and end-users	❑	❑	■	**Impacts**	Impact on the well-being of employees and/or customers with disabilities if hotel buildings and services are not optimised to cater for all users.	■	❑	❑	3.3.4.1.3	❑
				Risks	Financial risk: Accessibility topics are well covered in Covivio's countries of operation. Nevertheless, the process of bringing certain hotels into conformity is complex.					
				Opportunities	Long-term financial stability.					
G1 - Business ethics	❑	■	❑	**Impacts**	The impact of late payments for suppliers is significant and leads to business failures: one in four bankruptcies at VSEs is caused by late payments. It also creates employment tensions with domino effects.	■	❑	❑	3.4.2.1	■
				Risks	Risk to the relationship of trust with stakeholders who could consider the company to be an at-risk partner in the event of confirmed corruption. Reputational and financial risk, or even a curb on the development of activities in the event of a breach of the profession's code of ethics and the Group's internal regulations.					
				Opportunities	Identification of Covivio as a reliable player.					
Sectoral challenges - Fight against building obsolescence	❑	■	❑	**Impacts**	The impacts are mainly related to the environmental performance of the real estate portfolio, which may have an effect on the environment and the well-being of customers.	❑	■	■	3.1.3.2	■
				Risks	Financial risks: holding assets with low potential for value creation; loss of attractiveness of the portfolio or additional cost of work; competitive disadvantage due to lack of certification or unattractive locations; cost of additional certifications and labels to meet market expectations.					
				Opportunities	Liquidity of assets. Reputation.					

3.1.2.4 Identify and manage sustainability-related impacts, risks and opportunities (IRO)

3.1.2.4.1 Identification and assessment of material issues (IRO-1)

Building on the work carried out to date, in particular the risk mappings (3.1.2.2.5) and the materiality matrix published in previous fiscal years, Covivio carried out a double materiality analysis using the methodology presented below. This analysis was developed at Group level and covers all activities and the value chain.

Double materiality analysis methodology



Preparatory work and defining the universe

Before the issues were rated, preliminary work was performed to define the universe of issues based on the CSRD's list of issues. This work was based on both internal and external documentary research.

- Internally, the analyses and work conducted up to 2024 helped to shape the framework for defining the issues, including:
  - the results of the materiality analysis published up to the previous financial year;
  - risk mapping: Group, CSR, purchasing/CSR, cyber, corruption. This work was particularly important for the development of Covivio's general risk profile;
  - previous reporting from both a social and environmental standpoint, with significant historical data;
  - studies commissioned by Covivio: MSCI Climate Value at Risk, WRI Baseline Water stress, mapping of protected areas, costing of carbon trajectory-related investments, Global Biodiversity Score, socio-economic impact;
  - the policies implemented: Responsible Purchasing, Diversity Charter, Ex-Aequo, Nature strategy, etc.
- Externally, Covivio has drawn on the work of the European Commission, ADEME, INSEE, the OID (notably via the Responsible Real Estate Barometer) or international organizations such as WRI, ENCORE or CDP.

This work has resulted in the identification of a universe of 20 issues based on the 10 topical ESRS and one additional issue to cover sectoral topics not covered by the regulations. These issues are detailed in the matrix presented in 3.1.2.4.2.

IRO rating methodology

The rating methodology was developed in accordance with the principles of the CSRD and based on previous risk maps produced with the support of the Audit and Internal Control Department.

Rating sub-criteria have been defined to assess firstly the impact (impact materiality) and secondly the level of risk and opportunity (financial materiality). Each rating (on a scale of 1 to 4) is then weighted by the frequency of occurrence according to the probability of occurrence within a given time horizon (generally three years except for certain risks requiring a longer analysis horizon such as climate). Risks are rated as gross risks, before any risk control measures.

Sub-criteria used

		Criteria rated from 1 (low) to 4 (critical)
Impact materiality	**Extent and irremediability**	Physical and/or psychological well-being
		Fauna, flora, environment
		Competitors' markets and operations
	Importance	Single event or impact on society as a whole
Financial materiality	**Financial risks**	Impact on revenues or asset value
	Reputation/Image	Media interest and risk of negative publicity
	Business continuity	Risk of interruption of one or more activities
	Involvement of top management	Level of management involved in risk management

Rating of issues

In order to simplify the rating of the issues, various workshops were held with all the Group's departments, which also enabled the teams' awareness of the CSRD to be raised. These workshops mobilised nearly forty Group managers, involving governance with six members of the Executive Committee represented during the workshops and the majority of local ROCs. As the previous materiality analysis had involved external stakeholders and the different departments involved working with the Group's external stakeholders (investors, customers, suppliers) on a daily basis, it was not considered necessary to involve them in this new rating exercise. Nature was also taken into account as a silent stakeholder.

These workshops, organised between the last quarter of 2023 and the beginning of 2024, were held as follows:

- presentation of the context and purpose of the CSRD;
- presentation of the concept of dual materiality and the methodology for rating issues;
- presentation of each issue illustrated by the documentary research already carried out and invitation of participants to discuss risk levels;
- consolidation of the scores, which were sent to the participants for review before validation and consolidation at Group level.

This consolidation was performed by the Sustainable Development Department taking the weighting of each activity in the Group into account. The average scores obtained per issue multiplied by the frequency were then re-weighted taking the maximum score for each category (impact materiality and financial materiality) into account.

Adaptation of the analysis to the activities of Covivio Hotels

The activities of Covivio Hotels were included in the Group's initial rating. However, additional interviews were conducted to adapt the weighting of the scores to the hotel business.

The main adaptations concern:

- S1 - Own workforce: the subject can be merged (*vs* 3 sub-issues at Covivio level: Working conditions, diversity, Human Rights) given the importance of the HR subject in the hotel industry, with important issues related to respect for Human Rights and diversity.
- E3 - Water: this subject is more material given the more significant operating risk for hotels.
- E5 - Waste management: this issue is more material, with operational issues related to plastic and food waste.
- E5 - Circular economy and E4 - Biodiversity: the level of impact is lower for Covivio Hotels, because there are fewer developments and refurbishments.

These adaptations only resulted in a few changes to the selection of material issues, with the main adjustments being made to subjects that were already material for Covivio. However, it was decided to increase the importance of Waste Management in the Group matrix.

The process presented in this document is the same as for Covivio Hotels. The dual materiality matrix was validated by Covivio Hotels' steering Committee in October 2024 and presented to the Supervisory Board in November 2024. The CSRD and the CSR and associated reporting are managed at Group level. The sustainability report for Covivio Hotels is based on the Covivio report, by taking its specific characteristics into account, and applies the same procedures for data collection and validation.

Additional information was collected to more fully integrate the assets held as operating properties, especially regarding human resources.

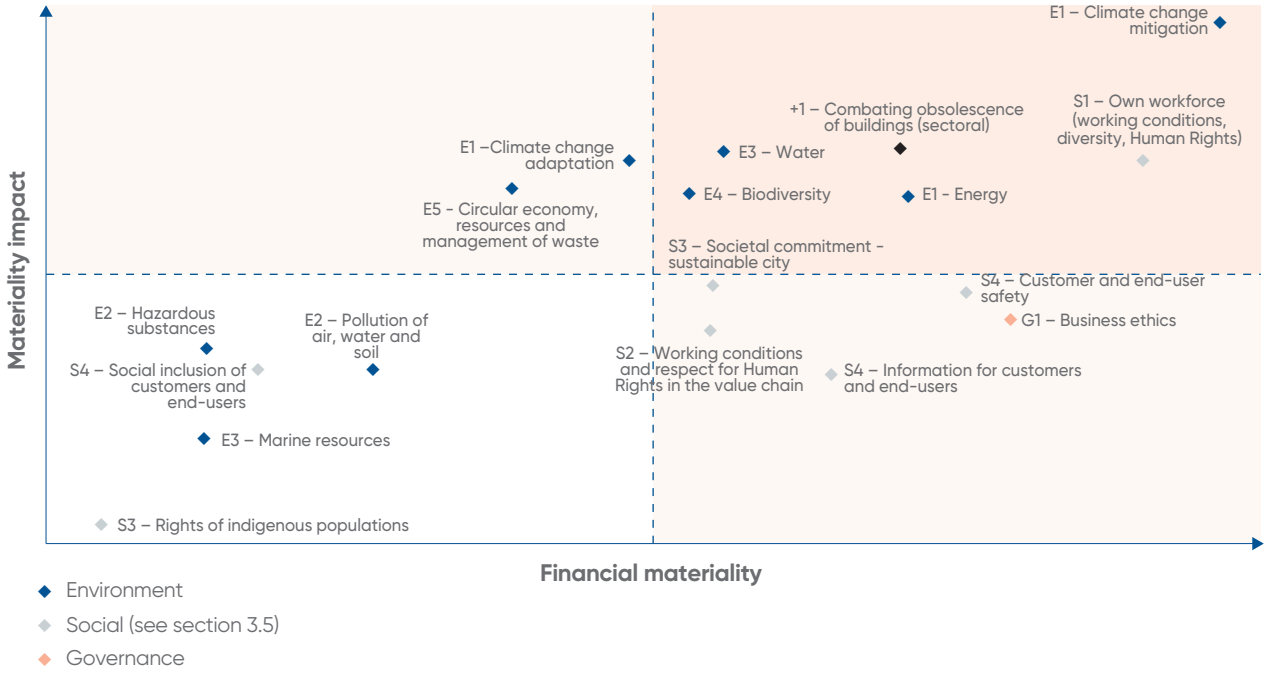
3.1.2.4.2 Results of the double materiality analysis (IRO-2)

The matrix presented below is the result of the rating exercise as detailed in the previous section. It has been shared and validated as follows:

- Q1 2024: Presentation to workshop participants and the CSRD steering committee;
- April 2024: Presentation to the Executive Committee and the CSR Committee for consultation;
- September 2024: Presentation to the Audit Committee for validation.

Material issues are those for which a score greater than or equal to 2 has been obtained for either impact materiality or financial materiality.

Covivio Hotels dual materiality matrix



The list of data points reported is presented in section 3.5.1

Update of the dual materiality matrix

An assessment of the relevance of the subjects considered as material must be performed every year in order to:

- incorporate feedback following publication by peers;
- include any sectoral elements that may be identified;
- check consistency with the Group's risk mapping.

A full update will be performed every three years to reassess the relevance of the method and the IRO ratings, resulting in a new validation by the governance body.

3.1.2.5 Action plan (MDR)

Covivio set itself a CSR action plan in 2010. Revised every five years, this plan has been adapted to integrate the ESRS and new objectives related to the Nature strategy unveiled in 2024.

The operational breakdown of these objectives and the specificities by portfolio are specified in the sections relating to each ESRS of this report.

(N) Objective of the Nature strategy

(R) Objective of the Purpose

Covivio Hotels distinguishes several scopes according to its degree of control and the relevance of each action for the topics:

- corporate: concerns activities and employees related to Covivio Hotels head office;
- M&F Hotels: concerns the hotel management activity of Covivio Hotels, via its hotel platform WiZiu or mandated third-party managers.

The "Covivio Hotels" scope covers all the activities.

REFERENCE		ESRS	MAIN OBJECTIVES	SCOPE	DEADLINE	2024 COMPLETIONS	PROGRESS
8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 13 CLIMATE ACTION	N R	Sector – Asset obsolescence	Hold 100% environmentally certified assets	Covivio Hotels	End of 2025	97.5% of the hotel real estate portfolio certified at the end of 2024	●●●●○
			100% of Hotel in operation certified with Green Key	Operating properties	End of 2025	90% of hotels managed by WiZiu Hotels and 43% of all operating properties certified at the end of 2024	●●○○○
7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION	N R	E1 - Climate (Mitigation)	Reduce GHG emissions by 70% compared to 2010 (in intensity per $kgCO_2e/m^2$/year, operation)	Covivio Hotels	End of 2030	53% reduction in carbon emissions at the end of 2024	●●●●○
		E1 - Climate (Adaptation)	Mapping 100% of assets with regard to climate risks	Covivio Hotels	Permanent	100% of assets included in the MSCI analysis.	●●●●●
	N	E1 - Climate (Energy)	Reduce energy consumption by 25% between 2010 and 2035	Covivio Hotels	End of 2035	-14% at the end of 2024 (179 kWhfe/m²)	●●●○○
		E2 - Pollution	Managing environmental and health risks (including due diligence in the acquisition phase)	Covivio Hotels	Permanent	100% of sites are monitored and controlled	●●●●●
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES	N	E3 - Water	Reduce water consumption by 10% compared to 2024	Operating properties	2030	1.13 m^3/m^2 at the end of 2024 on the operating scope	N/A
			Control water consumption by not exceeding the established threshold of 2 m^3/m^2/year	Covivio Hotels	Permanent	Threshold respected: 1.42 m^3/m^2 for the portfolio	●●●●●
15 LIFE ON LAND	N	E4 - Biodiversity	Map 100% of the portfolio concerning the proximity of sites to natural areas	Covivio Hotels	Permanent	Completed in 2024	●●●●●
	R		Achieve net zero artificialisation across the pipeline and 90% of operations as biodiversity positive.	Group - Development	End of 2030	Measurement of impacts via the CBS tool developed by Covivio, to be deployed for Hotel operations	N/A
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES	N	E5 - Circular economy	Set a multi-year waste production target for directly managed hotels	Covivio Hotels	2025	Not initiated at this stage, waste reporting coverage rate of 43% in 2024	○○○○○
			Promote a circular economy approach in development projects	Covivio Hotels	Permanent	Not applicable for the moment due to the absence of ongoing developments	N/A
			Increase the use of bio-sourced, recycled and reused materials	Covivio Hotels	2026		N/A

REFERENCE		ESRS	MAIN OBJECTIVES	SCOPE	DEADLINE	2024 COMPLETIONS	PROGRESS
3 GOOD HEALTH AND WELL-BEING, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH	R	S1 - Own workforce	Attract, develop and retain talent	Covivio Hotels	Permanent	Reporting on the Covivio Hotels operating properties scope Diversity of HR policies because of the number of brands - the launch of the WiZiU brand will enable a more homogeneous HR policy to be structured on this scope.	●●○○○
	R		Promoting diversity and equality	Corporate	Permanent	Covivio-wide ex aequo programme to raise employee awareness of gender equality	●●●●○
11 SUSTAINABLE CITIES AND COMMUNITIES	R		Measure the well-being of teams every two years	Corporate	Permanent	Employee satisfaction survey conducted in 2023 at Covivio level	●●●●●
	R		Engaging employees in commitments of the Group	Corporate	Permanent	Employee involvement in various CSR actions: Covivio for Climate (C4C) project to raise employee awareness of sustainable development	●●●●○
8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION		S2 - Workers in the value chain	Have all our key suppliers sign the Responsible Purchasing Charter	Corporate	2025	Content of the Responsible Purchasing Charter updated in 2024 New system launched in 2022 based on the EcoVadis solution.	●●●○○
			100% of calls for tenders subject to a CSR questionnaire	Corporate and development	2026	Calls for tenders for works > €200K Corporate calls for tenders > €50K	●●●○○
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES		S3 - Affected communities	Get involved in initiatives to boost the regions	Covivio Hotels	Permanent	Socio-economic impact study on all the Group's activities in Europe; 17,000 jobs supported in 2023 (study conducted in 2024).	●●●●●
	R		Promoting Human Rights and Equal Opportunities	Covivio Hotels	Permanent	Publication of Covivio's Human Rights Policy. Around twenty associations supported by the Covivio Corporate Foundation.	●●●●●
8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	R	S4 - Customers and end-users	Optimising tenant and hotel guest satisfaction	Covivio Hotels	Permanent	Measurement of end-customer satisfaction *via* questionnaires, monitoring ratings and opinions expressed by users on the Internet (platforms, etc.)	●●●●○
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	R		Ensure a high level of connectivity within our buildings	Covivio Hotels	Permanent	Quality of connectivity in order to: for customers: support professional and personal activities, for hotels: hotel services, increase operational efficiency (check in/ check out, etc.)	●●●●○
3 GOOD HEALTH AND WELL-BEING			Having 90% of assets located less than 1 km on foot from public transport	Covivio Hotels	Permanent	97% of the portfolio is less than 500 m from public transport, and 99.5% less than 1 km on foot from public transport.	●●●●●
16 PEACE, JUSTICE AND STRONG INSTITUTIONS		G1 - Business ethics	Whistleblowing system with platform	Covivio Hotels	Permanent	System included in the scope of Covivio's Ethical Charter, given to all its partners	●●●●●
			Disseminate and share best ethics/ anti-corruption practices with all employees	Corporate	Permanent	100% of employees trained in Process Morning sessions and on the principles of the Ethical Charter	●●●●●

3.1.3 Combating asset obsolescence (sectoral challenges)

The dual materiality analysis conducted by Covivio in 2023/2024 and applied for Covivio Hotels, confirmed the challenges related to the risk of building obsolescence. Buildings can face this risk, with an impact on their value, if they are not regularly upgraded to respond to the challenges of ecological and digital transformation, or do not take societal changes or requirements for flexibility and services sufficiently into account. This subject interacts strongly with the other material issues presented in this report, in particular concerning the energy and carbon performance (ESRS E1) of assets and the qualities of the building in terms of well-being and safety for occupants (ESRS S4).

3.1.3.1 Policy on the fight against building obsolescence (certifications, societal changes, smart building)

The battle against the obsolescence of the portfolio of Covivio and its subsidiary Covivio Hotels is being fought with a high level of ambition, in terms of the design and management of the buildings. Covivio therefore owns buildings that are very accessible and meet high standards, particularly in terms of connectivity, comfort and well-being. They are designed to offer maximum flexibility, so as to accommodate different types of users and organisations, and to provide long-term support to operators as their needs evolve. Open to the city, the gardens and terraces of the buildings are created to be real levers for biodiversity and contribute to the well-being of the occupants. Eco-designed and eco-managed, the buildings owned by Covivio aim to provide bespoke solutions tailored to each stakeholder, whilst ensuring that the building is integrated into its environment as seamlessly as possible. This strategy applies to the different assets held, given the specificities of each activity. The policy to combat building obsolescence also covers energy consumption and carbon emissions, major criteria which are examined in the ESRS E1.

Identified in the double materiality matrix (ESRS 2, section 3.1.2.4.2) as a major risk and impact, the topic of "Asset obsolescence/Green value/Products anticipating societal changes" covers a set of issues that are at the heart of the company's concerns and its asset management policy. There could be numerous negative repercussions if this is not controlled properly: holding assets with low potential for value creation, the loss of attractiveness of the property or additional costs for works due to poor maintenance, competitive disadvantage linked to the absence of certification or an unattractive location, etc. To address these potential risks and minimise their impact, Covivio strives to anticipate regulatory changes and to apply the highest international construction and service standards, with a strong partnership-based approach that draws on a thorough knowledge of each customer and their needs (ESRS S3, 3.3.4.3.2). Covivio, by controlling the entire value creation chain, ensures that the quality of its buildings meets the expectations of its customers and the market. Finally, Covivio optimises the value of its assets, while participating in the development of the circular and low-carbon economy and integrating resilience issues, in order to more effectively prevent and adapt its assets to climate change.

Management and implementation of the obsolescence policy

The policy to combat asset obsolescence is included in the Sustainable Development governance plan which is presented in ESRS 2, section 3.1.2.2.1, as a key element of the Group's CSR strategy. Driven and monitored by the Sustainable Development Department, its implementation involves all levels of the company (HR, Finance, Audit and Internal Control (ACI), IS, Communication, etc.) as well as the operational departments, Asset Management and Technical Department.

3.1.3.1.1 Co-inventing a new real estate

The focus of several programmes developed by Covivio is on a mix of functions: offices, co-working spaces, hotels, residential, street-level shops and even co-living. These programmes are designed in a spirit of cooperation with stakeholders and help to enhance the appeal and influence of the districts where they are located. Proximity and personalised customer relations are at the heart of Covivio's culture. Covivio regularly conducts satisfaction surveys on a variety of topics to continuously meet customer expectations and develop the Group's services and processes. Action plans are deployed following these surveys, thereby guaranteeing customers that their needs are being carefully listened to and quickly taken into account. The offer of services focuses on a simple and fluid path and flexible and personalised spaces, for a constantly renewed experience.

> According to a report published by Booking in 2024 (1), 62% of respondents favour stays that respect the planet, include elements of the local culture and promote enriching exchanges with communities.

3.1.3.1.2 Surpass construction standards

A large number of operators believe that energy and environmental performance has become a prerequisite, likely to influence their choice of hotel locations. In addition, criteria contributing to the well-being of their customers and employees are becoming increasingly important to their choice of location (user-friendliness, services, connectivity, accessibility, etc.). Covivio Hotels incorporates these new expectations into the buildings it develops, leases, manages and renovates, by exceeding standards with the use of certifications and labels (3.1.3.1.3), as well as innovative solutions that go beyond legal obligations and anticipate changes in regulations.

(1) The latest report from Booking.com on sustainable travel highlights the challenges faced by consumers and underlines the need for collaboration between different sectors.

As a developer, Covivio engages its stakeholders in its construction sites, through a strong partnership relationship and detailed procedures. For each certified project, four key documents qualify the technical and environmental performance: environmental notice, management system for the operation, assessment of the environmental quality of the building (HQE or BREEAM), and the low-nuisance construction site charter. They commit all those involved in the project and detail 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 minimum): waste, acoustics, consumption of resources, communication with local residents, materials, communication with local residents, social aspects (comfort, safety, well-being). The charter explains each person's roles and sets specific objectives: for example, aim for 85% construction site waste recovery, limit the maximum noise level on the construction site to 80 dB (A), use 80% PEFC or FSC certified wood. etc.

3.1.3.1.3 Building certification policy

Covivio Hotels develops proportionately few new buildings and usually acquires existing buildings to complete a portfolio of 283 buildings in operation. Covivio has chosen to classify the performance of its new buildings using comprehensive, internationally recognised certificates, such as HQE, BREEAM or LEED. Similarly, Covivio uses BREEAM In-Use or Green Key certifications to enhance the quality of its CSR management, in order to improve the performances of its operating portfolio. In addition, the tenants of its leased buildings use labels dedicated to the hotel and leisure sector: Green Key, Green Globe, GSTC, etc.

Covivio, which is a partner in developing certain labels, is also a pioneer in experimenting with new standards such as R2S, BiodiverCity and, more recently, by committing to the creation of a Europe-wide low-carbon label, LCBI, and developing the BBCA Hotel label, with the support of the BBCA association.

Focus on new developments

Covivio has made several commitments in terms of certifications and labels for its development projects as part of its green financing and CSR objectives. These principles apply to projects classified as new construction or major renovation. They do not apply to small renovations or building extensions, for example.

- **Goal of global environmental certification** (HQE/BREEAM/LEED/DGNB) **and compliance with European taxonomy**: all developments (new constructions and major refurbishments) must comply with European taxonomy and/or aim for certification at a level greater than or equal to Excellent/Gold.
- **Specific labels:**
  - carbon (BBCA Hotels): designates the building's low-carbon performance;
  - operations: Green Key, Green Globe, GSTC, etc.

This policy reinforces Covivio's commitments to taxonomy compliance for its development projects (ESRS E1).

100% of the hotels managed by WiZiU will be Green Key certified by the end of 2025, *i.e.* 24 hotels (EPRA Cert-Tot)

The Green Key label (Green Key in France) is present on all continents, in 77 countries and on more than 6,700 sites (hotels, restaurants, campsites, etc.). Green Key is the first international eco-label for tourist accommodation. This label was launched in France in 1998 under the name Clef Verte. France is the second country in the world to have developed the Green Key label, and has been the first country for the number of certified hotels since 2021.

The criteria applied by the approved hotels are as follows:

- implementation of an environmental policy and a socially responsible approach;
- smart waste management (reduction at source, collection and recycling);
- control of energy and water consumption;
- Responsible Purchasing (in particular for food and maintenance);
- active customer awareness.

The certification process involves regular audits and the collection of supporting evidence to confirm the credibility of the hotel's approach. In practice, in order to retain the label, improvements must be made each year based on the criteria specified by the label.

This label has a large audience, particularly among business customers.

3.1.3.1.4 Continuing to innovate to remain a pioneer

Although innovation means introducing new products, services or processes to the market, these only have meaning for Covivio if they succeed in transforming the ways in which its customers work, travel or live in a sustainable way. Covivio's innovation strategy has been consistent for several years and is based on fostering the development of new uses, improving the quality of its assets and, lastly, focusing on open innovation.

Covivio's innovation strategy is based on two pillars:

- identifying and facilitating the use of new processes and materials to make buildings more resilient;
- deploying new offers and systems that improve comfort and services to occupants.

All these innovation efforts are aimed at anticipating real estate market trends to meet the changing needs of our multiple clients.

Innovate to offer buildings in the virtuous and resilient buildings market

Covivio uses innovative materials and processes such as low-carbon concrete and recycled materials, to comply with its carbon trajectory in line with the new "RE 2020" regulation, Covivio carries out pilots or POCs (Proof of Concept) to test new solutions, whether designed by large manufacturers or by smaller players. For example, in 2024 Covivio tested, with the industrial company AGC Glass Europe, a solution for crushing and recycling existing glazing in order to reinstall new low-carbon glazing. This experiment, carried out at the "BEIGE" building in Paris, enabled new ways of recycling materials to be tested on a full-scale basis.

Permanent oversight

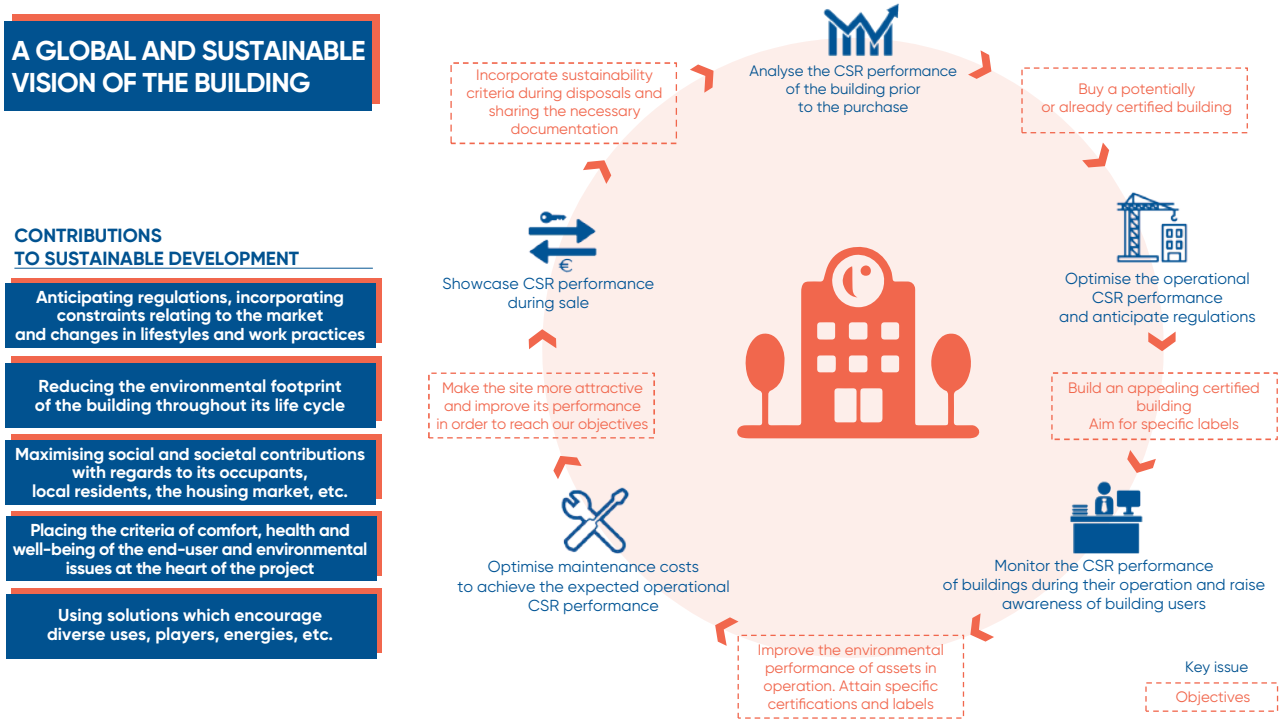
To innovate over the long term, it is important to be constantly on the watch for emerging trends and to identify and explore new opportunities. To this end, Covivio:

- Collaborates with around fifty start-ups across Europe. In various areas such as automated space management, urban mobility, new catering offers, etc., these operational partnerships enables the testing of new solutions adapted to the needs of our customers and our buildings.
- It is part of the Sekoya collaborative platform, which is dedicated to low-carbon solutions and which was developed by Impulse Partners and Eiffage. It brings together large groups, SMEs and innovative start-ups to identify, test and deploy sustainable technologies in the construction and real estate sector. Sekoya acts as an innovation accelerator by facilitating the networking of stakeholders, the sharing of best practices and assessing the environmental impacts of the proposed solutions.
- Publishes a monthly innovation newsletter which is distributed throughout Europe and has an Innovation Committee which convenes every two months with the company's main operational departments (Technical, Asset Management, Innovation, Sustainable Development, Operations, IS).

3.1.3.2 Description of impacts, risks and opportunities (IRO)

SECTORIAL - FIGHT AGAINST BUILDING OBSOLESCENCE	
Description and key words	Environmental certifications and specific labels Smart building Building flexibility and mixed use
Main impacts	The impacts are mainly related to the environmental performance of the real estate portfolio, which may have an effect on the environment and the well-being of customers. Intensification of uses Reversibility of spaces and change of use Impact of the major development directions of tomorrow Pace of energy renovation
Positioning in the value chain	Direct operations
Main risks	Financial risks: Ownership of assets with low potential for value creation Loss of attractiveness of the portfolio or additional cost of work Competitive disadvantage due to lack of certification or unattractive locations. Cost of additional certifications and labels to meet market expectations Potential compliance issues
Main opportunities	Liquidity of assets Reputation
Materiality	Material

Covivio's comprehensive view of the building's life cycle aims to address all the IROs related to the battle against the obsolescence of its buildings. Policies (3.1.3.1) and actions (3.1.3.3) deployed in this area cover the various stages of this life cycle, as detailed below:



3.1.3.3 Actions implemented

A building has a long lifespan (life cycle analyses cover a period of 50 years, Haussmann-style buildings are more than a century old, etc.) but our lifestyles and tools (computing, digital, etc.) change much faster. Buildings must therefore be easily adaptable to accommodate changes in use and technologies that are taking place in ever shorter time frames. The financial effects of this action plan are mainly related to the Capex plan provided for in the mitigation plan. The action programme put in place to achieve the carbon trajectory is a major part of this process.

3.1.3.3.1 Improve the flexibility and reversibility of buildings

Increasing flexibility and services for bespoke projects

The study commissioned by Covivio to Opinion Way in 2020, "Flexibility First!" (1), underlined the fact that employees and managers have common expectations and requirements regarding the changing office, towards greater flexibility, but also concerning the working atmosphere and the provision of varied spaces adapted to changing working methods. Covivio firmly believes that flexibility and services will be decisive factors in the collective performance of organisations in the future, and is therefore combining its lease and service contract offers to provide hybrid offers. The Group is also adapting its processes to involve users in project design, as early as possible, through design thinking workshops or working sessions with innovative partners, particularly in the area of services.

Promoting an inclusive corporate culture

As a result of a study undertaken with the support of the design agency Total Tool and Professor Giulio Ceppi of Politecnico di Milano, Covivio has developed scenarios and guidelines for designing more inclusive workspaces. This document, which is available online (2), also details the principles to be respected in design and layout, in order to promote diversity and inclusion.

Give a second life to office buildings

Covivio, which has a diverse portfolio, has for several years been identifying buildings that can be converted into residential properties when residential use becomes more relevant than commercial use, from the point of view of the city and the market. Covivio is also studying the reconversion of office buildings into hotels in conjunction with the market and local authorities. This strategy enables additional land artificialisation to be combated and urban areas to be rejuvenated by developing assets that are in harmony with new lifestyles and new ways of working.

3.1.3.3.2 Covivio is accelerating its digital transformation

Covivio, which is a European real estate operator, has been engaged in a far-reaching digital transformation for several years now, as a result of a collaborative process of reflection. Led at the European level by the Chief Transformation Officer and the country IT teams, in collaboration with the members of the Executive Committee and the Transformation Committees, this digital transformation is a continuous improvement process designed to serve customer satisfaction, portfolio performance and operational efficiency of Covivio teams in Europe. By equipping itself with a digital roadmap, the Group's goal is to carry out a sustainable and carefully considered digital transformation, to serve Covivio's strategy, by closely involving all stakeholders at the European level.

Optimise development management and operation thanks to BIM (Building Information Modeling)

Computer modelling of the building enables a comprehensive and coherent 3D database to be created and maintained throughout the life of a real estate project: design, construction, operation and deconstruction. BIM also improves the operational management of the building, by facilitating the design of space arrangements and access to facilities (geolocation of equipment). The BIM is also a tool within the circular economy that enables the traceability of materials and equipment to be organised with a view to their reuse. Covivio already has buildings built using BIM and most of its recent development projects now use this technology.

Preparing the smart city of tomorrow

Buildings will gradually become part of the energy distribution network: alternately producers and consumers, smart buildings will form an integral part of smart grids managed at district and city level, themselves part of bigger networks. Covivio is actively participating in studies on energy flexibility, in particular FlexEner, in collaboration with the IFPEB (3), RTE and Enedis, in order to prepare the smart city of tomorrow.

(1) https://www.covivio.eu/wp-content/uploads/sites/6/2023/08/PRESS-KIT_-Survey.pdf
(2) https://www.calameo.com/covivio/read/005608009f2561bdf0437
(3) Institut Français de la Performance Environnementale du Bâtiment.

3.1.3.4 Towards 100% of buildings certified (goals and metrics)

The certification rate is the percentage of buildings certified for their construction (HQE, BREEAM, LEED) and/or their operation (BREEAM In-Use, Green Key, etc.), calculated in Group Share value on 31 December 2024.

Covivio has set itself the target of holding 100% certified core assets (*i.e.* intended for long-term inclusion in the portfolio) by the end of 2025, across all its activities. Exclusions from the scope are specified in the environmental reporting protocol and represent less than 5% of the total value of the portfolio. At the end of 2024, this rate is 97.5% for the hotel portfolio. In accordance with the reporting protocol, the rate includes two assets in respect of which a file has been submitted to the BRE but for which no certificate had been received on 31 December 2024, representing 2.4% of the portfolio (or 0.5%) at Group level.

The certification indicator is monitored as part of the internal monthly CSR reporting and plays a structuring role in the policies for the development, works and arbitration in the real estate portfolio. This indicator is also used to calculate the long-term incentive and/or the variable portion of the corporate officers and managers concerned.

The purpose of monitoring by the Sustainable Development Department and the operational teams of each activity is to identify:

- certifications to be launched for non-certified assets or to be renewed for certifications in operation;
- the potential for improving the level of certification for renewal and the measures to be implemented to achieve this;
- the change of standards, particularly for hotels, in order to choose a label that is relevant to the business and the brand.

By exceeding regulatory standards, Covivio is helping to create an offer that meets new market expectations. These global certifications are recognised by the chain of players in the sector: builders, consultants, real estate companies, tenants, bankers, shareholders. The framework for defining green products is set to change under the impetus of the European Green Taxonomy (3.2.6).

BBCA launches a low-carbon label for hotels

In March 2024, the BBCA Hotel label was launched. It can be obtained for new construction, renovation or operation. Work on this standard was carried out in partnership with pioneering players in the hotel industry, including Covivio.

Some sixty diversified hotel projects (between 1,000 and 40,000 m²) were studied to identify the specific characteristics of a hotel's greenhouse gas emissions. The study focused in particular on the best practices to be deployed to reduce these emissions and to determine the low-carbon performance thresholds for obtaining the BBCA label.

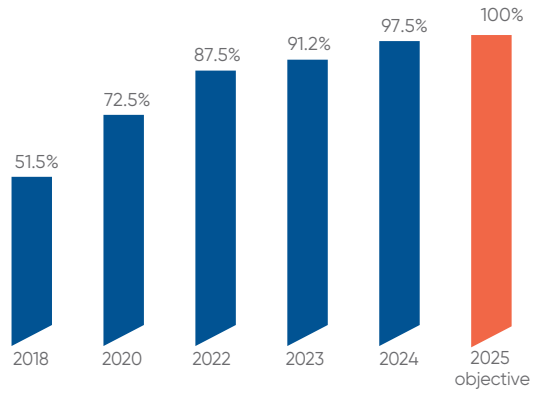
Change in hotel environmental certification rates in Europe

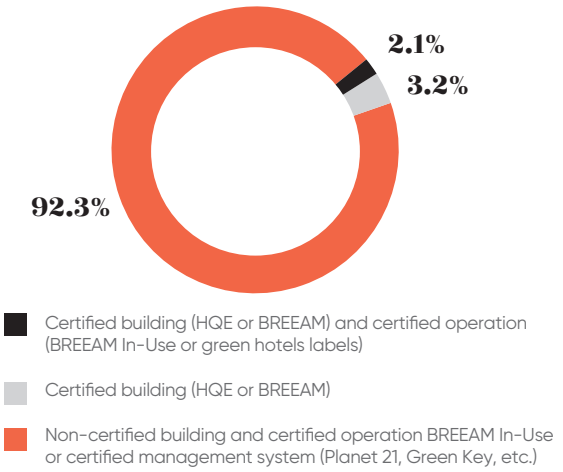
The environmental certification of the hotel portfolio benefits from the engagement of the tenants, major operators who deploy their own sustainable development strategies. Some use labels specific to the hotel industry (Green Key, GSTC [1], Green Hotel) and leisure activities (Green Globe), or have implemented systems equivalent to the environmental certifications of the operation, such as Planet 21 for Accor and Green Engage for IHG. **88%** of the customer base had such a label at the end of 2024.

As of 31 December 2024, 90% of the hotels operated by WiZiU (a subsidiary of Covivio Hotels that owns and operates part of its assets as operating properties) have obtained the Green Key label or are committed to this certification process.

Furthermore, and without this being included in the calculation of Covivio's asset certification rate, it should be noted that 26% of the hotels owned have TripAdvisor's Green Leader status

Share of certified buildings and breakdown by type of certification (in Group Share value)





(1) Global Sustainable Tourism Council: World Council for Sustainable Tourism in French has developed an internationally recognized standard.

3.2 Environmental information

3.2.1 Climate change (ESRS E1)

The ESRS E1 standard addresses climate change. It covers both the mitigation of and adaptation to climate change. It also covers energy-related questions, insofar as they are relevant to this issue.

The purpose here is to explain how Covivio influences climate change by detailing its positive and negative, actual and potential material impacts, as well as its past, present and future mitigation efforts, in accordance with the Paris Agreement which is compatible with limiting global warming to 1.5°C.

As a preliminary remark, information concerning the integration of sustainability performance into incentive mechanisms, particularly with regard to the Chief Executive Officer (CEO) and the Deputy CEO, is explained in ESRS 2, section 3.1.2.2.4.

3.2.1.1 Climate Change Mitigation Transition Plan (E1-1)

3.2.1.1.1 Objectives to reduce the Group's carbon footprint

Covivio Hotels is fully integrated into the Covivio Group-wide climate change mitigation transition plan for its various activities. Covivio Hotels is included in deployment of policies concerning energy and carbon, certification, biodiversity, etc. The activities of Covivio Hotels are included in the scope of the trajectory defined by the Group. Thus, with the support of Covivio's Sustainable Development Department (cross-functional for all activities), Covivio Hotels is committed to implementing actions to achieve its CSR objectives.

Capitalising on its experience in reducing energy consumption and greenhouse gas emissions, Covivio decided to accelerate its transition in 2021 by stepping up its ambitions across its directly managed commercial portfolio, to align with a 1.5°C trajectory (Scopes 1, 2, based on the IPCC scenarios).

Covivio has raised its ambitions and once again positioned itself as a major player in the low-carbon transition of the European real estate sector, less than three years after the publication of its first carbon emission reduction trajectory, which the Science Based Target initiative (SBTi) acknowledged, in the summer of 2018, was compatible with the 2°C scenario of the Paris Agreement. 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 targets were approved by the SBT initiative in early 2022. Covivio is currently studying the new SBT benchmark for the real estate sector, aiming for a 1.5°C trajectory in line with Scopes 1, 2 and 3 related to the use of buildings, as well as a net zero carbon contribution by 2050.

Covivio's involvement in initiatives such as the HQE-GBC Alliance, the BBCA association, Sekoya and the Low Carbon Specifiers Hub (3.2.1.1.2.b), has enabled it to acquire a great deal of expertise in the field, allowing it to consolidate its 10-year vision. The in-house carbon tools, developed with the CSTB, enable informed decisions to be taken from the design through to the operation of buildings. For example, the Express LCA, which covers construction and renovation, enables carbon performance to be estimated at the beginning of a project and sensitivity to impacts to be calculated based on the choice of materials or the shape of the building.

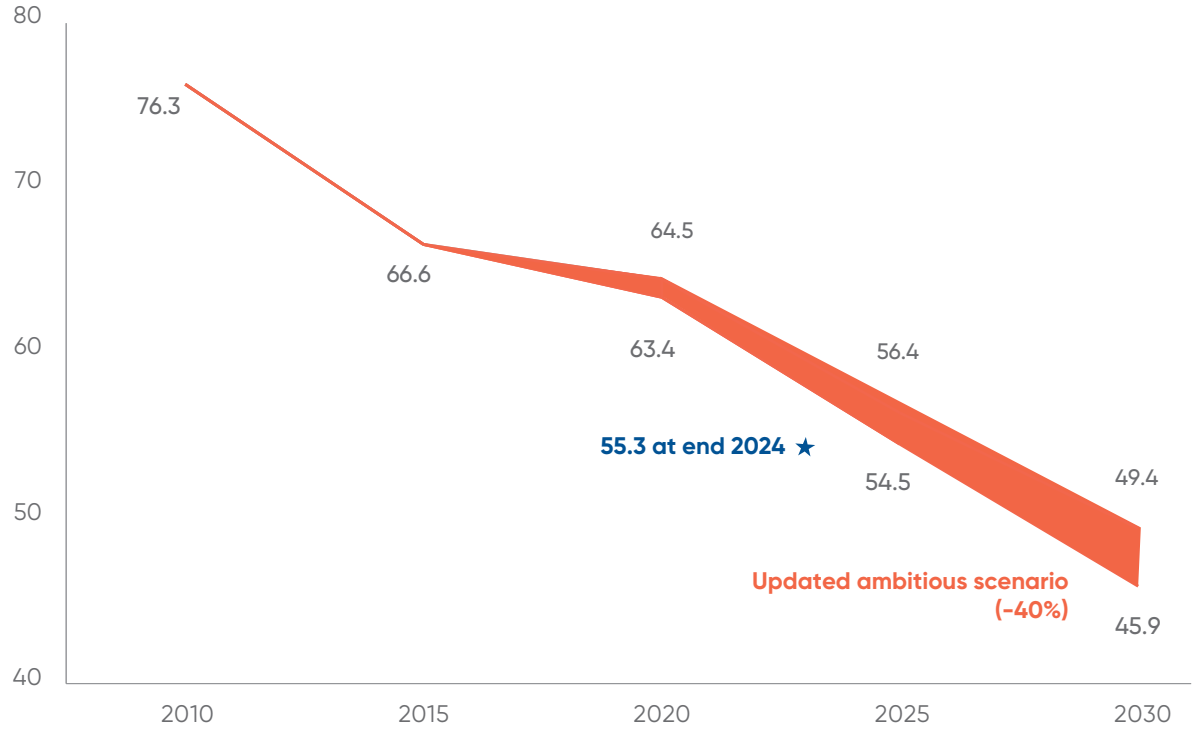
Updating Covivio's carbon footprint has resulted in the following objectives:

- reduce greenhouse gas emissions by 40% between 2010 and 2030 (Scopes 1, 2 and 3) in terms of carbon intensity;
- align the objectives of its directly managed activities with 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 of multi-tenant buildings and head offices);
- aim to align with the SBTi's "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).

In addition, Covivio is committed to making a "Net Zero Carbon" contribution from 2030. Achieving the carbon trajectory for each activity requires implementing different actions, in particular by carrying out works (Capex) on the portfolio. These works were identified and costed for each portfolio in 2022 (3.2.1.1.3).

2030 trajectory of the average carbon footprint per m² (construction + restructuring + operation) - Covivio Group data

(Summary of Covivio's activities in Europe, in carbon intensity kgCO_2/m²/year)



194,034 tCO_2e

Emissions related to the construction and renovation of assets in Europe

22,194 tCO_2e

Energy consumption in the "operational control" scope (common areas of multi-tenant offices and head offices)

Scopes 1 & 2

124,767 tCO_2e

Energy consumption of all assets held in Europe (excluding "operational control" scope) and emissions related to energy production

Scope 3

Objectives

Alignment with 1.5° C and Net Zero carbon contribution in 2030

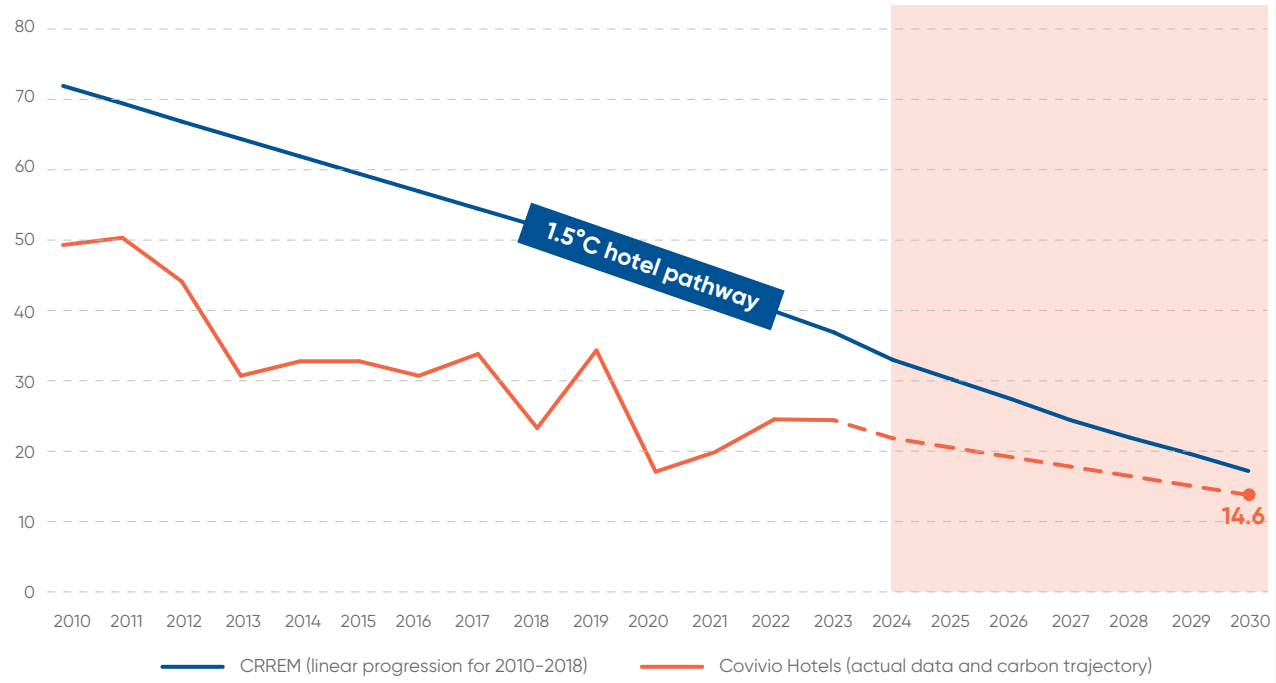
Alignment with well below 2° C

Focus on CRREM (Carbon Risk Real Estate Monitoring) scenarios

Covivio has selected the CRREM 1.5°C trajectory as its baseline scenario in the context of its work with MSCI on climate risk value (3.2.1.1.12).

Covivio has reconciled the CRREM scenarios for each portfolio with the historical greenhouse gas emission (GHG) data already published each year and with the data calculated up to 2030 for its carbon trajectory. This enabled the consistency of the GHG reduction targets in the commercial portfolios validated, which are below the "tipping point [1]" levels identified by CRREM. The scenarios used are those published by the CRREM on 11 January 2023 which are more ambitious than the previous ones.

Reconciliation of CRREM scenarios with the Covivio Hotels carbon trajectory (CRREM version of 01/11/2023)



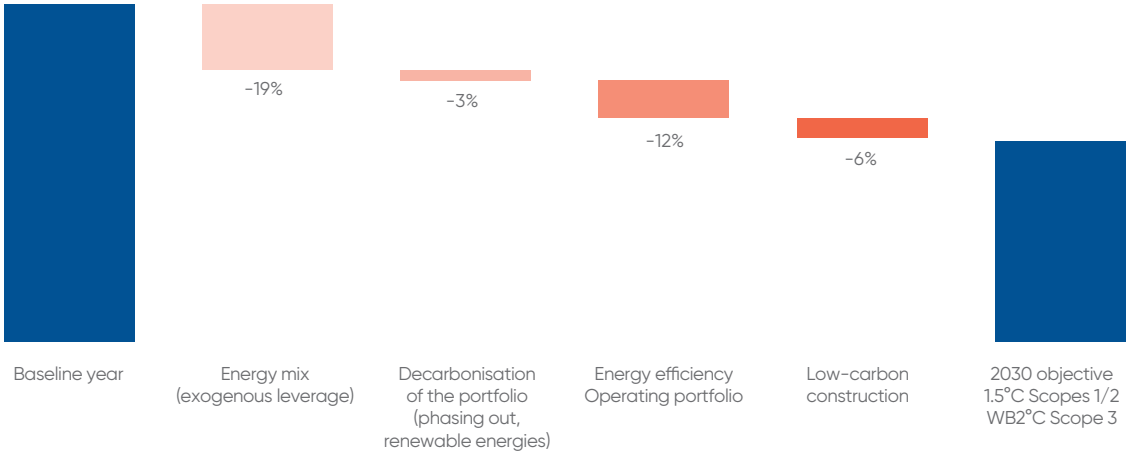
Covivio is currently working to update its objectives following the publication of a new benchmark for the real estate sector by the SBT initiative and the CRREM. This study aims to identify the conditions in which these objectives could match a 1.5°C trajectory across the three Scopes for the operational part. The update of these objectives could also be an opportunity for Covivio to specify the conditions for achieving its contribution to carbon neutrality by 2050 at the latest on the three Scopes.

(1) Tipping point: year in which the asset emits more CO_2 than the level required to comply with a 1.5°C trajectory, i.e. the year in which the asset becomes a "stranded" asset.

3.2.1.1.2 Levers to reduce the Group's carbon footprint

To achieve a 40% reduction in its GHG emissions, Covivio has identified several levers covering both the use phase and new developments. The success of this trajectory also depends on the Group's ability to interact with stakeholders, starting with customers but also through active participation in dedicated working groups. The baseline year corresponds to an overall volume of emissions of 464 $ktCO_2e$.

The main decarbonisation levers



Following the definition of Covivio's Nature strategy, these levers have been supplemented with new commitments on the circular economy (ESRS E5, section 3.2.5.2) that aim to reduce the carbon footprint of development projects.

3.2.1.1.2.a Quantifiable levers

Decarbonisation of the portfolio

Developing renewable energy on site

Renewable energy is a strong lever for reducing the carbon footprint connected to the energy consumption of buildings. The use of renewable energy sources is systematically studied in Covivio's development and renovation projects, in order to determine the possibilities available, by taking the specific characteristics of the environment and the regulatory context into account: geothermal energy, photovoltaic energy, etc.

Several sites have been equipped with solar thermal panels (domestic hot water) or photovoltaic panels (renewable energy production).

Wherever possible, Covivio has opted to connect its buildings to urban heating networks. The percentage of renewable energy in the networks varies from one location to another, but the managers have set medium and long-term objectives for increasing the share of renewable energy in their mix. Renovations are also an opportunity for implementing new solutions.

Photovoltaic production in Covivio's portfolio

Photovoltaic production in the hotel portfolio amounted to 42 MWh in 2024, compared to 32 MWh in 2017. Renovation operations are an opportunity for studying the possibility of installing photovoltaic equipment.

The majority of projects developed by Covivio consist of renovations/refurbishments. The favoured solution for meeting the requirements of local authorities, and for complying with town planning restrictions and adhering to the Group's Nature strategy, is to create green terraces. Photovoltaic installations are fitted in new operations and, to a lesser extent, in the construction of canopies over car parks.

Contribute to carbon neutrality at the building level

Carbon neutrality can only be envisioned during the construction or renovation phase of the building through offsetting. Conversely, the building can be operated in a neutral way by using renewable energy for different needs: lighting, hot water, heating, etc. Some Covivio Hotels buildings meet these criteria when they exclusively use electricity (also for heating or geothermal energy, for example) and have green electricity contracts. Thus, 6% of the hotels under management have an intensity of less than 5 $kgCO_2e/m^2$.

Many Covivio Hotels buildings benefit from a green electricity contract, a choice made by the operators, who are responsible for their energy consumption. Although the share of green electricity with guarantees of origin accounted for only 8% of total electricity consumption in 2017, it now totals 33% and 47% for the scope under management.

Spotlight on a virtuous renovation: the example of L'Atelier (6,500 m², delivered in February 2024), Covivio's new European headquarters

This real estate complex, which previously housed offices and a telephone exchange, has been renovated to the highest environmental standards (HQE Excellent, BREEAM Excellent, BBCA Rénovation, Osmoz, R2S, Biodivercity). It has enabled energy saving of 44% (regulatory calculations) and the creation of 1,000 m² of green spaces. This renovation also enabled a carbon-free energy mix to be chosen by connecting the building to the district network (whereas the building was initially heated by gas) and by signing an electricity contract for electricity with a 100% guaranteed French renewable origin.

Committing to low-carbon construction in Europe

Life cycle analyses

Covivio has carried out life cycle analyses (LCA) since 2010, in order to quantify the environmental impacts of projects at each stage of their life cycle (construction, operation of the building and finally deconstruction). These LCAs are performed from the analysis of six modules (materials, energy, water, travel, construction site and waste). In 2013, Covivio had the first LCA performed in France on a building renovation (Steel building - Paris 16th), and the first LCA in France on a hotel (B&B Porte des Lilas) in 2014.

Today, the RE2020 thermal and environmental regulations include the requirement to use an LCA to combine energy and carbon performance. LCA is also at the heart of the Low-Carbon Building (BBCA) initiative, led by the Low-Carbon Building Association which Covivio is one of the founding members of.

Labels and certifications

Covivio is one of the founding members of the BBCA Association, set up to promote low-carbon practices and which has resulted in the BBCA label. This label quantifies and assesses the reduction of the building's carbon footprint throughout its life cycle (construction/operation/end of life/carbon storage), based on a certified independent measurement. Covivio aims to draw heavily on the principles of the BBCA label in the context of its 1.5°C trajectory to achieve its objectives in Europe. Covivio is also collaborating on the European LBCI (Low Carbon Building Initiative) coordinated by BBCA and launched in 2022. This resulted in the creation of a European standard for the construction of low-carbon buildings in January 2024 with the introduction of the LCBI methodology (version V1.0) (1) and the associated Label.

The BBCA label for hotels, which Covivio Hotels helped develop, was launched in 2024 for new construction, renovation and operation.

- More information: section 3.1.3.4.

The choice of materials

The choice of materials is decisive for the building's carbon impact, during the construction phase of course, but also during the operation phase. Covivio is therefore particularly attentive to these decisions, favouring quality, recycled and recyclable, biosourced and health-friendly materials. Covivio, as a developer, works with suppliers in the context of the above-mentioned working groups or directly. This, in particular, is achieved through "low-nuisance construction site charters" for development projects, which enable goals adapted to each project to be defined. Awareness-raising actions are carried out among the teams to integrate the challenges of the circular economy into the Company's activities and day-to-day operations. The use of sustainable and more easily recyclable materials is now widespread in the Group's practices, in line with the targeted environmental certifications. All these issues are covered by the certification targets set by Covivio as part of its development projects. This is the case, for example, for target 3 of the HQE standard, "Construction site with a low environmental impact", concerning the optimisation of waste management, the limitation of nuisances and pollution on the construction site, or reducing the consumption of resources on construction sites.

- For more information on the actions carried out by Covivio in terms of the circular economy: ESRS E5 section 3.2.5.3.

Improve portfolio energy efficiency

Providing transparent and reliable information

Each asset is covered by different benchmarks with different energy or carbon emission objectives. In order to develop a common approach and consistent objectives with hotel operators, Covivio Hotels has created a reporting platform which details the CRREM trajectory, the monitoring of EPCs and regulatory objectives, as well as the planning of decarbonisation investments for each asset.

Carbon emissions are therefore monitored in accordance with the Group's SBTi targets and each asset has its own target for 2030. The action plans are defined in relation to the different targets set, in terms of reducing emissions as well as primary energy consumption.

This tool is accessible to Covivio Hotels internal asset management teams as well as to the operational teams of hotel operators. The objectives and the approach are shared with all stakeholders, in particular the hotel directors who are involved in the implementation and planning of the actions.

An overall view is consolidated at the level of Covivio Hotels and by brand, which enables the quantities of annual emissions to be processed between now and 2030 to be monitored - expressed in metric tons of CO_2e - as well as controlling reduction costs (costs of a decarbonisation solution compared to the CO_2 emissions avoided) of each planned action, expressed in euros invested per metric ton of CO_2e avoided.

Covivio has had 133 new energy audits performed on its commercial real estate portfolios as part of its works to quantify the investments needed to achieve CO_2 reduction targets. These audits provide a better understanding of the assets and identify the most appropriate measures for reducing the consumption of the buildings.

(1) "The aim of the Low Carbon Building Initiative is to encourage real estate players to accelerate the decarbonisation of the sector." - Covivio

Committing to energy efficiency

In 2022, the French government, in response to the energy and climate crisis, required a 10% reduction in energy consumption by the end of 2024. Companies have therefore been asked to identify and activate all the levers at their disposal.

Covivio signatory of the Tertiary Energy Efficiency Charter

The National Energy Efficiency Plan launched in the autumn of 2022 has enabled France's annual electricity and gas consumption to be reduced by 12%, by taking the effects of weather into account.

To continue this momentum, two charters were proposed for signature: one for professional federations and associations, which have passed it on to their members; the other for private companies in our sector.

80 players signed these two charters on 18 October 2023, in particular the FEI (Fédération des Entreprises Immobilières) and Covivio, in the presence of the Minister for the Energy Transition, Agnès Pannier-Runacher.

Covivio had already activated a number of levers, in particular by raising customer awareness (environmental committees, technical meetings on the tertiary eco-energy system (tertiary decree) and building maintenance, environmental certification), integrating energy performance into its works and development plan, and setting up supervision and an energy management contract.

In September 2022, Covivio sent a letter to the tenants of the commercial buildings which it manages directly concerning the efficiency plan. This approach was part of the awareness-raising process carried out on the implementation of the provisions of the tertiary decree. This letter outlines the main eco-friendly actions to be implemented to reduce and optimise energy consumption in three areas:

- **adaptation of set points (heating and air conditioning):** during working periods, the heating set point is at 19°C and that of the air conditioning at 26°C, with the possibility of a remote control range of +/- 1.5°C. The air conditioning must be turned off when the windows are open;
- **lighting:** switching off illuminated signs between 9 p.m. and 7 a.m. and lighting in meeting rooms when they are not in use, as well as the installation of presence detectors. Where appropriate, façade lighting is switched off for part of the night;
- **office automation:** switching off office equipment including digital screens (rather than putting it on standby).

Customers are also invited to make any suggestions that could help achieve this energy efficiency objective.

A Tertiary Building Performance Commitment Committee was set up in the fourth quarter of 2024 to monitor the roll-out of the tertiary eco-energy scheme (DEET) resulting from the tertiary decree and its orders, and to ensure the monitoring and sustainability of the initiatives carried out within the framework of the Tertiary Energy Efficiency Charter. Under the aegis of the Sustainable Building Plan, this Committee will be co-chaired by Jean-Eric FOURNIER, Chairman of the CSR Commission of the FEI and Sustainable Development Director of Covivio, and Magali SAINT-DONAT, Chairwoman of the CSR Commission of ADI. The IFPEB (French Institute for Building Performance) and the OID (Sustainable Real Estate Observatory) will provide their expert support.

An ambitious multi-year work plan

Improving the portfolio's environmental performance aims to reduce both the energy (3.2.1.5) and carbon footprint (3.2.1.6), water (3.2.3.4.1), waste (3.2.5.5), and also to increase the comfort and well-being of occupants, through the choice of materials, the quality of the spaces and air in the premises, the care given to subjects such as biophilia, services, etc.

Covivio's multi-year work plan includes energy and carbon performance, and more generally environmental performance, as a priority objective, for each portfolio The installation, maintenance or replacement of more efficient equipment contributes directly to the reduction of greenhouse gas emissions from assets. The strong partnership dynamic, at the heart of the Group's strategy, is also an important lever for the achievement of objectives. In 2022, Covivio calculated the investments needed to achieve its GHG emission reduction targets in order to more accurately identify the risks and opportunities associated with its carbon footprint (3.2.1.1.3).

Implementation of the tertiary decree in France

In France, the tertiary eco-energy scheme (attached to the "tertiary" decree), following the ELAN law, imposes a reduction in energy consumption of 40% by 2030, 50% by 2040 and 60% by 2050 for any building, part of a building or real estate complex of at least 1,000 m2 GFA (gross floor area). This decree was supplemented by the "method" and "absolute values" decrees from 2020, which define final energy consumption thresholds (depending on the type, geographical area, etc.), expressed in absolute value (kWh/m²/year). These thresholds can be used as an alternative target to the -40% target, particularly for buildings that are already performing. Covivio has anticipated these measures in the context of discussions with tenants, in particular within the framework of the related environmental annexes committees. At the end of 2020/beginning of 2021, a first newsletter was distributed to more than 300 tenants to inform them of the implementation of this system, which introduces an obligation to report annually on energy consumption on the OPERAT platform (Observatoire de la Performance Énergétique, de la Rénovation et des Actions du Tertiaire), in a coordinated manner between lessor (common expenses) and lessee (tenant areas). Meetings were held with tenants on this subject, covering 100% of the hotels owned in France, under leases or as operating properties. The thresholds expressed in absolute value for the hotels were only published at the end of 2023, which delayed the launch of an audit to 2024 to analyse the conditions for achieving under the objectives of the decree and its orders.

Adaptation of the work plan in accordance with the simulations/audits/studies of sources carried out

For the Covivio Hotels scope, priority is given to actions to improve the operation of hotels and to change the energy vector. Hotels have the specificity of high heat consumption to produce domestic hot water, which is often produced with a gas boiler. This represents 50 to 70 kWh/m²/year of thermal energy and is added to the heat consumption for winter heating. Fossil energy consumption can therefore represent 70% of total consumption and more than 80% of CO_2e emissions, particularly in France where electricity is low-carbon.

Exiting fossils alone would enable Covivio Hotels to reach and exceed its 2030 target. However, this vision must be moderated: heat pump technologies to produce domestic hot water still lack maturity - this market segment is characterised by a lack of supply and uncompetitive costs - and old buildings make it difficult or impossible to replace boilers with heat pumps, in particular due to the size, bulk, noise pollution, weight and disproportionate price of such equipment when used in a poorly insulated building.

Therefore, the first objective is to validate the feasibility of phasing out fossil fuels for each asset and to identify the actions to be carried out beforehand. At the same time, action plans are being developed to implement GRMS (Guest Room Management System) solutions enabling detailed management of the energy consumed by unoccupied rooms, and for the modernisation of kitchen ventilation systems and catering areas, halls and meeting rooms. This optimised management enables the heating and cooling needs of these large spaces to be controlled. An adaptation of the ventilation rates to the actual occupancy of each room enables the energy consumption of hotels to be reduced by 15% to 20% (from the mid-scale ranges, the economy hotel sector is less affected because of the absence of additional services and smaller reception areas).

Hotels concerned by a complete renovation are subject to a more comprehensive analysis, before engineering and architectural work begins.

2025-2030 action plan to reduce the portfolio's carbon intensity

Gross source ⇒ Refined resource ⇒	Activated source
Audits targeting 5,000 metric tons in 2025	Actions targeting a reduction of 12,200 metric tons from 2025 to 2030
Directed audits: • boiler replacement audit • retro-commissioning audit • pre-programme works audit • envelope audit (with thermal simulation)	Actions identified covering 102% of the Covivio Hotels target Control of abatement costs: • target €150 metric ton of CO_2 cut • on average €450 of green capex/metric ton of CO_2 cut

3.2.1.1.2.b Non-quantifiable levers

Engage with industry players on low-carbon issues

HQE-GBC Alliance (1): Covivio, which has been a member of this association for many years, has actively collaborated on several projects on reducing the carbon footprint or concerning the circular economy. Covivio was a pioneer in the performance of life cycle analyses (LCA), and since 2010, it has naturally been a signatory and partner of the HQE Performance initiative. Covivio also participated in the NZC Rénovation project, which aims to identify specific levers for building renovation to reduce carbon emissions, as well as in the HQE 'Circular Economy Performance' test, which aims to assess the impact of actions in favour of the circular economy, including an LCA and a material flow analysis (MFA).

Sekoya (2): Dedicated to the challenges of low-carbon construction and led by Impulse Labs in partnership with Eiffage, Sekoya is a Carbon & Climate platform whose purpose is to identify and promote low-carbon solutions for innovative companies participating in the fight against climate change and the emergence of the city and sustainable infrastructure. This initiative has enabled Covivio and its subsidiaries to identify solutions to significantly reduce the carbon footprint of its development and renovation projects.

Low-carbon specifiers hub (3): The Low-Carbon Specifiers Hub aims to pool resources for analysing and selecting low-carbon solutions in the building sector. Run under the aegis of IFPEB and Carbone 4, this initiative provides a collaborative platform which gives participants access to a range of tools, targeted services and information by material category, and provides support to building specifiers in developing low-carbon solutions. This initiative has enabled Covivio to improve its measurement of the carbon impact of certain products and materials, and help to raise awareness of these issues among its teams.

(1) HQE Performance Économie Circulaire test 2019 - Alliance HQE-GBC (hqegbc.org)
(2) https://www.sekoyacarboneclimat.com/
(3) The low carbon expert hub - IFPEB

Making a success of the environmental transition together

Covivio is aware of the need to involve its partners (customers, suppliers, etc.) to ensure that its environmental transition initiatives are successful, especially with regard to its 2030 carbon trajectory. "Building well-being and lasting ties": Covivio's Purpose reflects both this challenge and its know-how in this area.

Covivio has laid the foundations for an effective and constructive relationship, by implementing various concrete measures, such as green annexes and Sustainable Development Partnership Committees, in order to optimise the environmental performance of buildings. Covivio has been organising Sustainable Development Committees in France since 2010, as part of its special relationship with each customer. They facilitated and paved the way for implementing the environmental annex for 100% of leases for more than 2,000 m² of office or hotel space in France. This annex is also included in other leases that are not subject to this obligation, and reflects the parties' commitment to CSR issues: energy, carbon, water, waste, transport, biodiversity, etc. These exchanges help obtain the HQE Exploitation or BREEAM In-Use certifications, chosen in coordination with the tenants. They have also made it easier to implement the Eco Energy Tertiaire programme and the measures associated with the energy efficiency plan.

Another key lever of Covivio's transition plan is the Responsible Purchasing policy aimed at guaranteeing commitment by suppliers, presented in ESRS S2, section 3.3.2.2.1.

3.2.1.1.3 Investments made and planned to support the transition plan

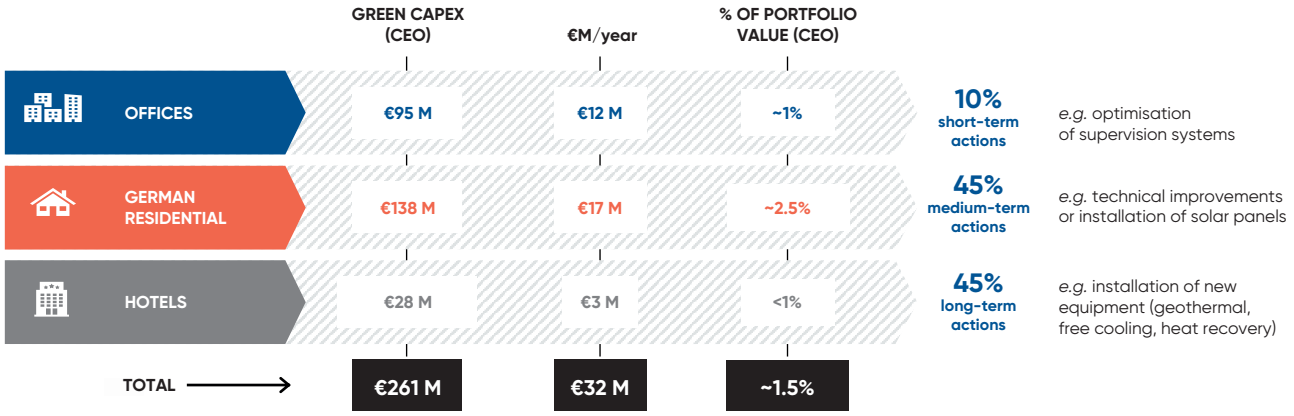
In 2022, Covivio calculated the investments needed to achieve its GHG emissions reduction targets in order to more accurately identify the risks and opportunities associated with its carbon footprint.

Methodology used

- Review of portfolio performance based on historical data and through interviews with operational staff, and energy audits (hotels Europe, Italy Offices, Germany Offices).
  - Work was carried out in parallel in France in the context implementing the tertiary sector decree. This concerns the study conducted on the portfolio by E-nergy to verify the conformity of the assets with the objectives of the tertiary decree.
  - In Germany: work was performed with an external service provider to set up a platform to monitor consumption and simulate green Capex at the asset level.
- Consolidation and extrapolation of the measures to be implemented to achieve the carbon targets by portfolio. All assets were included in the scope of study, some had in-depth energy audits, which were extrapolated to other assets. The measures identified were broken down as follows, in order to provide the best guidance for the multi-year work plans:
  - quickwins (ROI < 2 years): optimisation of building management systems, raising tenant awareness, sub-metering, equipment maintenance, occupancy sensors, automatic temperature adjustment according to the weather;
  - medium term (ROI 2-9 years): deployment of LED lights, heat pumps, more efficient heating equipment, installation of solar panels, solar protection systems;
  - long-term (ROI> 9 years): thermal insulation, replacement and modernisation of windows, installation of building management systems, installation or replacement of various equipment;
  - the study also identifies the purchase of green electricity as an additional lever for reducing emissions.

The study resulted in the costing of a work plan of €261 million (Group share) for Capex to achieve the Group's carbon objectives, *i.e.* €32 million per year on average, enabling a 44% reduction in carbon intensity during the operation phase between 2020 and 2030 (year of study 2019 for hotels and 2021 for the France and Italy offices).

In 2024, Covivio Hotels invested €136 million in acquisitions and Capex, 83% of which aligned with the European taxonomy.



Practical cases

1 - Novotel - Bruges

The hotel owned by Covivio Hotels and operated by WiZiU (Covivio's hotel management platform) was completely renovated in 2024. The works programme included €3 million in energy efficiency measures to phase out fossil fuels, a 52% reduction in greenhouse gas emissions, so that it is already below the CRREM 2030 threshold (1.5°C, Hotel real estate - Belgium). This programme includes:

- complete renovation of the energy system by installing heat pumps;
- low-energy ventilation systems with highly efficient energy recovery;
- intelligent extractor hoods above cooking spaces, dividing consumption by four.

In addition, a circular economy approach has been deployed to control the consumption of resources and reduce the carbon impact of renovation.

2 - B&B Frankfurt Offenbach

Capex co-financing plan of €210,000 between Covivio Hotels and B&B Hotels for this hotel let under a traditional lease, including the decarbonisation of hot water production permitting the complete electrification of the asset. This measure will avoid the emission of 11.4 metric tons of CO_2 per year and will provide valuable feedback for the entire B&B Germany portfolio.

3.2.1.1.4 Locked-in GHG emissions

Potentially locked-in GHG emissions are mainly related to gas-powered equipment that is still in working order. Covivio incorporates this data into its projections and systematically studies the possibility of connecting its buildings to urban networks or installing heat pumps during renovations or when the gas equipment reaches the end of its life.

3.2.1.1.5 Alignment of investments supporting the transition plan to European taxonomy

Investments made in the operational portfolio

The investments aimed at supporting Covivio's transition plan are linked to the following activities as described in the European taxonomy:

7.3 Energy efficiency equipment
(a) addition of insulation to existing elements of the envelope, such as exterior walls (including green walls), roofs (including green roofs), attics, basements and ground floors (including measures to ensure airtightness, measures to reduce the effects of thermal bridges and scaffolding) and products for applying insulation to the building envelope (including mechanical fasteners and adhesives)
(b) replacement of existing windows with new energy-efficient windows
(c) replacement of existing exterior doors with new energy-efficient doors
(d) installation and replacement of low-energy light sources
(e) installation, replacement, maintenance and repair of heating, ventilation and air conditioning (HVAC) and water heating systems, including equipment related to district heating services, using high-efficiency technologies
7.5 Energy performance measurement/regulation/control instruments and devices
7.6 Installation, maintenance and repair of renewable energy technologies (photovoltaic, heat pumps)
9.3 Professional services related to the energy performance of buildings

Investments in the development portfolio

To achieve its goal of developing 100% buildings aligned with the taxonomy's mitigation target, projects must adhere to the following principles. A difference is made for new buildings depending on whether they are intended to be held in the portfolio or sold.

	Development for future ownership	Development for sale	
	Activity 7.7: Acquisition and holding of real estate assets (including new buildings for holding after delivery)	Activity 7.2: Building renovation	Activity 7.1: Construction of new buildings (development)
TSC[1]	Construction permits before 31/12/2020: top 15% primary energy or EPC A (or B when A + B < 15% in the country concerned) Construction permit after 31/12/2020: NZEB -10%	30% reduction in primary energy consumption after works	NZEB - 10% (or equivalent national thermal regulation)
	For buildings> 5,000 m2: Installation of a BMS (power > 290 kV)/life cycle analysis/airtightness and thermal integrity test		
DNSH	DNSH Adaptation: Study of climate risks on an active scale for all activities and adaptation plan if risks are identified (Covivio uses MSCI for this study)		
		Other DNHS for buildings and renovations: 3 - Water: ECAU label A or taps 6L/min/showers 8L/min/toilets 3-6L/min 4 - Biodiversity: environmental impact study including analysis of areas of interest in terms of biodiversity and potential mitigation and remedial measures 5 - Pollution: Class A products in terms of air quality, limitation of nuisances on the construction site and soil pollution study if necessary and REACH compliance 6 - Circular economy: waste management treatment, reporting and recovery target > 70% + building flexibility/modularity/recyclability study	
MS	Managed at Group level (Human Rights Policy)		

(1) TSC = Technical Screening Criteria/DNSH = Do No Significant Harm/MS = Minimum Safeguards

2024 results

In 2024, €5.1 million were invested to contribute to the environmental improvement of the portfolio in Europe.

	Share of revenue/revenue		Share of Capex/Capex	
	Aligned	Eligible	Aligned	Eligible
Climate change mitigation	**14.7%**	**46%**	**17.9%**	**100%**
Climate change adaptation	**0%**	**0%**	**83.2%**	**100%**

Given the nature of its activities, the determination of green Opex within the meaning of the taxonomy is not considered material. However, Covivio is identifying this topic for the future in connection with its project to standardise its information systems at the European level.

The common thread, the example of L' Atelier:

On October 16, 2024, L'Atelier received the prestigious award from the Urban Land Institute (ULI) from among eight finalist projects. The ULI Europe Awards for Excellence is awarded by a jury of renowned professionals. It rewards exceptional urban development projects in the private, public and non-profit sectors located in countries in the EMEA region. This award recognizes the project's entire development process: planning, construction, economic viability, management, community impact, and design.

This award, which was presented in Barcelona at the C Change Summit, rewards the best practices and the most outstanding projects in the field of urban development. A prestigious distinction for L'Atelier, a creation resulting from an unprecedented collaboration between Covivio, STUDIOS Architecture and Maison Sarah Lavoine.

3.2.1.1.6 Significant investments in coal, oil and gas

Covivio has no significant Capex invested in economic activities related to coal, oil or gas. The only investments made in connection with these activities concern the maintenance of existing equipment.

3.2.1.1.7 "Paris Agreement" benchmarks

Covivio's business sector is not excluded from the "Paris Agreement" benchmarks.

3.2.1.1.8 Integration of the transition plan into the Group's strategy and financial planning

Covivio is paving the way for an environmental and social transition, with the full support of the Board of Directors, its CSR Committee, and with the strong commitment of its teams. The aim is to continue to transform the Company, its products, services and know-how, with an agility and a long-term vision that contribute to the Group's success and resilience (3.1.2.3.3). The transition plan is also included in the Group's financing strategy and is included in the due diligence phase for investment transactions (acquisition/development).

3.2.1.1.9 Approval of the transition plan by the governance bodies

Covivio's climate transition plan is at the heart of the Group's CSR strategy. It is promoted by governance as described in ESRS 2 in section 3.1.2.2. The climate issue has been on the agenda of all CSR Committee meetings since its creation.

3.2.1.1.10 The Group's main progress in implementing the transition plan

Covivio's different CSR objectives are presented in the CSR action plan (3.1.2.5). The progress of these objectives is detailed in the sections concerned, in particular the main indicators related to Covivio's climate change strategy:

- energy intensity of the portfolio (3.2.1.5): 179 kWhfe/m² at 31 December 2024, *i.e.* -14% compared to 2019 - Target -25% by 2035 (*vs* 2019);
- greenhouse gas emissions generated by the activity (3.2.1.6): 23.2 $kgCO_2/m^2$ at 31 December 2024, *i.e.* -49% compared to 2010 - Target -70% by 2030 (*vs* 2010, in-use phase);
- certification of the European portfolio (3.1.3.4): 97.5% of buildings certified as of 31 December 2024 - Target 100% by 2025.

These structuring objectives for the Group's business are key to achieving the transition plan.

3

3.2.1.1.11 Disclosure requirement related to material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The dual materiality analysis revealed three main issues in this ESRS, and all three are considered to be material after of the analysis:

ESRS E1 - CLIMATE CHANGE ADAPTATION	
Description/key words	Building resilience to climate change Physical climate risk assessment, water management
Main impacts	The impact on people's safety and well-being can be significant in the event of poor adaptation. Buildings can also contribute to increasing the effects of climate change through air conditioning equipment or land artificialisation. Positive impact: at the regional level, participation in urban resilience, for example by combating the effects of urban heat islands
Positioning in the value chain	Upstream, direct and downstream operations
Main risks	Physical risk: Occurrence of a natural disaster: submersion, flooding, extreme temperatures, heat waves, etc. These risks can lead to the total destruction of an asset. Financial risk: risk of obsolescence or devaluation of certain assets; Increased costs (renovation, operations and insurance)
Main opportunities	Increase portfolio resilience
Materiality	Material

ESRS E1 - CLIMATE CHANGE MITIGATION	
Description/key words	TCFD/Climate Governance/Stakeholder relations Awareness of the Climate Strategy/Low-carbon construction and management Carbon trajectory and decarbonisation scenarios Net Zero Carbon Contribution Sustainable mobility and responsible practices of employees and occupants
Main impacts	Strong sectoral impact: buildings account for 28% of French emissions. The impact index is considered highest here due to the frequency of climate events, which can be observed each year to varying degrees and in different locations. Current policies are moving us towards + 3.2°C. Pressure on available resources (energy, water), particularly in certain areas. Positive impact: participation in the energy renovation of the portfolio

Positioning in the value chain	Upstream, direct operations, downstream
Main risks	Substantial financial and reputational risk of a class action suit in the event of inaction on climate change Risk to the attractiveness of buildings related to the increase in expenses for customers Risk to the liquidity of the asset in a regulatory context encouraging the energy efficiency of buildings
Main opportunities	Liquidity of the asset Strengthening competitiveness: Attractiveness of Covivio for its partners Added value for customers and cost savings
Materiality	Material

ESRS E1 - ENERGY	
Description/key words	Environmental certifications and specific labels Smart building Building flexibility and mixed use
Main impacts	For REITs, the environmental impact can be greatest if the building uses fossil fuels and/or energy-intensive energy sources. Energy consumption represents 40% of the carbon weight of a building in France (up to 60% in other countries due to a more carbon-intensive national energy mix), and the impact on the environment is therefore significant. Positive impact: participation in the energy renovation of the portfolio
Positioning in the value chain	Direct and downstream operations
Main risks	Financial risk: Rising energy costs may accelerate asset obsolescence by reducing their liquidity Cost of alignment and implementation of the new RE2020 regulation
Main opportunities	Liquidity of the asset Strengthening competitiveness Attractiveness of Covivio for its partners Added value for customers and cost savings
Materiality	Material

The interactions of the issues with the strategy and business model are presented in ESRS 2, in section 3.1.2.3.3. The following section presents the resilience analyses conducted at Group level to provide input for the mitigation and adaptation plans.

3.2.1.1.12 Description of the process to identify and assess material impacts, risks and opportunities related to climate change (ESRS 2 - IRO-1)

Risk management

In 2018, a CSR risk mapping was carried out, validated by the Management Committee, to identify the inherent and residual risks affecting Covivio's different activities. Among the CSR risks identified, the "Obsolescence of assets/Green value/Products reflecting societal trends", "Control of operating expenses" and "Environmental safety/security/regulatory compliance" risks are climate-related risks. The plans for managing these risks are set out in their respective sections. These two maps are regularly updated.

In 2020/2021, a risk map of procurement-related risks (3.3.2.1.1) was drawn up by the Sustainable Development Department, in coordination with the Risk, Compliance, Audit and Internal Control Department.

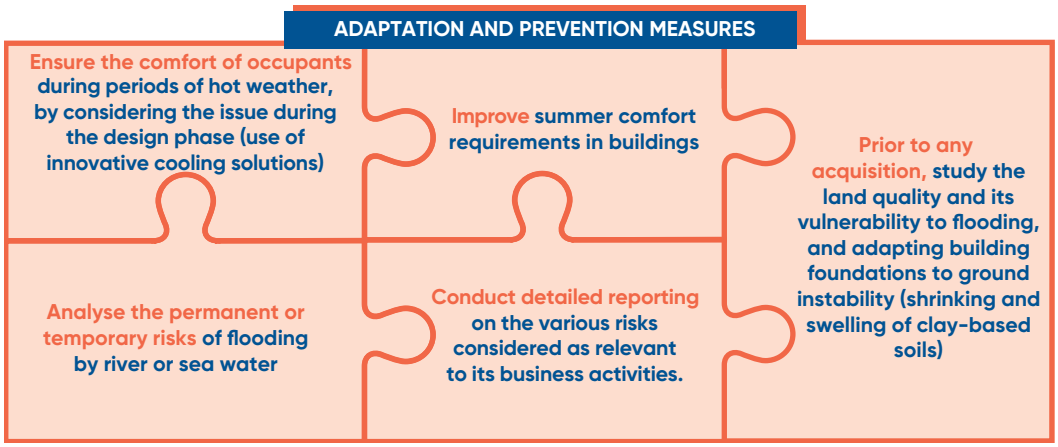
In 2021, Covivio updated its risk mapping at Group level, including all its subsidiaries and activities. The results were presented and shared with the Covivio Audit Committee in September 2021. This enabled a review to be performed of the improvement in the level of control of the risks for which specific action plans have been drawn up and implemented, and to share the levels of control and the action plans put in place for the company's major risks.

Climate-related risks and opportunities are analysed over time horizons presented in ESRS 2, section 3.1.2.4. However, the preferred horizon for these aspects remains the long and very long term, in order to have a complete vision of the issues. For example, the MSCI Climate Value at Risk analysis provides a vision at 2030/2050/2100 by using different scenarios, favouring a 1.5°C scenario (REMIND or CRREM) for transition risks and a worst-case scenario (RCP 8.5) for physical climate risks.

Climate-related risks

	Risks	Description of risks	Potential financial impact	Covivio's strategy	Metrics monitored
Physical risks	**Extremes (medium term)**				
	Climatic phenomena: • storms • hail • fires • flood • drought	Physical destruction including destruction of assets Transport blockage Difficulties in water and energy supply	**Construction** • loss of assets • repair or replacement costs • construction delays **Operations:** • loss of assets • loss of value • business interruption	Gradual adaptation of the portfolio Targeted resilience studies Choice of location Arbitration	Reporting on environmental risks Percentage of certified buildings (HQE, BREEAM, LEED, etc.) Energy consumption CO2 emissions
	Temperature variations: • heat wave • cold snap	Loss of thermal comfort Risk to tenant health	**Construction:** • sizing of heating/ cooling systems • additional costs **Operations:** • increase in operating costs • fall in occupancy rate Reduction in rents	Analysis of the sizing of equipment/ facilities Monitoring and anticipating regulations	
	Chronic (long-term)				
	Increase in temperatures	Deterioration in air quality Insect proliferation Destruction of green spaces	**Operations:** • operational costs	Biodiversity Charters BiodiverCity label Green space objective	Energy consumption CO_2 emissions
	Rising water levels	Submersion of assets	**Operations:** • loss of assets • business interruption	Arbitration Choice of location Targeted resilience studies	Portfolio submersion study/statistics
Transition risks	**Political and legal (medium term)**				
	Fossil energy/carbon taxation	Implementation of carbon taxation on construction, emitting buildings or fossil fuels	**Construction:** • cost increase **Operations:** • cost increase	Low-carbon construction policy Calculation of the CO_2 impact of the choice of materials	Percentage of buildings certified
	Regulatory changes	Risk of non-compliance	**Operations:** • legal risks resulting in penalties and additional costs	Calculation of the CO_2 impact of energy efficiency actions	Amount of penalties
	Market development (long term)				
	Obsolescence	Loss of attractiveness of the portfolio	**Operations:** • increase in operating costs • decrease in liquidity	Refurbishment policy	Percentage of buildings certified
	Economic slowdown	Fall in purchasing power	**Operations:** • inability to pay rent	Diversification policy	Revenues by activity/ by country...
	Demand for responsible buildings	Reputational risks	**Operations:** • loss of attractiveness of assets	Building certification	Percentage of buildings certified

In addition to compliance with local regulations (example in France: ERP - Statement of Risks and Pollutions), Covivio has identified the main hazards that could impact its activities and has implemented the prevention and adaptation measures described in the following diagram. The Nature report published in 2024, aligned with the TCFD and TNFD recommendations. It also offers an insight into the strategy implemented by Covivio to address the consequences of climate change.



Covivio's responses to the challenges of building resilience are twofold: firstly, reduce its impacts and its environmental footprint, and secondly, adapt to climate change through an eco-design approach that anticipates its consequences. Resilience can also be improved by changing the conditions for using the building, by involving users in the choice of the layout of the premises, the implementation of a public transport policy, teleworking, flexible working hours, videoconferencing, Green IT solutions, etc.

A series of studies on exposure and vulnerability to risk were carried out in order to assess the capacity of buildings to withstand the consequences of climate change. Over the years, these studies have enabled the exposure and/or potential impact on rental value to be assessed. The main conclusions are as follows:

- According to the MSCI study performed annually since 2021, the main risks that Covivio's portfolio will have to face are river and coastal flooding and heat waves (see below). However, an internal study revealed, based on tertiary real estate and a representative sample of German residential, that only 2% of assets (in value) were exposed to the risk of a one-metre rise in sea levels.
- The WRI study conducted on the portfolio showed that 21.7% and 9.5% of the water reporting scope are respectively in high and very high risk areas, *i.e.* 21% and 14.4% of water consumption reported to 2023 (ESRS E3 in section 3.2.1.3.).
- According to the mapping of the proximity of the portfolio to protected areas, 42% of Covivio sites are located less than one kilometre from a protected area, 25% are less than 500 m away and five sites are located directly within these areas (ESRS E4 in section 3.2.4.3.1.).

These studies have resulted in several recommendations to strengthen the subject of resilience in the study of assets, particularly in the due diligence phase preceding investments (development or acquisition), and to guide climate, water and biodiversity commitments.

Climate and physical risk studies

Covivio carried out a new version of the climate risk analysis of its portfolio at the end of 2023 with MSCI Real Assets.

The entire Covivio Hotels portfolio (excluding retail and real estate) was analysed to measure the financial impact of physical and transition risks on the value of each asset and at the portfolio level.

An in-depth version of the analysis

The analysis carried out goes further than previous editions in classifying risks and specifying their time horizon thanks to new functionalities in the MSCI Real Assets Climate model.

Physical and transition risk analyses are now performed over several time horizons: 2030, 2040, 2050 and 2100. The number of physical risks analysed was extended in 2024 from 6 to 11 in order to better align with European regulations, including the Taxonomy. MSCI is also studying the possibility of adding new risks related to the European taxonomy, in particular concerning soils (erosion, landslides, etc.).

The financial impact is calculated for all the following physical risks: floods, violent winds from cyclones, extreme hot and extreme cold, wildfires.

MSCI Real Assets has also adopted a new third-party flood model (Fathom) with more accurate resolution and elevations.

The analysis is based on actual data from Covivio buildings: location, surface area, building type, energy consumption, CO_2 emissions, Energy Performance Certificate (EPC).

As Covivio has an 89% coverage of real energy consumption, the Energy Performance Certificate (EPC) is used in the absence of energy consumption data to refine the method used for the 11% of assets that do not have real data.

Physical risk analysis

11 physical risks analysed (1)

Extreme physical risks		
Risk	Qualification	Nature of costs
Coastal flooding	Flood level (metres)	Damage to assets Business interruption or loss of income from real estate
River flooding		
Rain flooding		
Tropical cyclones	Wind speed (metres/second)	Damage to assets Business interruption
Wildfire	Probability of fire (% annual)	Damage to assets Business interruption or loss of income from real estate

Chronic physical risks		
Risk	Qualification	Nature of costs
Extreme cold	Number of days < 0°C and < -10°C	Operating costs related to heating the building
Extreme heat	Number of days > 30°C and > 35°C (dry air measurement)	Operating costs related to building cooling
Extreme snowfall	Number of days with falls > 5 cm and > 20 cm	Not quantified in the model
Extreme precipitation	Number of days with precipitation > 20 mm and > 50 mm	
Wind gusts	Number of days with gusts > 24 m/s and > 28 m/s	
Water stress	Number of days > 60% and > 100% water stress	

Financial impact of physical risks over different time horizons

	Portfolio			
	2030	2040	2050	2100
Physical VaR [% value]	-0.08%	-0.22%	-0.33%	-0.49%

Source: MSCI Real Assets.

According to a 3°C I REMIND I Current policies scenario, the Climate Value-at-risk of Covivio Hotels' portfolio is -0.33% by 2050 and -0.49% by 2100.

The main physical risks for the portfolio are coastal flooding (-0.23%) and rain (-0.20%), with a level of financial impact categorised as "negligible" overall.

In the previous version of the analysis and according to the same scenario, the Climate Value-at-Risk was -0.41% by 2100. The reduction is explained by the revision of the flood risk analysis model, which enabled the risk exposure for certain assets to be revised downwards.

In terms of comparisons, the Covivio Hotels level of financial risk by 2050 is lower than that of the MSCI Europe Annual Universe (containing more than 35,000 assets analysed), which is -0.48%.

According to a 5°C CPI scenario, the value of the physical risk increases to -0.45% in 2050, a level which is also qualified as "negligible".

Level of financial impact for transition risk

The transition risk analysis is based on actual energy consumption data for 89% of Covivio's assets.

According to a 1.5°C REMIND Net Zero scenario, the portfolio is aligned with the 2023 reduction target.

Financial impact of the transition risk over different time horizons, per sector:

	Portfolio			
	2030	2040	2050	2100
Transition VaR [% value]	-0.33%	-1.90%	- 4.07%	- 4.07%

Source: MSCI Real Assets.

Overall, the financial impact of the transition risk is -4.07% by 2050 and -0.33% by 2030. Most of the risk is expected between 2040 and 2050.

The level of risk for the overall portfolio by 2050 is lower than that of the MSCI Europe Annual Universe (containing more than 35,000 assets analysed), which is -4.70%.

(1) Source: MSCI Real Assets: for more details on the methodology, contact: realestate@msci.com

Scale of the risk level according to the MSCI Real Assets methodology, in % of the portfolio value:

-100% – -25%	-25% - -5%	-5% - -0.5%	-0.5% - 0%	0%	0% - 0.5%	0.5% - 100%
Severe	Important	Moderate	Negligible	Not identifiable	Negligible reduction	Reduction

3.2.1.2 Policies related to climate change mitigation and adaptation (E1-2)

Climate Governance

Covivio's governance and organisation are structured to address climate issues strategically. 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, directly or *via* its CSR Committee, monitors the risks and opportunities related to climate change, by monitoring the company's CSR performance and the strategic orientations given to the Group. The Chief Executive Officer (CEO) himself deals with sustainable development and climate change issues on the Board, supported by experienced Directors on CSR topics. A CSR Committee was created in 2021 to formalise the Board's commitment to sustainable development issues. Its purpose is to assist the Board to conduct its work on CSR, in order to enable it to go further in the analysis of environmental, social and societal issues. Climate change evidently occupies an important place among the subjects dealt with by the CSR Committee.
- The Executive Committee is in charge of deploying the Group's strategy, notably to implement the Group's climate objectives. The members of the Executive Committee have targets set for them in connection with this action plan, particularly in terms of their variable remuneration. The CSR targets included in the remuneration of the Chief Executive Officer (CEO) and the Deputy CEO were detailed in 2023 and supplemented in 2024, following the recommendations of the CSR Committee. They represent a weight of 30%. The portfolio's certification rate and the objectives connected to the carbon trajectory are included in the Long-Term Incentive Plan for corporate officers, at a rate of 15% (ESRS 2, section 3.1.2.2.4).
- The Sustainable Development Department proposes and coordinates actions to combat climate change in the Group's activities, with the support of General Management and the CSR Committee. The Sustainable Development Department works closely with the Executive Committee to implement the action plans decided upon.

MDR-P table

Policy	A description of the main elements of the policy, including its general objectives and the material impacts, risks and opportunities to which the policy relates and the monitoring procedure;	A description of the policy framework, or its exclusions, with respect to activities, the upstream and/or downstream value chain, geographical scope and, where applicable, groups of affected stakeholders;	The highest management level in the company's organisation that is responsible for implementing the policy;	Scenarios used	A reference, where applicable, to the standards or third-party initiatives that the company undertakes to respect throughout the implementation of the policy	Where appropriate, a description of how the interests of the main stakeholders were taken into account in policy-making; and	Where applicable, how the company shares the policy with potentially affected stakeholders, as well as stakeholders who need to participate in its implementation.
(a) Climate change mitigation	All of these topics are covered by the Group's climate strategy (see E1-1). The Group-wide MSCI Climate VAR study covers both adaptation and mitigation. The carbon trajectory aims to mitigate Covivio's impact on climate change, by including the energy efficiency of buildings and decarbonisation of the energy mix of buildings by using renewable energy. Targets: -40% carbon intensity between 2010 and 2030 (Scopes 1, 2, 3) -25% primary energy intensity in the tertiary portfolio 100% green electricity in directly managed offices Doubling solar energy production between 2023 and 2030	Upstream Direct operations (including all buildings under direct management) Downstream	See governance diagram for sustainable development issues (ESRS 2). - At the executive level: The Sustainable Development Steering Committee composed of: Chief Executive Officer (CEO) Chief Operating Officer SD Department - At the Board of Directors' level: the CSR Committee	Scenarios 1.5°C, WB2D, CRREM 1.5°C (as a benchmark, particularly in the context of Green Bonds)	References: Stakeholder involvement in the Group's transition plan Employees: ESRS S1 Suppliers: ESRS S2 Customers: ESRS S4 Investors/Banks: Taxonomy and sustainable finance In addition, Covivio is a member of various sectoral and cross-sectoral initiatives, such as the Global Compact, the HQE-GBC Alliance, the OID, the BBCA association, Orée, the Hub des Prescripteurs Bas Carbon (Low Carbon Prescribers Hub) (ESRS 2). Covivio is also a signatory of the following charters: - EcoWatt Charter - the "Connected buildings, solidarity and human buildings" Charter - Charter of commitment to energy efficiency in commercial buildings		
(b) Climate change adaptation		Upstream Direct operations Downstream		RCP 2.6 to 8.6			
(c) Energy efficiency		Direct operations Downstream		CRREM (as a benchmark)			
(d) Deployment of renewable energy		Direct operations (with reinforced objectives on the direct management scope) Downstream					
(e) Environmental certification of buildings	100% of assets certified by 2025 100% of new developments aiming for > Excellent/Gold certification	Direct operations Downstream Excluding non-core buildings					
(f) Raising awareness of customers and end-users	100% of new leases including a green clause in office leases Raising awareness of customers and end users via the usual communication channels (welcome booklet, building application)	Direct operations Downstream					

3.2.1.3. Actions and resources in relation to climate change policies (E1-3)

	Main objective	Governance and scope	Actions	Deployed resources	Financial instruments and link with taxonomy
Climate change mitigation	-40% carbon intensity between 2010 and 2030 (Scopes 1-2-3)	E1-2	E1-1.B	E1-1.C	See Taxonomy and sustainable finance section Taxonomy: Mitigation objective: taxonomy real estate activities (7.1 to 7.7 + 9.3) GB framework: eligibility criteria
Climate change adaptation	100% of the portfolio is covered by a physical climate risk analysis		E1-1.L	Study costs Adaptation measures directly included in project costs for developments	Taxonomy and sustainable finance section Adaptation objective: taxonomy real estate activities (7.1 to 7.7 + 9.3)
Energy efficiency	-25% final energy intensity in the portfolio between 2019 and 2035		Section: E1-1 "Improving portfolio energy efficiency"	E1-1.C	See Taxonomy and sustainable finance section Taxonomy: Mitigation objective: taxonomy real estate activities (7.2 to 7.7) GB framework: eligibility criteria
Deployment of renewable energy	Doubling the photovoltaic capacity by 2030 across the Covivio Group		E1-1.B		See Taxonomy and sustainable finance section Taxonomy: Mitigation objective: taxonomy real estate activities (4.1) GB framework: eligibility criteria
Environmental certification of buildings	100% of buildings certified by 2025 and 100% of developments aiming for ≥ Excellent/Gold certification		ESRS Sector challenge	Certification fees	See Taxonomy and sustainable finance section GB framework: eligibility criteria
Raising awareness of customers and end-users	100% of new leases including a green clause in the leases		E1-1.B	Human resources and satisfaction surveys	See Taxonomy and sustainable finance section Taxonomy: Minimum safeguards GB framework: minimum criteria

Nature-based solutions

Among the solutions proposed in the transition plan, Covivio identifies the creation of greened spaces in the city as a lever for environmental performance for its buildings, but also for the district by helping to combat the urban heat island effect (concrete can reach 60 to 70°C, whereas a green roof rarely exceeds 20°C). Greened terraces have several advantages: in terms of biodiversity by recreating ecological continuities, water management by increasing rainwater retention, air quality through photosynthesis (according to the CSTB, 1 m² of green roof captures around 0.2 kg of airborne particles per day), but also for the building by providing sound and heat insulation and by acting as a protective barrier for the building by minimising thermal shocks.

3.2.1.4 Targets related to climate change mitigation and adaptation (E1-4)

MDR-T table

	Target -40% Group 2010-2030
(a) A description of the relationship between the target and the objectives of the policy	Central objective of the Group's transition plan (E1-1.A)
(b) The level to be achieved, including, where applicable, whether it is an absolute or relative target, as well as the unit in which it is measured	40% carbon intensity per m² owned Scopes 1-2-3 (total emissions) between 2010 and 2030 ($kgCO_2e/m^2/year$) This intensity target was obtained taking the revision of the absolute SBTi targets for 2021 set between 2015 and 2030 into account: -63% Scopes 1-2 (1.5°C) -37.5% (Scope 3) (WB2D)
(c) The outline of the target, including the company's activities and/or its upstream and/or downstream value chain, if applicable, and geographical boundaries	Scope 1 - direct GHG emissions resulting from the combustion of direct energy sources used in company buildings. For Covivio, this corresponds to the consumption of natural gas, wood and fuel in its directly operated buildings (head office and common areas of multi-tenant office buildings). Scope 2 - indirect emissions related to the purchase of electricity, heating and cooling. For Covivio, this corresponds to the consumption of electricity and the heating and cooling networks in directly managed buildings. Scope 2 GHG emissions are calculated on a market basis. Scope 3 - other indirect emissions from purchased goods and services and assets let downstream. - Purchased goods and services include emissions from the extraction, production and transportation (*i.e.* design-to-delivery) of goods and services acquired by a company during the reporting year, which are not included in another upstream category. For Covivio, these are emissions related to the construction/renovation of buildings (based on actual deliveries and data modelled with Covivio's consultant CSTB, they include building emissions amortised over a period of 50 years). This includes all items related to the construction/renovation of buildings. - Downstream leased assets include the operation of assets owned by the company (lessor) and leased to other entities during the reporting year, not included in scopes 1 and 2 - reported by the lessor. For building owners (including operators and managers), emissions from assets leased to other organisations during the reporting year.
(d) The baseline and the baseline year against which progress is measured	In intensity: 2010: 76.3 $kgCO_2e/m^2/year$ 2030: 45.9 $kgCO_2e/m^2/year$ In absolute value: 2015 = 433,298 tCO_2e (Scope 3) 2015 = 21,242 tCO_2e (Scopes 1-2) Annual measurement (E1-6)
(e) The period covered by the target and, if applicable, any milestones or intermediate objectives	2010-2030
(f) The methods and main assumptions used to define the targets, including, where applicable, the selected scenario, data sources, alignment with national, EU or international strategic objectives and how targets take into account the broader sustainable development context and/or local context in which impacts occur	See point c) and validation of the objectives in absolute value used as a reference for the intensity objective by the SBT initiative. Contribution to the UN SDGs: SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable. SDG 13: Take urgent action to combat climate change and its consequences. Cf. E1-6 for carbon accounting methodology.
(g) Whether the company's environmental targets are based on conclusive scientific evidence	Trajectories 1.5°C (Scopes 1-2) and Well-below 2°C (Scope 3)
(h) How involved were stakeholders in setting targets, if any, for each material significant sustainability issue	E1-1.B/E1-1.I
(i) Any change in the targets and corresponding metrics or in the underlying measurement methods, key assumptions, limitations, sources and data collection process, within the defined time horizon. This includes the reasons for these changes as well as an explanation of their effect on comparability (see disclosure requirement BP-2 Disclosure of information relating to special circumstances of this standard)	E1-1.A and E1-6
(j) The results compared to the stated targets, including information on how the target is monitored and reviewed, and the metrics used, whether progress is in line with what was originally planned, and an analysis of trends or major changes in the results recorded by the company to reach the target	-28% at the end of 2024

The achievement of this target is directly linked to two other objectives, directly related to the material IROs identified:

- the reduction in the portfolio's energy consumption (3.2.1.5);
- environmental certification of buildings (3.1.3.4).

This Group objective is broken down operationally into sub-objectives as presented in the action plan (ESRS2, 3.1.2.5), in particular via objectives relating to operations for each portfolio:

Portfolio	2030 objective (Operational carbon trajectory)	% 2010/2030	Achieved at the end of 2024	Reference 1.5°C CRREM intensity
Hotel real estate Europe	14.6 $kgCO_2e/m^2/year$	-70%	23.2	34.5 (weighting by country of presence)

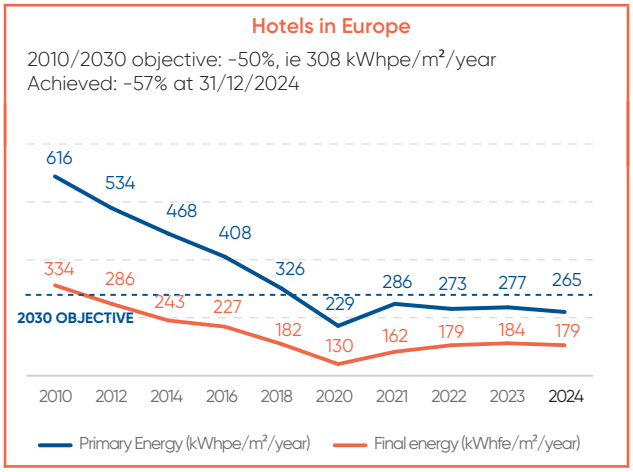
3.2.1.5 Energy consumption and mix (E1-5)

Changes in the energy consumption of the different portfolios

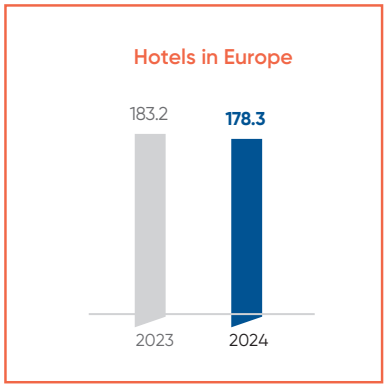
The energy consumption across the whole portfolio decreased in 2024 to 179 kWhfe/m² in absolute terms. On a like-for-like scope basis, consumption decreased by 4% for the whole portfolio. This reduction is linked to the continued efforts made by Covivio and its customers to ensure energy efficiency in its buildings. It should also be noted that the climate correction was negative this year because 2024 was mild in climate terms in the Group's main locations (intensity at 169 kWhfe/m² without climate corrections).

It should also be noted that primary energy intensity is falling faster than the final energy intensity this year, mainly due to the increase in the use of green electricity.

The coverage rate is also up to 96% and includes 3% of estimated data. These estimates are mainly estimates for the months at the end of the year (invoices not received at the reporting date). In order to reconcile the data with the financial scope, a collection was initiated in 2024 on atypical assets (*i.e.* those with a different use to the portfolio to which they belong) and assets delivered recently, acquired or sold during the year. This data has been added to a separate category and reported at the bottom of the consumption table presented below, to ensure continuity with previously published reports.



Change in energy consumption on a like-for-like scope for the portfolios (in $kWhfe/m^2$)



Consolidated environmental data (Abs)

ENERGY - ABSOLUTE CONSUMPTION	GRI	EPRA best practices recommen-dations	HOTELS OPERATING PROPERTIES	HOTEL LEASE PROPERTIES	TOTAL PORTFOLIO	
			2024	2024	2023	2024
Coverage of the reporting scope by surface area (m²)			564,151	1,034,881	1,670,447	1,599,032
Coverage of the reporting scope by surface area (%)			**99%**	**95%**	**91%**	**96%**
Coverage of the scope coverage (number of buildings)			53/54	215/225	288/308	268/279
Proportion of estimated consumption data			2.8%	2.8%	-	2.8%
Intensity (kWhfe/m²/year)		**Energy-Int**	**183.6**	**177.1**	**183.6**	**179.4**
Intensity (kWhfe/m²/year)			**276.5**	**259.2**	**276.8**	**265.3**
Total direct energy (kWhfe)	302-1	**Fuels-Abs**	**19,259,906**	**62,863,149**	**94,237,764**	**82,123,055**
Natural gas (direct energy) - non-renewable source			16,651,621	62,564,189	90,676,759	79,215,810
Natural gas (direct energy) - renewable source			794,546	-	1,403,277	794,546
Fuel oil (direct energy)			1,813,739	298,959	2,157,729	2,112,698
Wood (direct energy)			-	-	-	-
Total indirect energy (kWhfe)			**84,317,172**	**120,384,303**	**212,373,486**	**204,701,475**
Electricity (indirect energy) - non-renewable source		**Elec-Abs**	40,246,076	63,658,576	131,151,119	103,904,652
Electricity (indirect energy) - renewable source			4,093,466	3,123,362		7,216,829
Electricity (indirect energy) - renewable source - guarantees of origin			11,740,905	43,323,658	42,161,780	55,064,563
Solar energy production (resold, not accounted for)			23,277	18,266	94,571	41,543
District heating (indirect energy) - non-renewable or non-traced origin		**DH&C-As**	20,361,170	6,752,394	35,876,092	27,113,564
District heating (indirect energy) - renewable origin			6,926,611	2,706,482	-	9,633,093
Cooling networks (indirect energy) - non-renewable or non-traced origin			655,721	566,503	3,184,495	1,222,223
Cooling networks (indirect energy) - renewable origin			293,224	253,327	-	546,551
Total energy consumption (kWhfe)			**103,577,078**	**183,247,451**	**306,611,251**	**286,824,529**
of which renewable sources			23,848,752	49,406,830	43,565,057	73,255,582
Total energy consumption (in GJ)			372,877	659,691	1,103,801	1,032,568
Total energy consumption (kWhpe)			**156,003,745**	**268,282,183**	**462,317,656**	**424,285,927**
Total energy consumption (in kWhfe) extrapolated to the reporting scope (in kWhfe)			105,097,637	192,700,079	337,115,005	297,797,716
Total energy consumption (in kWhfe) extrapolated without climate adjustments			96,335,293	174,265,664	325,443,763	270,600,957
Reconciliation with financial statements						
Residual consumption of vacant buildings			-			
Consumption of retail and atypical assets (in kWhfe)			-		35,340,767	33,829,864
Prorated consumption of assets delivered, acquired or sold during the year			-		35,172,015	33,668,326
Total extrapolated energy consumption + consumption outside the reporting scope (in kWhfe)			**105,097,637**	**192,700,079**	**407,627,787**	**365,295,906**

The CSRD now requires consumption to be distributed according to the source of its production. The share of renewable energy in the network is thus indicated here based on the energy mix provided by suppliers, or failing this by using the residual mix.
This year, the extrapolated data for tenant areas are directly included in the scope, in order to give a complete view of the buildings.
The data are given in kWh and not in MWh.

Consolidated environmental data (LfL)

	OPERATIONAL CONTROL			TOTAL PORTFOLIO		
ENERGY - LFL CONSUMPTION	2023	2024	Change	2023	2024	Change
Coverage of the reporting scope by surface area (m²)	510,637			1,464,064		
Coverage of the reporting scope by surface area (%)	92%			89%		
Total Electricity (in kWh) (Elec-LfL)	51,670,464	52,573,259	1.7%	150,512,641	152,336,139	1.2%
Total heating and cooling networks (in kWh) (DH & C-LfL)	25,088,085	25,145,338	0.2%	30,207,440	34,652,354	14.7%
Total gas-fuel oil-wood (in kWh) (Fuel-Lfl)	21,377,179	18,930,828	-11.4%	87,511,718	74,056,819	-15.4%
Total consumption (in kWhfe) **(Energy-Int)**	**98,135,727**	**96,649,426**	**-1.5%**	**268,231,799**	**261,045,313**	**-2.7%**
Total consumption (in kWhpe)	**155,001,961**	**147,152,720**	**-5.1%**	**403,808,320**	**386,945,639**	**-4.2%**
Intensity (kWhfe/m²/year)	**192.2**	**189.3**	**-1.5%**	**183.2**	**178.3**	**-2.7%**
Intensity (kWhfe/m²/year)	**303.5**	**288.2**	**-5.1%**	**275.8**	**264.3**	**-4.2%**

Energy mix

	Operational control (operating properties)	TOTAL PORTFOLIO
YEAR	2024	2024
Green electricity contract in total electricity consumption	21%	33%
Share of renewable sources in total energy consumption	23%	26%

	Group
YEAR	2024
(1) Fuel consumption from coal and coal-based products (in MWh)	8,877
(2) Fuel consumption from crude oil and oil products (in MWh)	2,780
(3) Fuel consumption from natural gas (in MWh)	99,096
(4) Fuel consumption from other fossil sources (in MWh)	0
5) Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources (in MWh)	29,081
(6) Total fossil energy consumption (in MWh) **(calculated as the sum of lines 1 to 5)**	**139,833**
Share of fossil sources in total energy consumption (in %)	**48.8%**
(7) Consumption from nuclear sources (in MWh)	**73,736**
Share of consumption from nuclear sources in total energy consumption (%)	**25.7%**
(8) Fuel consumption from renewable sources, including biomass (also including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (in MWh)	752
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (in MWh)	72,504
10) Self-generated non-combustible renewable energy consumption (in MWh)	
(11) Total renewable energy consumption (in MWh) **(calculated as the sum of lines 8 to 10)**	**73,256**
Share of renewable sources in total energy consumption (in %)	**25.5%**
TOTAL ENERGY CONSUMPTION (in MWh)	**286,825**

Energy performance diagnostics

In accordance with the European Directive on the energy performance of buildings (EPBD) 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. As the methodologies used by each country are different, it is difficult to make comparisons between performance levels. Particular attention is paid to the change in the rating obtained following a renovation, in order to assess the gain in energy performance.

Percentage of diagnostics carried out on the portfolio

Hotel real estate Europe: 84% by value/80.5% by surface area

Breakdown of energy performance diagnostics across the portfolio (in value)

	A	B	C	D	Or from A to D	<D	Without Energy Performance Certificate (EPC)
Hotel real estate	1.8%	6.3%	26%	14.4%	48.5%	35.5%	16%

In accordance with the regulations in force on the date of the Energy Performance Certificate (EPC), some of the blank diagnoses are included in the rates presented above (0.6% for hotels).

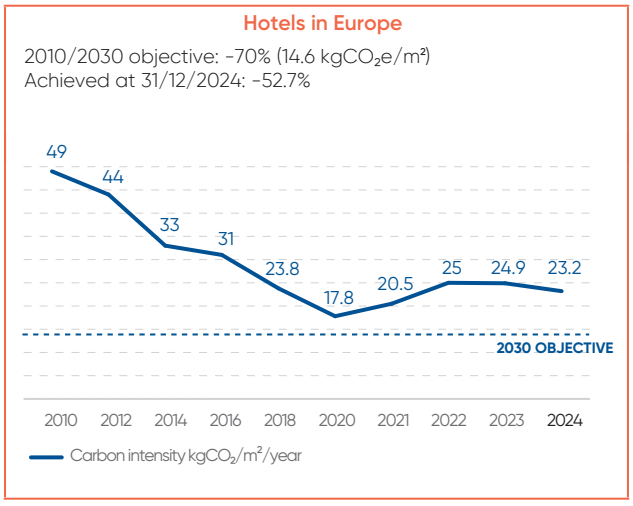
Energy intensity based on net income (37)

Covivio Hotels generates almost all of its revenues in the real estate sector, which can be considered as a sector with a strong climate impact.

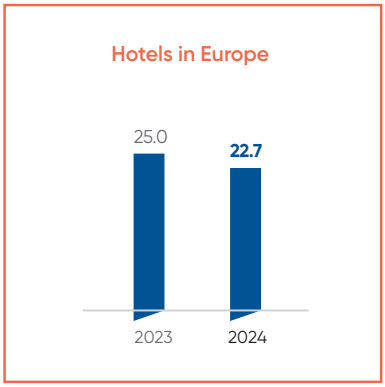
	2024	Reference number
Net Rental Income (1)	€262.7 million	Chap. 4.1.
Total energy consumption (MWh)	365,296	E1-6
Portfolio intensity (MWh/€)	0.00139054	

3.2.1.6 Gross GHG emissions of Scopes 1, 2, 3 and total GHG emissions (E1-6)

Change in the carbon intensity of the hotel portfolio



Change in energy consumption on a like-for-like scope for the portfolios (in kWhfe/m²)



(1) This figure refers to the sum of rents received in Group share value as of 31 December 2024 (see Chapter 4). In order to ensure the comparability of year-on-year data, revenues related to the operation of hotels and buildings coworking are not included. The rents collected on these assets are added to the total rent.

Consolidated environmental data (Abs)

			TOTAL PORTFOLIO	
GHG - ABSOLUTE EMISSIONS	GRI	EPRA sBPR	2023	2024
Surface area covered by the reporting scope (in m²) – Scopes 1-2			-	564,151
Surface area covered by the reporting scope (in m²) – Scopes 1-2-3			1,670,447	1,599,032
Surface area covered by the reporting scope (in %) **– Scopes 1-2**			**-**	**99%**
Surface area covered by the reporting scope (en %) **– Scopes 1-2-3**			**91%**	**96%**
Proportion of estimated data			-	2.8%
GHG Protocol				
Scope 1		GHG-Dir-Abs	-	3,865
Scope 2 Market based		GHG-Indir-Abs	-	10,168
Scope 3 Downstream leased assets MB		GHG-Indir-Abs	41,525	23,116
Total emissions reporting (tCO_2e)			**41,525**	**37,150**
Carbon intensity ($kgCO_2e/m^2$/year) **Scopes 1-2 reporting**		**GHG-Int**	**-**	**24.9**
Carbon intensity (in $kgCO_2e/m^2$/year) **Scopes 1-2-3 reporting**		**GHG-Int**	**24.9**	**23.2**
Scopes 1-2 Location based			-	*15,332*
Scope 3 Downstream leased assets LB			*52,953*	*32,194*
Unadjusted MB emissions (Scopes 1-2-3)			*39,906*	*35,394*
Reconciliation with financial statements and carbon trajectory				
Total surface area			1,836,635	1,700,243
Scope 1-2 MB extrapolated				14,240
Scope 3 Downstream MB extrapolated			45,656	24,343
Scope 3 - Extrapolation of atypical assets/disposals, HP, etc.				548
Scope 3 Upstream/T&D energy extrapolated				2,396
Total emissions operating integrated in the Group carbon trajectory (tCO_2e)			**45,656**	**41,527**
Carbon intensity ($kgCO_2e/m^2$/year)			**24.9**	**24.4**
Emissions not included in the carbon trajectory				
Scope 1 - Refrigerants in operating scope				836
Scope 3 - Emissions related to assets sold (extrapolation if no actual data) and business assets			-	10,288
Scope 3 - T&D			-	679
Scope 3 (See details below)			-	-

Covivio relies on the GHG Protocol methodology and aligns its reporting with a financial control approach (in which assets under operational control are included). The operating properties are under Covivio's financial control as long as they continue to be recognised in the balance sheet under IFRS 16 operating leases. In accordance with the GHG Protocol and market reporting practices, the Group distinguishes between the emissions of leased assets for which the lessee has effective energy management and assets over which Covivio has operational control (Scopes 1-2). Thus, the GHG emissions related to the tenants of these buildings are in Scope 3 in category 13 "downstream leased assets", representing 27,287 tCO_2e in 2024. The calculation of biogenic emissions has not been done this year but is not significant for the Group.

Consolidated environmental data (LfL)

	TOTAL PORTFOLIO		
CARBON - LFL EMISSIONS	2023	2024	Change
Surface area covered by the reporting scope (in m²) – Scopes 1-2	510,637		
Surface area covered by the reporting scope (in m²) – Scopes 1-2-3	1,464,064		
Surface area covered by the reporting scope (in %) **– Scopes 1-2**	**92%**		
Surface area covered by the reporting scope (in %) **– Scopes 1-2-3**	**89%**		
GHG Protocol			
Scope 1	3,874	3,799	-1.9%
Scope 2 Market based	10,126	9,173	-9.4%
Scope 3 Downstream leased assets MB	22,583	20,215	-10.5%
Total emissions reporting (tCO_2e)	**36,583**	**33,187**	**-9.3%**
CARBON INTENSITY ($kgCO_2e/m^2$/year) **Scopes 1-2 reporting**	**27.4**	**25.4**	**-7.3%**
CARBON INTENSITY ($kgCO_2e/m^2$/year) **Scopes 1-2-3 reporting**	**25.0**	**22.7**	**-9.3%**

GHG emissions (E1-6 - RA-48)

	HISTORICAL BACKGROUND			TARGET STAGES AND YEARS	
Distribution by country	baseline year	2024	difference (%)	2030	2050
SCOPE 1 EMISSIONS					
Scope 1 gross GHG emissions (tCO_2e)		**4,763**			
Percentage of Scope 1 GHG emissions resulting from regulated emission trading schemes (in %)		-			
SCOPE 2 GHG EMISSIONS					
Scope 2 GHG emissions location-based (tCO_2e)		**15,557**			
Scope 2 emissions market-based (tCO_2e)		**10,318**			
MATERIAL SCOPE 3 GHG EMISSIONS					
Total indirect gross GHG emissions (Scope 3) (tCO_2e)					
1 Goods and services purchased [Optional sub-category: Cloud computing and data centre services]		83,844			
2 Capital goods		3,142			
3 Activities in the fuel and energy sectors (not included in Scopes 1 and 2)		3,076			
4 Upstream transport and distribution		-			
5 Waste generated during operations	**Not calculated**	5,527	**N/A**	-70% in intensity (operation Scopes 1-2-3.3 and 3.13)	**Not defined**
6 Business travel		6			
7 Employee commuting		1,165			
8 Upstream leased assets		-			
9 Routing downstream		-			
10 Processing of products sold		-			
11 Use of products sold		-			
12 End-of-life treatment of products sold		-			
13 Downstream leased assets location-based		49,748			
13 Downstream leased assets market-based		36,826			
14 Incentives		-			
15 Investments		1,881			
SCOPE 3 GHG EMISSIONS (LOCATION-BASED)		**148,388**			
SCOPE 3 GHG EMISSIONS (MARKET-BASED)		**135,467**			
Total GHG emissions (location-based) (tCO_2e)		**168,709**			
Total GHG emissions (market-based) (tCO_2e)		**150,547**			

Scope 3 emissions and methodology applied

Category:	Sub-category	Details	Methodology	Source/Emission factors	Total tCO_2e 2024	Included in the trajectory	If No, why
1. Goods and services purchased	Development activity	Total emissions related to our new construction projects	Emissions related to the construction/ renovation of buildings (based on our actual deliveries and data modelled with our CSTB consultant; they include the building's emissions amortised over a period of 50 years). It includes all items related to the construction/ renovation of buildings. Supplier-specific method	**Calculations made in collaboration with CSTB**	56,698	YES	
	Maintenance	Building maintenance - Operational control scope	Emissions related to building maintenance, calculated as follows: based on a ratio of €/m^2 of maintenance per year calculated on the basis of our directly managed offices (previously we used a generic factor), which can be translated into CO_2 emissions thanks to the ADEME ratio of 170 $kgCO_2$/€ thousand. We have decided to exclude this item from our carbon targets because it does not represent a major lever for reducing carbon in our activities. **Expenditure method**	**Based on internal accounting data**	1,302	NO	Purely related to the daily maintenance of buildings, no leverage on this subject.
	Corporate Scope	Goods and services purchased for the operation of the business. The main categories are: goods, administrative services, catering, cloud computing services.	Based on the analysis of the total carbon footprint of the company carried out with the help of an external consultant as part of our C4C project (Covivio 4 Climate). **Average data and expenditure method**	**Based on internal accounting data**	53	NO	Given our activity, we consider that this category is not material.
	Hotel real estate in operation	Hotel real in operation, the main categories included are: F&B, supplies and linens, cleaning services, furniture, other business-related services.	Hotel Scope: based on actual carbon footprint analyses carried out on hotels in operation, then extrapolated to the entire portfolio of MF. Catering expenses are calculated on the basis of total catering expenses during the year, as shown in the income statement. **Average data and expenditure method**	**Based on internal accounting and operational data**	25,706	NO	See section below
	Water	Water consumption in our operating portfolio (water paid by Covivio and re-invoiced to the tenant)	Based on the water consumption that we control in our portfolio, we calculate the corresponding emissions. **Average data method**	**Based on data from water suppliers (invoices)**	84	NO	Non-material
2. Capital goods	Fixed assets	All the new depreciation for the year	On the basis of accounting data, we calculated the emissions related to capital goods for each relevant category: furniture, IT equipment, car fleet, construction equipment. **Expenditure method**	ADEME footprint database: monetary ratios used for each category (except for vehicles, with unit ratio). Based on internal accounting data	3,142	NO	Given our activity, we consider that this category is not material.
3. Fuel and energy activities	A. Emissions upstream of purchased fuels B. Emissions upstream of purchased electricity	Upstream emissions on development projects	Based on the LCA, these data represent the part relating to the LCA work site. **Supplier-specific method**	A LCA is carried out by the project's environmental consultant for each construction project. **Based on supplier data**	-	YES	
	A. Emissions upstream of purchased fuels B. Emissions upstream of purchased electricity	Upstream emissions connected to the use of our buildings under operational control	Based on the annual energy report, this covers the total energy consumption of our portfolio under direct management (multi-tenant offices, head office, hotels under management). **Average data method**	IEA Factors: total upstream data by country	2,396	YES	
	C. Transmission and distribution losses (T&D)	Portfolio under operational control	Based on the annual energy report, this covers the total energy consumption of our portfolio under direct management (multi-tenant offices, head office, hotels under management). **Average data method**	Electricity: Factors by country, life-cycle greenhouse gas emissions associated with transmission and distribution losses per kWh of electricity (gCO_2e/ kWh) DH&C: DEFRA	679	YES	
4. Upstream transportation and distribution			Taking into account the fact that upstream T&D is already included in the emission factors that we used, at least for the material categories.		-	NO	
5. Waste generated in operations		Portfolio under operational control	Based on waste reporting and an extrapolation for buildings for which we do not have the amount of waste. Supplier-specific method	ADEME footprint database for non-recyclable and recyclable waste	5,527	NO	

Category:	Sub-category	Details	Methodology	Source/Emission factors	Total tCO_2e 2024	Included in the trajectory	If No, why
6. Business travel	Business travel	All modes of transport	Based on an analysis of the company's carbon footprint, using real travel data from travel agencies or from accounts. **Average data method**	Declaration made either by our travel agency or by direct calculation based on ADEME factors.	6	NO	Non-material according to our number of employees
7. Employee travel	Group employees daily commute		Based on the analysis of the company's carbon footprint following a mobility study carried out on the scope of Covivio. And an average emission factor for the hotel real estate in operation. **Average data method**	ADEME	1,158	NO	
8. Upstream leased assets		Not applicable: No upstream leased assets			-		
9. Downstream transport and distribution		Not applicable: No downstream transport and distribution			-		
10. Transformation of sold products		Not applicable: No transformation of products sold			-		
11. Use of products sold	Asset disposal		Emissions from the direct use phase connected to assets developed or renovated by Covivio and which are not amortised on the date of disposal (assumption of 50 years for new buildings and 25 years for renovations). Emissions are calculated according to location, based on the assumption of decarbonisation of the electricity mix.	The data is based on the actual reports we have of our assets, including assumptions about the decarbonisation of the energy mix in the future. CRREM: decarbonisation of the electricity mix. ADEME footprint database and equivalent: 2023 emission factors, refrigerants	-	NO	
12. End-of-life treatment of products sold		Not applicable: No end of life, assumption that all our buildings will be refurbished and accounted for in the other categories of the scope field of application as development projects.			-		
13. Downstream leased assets	Total energy consumption of the portfolio (excluding Scopes 1, 2, 3 and 1-2)		Emissions related to the energy consumption of our non-operational control assets. All information relating to the energy report of each portfolio is available in our sustainability report. This includes the scopes covered by actual data. Extrapolations are carried out on the surfaces for which we have no information.	*Market-based approach*	24,891	YES	
	Total consumption of assets not included in the reporting				10,288	NO	
	Refrigerants		Extrapolation based on assets for which we have an actual report		1,647	NO	
14. Incentives		Not applicable: No deductibles			-		
15. Investments	Issues related to assets we hold through joint ventures		This category represents emissions connected with assets that we hold through joint ventures without operational control (20% stake). These emissions are based on actual energy data and calculated in accordance with our reporting protocol.	Market-based approach, same calculation as for category 13 - DLA	1,881	NO	

Scope 3 data is mainly collected from the value chain. The material categories (1, 3, 13) are based on activity data obtained from suppliers or tenants. They are then recalculated according to the methodology indicated using emission factors such as those of the AIB or ADEME.

Breakdown of emissions by country (Scopes 1-2-3 Operation)

Distribution by country	Total emissions Scopes 1-2-3 Operation (upstream included)
Germany	10,507
France	10,009
Spain	5,110
UK	5,014
Belgium	3,594
Hungary	2,668
Czech Republic	2,234
Italy	1,273
Netherlands	487
Poland	289
Portugal	202
Ireland	139
TOTAL (TCO2E)	**41,527**

Focus on the hotel operating business

Previously not included in Covivio's carbon footprint and following the ex-AccorInvest hotel reorganisation operation (link Press release), Covivio calculated the carbon footprint of this activity. This also led to reclassifying emissions related to the energy consumption of these assets as Scope 1 and 2 emissions (*vs* Scope 3 previously). In order to guarantee continuity in the information published, Covivio continues to differentiate between its Scopes 1 and 2 emissions (historical scope) and its Scopes 1 and 2 emissions according to this new categorisation.

The operating activity impacts the following Scope 3 items:

Scope 3 (tCO_2e)	Calculation
7. Commuting	1,165
1. Purchased goods and services (F&B, Laundry, Cleaning)	25,706
5. Waste generated in operations	5,527

The item related to catering is the main source of emissions (excluding energy in Scopes 1 and 2). The Green Key labelling process thus enables more data to be collected on operations and will enable operational objectives to be set, notably covering this item of emissions, beginning by obtaining more accurate data on food purchases (whose emissions are currently estimated using a monetary ratio).

The vast majority of these calculations were made on the basis of financial data (purchases) and factors from the ADEME Footprint Database.

Covivio is not directly subject to regulated emission trading systems in the course of its activities.

GHG emissions intensity on a net revenue basis (39)

	2024	Reference number
Net Rental Income	€262.7 million	Chap. 4.1.
Total emissions (tCO_2e)	150,547	E1-6
Portfolio intensity (tCO_2e/€)	0.000573	

(1) This figure refers to the sum of rents received in Group share value as of December 31, 2024 (see Chapter 4). In order to ensure the comparability of data from one year to the next, revenues related to the operation of hotels and co-working buildings are not included. The rents collected on these assets are added to the total rent.

3.2.1.7 GHG emissions removals and mitigation projects financed through carbon credits (E1-7)

To date, Covivio does not finance mitigation or removals projects through carbon credits, apart from a few occasional tree planting projects (not material) as part of its corporate activities (communication and finance). Covivio is examining this topic as part of its strategic monitoring and with a view to fixing net zero targets beyond 2030 and by 2050 at the latest.

3.2.1.8 Internal carbon pricing (E1-8)

Covivio has explored the possibility of introducing an internal carbon pricing system, but has not considered this a priority compared to other levers of its carbon trajectory, and given that the carbon aspect is already an integral part of the decision-making process, particularly in investment committees (governance body for all investment projects (acquisition or development) over €5 million).

3.2.1.9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9)

Covivio details the main financial risks related to climate change, which are quantified in particular through the MSCI Climate Value at risk study. The main types of risks and opportunities impacting the financial statements are summarised here:

	Affected financial statement item	Brief description	Risk estimation/ quantification	Explanations
Physical risks	Value of assets	Physical damage to assets Liquidity risk	MSCI	
Transition risks	Value of assets	Risk of depreciation, especially in relation to regulations concerning the energy efficiency of buildings	MSCI	Does not take into account the Capex that will be invested to bring the assets back on track
Transition risks	Capex	Risk of "failed" assets for which the Capex to be invested would be too high	Capex budget calculated and controlled, action plan per asset	
Transition risks	Revenues	Increase in energy-related expenses and loss of the attractiveness of the worst-performing buildings on the market		
Physical risks	Capex/Revenues	Interruption of operations or construction sites due to extreme weather events	Delivery delays, fall in hotel revenues	
Opportunity - Market	Revenues		14.7% alignment with the mitigation target and 31.9% by only retaining real estate activities (7.7)	
Opportunity - Market	Capex		20.4% alignment with the mitigation target and 84% with the adaptation target	
Opportunity - Market	Value		Easier access to financing (€4.1 billion aligned with the principles of the GB framework)	

3.2.2 Pollution (ESRS E2)

The ESRS E2 standard covers the presentation of information on air, water and soil pollution and substances of concern. This involves presenting the impacts (material, positive and negative, actual or potential) of the company on pollution and its actions to prevent, control, reduce and, if possible, eliminate them.

Risks related to air, water and soil pollution are risks inherent to Covivio's business, *i.e.* risks identified and characterised before any control system is implemented. These pollution risks are present during the construction or renovation phases, then during the building's operating phase. They are strictly governed by the regulations of the European countries where the Group operates, and by close monitoring by the dedicated teams at Covivio.

3.2.2.1 Management of impacts, risks and opportunities related to pollution (E2.IRO-1)

Identification of current and potential impacts, risks and opportunities related to pollution

The dual materiality analysis did not show this ESRS to be material with regard to the Group's activities, including the issues related to its value chain. However, Covivio has implemented various policies and actions on the subject to prevent issues related to soil, air and water pollution and to prevent the use of hazardous substances in its activities. They are described below in response to requests from stakeholders on the subject, but are not subject to the CSRD reporting obligation.

ESRS E2 – POLLUTION OF AIR, WATER AND SOIL	
Description and key words	Environmental pollution/Remediation obligation Health and environmental risks, Occupant well-being Volatile organic compound (VOC) labelling
Main impacts	Air pollution causes 48,000 premature deaths per year in France with a health cost estimated at €100 billion per year In the sector, the impact is high on well-being and safety Potential impact on the environment during renovations Positive impact: soil remediation as part of development operations
Positioning in the value chain	Direct and downstream operations
Main risks	Limited risk of environmental pollution (water in particular) on hotels or renovation sites Financial risk: costs of precautionary measures to avoid infiltration, any clean-up and fines in the event of pollution. Risk of poor indoor air quality. The main sources of pollution are human activities (catering), construction and decoration materials (carpets, paints, varnishes, glue, etc.).
Materiality	Non-material

ESRS E2 - USE OF HAZARDOUS SUBSTANCES	
Description and key words	Chemicals and phytosanitary products
Main impacts	Covivio Hotels' planted or semi-planted areas are limited. Nevertheless, when spaces require maintenance, the use of phytosanitary products is very limited.
Positioning in the value chain	Direct and downstream operations
Main risks	Reputational and legal risk coupled with a health risk concerning the use of phytosanitary products
Main opportunities	Creation of ecological continuity in respect of nature
Materiality	Non-material

3.2.2.2 Pollution policies (E2-1)

With regard to risks related to different types of pollution, the Environment Department applies a rigorous policy in compliance with local regulations. This involves monitoring:

- environmental diagnostics (Energy Performance Certificate (EPC), lead, asbestos, risk assessment, soil pollution);
- Installations Classified for the Protection of the Environment (ICPE);
- security commissions for hotels;
- environmental performance certifications for assets (BREEAM In-Use, Green Key, etc.).

These approaches go beyond regulations, with a strong focus on the safety of property and people and the resilience of buildings. This involves managing any risk that could make Covivio unable to deal with a claim, an accident or a health risk, involving the Company's liability.

The impacts and risks related to pollution are detected and assessed through audits or diagnostics, often made mandatory by regulations, and carried out during an acquisition or lease.

3.2.2.2.1 Mitigation of negative impacts related to air, water and soil pollution

As has already been mentioned, the double materiality analysis showed that pollution is not a material issue for Covivio. Nevertheless, the Group strives to reduce and control the risks related to pollution:

- of air, with a greater focus since the health crisis of 2020 on carbon monoxide pollution and fine particles emitted in buildings in operation or under construction;
- of water: during the construction or renovation period, then during the years of operation of the site;
- soil and soil gases, over the same period, with regard to the consequences that materials or waste could have which could be hazardous to the environment or people.

The issue of air quality in buildings is addressed in ESRS S4 (section 3.3.4.5), in view of the fact that it is a matter of the safety and well-being of the occupants.

Pollution of soil

The management initiatives set up procedures concerning polluted sites and soil are based on the following principles: preventing future pollution, making safe any polluted sites discovered, identifying, monitoring and controlling the impacts, treating and rehabilitating the site for a specific use and then sustaining that use, keeping a record, involving all stakeholders.

The acquisition and management of buildings requires a number of diagnoses to be carried out, some of which may be mandatory depending on the date of construction of the building: asbestos, presence of parasites depending on the municipality (termites, etc.), risk and pollution status (public access buildings), identifying natural, mining and technological risks (risk of flooding, ground subsidence, Seveso risk, etc.) to which the asset may be exposed, etc. Covivio's Environment Department is responsible for ensuring proper compliance with the regulations on Installations Classified for the Protection of the Environment (ICPE). In addition, certain risks may be the subject of additional investigations (soil pollution, etc.) or periodic monitoring (such as asbestos). Covivio uses dedicated environmental safety teams at each of its sites to ensure that regulatory diagnostics are performed and monitored. They are involved from the analysis of acquisitions, during the management period and until the creation of sales files (data-room).

Global certifications such as HQE or BREEAM offer the Group a framework that goes beyond regulations both in terms of air pollution (CO_2 emissions, NO_2, refrigerants, etc.) and water pollution (type of single or separate outlet, pre-treatment/ filtration before discharge, etc.).

Water pollution

Covivio has identified two main sources of risk of water pollution in its activities. Construction sites can present a risk with run-off water that can carry oils and hydrocarbons. If the site's wastewater is not discharged into the municipal sewerage system, a legally compliant sanitation system must be set up and managed by a specialised company. The low-nuisance construction site charters provided to all stakeholders outline these measures and other good practices for preventing water pollution, as well as the relevant regulations, and in particular the fact that it is strictly prohibited to discharge oils, lubricants and detergents into the municipal sewerage system. Finally, it describes the procedures that the site's environmental manager must put in place to manage accidental spills into water or soil: anti-pollution kit, alert measures and disposal to an approved treatment centre of soil or water which has been contaminated by accidentally spilled products. Containers with sufficient retention capacity are also provided to collect hazardous liquid waste from the site, such as paint, solvents and wood treatment products.

3.2.2.2.2 Substitution, minimisation and gradual elimination of substances of concern

Covivio's low-nuisance construction site charter governs the use of hazardous products on construction sites. Products must be classified and labelled according to their properties indicated in the safety data sheet, in accordance with:

- either the EEC classification system (Directive 67/548, 6th amendment);
- or the system in force in France (decrees of 10 October 1983 and amendments and decree of 21 February 1990 as amended).

Except in exceptional cases, duly justified and approved by the project manager, it is prohibited to use products labelled with one of the following classifications:

- R20 to R29, R31 to R33, R40, R45 to 49 of phases R of the EEC;
- Xn (harmful), T (toxic), and T + (very toxic) in French regulations.

Less harmful products ('Xi, irritants') are tolerated provided that all precautions are taken when using them and that they do not give rise to subsequent emissions that could cause discomfort to the occupants.

Use of phytosanitary products

The other potential source of pollution affects the operating portfolio, with the potential use of phytosanitary products to manage green spaces. The two biodiversity charters (design and management) set out Covivio's policy of exclusively using products that comply with regulations. The design of the green space must include this objective of the non-use of phytosanitary products, in relation to both the design and the management of the site. Prophylactic measures can therefore be put in place to prevent the occurrence of illnesses and to detect health problems at an early stage. This will include:

- diversifying the plants used and favouring plant associations to reduce pest pressure;
- thoroughly cleaning the tools used;
- implementing methods to monitor pest populations to assess potential risks and enable appropriate and effective action.

If, despite everything, pest control measures are necessary, biological control methods must be used. Several techniques exist:

- biological control by conservation: use of auxiliary substances to promote their spontaneous colonization;
- release of auxiliary products and installation of insect hotels to predate pests;
- biotechnical control using traps (sex pheromones, food traps, etc.).

3.2.2.2.3 Avoiding incidents and emergency situations, controlling and limiting their impact on people and the environment

During the construction or renovation of buildings, Covivio has a low-nuisance construction site charter, which enables site workers to engage in subjects such as risk prevention, soil and air pollution or waste management.

Pollution issues are systematically included in all projects covered by this charter, and are categorised into two areas: air pollution and protection of the natural environment.

Covivio's low-nuisance construction site charters include the following provisions:

- **Air pollution:**

  Air pollution is restricted by using adapted equipment. For example, cutting (saws, etc.) and sanding equipment are fitted with vacuum cleaners to prevent the dispersal of dust. Low-particle-emission materials (such as dust-free cement) are also used. In addition, the dispersal of equipment-related dust is minimised by cleaning the equipment when it leaves dusty areas. Dustbins are also covered to prevent the dispersal of powdery waste (powders, dust, fine particles). In addition, dust emissions from construction machinery are limited by various techniques: by gravelling the roads laid out on the construction site or by moistening the soil during dry periods (unless a prefectural order restricting the use of drinking water is in force). Finally, equipment that may emit toxic substances, such as exhaust fumes, is designed to expel stale air to the outside and keep healthy air inside.

- **Pollution and protection of natural environments:**

  In order to protect natural environments and limit pollution as much as possible, companies working on Covivio sites are subject to various principles set out in the charter. Any discharge of polluting products into the natural environment is strictly prohibited. Any discharge of untreated liquid effluents is strictly prohibited.

  Covivio applies strict rules. Hydrocarbons and oils must be collected in a retention tank. They must also be biodegradable in order to reduce the risk of soil and groundwater pollution. Rainwater must also be collected to limit the amount of contaminated water runoff on site. Furthermore, clear water is separated from contaminated water to limit the volume of water to be treated. In addition, workers receive training on how to handle polluting products and the actions to be taken in the event of accidental spillage. Spill containment and clean-up equipment is therefore provided on construction sites.

  The land must also be planted before the end of the project to limit the impact on biodiversity.

3.2.2.3 Information on the absence of a policy (ESRS 2)

The environmental certifications included in Covivio's policy include the pollution regulations in each country and, like them, they are gradually becoming stricter. Given that this subject is not considered material after the double materiality analysis, no further actions are required under the policy applied in this area.

3.2.2.4 Actions, action plans, processes (E2-2)

3.2.2.4.1 Actions and resources related to pollution

Covivio uses dedicated environmental safety teams at each of its sites to ensure that regulatory diagnostics are performed and monitored. They are involved from the analysis of acquisitions, during the management period and until the creation of sales files (data-room). In France, for example, the Environment Department (4 FTE), which is part of Covivio's French Technical Department, carefully examines all environmental issues that may affect the asset's value or liquidity: asbestos, soil pollution, energy performance, exposure to natural or technological risks, classified facilities, etc. An analysis of the available documentation is performed during the due diligence phase in order to obtain the necessary guarantees during acquisitions or to answer buyers' questions during disposals. Environmental risks are assessed upon review of this documentation, supplemented if necessary by new investigations. Their short or long-term impacts are estimated in order to enable an assessment of the costs of any measures that may be decided to limit the impact of these risks.

Tools for appraisals

Covivio has used Provexi's services and platform for approximately fifteen years to monitor risks associated with asbestos, lead, natural hazards, mining and technology, etc. Provexi technicians enter data based on the diagnostics and audits performed during acquisitions and regularly updated, onto a platform which is accessible to Covivio employees (Environment Department, Technical Department, Assets and Property Managers, etc.) or to suppliers requiring information in this area (to guarantee the health of their employees and third parties (tenants, visitors, neighbours, etc.). Green, orange and red pictograms indicate whether the result of a given audit or diagnostic is fully or partially compliant or requires a more substantial action.

3.2.2.4.2 Commitment by the value chain against pollution

The low-nuisance construction site charter allows site workers to engage in subjects such as risk prevention, soil and air pollution and waste management.

The common thread, the example of L'Atelier

Each contractor involved in the renovation of L'Atelier had to comply with the site charter specific to the project. The main objectives of the construction site charter are set out below:

- ensure that the wood used on site (pallets and other) and in the construction is FSC or PEFC certified;
- meet waste reduction targets for at least five types of waste: achieve 75% energy or material recovery from non-hazardous site waste and 50% material recovery;
- monitor the site's energy and water consumption, as well as the movements of materials and waste;
- implement and observe responsible construction practices.

Management of VOC absorption

Covivio's low-nuisance construction site charter enables action to be taken upstream in the value chain to limit pollution. This includes instructions on limiting the absorption of Volatile Organic Compounds (VOCs):

- storage of absorbent materials: a suitable area is set aside for storing and protecting absorbent materials, including carpets, acoustic insulation panels, fabric wall coverings, insulating materials, padding and upholstery;
- installation sequencing: wet materials that emit VOCs, such as adhesives, wood preservatives and primers, coatings, glazes, paints and joint pastes are applied and left to harden for the required time, before applying absorbent materials (false ceiling tiles, plasterboard partitions, insulation or fibre floor coverings);
- drying time: hard primers requiring adhesive installation are applied and allowed to dry for at least 24 hours, before installing absorbent materials;
- ventilation: there is a waiting period after installing VOC-emitting materials in order to ventilate the spaces concerned. This prevents absorbent materials from absorbing these pollutants and subsequently releasing them into the indoor air;
- the painting phases are combined with the ventilation of the rooms, in order to quickly eliminate pollutants and odours. Manufacturers' recommendations are followed.

3.2.2.4.3 On-site action plans

What compliance with the European "green" taxonomy?

Covivio is subject to DNSH Pollution (Do No Significant Harm) in the context of several activities (renovation, new construction). Compliance is mainly based on regulatory alignment (REACH [1]) and this is reiterated in its contractual documents with its service providers. The use of products with low VOC emissions is also required (3.2.6).

3.2.2.5 Targets related to pollution (E2-3)

Effectiveness of policies and actions through targets

At present, Covivio has not set itself any quantified targets on the subject of pollution over and above the regulations. However, Covivio closely monitors pollution risks using the Provexi tool: 85% of the sites are already covered by diagnostics and monitoring via this platform.

Covivio has participated in several experiments, for example on indoor air quality, in order more effectively to identify the levers for improvement. Covivio was a pioneer by participating in Office'R, a pan-European study carried out in conjunction with the CSTB, one of the first studies conducted on the subject, around ten years ago. In addition, Covivio organised the "air quality challenge" call for projects in 2019, in partnership with EDF and the business incubator Impulse Partners, focusing on air quality in commercial buildings. Since then, Covivio has used the winner, Octopus Lab, to monitor air quality in most of its directly managed office buildings in France.

Covivio aims to monitor and integrate measures to control pollution (air and water) in its different activities (construction, office operations and hotels):

- water: proof must be provided that the domestic water system is free of lead and that the regulatory threshold of 10 µg/L is being respected. If the threshold is exceeded, the company must take corrective action to reduce the lead content in the water (or renovate the domestic water systems);
- air quality: Covivio's contracts require the use of low-emission materials (labelling emissions as class A+ volatile pollutants) for all its projects, which is particularly beneficial for site personnel and subsequently for users. The class of filter must correspond to an indoor air quality in accordance with the new normative reference EN 16798;
- soil pollution: the buildings do not house any polluting industrial activity but are nevertheless monitored to ensure that the level of soil pollution is in line with regulations.

(1) Registration, Evaluation, Authorization and restriction of CHemicals.

3.2.2.6 CSRD data requirement

Pollution metrics (E2-4)	At present, Covivio has not set up a system for monitoring pollution metrics. Nevertheless, measurements are performed on development projects, in accordance with regulations but also in the context of voluntary certifications (HQE, BREEAM, etc.). These analyses concern air and water quality and are carried out again in the operational phase (ESRS S4). These measures have not been consolidated by the Group at this stage.
Financial effects on IROs (E2-6)	To date, Covivio has not provided a description of quantitative information on the financial consequences of the material risks and opportunities arising from the impacts of pollution. This type of analysis has not been examined to date. Covivio has not set aside any provisions for any legal proceedings concerning a risk of pollution.

3.2.3 Water and marine resources (ESRS E3)

The ESRS E3 standard covers the presentation of information on water and marine resources. The challenge is to explain how the company uses water (surface or groundwater) and how it is impacted through its products, services, discharges, etc. The purpose is to present Covivio's adaptation strategy for sustainable water use. Finally, the company's approach to analysing and managing the risks of flooding, water stress, etc. will be explained.

3.2.3.1 Impacts, Risks and Opportunities of water and marine resources for Covivio (E3 - IRO - 1)

2023 saw record temperatures in France and many other countries. A historic drought was also recorded, with multiple fires and a significant impact on biodiversity. The government presented its action plan on 26 January 2023. Objective: "Reduce the volume of water abstracted from our underground aquifers by just over 10% by the end of the five-year presidential term", said the Minister for Ecological Transition. Among the avenues being explored are recycling wastewater and stepping up the fight against leaks.

In 2024, France had heavy rains and serious flooding, particularly in the south. Other European countries were not spared, with more than 200 deaths in Spain, for example. The effects of the ongoing climate upheaval are not linear. Nevertheless, year after year, water is becoming a crucial issue even for countries that until now, have not had a drinking water supply problem.

Covivio's water consumption is mainly related to the operation of buildings. It therefore constitutes an operating expense and is borne by the lessee. Water consumption on construction sites is included in the topics covered by the low-nuisance construction site charters. The main uses are detailed below and were key in defining the impacts, risks and opportunities related to this issue. The dual materiality analysis highlighted the fact that the issues related to water and marine resources were not material for Covivio, unlike the aspects related to consumption, supply and presence in areas at risk of water stress. Water contributes to the level of comfort and status of a hotel through a range of services: showers, laundry, swimming pool, etc. It is therefore an important issue for Covivio Hotels, as it is for the hotel sector as a whole, with a high level of consumption and certain uses that may be subject to restrictions in the event of drought.

Aspects relating to water pollution are dealt with in ESRS E2 and do not stand out as material with regard to Covivio's activities.

Main uses of water in Covivio's activities

1 / OPERATION			2 / CONSTRUCTION SITE
All portfolios	Specific corporate	Specific hotels	
• Domestic hot water/ cold water • Watering green spaces • Network leaks	• Consumption of services (catering, coffee, etc.) • Chilled water for cooling buildings	• Spa, swimming pools • Catering • Chilled water for cooling buildings	• Construction site and vehicle cleaning • Water used (cement on site) • Site living quarters

Summarizing table of IROs related to water and marine resources

ESRS E3 - WATER (CONSUMPTION, SUPPLY, WATER STRESS)	
Description and key words	Trends in water supply risks Water stress Raising awareness
Main impacts	The use of water is omnipresent in hotels (showers, kitchens, swimming pools, etc.) and increasingly so as establishments become more upscale
Positioning in the value chain	Upstream, direct and downstream operations

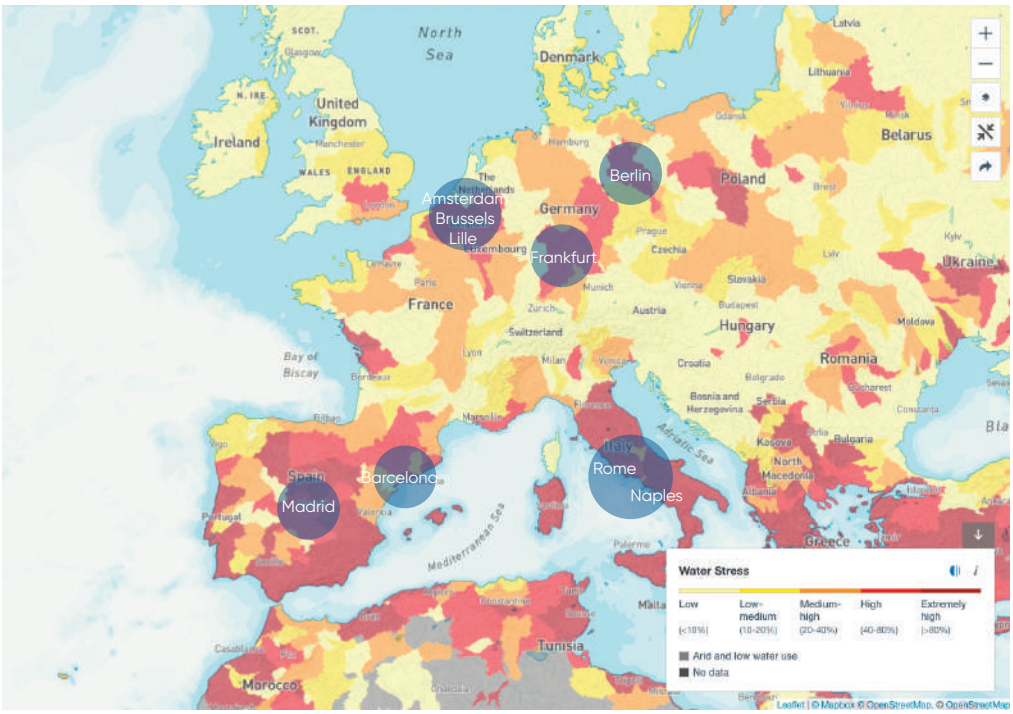
Main risks	Physical risk related to water (flooding, rising water levels) that can cause damage and operational disruptions or construction delays Business continuity risk in the event of restrictive measures Image risk: hotels may be targeted by the media and associations during periods of restriction Financial risk: 10% increase in the price of water on average in France in 2023
Materiality	Material

ESRS E3 - MARINE RESOURCES	
Description and key words	Marine pollution and hazardous discharges into freshwater Wastewater treatment Groundwater abstraction
Main impacts	In France, 31% of groundwater bodies are in poor condition due to pollution Groundwater abstraction is not relevant for Covivio The impacts are related to catering: supply of fish, shellfish
Main risks	Reputational risk (fairly limited) Financial risk: increase in costs with the implementation of responsible sourcing
Materiality	Non-material

Risk mapping: WRI Aqueduct mapping

To further identify water-related risks, Covivio conducts an annual analysis of its portfolio with regard to the risk of water stress. This analysis is based on the Aqueduct Water Risk Atlas tool developed by the World Resource Institute (WRI). Since 2024, the MSCI Climate Value at Risk analysis also includes the level of water stress across our portfolio as well as extreme rainfall. However, this risk of water stress is not financialised in the MSCI study.

According to the WRI Aqueduct mapping, respectively 28% and 16.5% of the surface water scope are located in a region with a high or very high risk of water stress (SASB IF-RE140a), *i.e.* 39.5% of water consumption.



Main areas with high levels of water stress in the Covivio portfolio

The assessment of Covivio's water use and dependence was carried out using a public reference tool, the Aqueduct Water Risk Atlas, which enabled a map to be made of Covivio's portfolio in areas of water stress. According to this tool, an area of high water stress is one in which the total amount of water abstracted reaches a high percentage (*i.e.*, 40-80%) or extremely high (*i.e.*, more than 80%).

It should be noted that Covivio Hotels does not draw directly from groundwater, as its assets benefit from public water distribution networks.

3.2.3.2 Water resources management policies (E3-1)

Water is set to become a major issue in Europe as climate change takes hold. Covivio therefore set up a system in 2008 for reporting water consumption by building, which enables it to monitor the targets set in the context of the operation of its portfolio.

The CSR risk map produced by Covivio highlighted the challenge of controlling operating expenditure as material, particularly in terms of the implications for tenant satisfaction and the attractiveness of its hotels. Covivio Hotels carries out major renovations on its properties in coordination with the tenants. Environmental certification (HQE, BREEAM, etc.) for 100% of development projects enables high levels of performance to be achieved, particularly in terms of energy and water consumption.

The issue of water is becoming crucial for hotels, as they are both highly dependent on it as well as heavy consumers. The average fluctuates depending on the category of the hotels. The more stars a hotel has, the higher the average consumption, because of the services offered to customers. Consumption depends on a number of criteria such as the number of rooms, the existence of swimming pools, catering, green spaces and laundry facilities. Measures have been adopted in each of these areas to encourage more economical use of water.

Customers are increasingly aware of the environmental impacts of water consumption. Thus, according to a study by Booking [1] from 2022, 27% of respondents prefer to do without the daily room cleaning service in order to minimise water consumption.

The water used in the operational portfolio and during development operations comes exclusively from the mains water supply.

The issue of water is also present upstream of the supply chain of hotels and particularly their restaurants ("Food and Beverage" activity).

The nature of Covivio's activities means that it does not have to carry out any water treatment, either for use or for discharge. This is because the water used by Covivio is taken from the mains systems and is discharged to the sewerage systems. Water treatment is therefore a non-material issue for Covivio. However, the Group is implementing measures to prevent the pollution of the water used on its construction sites (ESRS E2).

The policies detailed in this section apply to the different stages of the building's life cycle (development, renovation and operation).

They are deployed and monitored by the Technical Department of Covivio Hotels for assets in operation and by the Development Department for buildings under construction or renovation. By deploying these policies, Covivio Hotels is in line with the objective defined in the water efficiency plan launched in France in April 2023, which aims to reduce water abstractions by 10% by 2030.

These policies apply to all assets, whether they are located in an area of water stress area or not, with more vigilance being paid when more water-consuming facilities are present (spa, swimming pool), especially as the assets concerned located in a water stress area may be subject to restrictions. A growing number of hotel customers are aware of the challenges related to the preservation of water resources.

3.2.3.2.1 Limiting water consumption in the portfolio

Covivio has been monitoring the water consumption of its buildings since the environmental mapping of its portfolio of buildings was carried out in 2010. The history of these consumptions and the significant drop observed illustrate the effectiveness of the measures taken in the buildings to reduce water consumption. Since 2018, the level of consumption has reached a low point.

3.2.3.2.2 Innovation to limit water consumption on construction sites and buildings developed by Covivio

Covivio is integrating water-saving technologies in the context of its developments and to align with the Taxonomy. The buildings (constructions, renovations) are equipped with systems that aim to reduce water consumption: foamers on the taps of the washbasins and sinks, low-flow showers, toilets with 3L/6L tanks, rainwater harvesting for watering green spaces, etc.

In its low-nuisance construction site charters, Covivio lists the technical tools that limit water consumption during the construction phase:

- programmable automatic shut-off unit for the construction site water supply. Shutdown outside of construction hours, to limit any leaks;
- rainwater harvesting and reuse;
- use of cleaning equipment that limits consumption (cleaning paint rollers);
- skip washing area with water recycling, etc.

3.2.3.2.3 Engage with hotel operators

In 2024, Covivio Hotels launched a Green Key certification process for its hotel operating properties. The benchmark for this label takes water into account, which is a material in the hotel industry and contributes to controlling a hotel's operating costs. Even more so if the hotel has a restaurant, swimming pool or spa-type facilities. In any case, the cleaning of bed linen, towels and tablecloths, as well as the showers, account for high levels of consumption. In this context, the GHR 5 [2], UMIH [3], CNG [4] and the National Syndicate of Tourism Residences and Apart-Hotels have signed a charter of commitments "water efficiency plan" to combat water stress and droughts due to climate change.

Covivio Hotels' water management policy is consistent with this by deploying concrete actions (3.2.3.3) to reduce the water consumption of its hotels.

(1) https://news.booking.com/climate-community-and-choice-bookingcom-reveals-the-trends-shaping-sustainable-travel-in-2022
(2) GHR: Groupement des Hôtelleries et Restauration de France.
(3) UMIH: Union des Métiers de l'Industrie de l'Hôtellerie.
(4) GNC: National Group of Hotel Chains.

3.2.3.2.4 Involve suppliers and raise customer awareness

Covivio's Responsible Purchasing Charter requires the supplier to make a commitment regarding its environmental impact, which includes reducing water consumption. Covivio's supplier also undertakes "to limit the environmental impacts of its activity throughout its supply chain, by favouring local, bio-based, recycled and recyclable materials and also by taking into account, as far as possible, the packaging and mode of transport of products by offering environmentally friendly products and services, in particular eco-labelled products and services". These commitments enable Covivio to indirectly reduce water pollution in its activities by its suppliers using environmentally friendly products.

In addition, Covivio's low-nuisance construction site charters also require partner companies to commit to reducing their water consumption.

Lastly, raising awareness among hotel customers is a strong lever for reducing water consumption. Covivio Hotels is increasing the informative signage for its customers in its directly operated hotels. The challenge is to encourage more responsible water consumption (encourage showers, reduce the frequency of towel washing and room cleaning).

3.2.3.3 Water action plan and objectives (E3-2)

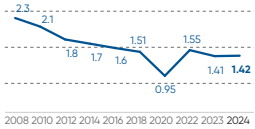
A water-saving plan was launched in France in April 2023. It aims to reduce the use of this resource by 10% by 2030. Covivio Hotels includes this objective for the hotel buildings it manages directly, whether or not they are in water-stressed areas. For buildings under leases, *i.e.* leased to brands, the water consumption targets and monitoring are the responsibility of the tenant. Nevertheless, they are the subject of discussions between the lessee and the lessor at meetings: Partnership Committee, Environmental Committee, etc. They are subject to commitments by tenants.

The Group has set itself the objectives shown in the table below for its portfolio as a whole. Covivio has chosen not to use a reduction target for this indicator, in particular because of the low level reached by the hotels owned in Europe (around 1.5 m^3/m^2/year). The objectives are therefore to remain below the performance threshold of 2 m^3/m^2/year). Covivio's Sustainable Development Department collects and formats the water consumption reporting.

It should be noted that the growing presence of green spaces in buildings is leading to an increase in water consumption on sites where recovery cannot be implemented or is not sufficient.

There is no specific budget for the action plan to reduce water consumption, as the initiatives it covers are included in the costs of works (construction, renovations) or operating expenses.

Multi-year water targets

Scope	Objectives	Deadline	2024 completions	Progress
Hotel real estate Europe	≤ 2 m^3/m^2/year	Permanent	1.42 m^3 in 2024 1.41 m^3/m^2 in 2023 -38% compared to 2008	

Water discharges are not a significant issue for Covivio. It should be noted that new construction and renovations can have a positive impact in this area in two ways:

- development of green terraces: the soil retains rainwater, particularly during storms, which reduces the risk of sewerage systems becoming overloaded;
- the construction of retention tanks that collect rainwater and then discharge it into the sewerage system using a "drip" system.

Hotel real estate action plan

As of 31 December 2024, 90% of WiZiU hotels were Green Key certified or in the process of being approved. In order to obtain the Green Key label, hotels must positively meet fourteen water management criteria. Green Key teams carry out site audits directly for the certification and then regularly to verify that hotels are remaining compliant. Covivio Hotels is rolling out a system to obtain the Green Key label for all of its sites by the end of 2025.

Hotels must therefore implement or reinforce seven measures to preserve the resource, based on monitoring and comparative analysis of consumption, as well as six measures concerning their equipment and one measure concerning watering.

Water management criteria (Green Key Grid)

Resource conservation	Valves and equipment, watering
The hotel is compliant with the water distribution, collection and treatment regulations	At least 75% of taps have a flow rate of less than 8 L/minute
Use of a fat recovery system in professional kitchens	At least 75% of showers have a flow rate of less than 9 L/minute
Monthly monitoring of water consumption and an annual comparative assessment are carried out	At least 50% of the toilets are equipped with a flush of less than 6 L AND when the installations are replaced, the new toilets are systematically equipped with a 3/6 L double-flush or a flush less than 6 L
One meter per water source in the hotel (mains supply, spring, well, borehole)	If the hotel has urinals, they have pushbuttons, sensors, a water-saving system or operate without water.
Household cleaning products and swimming pool products are stored in conditions that are not harmful to the environment or health: containment system and secure premises	A procedure is in place to detect water leaks in all taps, pipes, toilets and, where applicable, swimming pools in the hotel
Newly acquired dishwashers and washing machines are water and energy efficient	Newly acquired tunnel and hood-type dishwashers use less than 3.5 L per load/basket
Each WC has a waste bin	If the hotel has urinals, they have pushbuttons, sensors, a water-saving system or operate without water.

- For further information: the Green Key site.

3.2.3.4 Water-related indicators (E3-4)

The average intensity presented here was calculated to quantify Covivio Hotels overall footprint in terms of water consumption.

Its scope includes hotels owned in Europe (under traditional leases and operating properties).

Overall consumption is calculated based on the tables presented in 3.2.3.4.1.

3.2.3.4.1 Total water consumption across the portfolio

Covivio defines water consumption as the consumption which is billed and not by deducting discharges from water withdrawals (in line with what is defined by the CDP - Water). The water consumed in each building in this reporting scope comes from a single source and is mainly distributed to this source: the municipal water networks. Covivio does not abstract groundwater directly. An insignificant proportion of the water used is related to rainwater collection in the portfolio, while discharges can be of several kinds, although they remain marginal at Group level: water integrated into products (cement on construction sites), water returning to nature (watering), water leaks.

- **Hotels under a standard lease: the tenant has a subscription for the building with the water distribution company.**
- **Hotel operating properties: the operator holds a subscription for the building with the water distribution company (operational control perimeter).**

The water consumption figures given below are taken from the invoices, which are mostly based on estimates made by the suppliers, and are subject to adjustments (which can take from one to three years in some cases), and which can therefore result in significant changes.

Covivio Hotels water consumption remained stable in 2024 compared to 2023.

WATER - ABSOLUTE CONSUMPTION	GRI	EPRA best practices recommendations	HOTELS OPERATING PROPERTIES 2024	HOTEL LEASE PROPERTIES 2024	HOTELS EUROPE 2023	HOTELS EUROPE 2024
Coverage of the reporting scope by surface area (m²)			559,898	994,142	1,625,193	1,554,041
Coverage of the reporting scope by surface area (%)			98%	91%	88%	94%
Scope coverage in number of buildings			52/54	188/225	280/308	240/279
Percentage of estimated data			2.4%	2.0%	-	2.1%
Total water consumption (m³)			**634,908**	**1,575,838**	**2,292,089**	**2,210,746**
Water intensity (m^3/m^2/year)			**1.13**	**1.59**	**1.41**	**1.42**
Total extrapolated water consumption (in m^3)			649,123	1,725,032	2,590,295	2,362,474
Water consumption in high water stress areas			18,218	181,273	-	199,491
Water consumption in areas with very high water stress levels			121,759	294,239	-	415,999
Reconciliation with financial statements						
Residual consumption of vacant buildings (in kWhfe)			-	-	0	0
Consumption of atypical assets (in m^3)			-	-	-	128,117
Prorated consumption of assets delivered, acquired or sold during the year (in m^3)			-	-	-	272,487
Total extrapolated energy consumption + consumption outside the reporting scope (in m^3)			**649,123**	**1,725,032**	**2,590,295**	**2,763,078**

The water intensity in relation to revenues is: 0.010518 m^3/€.

Covivio does not directly carry out water recycling operations in the course of its activities and does not use large-scale storage equipment. However, the Group uses rainwater harvesting systems, mainly for watering green spaces or, more innovatively, as an alternative system for supplying water to the toilets in a building.

The proportion of stored, reused and recycled water is insignificant for Covivio and is not measured, even though rainwater harvesting systems may be installed on buildings.

3.2.3.4.2 Change in consumption on a like-for-like scope

WATER - LFL CONSUMPTION	OPERATIONAL CONTROL 2023	OPERATIONAL CONTROL 2024	TOTAL PORTFOLIO 2023	TOTAL PORTFOLIO 2024
Coverage of the reporting scope by surface area (in m²)	510,739		1,373,784	
Coverage of the reporting scope by surface area (in %)	89%		83%	
Scope coverage in number of buildings	-		-	
Total water consumption (in m³)	**597,522**	**576,365**	**1,949,408**	**1,954,777**
WATER INTENSITY (m^3/m^2/year)	**1.17**	**1.13**	**1.42**	**1.42**
Variation	**-3.5%**		**0.3%**	

3.2.4 Biodiversity (ESRS E4)

The ESRS E4 standard covers the presentation of information relating to biodiversity. This involves presenting the impacts (material, positive and negative, actual or potential) of the company on biodiversity and its actions to prevent and mitigate them, and to promote its restoration.

The construction and real estate sectors play a key role in the erosion of biodiversity. They contribute to the phenomena of change in land use and soil sealing during the construction of buildings but also upstream of it through their significant consumption of raw materials to manufacture materials. Covivio, aware of the many links between climate and biodiversity issues, wanted to develop an integrated "Nature" strategy, in order to supplement existing climate objectives with new commitments relating to land use, the use of resources or rehabilitation, in order to address all of its impacts on living things. The formalisation of this strategy is the result of two years' work, including an in-depth diagnosis of biodiversity issues (risk, opportunity, impact and dependency assessment - ROID). This strategy, which was approved in 2024 by the Executive Committee and then the CSR Committee, and which covers the period to 2030, forms the basis of Covivio's commitment to carbon and biodiversity issues and demonstrates the Group's renewed commitment to the transition.

It emerged from the studies conducted and the workshops held in-house that it would be relevant and coherent to define a Nature strategy which combined climate and biodiversity strategies. These issues are in fact inseparable and require the adoption of a global vision that encompasses their interdependence. The strategy and action plan described in this ESRS are therefore directly linked to ESRSs E1, E3 and E5.

The monitoring and implementation of Covivio's Nature strategy relies on existing CSR governance bodies: the CSR Committee oversees the Nature strategy, and the Sustainable Development Department is responsible for its operational management, in coordination with the Group's different activities and countries. The Group's Sustainable Development Steering Committee, which regularly comprises the Chief Executive Officer (CEO), the Chief Operating Officer and the Sustainable Development Director, also helps to consolidate the link between Nature issues and the decision-making bodies. In addition, targets related to the implementation of this strategy have been included in the criteria for awarding bonuses to corporate officers (ESRS 2, section 3.1.2.2.4).

Covivio Hotels is fully committed to the deployment of Covivio's Nature strategy. As a subsidiary, it benefits from the expertise and support of the Group's Sustainable Development Department. It shares the policies and strategies and strives to achieve the Group's objectives by implementing actions specifically geared to its activities.

3.2.4.1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model (E4-1)

The loss of biodiversity is linked to five main pressures caused by human activities:

- change in the use of land, freshwater and the seas; examples: artificialisation due to urban sprawl, fragmentation due to the construction of linear infrastructures;
- overexploitation of resources; examples: overfishing, overexploitation of timber, plundering of rare plants and animals;
- climate change; examples: GHG emissions due to fuel combustion, deforestation;
- pollutant emissions; examples: fine particles, nitrogen compounds, chemical pollutants, dust;
- spread of invasive exotic species; examples: spread of Japanese knotweed through freight transport.

Covivio is aware that it operates in a sector that is highly dependent on and significantly impacts biodiversity, and is therefore convinced that it is essential for the Group to take nature issues into account, whether in terms of environmental responsibility or risk management. In 2019, Covivio launched a series of diagnostics with the aim of improving the understanding of the relationships between its business activity and climate change, water resources and biodiversity.

To supplement these initial elements, an in-depth study of the impacts, dependencies, risks on, and opportunities of Nature was carried out between 2021 and 2024. This study aims to define the resilience of Covivio's model with respect to biodiversity-related issues within the meaning of ESRS E4-1.13, covering all of the Group's activities. Covivio's Nature strategy was developed on this basis, integrating and supplementing its existing commitments and boosting the company's environmental ambition. This strategy mobilised numerous internal stakeholders and drew on feedback from external stakeholders (customers, investors, suppliers, design offices).

A sector at the heart of the ecological transition

Nature is the basis of all aspects of human life (water cycle, climate regulation, etc.) and is crucial for our economies, with more than 50% of global GDP directly dependent on natural resources. However, in recent decades, it has become increasingly damaged by human activity, and this alarming situation is reflected by a large number of indicators: in 2019, 75% of the Earth's surface had been significantly altered by human activity, more than 85% of wetlands had been lost and the number of wild animal populations fell by 69% between 1970 and 2018. The economic development methods that have dominated until now are no longer compatible with sustaining living ecosystems.

Although the loss of biodiversity is not a recent phenomenon, the subject is receiving renewed attention in the wake of the 15th United Nations Convention on Biological Diversity (COP15) in 2022, which led to the Kunming-Montreal Agreement (or Global Biodiversity Framework). The regulatory landscape and methodological frames of reference have been strengthening in recent years at the national level (National Biodiversity Strategy in France and Italy, Sustainable Development Strategy in Germany, etc.), European level (CSRD, Taxonomy, etc.) and international levels (TNFD [1], SBTN [2], etc.). Companies and investors are now increasingly required to include biodiversity issues in their strategies and to communicate transparently about them. The increased consideration of the relationships between economic actors and biodiversity is encouraging a shift in focus away from climate issues alone, towards a more holistic view of environmental impacts – or "nature" impacts – enabling

(1) The Taskforce on Nature-related Financial Disclosures.
(2) Science Based Targets Network

synergies to be developed and conflicts between different environmental issues to be avoided.

The construction and real estate sectors, particularly the hotel industry, are playing a key role in the loss of biodiversity. They contribute to the phenomena of land use change and soil sealing/artificialisation during the construction of buildings, but also upstream of construction through the high consumption of raw materials to produce building materials. The extractive (gravel, sand, etc.) and processing (clinker, etc.) stages of raw materials have a major impact on biodiversity (land use change, pollution, etc.) and the climate, thus making it a critical issue to consider the entire life cycle of the building. Beyond reducing their impact, the construction and real estate sectors, particularly the hotel industry, can also play a positive role by contributing to the transition of cities and regions, influencing lifestyles and ways of living and working.

3.2.4.1.1 Identify the impacts and dependencies of Covivio's activities across the whole value chain

In 2023, Covivio conducted an assessment of its main impacts on biodiversity and its dependencies on ecosystem services throughout its value chain, based in particular on GBS (Global Biodiversity Score) tools, ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure), as well as the WBCSD report [1] "Roadmap to Nature Positive, Foundations for the built environment system". This initial assessment enabled the Company's main areas of impact to be identified and served as a basis for defining the Nature strategy.

Main impacts

Covivio's impacts can obviously be attributed to its core business. Nonetheless, it is essential to reduce them and therefore measuring them is of paramount importance.

Static impacts assess the portion of "ecological debt" which Covivio is responsible for. Ecological debt is the aggregate of past damage to biodiversity (prior to the year of study), the impacts of which are still visible today. Dynamic impacts assess the additional damage to biodiversity caused by a year of activity (the year of study).

- Static land impacts: 48 MSA.km² (half of Paris) [2].
- Static water impacts: 11 MSA.km² (1/4 of Lac du Bourget).
- Dynamic land impacts: 2 MSA.km² (the size of the 6th *arrondissement* of Paris).

Each year, Covivio's activities contribute to a loss of biodiversity equivalent to the destruction of an area of abundant nature covering 2 km².

Two-thirds of Covivio's impacts on biodiversity are related to the supply of construction materials.

Main impacts of Covivio on biodiversity, by scope and pressure [3]

IPBES pressures	GBS pressures	Scope 3 Upstream Supplier	Scope 2 GHG emissions Electricity supply	Scope 1 Group operations	Scope 3 Downstream Customers
Use and change in use of ecosystems	Land use and change of land use in river catchment areas, wetlands and on land Encroachment and fragmentation	High impact	Low impact	High impact	High impact
Overexploitation of resources	Water imbalance caused by water consumption (static pressure only)	Medium impact	Low impact	Low impact	Medium impact
Climate change	GHG emissions (dynamic pressure only)	High impact	Low impact	Low impact	High impact
Pollution	Ecotoxicity (dynamic pressure only)	High impact	Low impact	Low impact	Medium impact
	Atmospheric nitrogen deposition	Low impact	Low impact	Low impact	Low impact
	Freshwater eutrophication (static pressure only)	High impact	Low impact	Low impact	Low impact
Invasive species	Not taken into account	Not assessed			

(1) World Business Council for Sustainable Development

(2) The Mean Species Abundance (MSA) – is an indicator that reflects the average abundance of native terrestrial species (mammals, birds, amphibians, reptiles, invertebrates and vascular plants) in a territory, compared to their abundance in the original undisturbed ecosystems (developpement-durable.gouv.fr).

(3) The definition of direct pressures on biodiversity is detailed on the IPBES website.

The supply of raw materials (in particular aluminium, cement, steel and wood) for construction and renovation activities accounts for most (around 2/3) of Covivio's impacts. The main pressures associated with these activities are change in land use (extraction and processing sites), GHG emissions (energy consumption to extract and transform ores), ecotoxicity and eutrophication (water and soil pollution associated with mineral processing).

The energy consumption of tenants is the second largest impact item (around 25%), and, in addition, generates GHG emissions.

In comparison, the use and conversion of land associated with real estate development and management has a relatively low impact (around 10% of the impacts). This is mainly due to the footprint of existing buildings, especially the German residential portfolio, which is the Group's largest portfolio in surface area. The low impact of this item is also due to the fact that Covivio mainly operates in already urbanised areas and that the real estate development activity is not majority in the Group.

Two main lessons stand out from the results for Covivio Hotels, due to low portfolio turnover rate and the small number of new development operations in recent years:

- the energy and water consumption of tenants is the most material subject both upstream (due to the GHG emissions related to this consumption) and downstream;
- the static impacts of direct activities, connected to the existing portfolio, are relatively higher than for other activities because of the portfolio's surface area and a lower level of development in recent years, thus reducing the upstream impacts associated with construction.

Main trends

Covivio's activities depend heavily on the services provided by nature throughout its value chain.

Overall, Covivio's activities are dependent on several ecosystem services:

- the availability and quality of water throughout the value chain, as a resource necessary to extract and manufacture materials (cement, etc.) and for the correct operation of construction sites (preparation of mortar, etc.) and building operations;
- the production and availability of construction materials (sand, gravel, wood, etc.);
- climate regulation and protection against floods and storms, which are essential for the sustainability of assets and the safety of construction sites as well as for the extraction and processing sites of materials.

Covivio's main dependencies on biodiversity, by scope and by nature

	Upstream	Direct operations	Downstream
Surface water	High	High	High
Groundwater	Average	Average	Average
Mass stabilisation and erosion control	High	Average	Average
Water quality	Not assessed	High	High
Fibers and other materials	High	Not assessed	Not assessed
Protection against floods and storms	Average	High	High
Climate regulation	High	Average	Average

Methodology

The GBS (Global Biodiversity Score) tool, launched in 2020 by CDC Biodiversité [1], uses the company's economic and physical data (surface areas, water and energy consumption, etc.) to assess how its activities, direct operations and supply chain contribute to different pressures on biodiversity. This contribution is expressed through a single metric, the Mean Species Abundance (MSA [2]) per km², a measure of biodiversity loss (1 MSA.km² represents 1 km² of virgin biodiversity that has been destroyed). More information on the GBS method is available here.

The ENCORE tool has enabled the identification of the ecosystem services which a given activity depends on in accordance with the global macro-sector average of its sector across the entire value chain. The results of the tool were then reviewed and supplemented with the WBCSD report Roadmap to Nature Positive, Foundations for the built environment system. More information on the ENCORE method is available here.

This analysis was supplemented by the impacts related to greenhouse gas emissions and thus the Group's carbon footprint (ESRS E1).

(1) Created in 2008 by Caisse des Dépôts et Consignations, CDC Biodiversité is a subsidiary of the CDC Group. Its main mission is to reconcile biodiversity and economic development in the service of the general interest.

(2) The Mean Species Abundance (MSA) - is an indicator that reflects the average abundance of native terrestrial species (mammals, birds, amphibians, reptiles, invertebrates and vascular plants) in a territory, in relation to their abundance in the original undisturbed ecosystems. (developpement-durable.gouv.fr)

3.2.4.1.2 Identify Nature risks in order to improve prevention, and identify opportunities in order to seize them more effectively

In order to prevent and manage climate and biodiversity risks, Covivio has carried out targeted analyses and detailed the risk factors that could significantly impact the company's financial and non-financial situation. In addition to the Group risk map, which is regularly updated under the supervision of the Risk, Compliance, Audit and Internal Control Department, and the CSR risk maps produced in 2019 (in connection with the implementation of the DPEF) and 2020 (CSR risks related to purchasing), an initial assessment of climate risks was carried out in 2020 on the Offices scope using the MSCI Climate Value-at-Rising solution. This study was then extended to the entire Group. Updated annually, it is supplemented by other typical analyses of biodiversity or water stress issues (WRI Aqueduct) as well as by the use of the PREDICT tool to analyse the exposure of Covivio's portfolio to increased heat waves and flooding. An internal mapping has also enabled the exposure of the assets to rising sea levels to be assessed. In 2024, a Nature risk study, incorporating all this work, was conducted, providing input for structuring the Nature strategy. This study was supplemented by the creation of a map of all the Group's sites in relation to areas of interest in terms of biodiversity (3.2.4.5).

These studies were conducted with the participation of the Department of Sustainable Development, country contributors and intermediaries, and were validated by the Sustainable Development Steering Committee. The main Nature risks and opportunities identified as part of these studies are presented below.

Priority risks	Main opportunities
Risks of political transition, in connection with changes in regulatory contexts: Obligations to install solar panels or green roofs on buildings, regulations aimed at limiting urban development and protecting green spaces, introduction of a carbon tax combined with an increase in the price of materials, or traceability and responsibility obligations in relation to raw materials such as the European regulation on Deforestation-free products (EUDR)	**Business opportunities** Emergence of new markets for renovation (including energy efficiency renovation), deconstruction and sustainable building design
Physical and systemic risks related to climate phenomena or ecosystem collapse Rising water levels, rising temperatures and changes in soil stability (shrinkage/swelling of clays, etc.); scarcity of water resources that could lead to shortages or conflicts of use; disruption of supply chains and increase in the price of raw materials (scarcity of wood resources due to fires or pests, shortages of concrete due to water stress, etc.)	**Financing opportunities** In connection with the development of these new markets, support for ecological catering or the transformation of the sector
	Opportunities in terms of resource use and ecosystem protection Notably in terms of the use of green spaces to contribute to ecological continuity

Methodology used

The assessment of biodiversity risks and opportunities was based on the TNFD recommendations and was broken down into the following stages:

- identification of the main risks and opportunities by category (regulatory, market, etc.);
- assessment of the probability of the risks and opportunities occurring based on two scenarios taken from the ADEME publication "Transition(s) 2050" (see appendix), documentary work and expert opinions;
- assessment of the potential impacts of each risk or Covivio's ability to seize each opportunity, *via* a workshop involving representatives of the operational teams in each country.

The table in the appendix describes the results and the scenarios used in more detail.

Supply disruptions in the value chain represent a major risk

Extreme weather risks (heat waves or forest fires) or chronic risks (continuous increase in temperatures, depletion of water resources, etc.) as well as changes in legislation and geopolitical issues are likely to create disruptions in supply in the value chains on which Covivio depends. For example, timber production, which is directly dependent on the health of ecosystems and climate stability, is likely to be caught between a sharp increase in demand and a decline in productivity, creating strong pressure on price, as well as supply disruptions [1]. In 2021, the forest fires in British Columbia in Canada had a very significant impact on the increase in the price of wood in the United States over the same period. The production of concrete, closely linked to the availability of water resources, is also likely to be undermined by the scarcity of the resource. It is estimated that in 2050, 75% of the water catchment areas necessary for the production of concrete will be located in areas of water stress [2] that the demand for sand, the second most consumed resource in the world after water, could grow by 45% by 2060, creating considerable pressure on this finite resource [3].

(1) https://www.researchgate.net/figure/Projected-wood-supply-gap-selected-tropical-countries-Chart-World-Bank-PROFOR-CIF_fig1_342437408
(2) Impacts of booming concrete production on water resources worldwide, A Miller et al., Nature Sustainability , 2018.
(3) NewScientist - We are running out of sand and global demand could soar 45% by 2060.

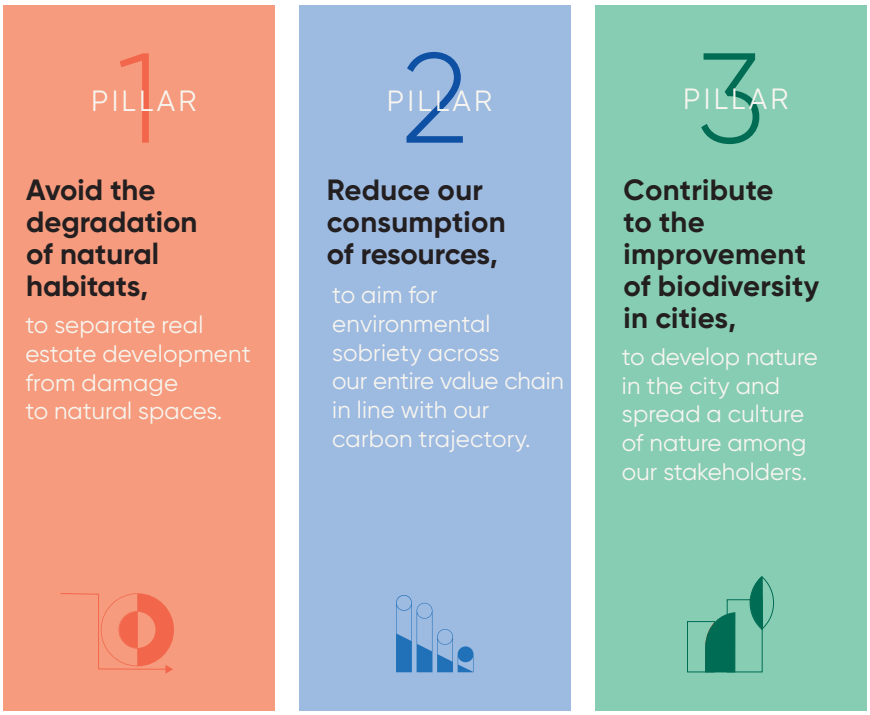
To mitigate these risks, Covivio works with construction companies which have a diversified panel of suppliers, which enables them to adapt to the fluctuating availability of many critical materials for its projects, such as wood or sand. Nevertheless, the Group remains vulnerable to supply disruptions and increases in the prices of materials which are key to improving the environmental quality of buildings, such as wood. Consequently, improving expertise in the traceability of materials, reducing the use of new materials and improving knowledge of suppliers are key aspects of the Group's new Nature strategy (Pillar 1, priority 3).

3.2.4.1.3 Summarising table of biodiversity-related IROs (SBM-3)

ESRS E4 - POLICIES AND ACTIONS RELATED TO BIODIVERSITY	
Description and key words	Biodiversity conservation strategy Avoid/Reduce/Offset Artificialisation and land use/100% Zero Net artificialisation Dependencies and ecosystem services Biodiversity charters and policies, management of green spaces, invasive plants
Main impacts	The impacts of Covivio Hotels are not negligible, GBS study carried out in 2022: • Land use is the pressure to which Covivio contributes the most, mainly through the purchase of building materials, but also through its existing portfolio; • Hydrological disruptions and ecotoxicity related to the supply and use of raw materials for renovations as well as customers' electricity consumption; • GHG emissions for the same reasons. Positive impact: the use of green spaces in the portfolio to contribute to ecological continuity or to restore biodiversity in city centres (based on ecological diagnostics), mainly on large sites. Key figures: 9.6% of land is artificialised in France (7% in 1992), this figure is 25% in the Ile de France region. The national target is to reduce artificialised areas by half by 2031 (compared to 2021)
Positioning in the value chain	Upstream, direct and downstream operations
Main risks	The financial risks are difficult to quantify and can be localised at project level: preventive measures, compensation, which may go as far as the risk of planning permission being refused. Significant reputational risk
Materiality	Material

3.2.4.2 Policies related to biodiversity and ecosystems (E4-2)

Covivio has devised a Nature strategy based on the analyses carried out, structured around three pillars: (1) preventing damage to natural habitats, (2) reducing resource consumption, (3) helping to improve biodiversity in cities. Each pillar has been developed around objectives and an operational action plan, which will be finalised by the beginning of 2025. This strategy renews the Group's environmental commitment, by integrating and supplementing existing objectives (climate, etc.) with new areas of work (artificialisation, traceability, land restoration, etc.).



This strategy was developed on the basis of the "Avoid, Reduce and Transform" framework, inspired by the "Avoid, Reduce, Regenerate, Restore and Transform" promoted by the work of the Science-Based Target Network. This approach is based firstly on mitigating the impacts of Covivio's activity (avoidance and reduction), and secondly on helping to restore biodiversity within its scope of business activity.

The strategy covers all of the Group's activities by adapting to the specificities of each one (in particular by differentiating between the development and operation of buildings). Although this strategy mainly targets environmental issues, it is also intended to have societal impacts, particularly on the well-being of the occupants and the communities affected. A Nature Steering Committee has been set up In order to successfully implement the action plan, and is included in the governance of sustainable development issues presented in the ESRS 2.

Covivio's strengths and weaknesses in coping with risks and seizing opportunities

Following the work undertaken (3.2.4.1), Covivio examined its capacity to deal with the risks identified in this analysis, as well as to seize opportunities.

Covivio has several strengths for dealing with identified Nature risks and seizing opportunities. The Group has a good understanding of its risk exposure due to the completion of several specific studies; a development model in dense urban environments that helps to combat urban sprawl and promote building renovation; and a set of pilot projects on which to draw, on key topics such as the use of biosourced materials or the installation of green roofs.

Covivio has also identified the following areas for improvement in order to more effectively take biodiversity risks and opportunities into account:

- structuring purchasing traceability mechanisms;
- developing know-how in order to work on existing assets (e.g. for the creation of natural spaces, or the installation of certain energy and water saving devices).

All of these factors were included in the creation of the Nature strategy.

The commitments presented below respond to the IROs identified (3.2.4.1), are rolled out operationally (3.2.4.3) and are connected to quantifiable objectives (3.2.4.4).

3.2.4.2.1 Avoiding damage to natural habitats

Covivio's impacts on biodiversity are linked to the artificialisation of land (the primary source of damage to the living world), due to its development operations, but also and above all further up its value chain, in connection with the extraction and processing of raw materials. Limiting artificialisation, strengthening traceability and defining demanding standards for key materials are major areas of work for Covivio, which is working to separate its real estate development model from any additional damage to natural habitats.

Pillar 1 commitments

- The direct impact of assets on natural areas is well known: systematising the monitoring of indicators to determine the impact of our assets in terms of artificialisation and proximity to sensitive areas, *i.e.* protected areas or areas considered as key for biodiversity (Key Biodiversity Areas or KBA). These are essential territories for the conservation of biodiversity on a national or global scale, home to rare ecosystems or endemic or threatened species that can play a vital role in biodiversity conservation.
- The Group's real estate development is not associated with damage to natural areas: commit to ZAN (Zero Net Artificialisation) and reinforce the associated real estate offers.
- Covivio is committed to improving the traceability of key materials: developing better knowledge of the environmental impact of the materials used to favour the most sustainable of them.

3.2.4.2.2 Reduce resource consumption

The objective of this pillar is to reduce the consumption of natural resources connected to Covivio's activities. This objective is based on two commitment levers: reducing the use of new raw materials by developing the circular economy and offering buildings that are sober in terms of water and energy use. In addition to reducing the Group's environmental impacts, these commitments strengthen the Group's resilience with regard to Nature risks and improve customer satisfaction by reducing their consumption.

Pillar 2 commitments

- The Group's buildings are exemplary because they enable tenants to reduce their water and energy consumption: ensuring a high level of water and energy performance across all assets.
- Covivio's dependency on new raw materials is reduced: favouring the use of recycled materials upstream, and selective deconstruction and recovery downstream.

3.2.4.2.3 Contributing to the development of nature in the city

Apart from limiting the impact of buildings on the environment, Covivio wants to play its full part in regenerating nature in the city, by preserving the soil, developing ways of fostering biodiversity in its developments and creating a "biodiversity culture" among its teams and customers. The main focus of the third and final pillar of Covivio's Nature strategy is to aim for a positive impact on biodiversity in the majority of projects and to raise awareness among teams and residents.

Pillar 3 commitments

- A positive impact on biodiversity in 100% of development operations: monitor and maximise biodiversity gains on projects.
- Foster a culture of nature within teams: raising awareness among key functions and developing in-house biodiversity expertise.
- Involve customers and stakeholders in biodiversity issues: raising awareness of environmental issues and making them a key component of Covivio's brand image.

3.2.4.3 Actions and resources related to biodiversity and ecosystems (E4-3)

3.2.4.3.1 Main actions implemented in connection with the Nature strategy

1. Actions related to Pillar 1 - Avoiding damage to natural habitats

The actions taken are aimed at meeting the pillar's key objectives (detailed in 3.2.4.4), namely:

- contribute to Zero Net Artificialization by 2030;
- 30% of capital expenditure related to energy renovation and densification operations by 2030;
- development of a traceability system for high-risk materials (at national or regional level) by 2030.

Limiting land use and environmental impacts

Artificialisation, in the context of a project or a territory, is defined as 'the lasting alteration of all or part of the ecological functions of an area of land, in particular its biological, hydrological and climatic functions, as well as its agronomic potential, through its occupation or use' (art. 192 – Climate and Resilience Act). However, its definition may differ according to local, national or European regulations, particularly in the definition of what is considered to be already artificialised, thereby influencing the interpretation of 'Zero Net Artificialisation'. The CBS tool that Covivio uses to, in particular, control the artificialisation and de-artificialisation associated with its projects (see below), considers a given surface to be artificialised if it is sealed. Covivio is therefore committed to combating artificialisation and urban sprawl, mainly by favouring refurbishments, but also by densification. The Group is thus committed to the building of the city on the city and against urban sprawl.

The proximity of Covivio's assets to protected areas and the risks associated with the measures to protect these areas

In 2024, Covivio analysed the proximity of its 1,641 sites to protected areas (including 100% of its hotel portfolio), following on from similar analyses conducted in 2015, 2017 and 2020 over more limited scopes. The study revealed that a significant portion of the Group's assets are located near key biodiversity areas: 42% of sites are located less than one kilometre from a protected area, 25% less than 500 metres and five sites are located directly inside protected areas. The results of this study are detailed at the Covivio Hotels level in section 3.2.4.5.

This close proximity gives Covivio a special responsibility for preserving biodiversity, particularly for the sites closest to or inside protected areas (compliance with regulations, development of action plans to reduce and minimise the potential impacts of using the site, training of Covivio teams and raising awareness among occupants, etc.). These sites are also an opportunity to strengthen links with local players committed to nature conservation and to anchor the Group's commitment to biodiversity at the local level. Furthermore, apart from mitigating negative impacts, it is important to consider the means Covivio has at its disposal to contribute to maintaining or even restoring natural areas and green, blue and black corridors.

CBS, a tool for measuring the impact of projects on biodiversity

Covivio has, in partnership with the ARP Astrance design office, decided to develop its own indicator, which can integrate green spaces and their social values into operational sites. Covivio's CBS (Biotope Coefficient per Area) is based on the scientific literature and on the CBS methodology used by industry players, in particular as developed by the city of Berlin. The indicator describes the ratio between eco-socio-developable areas (non-soil sealed areas favourable to biodiversity and biophilia) and the total surface area of the site. Thus, each type of surface is given a weighting according to its interest for biodiversity, the weighting scale ranging from 0 to 1.2 (0 representing soil sealed surfaces and 1.2 surfaces with a strong ecological interest). Covivio's CBS includes eight different types of surface as well as 17 bonus features (awareness panels, nesting boxes, flowery meadows, etc.). These bonuses are aligned with Covivio's challenges, making it possible to integrate the notions of biophilic value, ecosystem services, biodiversity and the ecological management of green spaces. The CBS value enables the sites in their current state to be compared with development scenarios, or to compare data for the same site for different years.

Forest resources

Covivio is committed to using forest products (wood, paper) from sustainably managed forests, with PEFC or FSC labels, in its operations, both in the development and operating phases, The Group reminds its stakeholders of this commitment in the context of low-nuisance construction site charters or in the orders placed with its suppliers within its corporate scope.

2. Actions related to Pillar 2 - Reduce resource consumption

The actions taken are aimed at meeting the pillar's key objectives (detailed in 3.2.4.4), namely:

- -40% of GHG emissions (ESRS E1);
- 100% of assets with environmental certifications (ESRS Sectoral challenges);
- -25% energy consumption (baseline 2019) (ESRS E1);
- doubling the production of solar energy in the Group's portfolio (ESRS E1);
- using recycled materials: [30]% steel, [30]% aluminium and [30]% cement per m² built [to be specified after full diagnosis] (ESRS E5).

As this pillar is highly interconnected with the other ESRS, the related actions are detailed in the different sections.

3. Actions related to Pillar 3 - Contribution to improving biodiversity in cities

The actions taken are aimed at meeting the pillar's key objectives (detailed in 3.2.4.4), namely:

- 90% of new constructions with a positive impact on biodiversity (*i.e.* improved CBS);
- net gain in biodiversity on the 20 largest sites in the portfolio under direct management.

So as to ensure that biodiversity-related issues are taken into account, two internal charters were drafted in 2014 and updated in 2019:

- a charter concerning the creation of green spaces, intended for the development or the complete renovation of green spaces and facilitating obtaining a label such as BiodiverCity®;
- a charter concerning the management of green spaces, covering operations in use and facilitating the obtaining of a label such as BiodiverCity Life®, Eve® or EcoJardin.

Raising tenants' awareness of biodiversity issues

The Group leverages a strong partnership-based approach with its customers to work towards environmental transition. All awareness-raising actions are described in ESRS S4, section 3.3.4.3.c. including the implementation of green clauses in leases, the organisation of sustainable development committees, awareness-raising as part of an energy efficiency approach, etc. Covivio now wishes to raise awareness of nature issues by using these existing channels (Objective 21 of the strategy).

Covivio joined the Act4nature International initiative [1] in 2021. This is an initiative launched in 2018 by the French association of Enterprises for the Environment, with the aim of mobilising companies on the issue of their direct and indirect impacts, their dependencies and their options for acting in the interest of nature. Covivio signed up to the ten joint commitments [2] on this occasion and set itself individual objectives as part of its strategy, which were recognised by the international committee of Act4nature (a network of companies, NGOs and scientific organisations) as SMART (specific, measurable, additional, realistic and time-specific). As such, Covivio publicised its individual commitments at the launch of the European Business & Nature Summit in November 2021. These supplement the objectives that were previously included in the Group's CSR action plan and make provision for the use of new indicators: measuring the impact of developments on biodiversity by the end of 2022, a net gain in biodiversity across 100% of operations by the end of 2025, etc.

3.2.4.3.2 Resources allocated to biodiversity and ecosystem protection

It is difficult to understand the resources allocated to biodiversity because the topic is so closely linked to other issues. However, it is possible to identify different types of resources directly related to the protection of biodiversity:

- **Human resources:** internally with the Sustainable Development Department and operational staff working on implementing the action plan. The development of the Nature strategy involved around thirty internal participants at the European level.

(1) https://www.act4nature.com/wp-content/uploads/2021/11/COVIVIO-VA.pdf
(2) https://www.act4nature.com/wp-content/uploads/2024/03/A4-act4nature-international-VA-03-24.pdf

- **Financial resources allocated to support:** study and consultancy costs are obviously required at a number of levels. Firstly, at the level of a development project within the context of applying the principles of the Biodiversity Charter with an ecologist, for example, or in the context of a specific mission such as with Arp Astrance to develop the CBS indicator for Covivio. Secondly, in the longer term, as was the case with the Nature strategy, when Covivio appointed the firm Utopies because of its expertise in biodiversity and change management.
- **Financial resources related to planning:** taking biodiversity into account on site (operational or development assets) requires special planning for outdoor spaces, in accordance with the recommendations of the charter and, where necessary, the project ecologist.

The common thread, the example of L'Atelier

The budget for external improvements and the environment represented approximately 3% of the works' budget. The landscape plan incorporates Covivio's approach to designing green spaces and the BiodiverCity method used on this site, which houses the Group's new European headquarters. This work resulted in the creation of 1,000 m^2 of outdoor spaces, almost half of which were planted with greenery.

3.2.4.3.3 Offsetting mechanisms

Covivio does not directly implement *ex situ* offsetting measures as part of its projects (*e.g.* financing of reforestation projects by a third party to offset the artificialisation caused by a project). Calculations regarding artificialisation are made on a site-by-site basis. It is therefore accepted, in accordance with the legislation, that any development resulting in the artificialisation of a surface area must be offset by the creation of green spaces of an equivalent or greater surface area. It should be noted that the majority of the Group's development projects are in urban areas.

3.2.4.4 Targets related to biodiversity and ecosystems (E4-4)

Objectives of the Nature strategy

For each pillar of the strategy, Covivio has set objectives to cover the impacts, risks and opportunities identified. Intermediate stages have been identified for the deployment of each action, postponing the launch of certain objectives, either because the current state of knowledge was not considered sufficient or priority was given to achieving another objective of the plan first.

This action plan also includes climate objectives (ESRS E1), water-related objectives (ESRS E3) and objectives relating to waste management and the circular economy (ESRS E5). Covivio has to involve its entire value chain to achieve this, beginning with its employees (ESRS S1), who were involved in drawing up this plan, as well as its suppliers (ESRS S2), the community, especially in relation to the ecosystem services provided by nature (ESRS S3), and its customers (ESRS S4). This holistic approach is required to ensure the consistency of this strategy and address the related IROs.

Pillar 1 - Avoiding damage to natural habitats

Objective	Launch	Deadline	Situation at 31/12/2024	Scope	Link with IROs
Knowing the direct impact of assets on natural spaces					
# 1 Monitoring of artificialisation indicators (including the CBS*) for 100% of the pipeline (as of 31/12/N)	Launched	End of 2025	75% of projects delivered in the last two years	Development (commercial and residential)	**Impacts:** change in land use **Risks**: obligation to respect regulations on the limitation of urban planning, the artificialisation of soils and the protection of natural spaces (*e.g.* CBD target of 30% protected areas, green and blue corridors, etc.)
# 2 100% of the assets covered by the referencing of assets located close to natural areas	Launched	End of 2024	100%	Operations - Group	
Dissociating real estate development from damage to natural areas					
# 3 0% of net artificialisation (balance for the committed pipeline, cumulative from 01/01/2024 on the pipeline to be retained)	2026-2028	Annual assessment	Not calculated	Development (commercial and residential)	**Impacts:** land use change, climate change **Risks**: obligation to respect regulations on the limitation of urban planning, the artificialisation of soils and the protection of natural spaces (*e.g.* Objective of 30% protected areas within the meaning of the Convention on Biological Diversity (CBD), green and blue corridors, etc.) **Opportunity:** new renovation and deconstruction market, in line with zero net artificialisation policies.
# 4 Favour refurbishment rather than demolition/reconstruction: at least 30% of development Capex linked to refurbishment or height raising	2026-2028	End-2028 and permanent thereafter	33% renovation (/ Development Capex, excluding residential)	Group	

Objective	Launch	Deadline	Situation at 31/12/2024	Scope	Link with IROs
Implement a traceability standard for key materials					
# 5 Structure a traceability process for the main construction materials (concrete, glass, steel, etc.) used in operations	2024-2026	End of 2026	To be launched	Development (commercial and residential)	**Impacts:** change in land use, climate change, overexploitation of water resources and pollution. **Risks:** • obligation to demonstrate that the purchase of raw materials is compatible with the zero deforestation regulation for goods imported into Europe (wood and rubber are already covered, the regulation could be extended to mining products) • disruption of supply chains and material shortages due to extreme events (*e.g.* wood shortages due to forest fires, pests, concrete shortages due to water stress).
# 6 Strengthen the Responsible Purchasing policy by integrating and deploying new criteria for key materials (recycled, low-carbon, origin, etc.)	2026-2028	End of 2028	To be launched	Group (with a particular focus on development activities)	

Pillar 2 - Reduce resource consumption

Objective	Launch	Deadline	Situation at 31/12/2024	Scope	Link with IROs
Owning exemplary buildings enabling customers to reduce their water and energy consumption					
# 7 - 40% carbon intensity per m² held (Scope 1, 2 and 3, reference year 2010)	Launched	End-2030	-28% at the end of 2024	Group	**Impact:** climate change **Risk:** tightening of regulations concerning the GHG emissions of companies. **Opportunity:** financial grants for the installation of solar panels or green roofs.
# 8 100% of the core portfolio and 100% of new projects environmentally certified	Launched	End-2025 and permanent	98.5% in the portfolio 100% in the pipeline	Group	**Opportunity:** increase in financing opportunities connected with developing sustainable real estate projects (green bonds, private or public investments, conservation financing, etc.).
# 9 - 25% energy consumption in 2030 (2019 baseline) > tertiary sector only > to be readjusted in 2025	Launched	End-2030	-30% at the end of 2024	Group	**Impact:** climate change **Risk:** tightening of regulations concerning the GHG emissions of companies. **Opportunity:** increase in financing opportunities connected with developing sustainable real estate projects (green bonds, private or public investments, conservation financing, etc.).
# 10 - 10% average water intensity in the operational control scope (2019 basis) And respect of thresholds set per portfolio (in m^3/m^2/year)	2024-2026	End-2030	-29% (Offices)/-24% (Hotels)	Group	**Impact:** overexploitation of water resources. **Risks:** • local conflicts related to water use, during the construction phase and the building use phase • local shortages of drinking water. **Opportunity:** increase in financing opportunities connected with developing sustainable real estate projects (green bonds, private or public investments, conservation financing, etc.).
# 11a Use electricity with guarantees of renewable origin for 100% of the operational scope	Launched	End-2025 and permanent	80%	Operational control	**Impact:** climate change **Risk:** tightening of regulations concerning the GHG emissions of companies. **Opportunity:** financial grants for the installation of solar panels or green roofs.
# 11b Double the production of solar energy in the Group's portfolio compared to 2023	2024-2026	End of 2030	1.3 GWh in 2024	Group	**Impact:** climate change **Risk:** tightening of regulations concerning the GHG emissions of companies. **Opportunity:** financial grants for the installation of solar panels or green roofs.
Reduce dependency on new raw materials					
# 12 Monitor the consumption of materials with the greatest impact on at least 80% of new development operations (*e.g.* concrete, glass, steel and aluminium).	2024-2026	End-2026	To be launched	Development (commercial and residential)	**Impacts:** • land use change, climate change • overexploitation of water resources and pollution. **Risks:** • creation and increase of the carbon tax affecting the import prices of materials (*e.g.* cement under the new EU ETS**) • disruption of supply chains and material shortages due to extreme events (*e.g.* wood shortages due to forest fires, pests, concrete shortages due to water stress). ETS**: Emissions Trading System.

Objective	Launch	Deadline	Situation at 31/12/2024	Scope	Link with IROs
# 13 Development of the use of [30]% recycled steel, [30]% recycled aluminium and [30]% low-carbon concrete and increase in volumes of recycled materials per m² built (* to be identified after diagnosis).	2026-2029	End-2030 and permanent	To be launched	Development (then operation)	**Impacts and risks** similar to the previous one. **Opportunity:** increase in financing opportunities connected with developing sustainable real estate projects (green bonds, private or public investments, conservation financing, etc.).
# 14 Development of partnerships with key players in the reuse and sustainable materials sector, by country	2024-2026	Permanent	Establishment of a dedicated working group	Group	**Impacts, risks and opportunities** similar to previous +. **Opportunity:** new renovation and deconstruction market, in line with zero net artificialisation policies.
# 15 Implementation of resource diagnostics for all large-scale demolition operations (> 5,000 m² lettable area) and commitment to retain/reuse (*in situ* or *ex situ*) 30% of materials (calculation in mass)	2026-2029	End-2030 and permanent	Diagnosis on Bobillot	Development (commercial and residential)	**Impacts, risks and opportunities** similar to the previous one.

Pillar 3: Contribute to the improvement of biodiversity in cities

Objective	Launch	Deadline	Situation at 31/12/2024	Scope	Link with IROs
Have a positive impact on biodiversity in 100% of operations					
# 16 CBS improvement after the project compared to the situation before the project for 90% of new builds.	2024-2026	End of 2025	CBS x3.3 on projects annual (75% of deliveries 2022-2023)	Development (commercial and residential)	**Impacts:** change in land use. **Risk:** obligation to respect regulations on the limitation of urban planning, the artificialisation of soils and the protection of natural spaces (*e.g.* CBD target of 30% protected areas, green and blue corridors, etc.). **Opportunity:** use of the portfolio's green spaces to contribute to ecological continuity or to restore biodiversity in city centres (based on ecological diagnostics).
# 17 Net gain in biodiversity (based on indicators such as the amount of planted areas created, areas cleared of vegetation, consideration of green and dark corridors, etc.) on the 20 largest sites in the portfolio under direct management (scope to be defined after portfolio screening).	2026-2029	End of 2030	Not yet launched	Operations (under direct management) - Group	
Promoting a culture of nature within teams					
# 18 100% of management trained in biodiversity issues in the sector	2024-2026	End-2025 and permanent	Done in 2024 via the preparation of this plan	Group	
# 19 Inclusion of ecologists in 100% of large-scale development/renovation projects (> 5,000 m² of leasable area) AND awareness-raising of operational teams on biodiversity issues.	2024-2026	End-2026 and permanent	Biodiversity contacts In France	Development (commercial and residential)	**Opportunity:** use of the portfolio's green spaces to contribute to ecological continuity or to restore biodiversity in city centres (based on ecological diagnostics).
# 20 100% of new operations examined by the Investment Committee are subject to a biodiversity assessment (acquisition or development).	2025-2026	End-2026 and permanent	To be launched	Group	**Impacts:** change in land use. **Opportunities:** • new renovation and deconstruction market, in line with zero net artificialisation policies; • increase in financing opportunities related to the development of sustainable real estate projects (green bonds, private or public investments, conservation financing, etc.).
Involve customers and stakeholders in biodiversity issues					
# 21 Raising customer awareness on climate and nature-related topics and including these topics in commercial leases (biodiversity, climate, water, green space management requirements as recommended by the BiodiverCity label, etc.)	2025-2029	End-2026 and permanent thereafter	Awareness raising launched on climate and water issues	Group	

3.2.4.5 Impact metrics related to biodiversity and ecosystems change (E4-5)

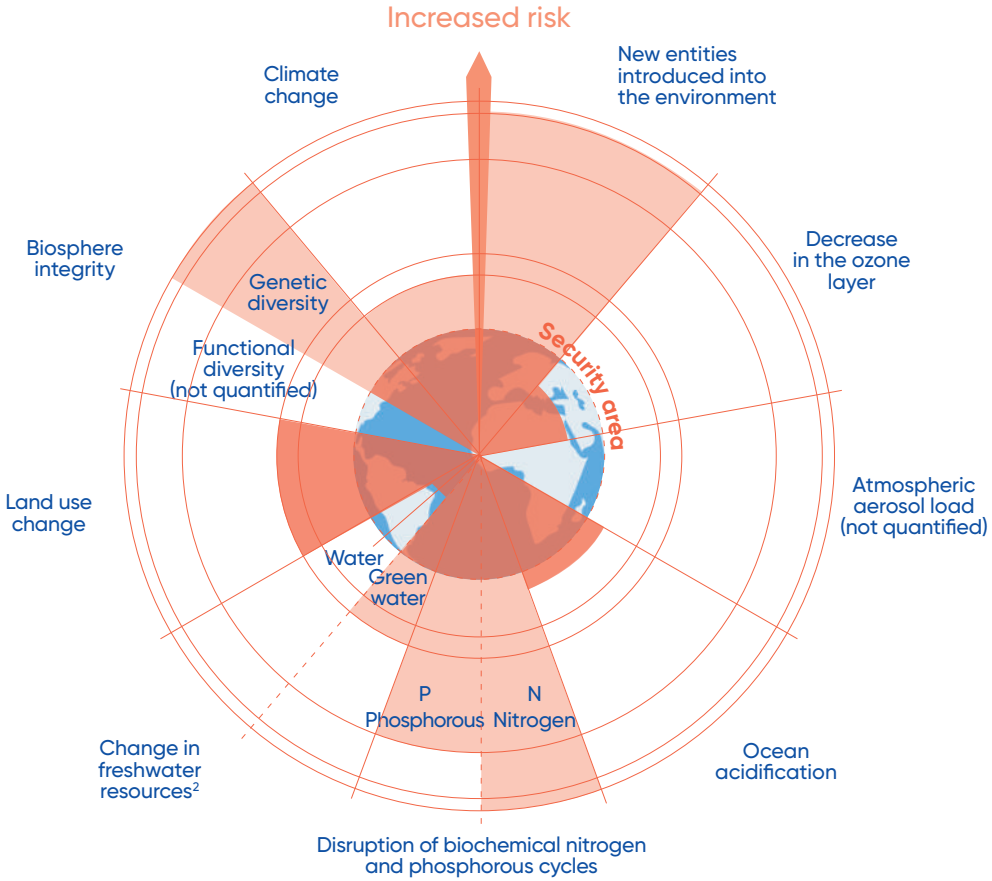
Biodiversity impact metrics are presented in section 3.2.4.1 and are of two types:

- an active grid analysis with the CBS (Biotope per Surface Coefficient) to measure the impact of operations on biodiversity at the scale of a site or a development project;
- a portfolio and Group analysis with the GBS (Global Biodiversity Score), which enables Covivio's impact on biodiversity to be determined by taking all of its activities and its value chain into account. Results: Static land impacts: 48 MSA.km²; Static aquatic impacts: 11 MSA.km²; Dynamic land impacts: 2 MSA.km².

Consideration of planetary limits

Planetary limits quantify the risks that human disturbances pose to the planet: for nine major processes involved in the functioning of the "Earth system", scientists [1] define nine boundaries. Crossing each threshold increases the risk of irreversibly destabilising the global environment, with major impacts on living beings and human societies. These thresholds include the erosion of biodiversity as well as other phenomena that also accelerate the loss of biodiversity: climate change, pollution, change in land use, etc.

Planetary boundaries in 2023[1]



[2] Use of blue water (lakes, rivers and groundwater)/green water (ground moisture).

Covivio's GHG emissions reduction target is validated by the SBT initiative (SBTi), enabling the alignment with the planetary boundary relating to climate change to be validated. Covivio, which is aware of the many interactions between all the environmental dimensions that the planetary boundaries intersect, has chosen to extend the scope and range of its strategy objectives. The Group's Nature strategy now includes objectives on reducing the Group's impacts on water, soil, climate, resource use and the circular economy as well as biodiversity.

Covivio is currently analysing the alignment of its climate objectives with the new Real Estate framework of the SBT initiative. In a second phase, the Group will study the possibility of setting objectives validated by the SBTN, particularly with regard to land use and water.

Biodiversity mapping report for Covivio's portfolio

Covivio has, for several years, complied with version G4 of the Global Reporting Initiative (GRI). An assessment of the performance of the sites in relation to the GRI indicators was conducted on 16 office sites in this context, in 2015. Extended to 157 sites (sample of commercial and residential portfolios in each country), this study was updated in 2017 and 2020. These works have enabled the requirements of the GRI 304-1 (operational sites in or near protected areas and areas of high biodiversity value) and 304-4 (list of endangered species in areas affected by activities) indicators to be met. They are summarised in Covivio's 2020 Sustainable Performance Report, published in 2021 (pages 92 and 93). The main conclusions can be summarized as follows:

- operational sites located in or adjacent to protected, biodiversity-rich areas (Disclosure GRI 304-1). Conclusion: on criterion 304-1, Covivio's activity can be considered "Performing";

(1) Planetary boundaries have been defined and monitored by the Stockholm Resilience Center since 2009. https://www.stockholmresilience.org/research/planetary-boundaries.html

- description of the impacts of activities on biodiversity (Disclosure GRI 304-2). Conclusion: on criterion 304-2, Covivio's activity can be considered "Performing";
- protected or restored habitats (Disclosure GRI 304-3). Conclusion: on criterion 304-3, Covivio's activity can be considered as "Performing" to "Very efficient";
- impact of 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 Performing".

The study conducted in 2024 and presented below goes further by studying the proximity of all Covivio sites in Europe to protected areas or more generally to sensitive biodiversity areas in Europe, in order to " identify sites with a high stake for local biodiversity and implement related measures.

1. Methodological elements

Scope: The study covers all the 1,641 Covivio sites held on 30 June 2024, classified according to the following typology:

- 510 "commercial" sites, covering offices with establishments in France, Italy and Germany and hotels;
- 1,131 "residential" sites in Germany (groupings carried out at the district level).

These sites are spread across 12 European countries, with more than 90% of sites concentrated in three main countries: Germany, France and Italy. The sites outside these three countries are all hotels.

Definition of sensitive biodiversity areas: The study was based on a cross-reference of the GPS coordinates of Covivio sites with the WDPA database (World Database on Protected Areas), listing:

- protected areas subject to specific regulations and/or having a national, European or international protection status: Natura 2000 areas, RAMSAR sites (wetlands), national and regional parks, biosphere reserves, etc.;
- other effective area-based conservation measures (AMCEZ): geographical areas "regulated and managed in such a way as to achieve positive and sustainable long-term conservation results" although they are not considered protected areas (*e.g.* areas managed by indigenous peoples, military reserves with access restrictions, etc.).

Because of the wide diversity of protected areas specific to each country and included in the WDPA database, only the main types of protected areas that were identified in the study are presented in the following list. The conservation areas (AMCEZ) did not feature in the study and are therefore not included in the list.

Methodology: This study identifies sites with high biodiversity challenges by superimposing the map of Covivio assets on those of protected/conserved areas in Europe. Conducted by UTOPIES, this work is structured around three stages.

Step 1: Collecting information

- GPS coordinates of Covivio assets: sorting by activity (residential, commercial Germany, Italy and France, hotels) and location (country, region).
- Contact details of protected and conserved areas from the World Database on Protected Areas.

Step 2: Analysing and processing of information

- Reconciliation and superimposition of information from the register of sites provided by Covivio and the WDPA database with geospatial calculation techniques (Python, Geopandas, RTree): calculation of the distance between each Covivio site and all protected areas located within a 10-kilometre radius, taking the closest point to the protected area as a reference.
- Classification of Covivio sites according to their proximity to the nearest protected/conserved area based on the following thresholds: In a protected/conserved area/Less than 500 metres away/Between 500 metres and 1 kilometre away/Between 1 kilometre and 5 kilometres away/More than 5 kilometres away from a protected area [(1)].
- Analysis of results according to these categories, by country and by type of site (Residential, Offices, Hotels).

Stage 3: Preparation of the study report.

2. Result

Out of all 1,641 Covivio sites, more than 25% are located in or less than 500 metres from a protected area and an additional 17% are located between 500 metres and one kilometre from a protected area. **In total, 42% of Covivio sites are located less than one kilometre from a protected area.** These sites are concentrated in the following seven countries: France, Germany, Italy, Spain, the United Kingdom, Belgium and Poland. **Germany and the United Kingdom stand out with nearly half of their assets concerned.** Initially, the results are presented in proportion to the number of sites and not in terms of surface area, to provide an overview of Covivio's exposure to sites that could have a negative impact on areas that are sensitive in terms of biodiversity. This diagnosis will then be broken down by surface area in 2025 in order to prioritise the actions to be taken.

Five sites are specifically located within a protected area:

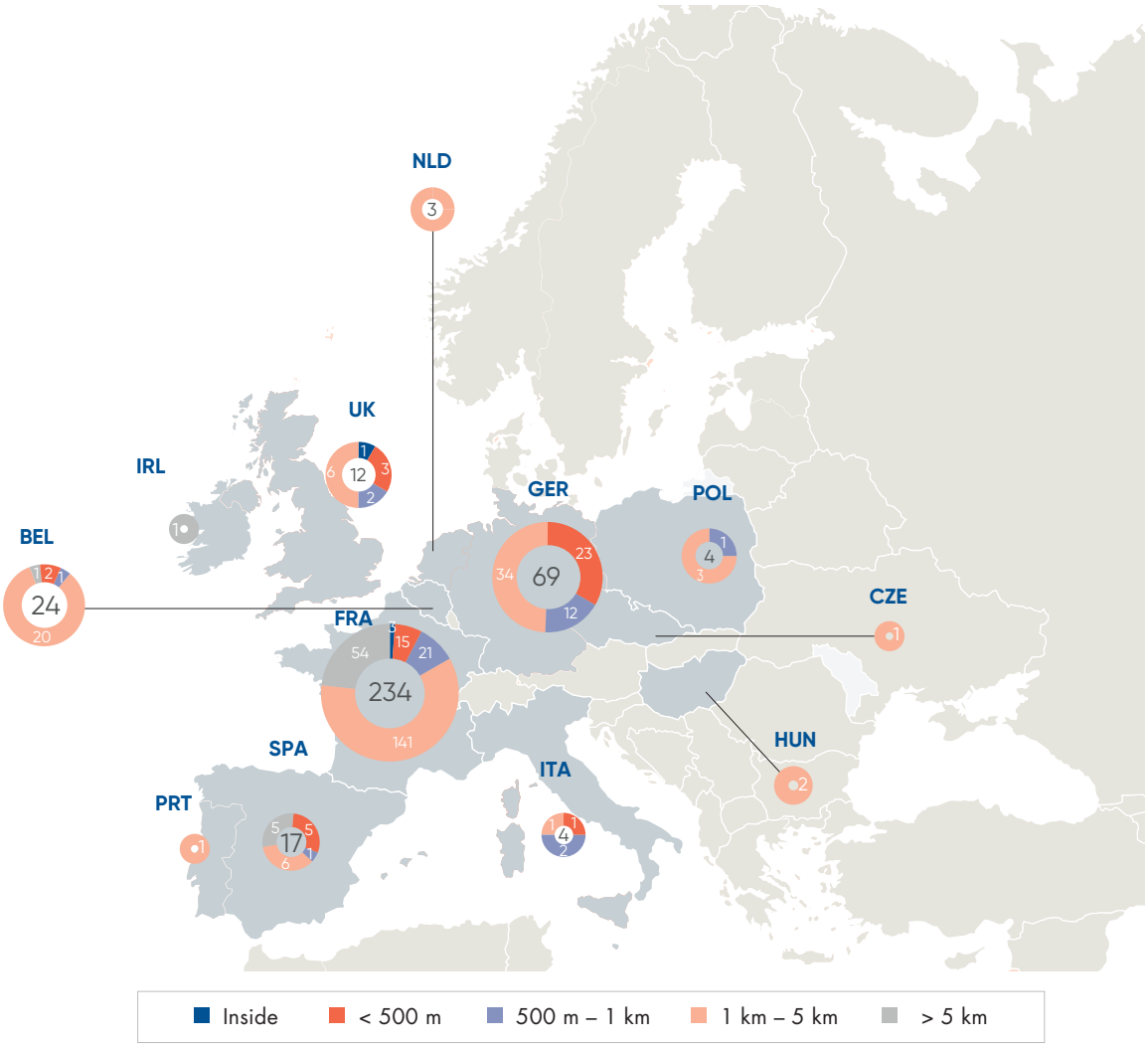
- three sites in France;
- one site in the United Kingdom;
- one site in Germany.

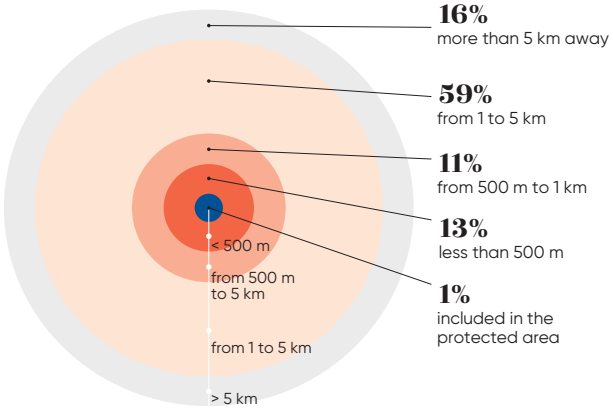
These include hotels and residential assets.

Europe-wide, the majority of Covivio's assets (more than 900 sites, or 58%) are located more than one kilometre from a protected area, but only 7% are more than five kilometres away.

(1) This study identifies assets with biodiversity issues in terms of their proximity to protected/conserved areas. As such, it does not include the potential impacts of Covivio assets on biodiversity beyond 5 kilometres (water pollution, emissions of volatile organic compounds, etc.).

Map showing the distribution of Covivio Hotels sites according to their distance from protected areas and by country





In light of these results, Covivio is analysing the sites in question more closely in order to:

- accurately identify the regulations that apply in the protected areas concerned and ensure that the site complies with them;
- conduct an environmental impact assessment to assess the project's current and potential effects on ecosystems;
- develop and deploy a local action plan to reduce and minimise the potential impacts of the site's operation (sustainable mobility, energy and resource management, compliance with sensitive periods, etc.).

These sites can also be privileged spaces to raise awareness and train Covivio teams as well as occupants in the challenges of preserving local biodiversity as part of the implementation of the Nature strategy.

3.2.4.6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities (E4-6)

Focus on the hotel business as part of the objective of protecting and restoring biodiversity and ecosystems

The Delegated Act [1] on the other four environmental objectives, including the protection of biodiversity, was published in June 2023. It introduces the hotel business within the scope of the taxonomy. For Covivio, this means that the revenue generated by its hotels in operation is eligible for the taxonomy. The alignment calculation, required for the 2024 fiscal year, will require compliance with five technical conditions, which themselves include detailed sub-criteria:

- contribution to conservation or restoration activities;
- action plan to contribute to nature conservation;
- sustainable supply chain and environmental management system;
- minimum requirements for classifying the performance;
- audit of the aforementioned information.

Covivio began the initial work of analysing these criteria in 2023, in order to begin collecting information on its hotel operating properties in 2024 and to be in a position to publish initial information in 2025.

(1) Delegated regulation - EU - 2023/2486 - EN - EUR-Lex

3.2.5 Resource use and circular economy (ESRS E5)

The objectives of the ESRS E5 are to understand which material resources are used by the company throughout its value chain and how it integrates the principles of the circular economy into its business model.

The circular economy is an economic system in which the value of products, materials and other resources in the economy is maintained for as long as possible, improving their efficient use in production and consumption and promoting reuse, thus reducing the environmental impact of their use, minimising waste and the release of hazardous substances at all stages of their life cycle.

According to the EU action plan for the circular economy, the transition of the European economy to a circular model is a prerequisite for achieving the objective of climate neutrality by 2050 and avoiding collapse of biodiversity.

The ESRS E5 standard builds on the existing European legislative framework, in particular the circular economy action plan, the waste framework directive and the industrial strategy for Europe.

3.2.5.1 Impacts, Risks and Opportunities of resource management and the circular economy (IRO-1)

Covivio incorporates the issues relating to the circular economy and resource management into the implementation of its CSR policy. The construction sector is heavily impacted by waste management. Firstly, due to the quantity of waste produced by its activities (46 million metric tons of waste generated by construction (excluding public works), which is 1.5 times the production of household waste by the French), but also because of its low recovery rate (between 40 and 60%) (1). Resource management is also essential since the construction sector uses 50% of the raw materials extracted in Europe.

According to ADEME, the hotel and catering sector generates around 1.9 million metric tons of waste each year. Waste management has become a major issue for hotel establishments concerned with reducing their environmental impact. Waste management in the hotel sector is governed by strict regulations aimed at minimising the environmental impact. Decree No. 2016-288 of 10 March 2016 requires hotels producing more than 1,100 litres of waste per week to sort and collect five separate streams: paper, metal, plastic, glass and wood.

The anti-waste law for a circular economy (known as the AGEC law), adopted in 2020, reinforces these requirements by requiring restaurants with more than 20 seats to sort their bio-waste (food waste), from 2024. Used cooking oil (UCO) forms a category of hazardous waste because of its potential to pollute soil and water. Professionals in the hotel and catering industry who generate more than 60 litres of hazardous waste per year, including cooking oil, must sort it and have it collected by a company licensed by the prefect.

Hotels, restaurants and other establishments open to the public have since 10 February 2022 been required to provide water fountains for their visitors and employees, and are no longer permitted to distribute plastic water bottles.

The dual materiality analysis carried out at Group level highlighted the issues of "Waste management on its operational assets" and "Promotion of the circular economy and resource management in the context of its development projects" at quite different levels of materiality, the former being non-material and the latter material for Covivio. Given the importance of waste management in the running of a hotel, it was decided to combine these two issues at the end of the report on Covivio Hotels.

(1) Building waste | Regional planning ministries Ecological transition (French only)

Summary table of IROs related to ESRS E5

ESRS E5 - CIRCULAR ECONOMY AND RESOURCE/MATERIALS MANAGEMENT	
Description and key words	Use of resources and identification of critical resources Sustainable, bio-sourced, recyclable, recycled and reusable materials Workers in the value chain
Main impacts	Impacts related mainly to the renovation activity of Covivio Hotels. They require the circular economy to be taken into account throughout the project. The AGEC law in France (Anti-waste and circular economy) aims to accelerate the transition(1). Transition to 7-stream sorting on construction sites: metal, plastic, glass, wood and paper/cardboard + Mineral fraction waste: concrete, bricks, tiles, ceramics or stone/Plasterboard waste: plasterboard, honeycomb partitions, plasterboard or tiles Positive impact: participation in the development of the circular economy sector
Positioning in the value chain	Upstream, direct and downstream operations
Main risks	Financial risk difficult to estimate but the risk of difficulty in the supply of certain resources (timber) can delay projects and increase costs Reputational risk at project level: upgrading becomes a key element, including in the communication of companies in the sector A significant insurance issue: the introduction of reuse may be slowed down for this reason
Materiality	Material

ESRS E5 - WASTE MANAGEMENT	
Description and key words	Ensure selective collection in buildings Cost of waste management
Main impacts	72% of French people say they sort their packaging at home, but only 29% do so at work or in public places Waste management is a major issue in the hotel sector (particularly for restaurants)
Positioning in the value chain	Direct operations and, to a more limited extent, downstream
Main risks	Limited financial risk although there is an increase in the cost of waste management The risk to the continuity of activity in the hotel industry is linked exclusively to external factors (a strike by refuse collectors, for example). In this case, a reputational risk may be added to the risk of business interruption.
Materiality	Material

(1) FAQ-INEC-Batiment.pdf (institut-economie-circulaire.fr).

A collective effort involving the entire sectorollective work involving the entire sector

As part of the renovation and redevelopment of buildings, Covivio carries out resource diagnostics to identify the project's products, materials, equipment and waste and to define their potential for reuse and recovery, prioritising the most virtuous. Depending on the type of building, partnerships are forged with local players, which enables associations working in the region to become involved. These are mainly associations working in the field of workplace integration and back-to-work programmes, in view of the amount of dismantling, handling and sorting work involved.

In addition, Covivio implements low-nuisance construction site charters for its construction and renovation programmes. These notably govern the conditions for the choice of materials and equipment, by encouraging its partners to use reuse, recycling and repurposing solutions. They establish an ambitious framework which is then incorporated into the specifications and contracts.

To continue to improve, Covivio is involved with works concerning the circular economy. These works are carried out with associations (Alliance HQE-GBC, BBCA, Orée, IFPEB, etc.), suppliers and the academic world. In 2020, Covivio's So Pop project participated in the HQE Circular Economy Performance test organised by the HQE-GBC Alliance, which tested material flow analysis (Building MFA), which enables circularity indicators to be calculated over the whole life of a building.

3.2.5.2 Policies related to resource use and circular economy (E5-1)

3.2.5.2.1 Accelerate the transition to the circular economy in the context of development operations

The design and management of Covivio's buildings incorporates issues relating to the circular economy as part of the implementation of its CSR policy. This approach is aimed at separating economic growth from the depletion of natural resources by creating innovative products, services, business models and public policies. The Institute for the Circular Economy states that this involves, in particular, prolonging the flow of materials (reuse, recycling) and products (ecodesign avoiding planned obsolescence) throughout the life of a product or service". For Covivio, this can be summarised in two important ways:

- favour refurbishment over demolition/reconstruction. This type of operation requires a thorough cleaning of the building to be renovated, starting with a diagnosis to identify equipment or materials that can potentially be reused on site either as part of the future project or off site, by distributing them to platforms (free or for sale);
- consider the future of the building from the design stage to ensure that it is adaptable and flexible to integrate new uses. This step is key in extending the life of the asset.

The use of sustainable, recycled or more easily recyclable materials is now widespread in the Group's practices, consistent with the targeted environmental certifications. Awareness-raising actions are carried out among the teams to include the challenges of the circular economy into the Company's activities and day-to-day operations.

All these issues are covered by the certification targets set by Covivio as part of its development projects. This is notably the case for target 3 of the HQE standard, "Construction site with low environmental impact", which covers optimising waste management, limiting nuisances and pollution on the construction site, and limiting the consumption of resources on the site.

Development operations and renovations are also subject to strict rigorous waste treatment controls. As a result, dedicated procedures are put in place on construction sites to ensure recycling in accordance with these "low-nuisance construction sites" charters. Initiatives have also been launched to fight against food waste as part of the implementation of the European taxonomy for the construction activity (3.2.5.3.3).

A collaborative approach to promote the circular economy on projects

Covivio has set itself ambitious circular economy objectives in the context of its (re)development operations. These include the recycling and/or reuse of materials from cleaning and deconstruction as well as the reuse of materials and/or equipment sourced *in situ* or *ex situ* as part of its projects. Aware of the impacts of the sector and the possibilities offered by the projects, a working group was set up within the Development team in France to:

- review past operations to draw up a list of lessons learned and partners to engage as part of a reuse approach;
- steer future projects to ensure that a circular approach is adopted throughout the project.

This group's initial work resulted in the formulation of specifications defining the scope of intervention of a Circular Economy Project Management Assistance that could be called upon to work on a Covivio site. These specifications are also accompanied by a reuse assessment grid at the end of the construction site and a table showing the equipment/materials to be reused between Covivio projects.

The circular economy is the subject of regular discussions at Group level in the SD Meeting and within the Nature Strategy Monitoring Committee. This is a major subject in the context of the Nature Strategy (3.2.4.2).

3.2.5.2.2 Waste transition for the operational portfolio

Covivio has established waste reporting for its assets that have been in operation for more than ten years. This reporting has helped develop the policy on this subject, which is based on two main approaches:

- the provision of selective sorting equipment for waste collection. Achieved: 100% selective collection in buildings in 2023 and 2024;
- raising end-user awareness: various measures can be implemented to improve the quality of sorting and the reduction of waste production at source, depending on the level of Covivio's operational control over the assets held.

In hotels with a restaurant, food waste is collected separately for reasons of hygiene and to comply with regulations. Anti-waste measures have been standardised for several years, under the impetus of regulations such as the AGEC law in France.

In 2024, Covivio began a process of obtaining Green Key certification for its hotel operating properties, and this portfolio will be fully certified by the end of 2025. For more information on Green Key: section 3.1.3.1.3.

Covivio is committed to limiting the use of single-use plastics as much as possible. For example, in the case of Covivio Hotel, 100% of the hotels owned and operated by Covivio Hotels are committed to a zero plastic approach, with initiatives that may vary depending on the brand: elimination of the use of individual water bottles in rooms, use of refillable bottles for shampoos or soap rather than single-use mini-bottles, etc.

3.2.5.2.3 Sustainable procurement

Covivio has started to draw up sustainable procurement plans for certain categories of purchases for all the Group's activities (development, operation). Covivio's Nature policy, which applies to its activities, aims (objective 5) to monitor the origin of the materials and equipment used in projects by the end of 2026.

Sustainable procurement is defined as the process of integrating environmental and social criteria into the purchasing of goods and services in order to reduce environmental impact, increase social benefits and strengthen the economic sustainability of a project throughout the products' life cycle (definition by the Sustainability Purchasing Network, an organisation that promotes responsible procurement).

In order to follow this principle, the materials selected must have one or more of the following characteristics:

- be reused;
- have a certain recycled content;
- have environmental management certification;
- have a traceability certificate;
- come from the geographically closest sources whenever the performance and cost of the equipment and materials are identical.

The hotels owned by Covivio (under leases or operating premises) and with a restaurant have Responsible Procurement policies for food and beverages. These vary according to the brands, but overall, the focus is on the following commitments:

- purchases of sustainably harvested (MSC) or seasonal fish;
- no products from endangered species (meat, fish and shellfish products) on the menu;
- meat product with a sustainability label or short supply chain;
- use of products from free-range or organic poultry;
- introduction of a minimum quota for products from organic farming, fair trade, locally produced using environmentally friendly methods and/or from short supply chains;
- at least one vegetarian meal offered on the restaurant menu of the hotels;
- purchases of seasonal fruits and vegetables;
- communication and engagement with our suppliers and service providers;
- furniture made from FSC or PEFC wood;
- paper items (office and hygiene) made from sustainably managed forests.

3.2.5.3 Actions and resources related to resource use and circular economy (E5-2)

The actions presented below are specific to the Group's activities and are not exhaustive. Numerous initiatives in favour of the better management of resources and a circular economy are carried out with or by suppliers (particularly for construction) and managers, as the subject is closely connected to the corporate CSR policy of the brands. Implementation is carried out by operational staff (works departments) and monitored by the Nature Strategy Monitoring Committee.

3.2.5.3.1 Actions undertaken on development projects

As a developer, Covivio engages its stakeholders (suppliers, design offices, tenants, operators, etc.) on its construction sites through four key documents which define technical and environmental requirements, and which are required for each project certified in France:

- The environmental notice;
- The management system for the operation;
- The assessment of the building's environmental quality (HQE or BREEAM);
- The low-nuisance construction site charter.

The low-nuisance construction site charter applies to all parties involved in the construction site and details the environmental principles to be followed, as well as specific objectives for each project. It includes a list of recommendations on the following subjects (at a minimum): waste, noise, resource consumption, communication with local residents, materials, social aspects (comfort, safety, well-being). It explains each person's roles and sets specific objectives: for example, target 85% recycling of construction site waste, use 80% PEFC or FSC certified wood, etc. When it is no longer possible to reuse a material, the priority is to recover it or recycle it in the production of a new material.

3.2.5.3.2 Actions implemented for the operating portfolio

Covivio has been monitoring waste production on its sites for more than ten years (3.2.5.5.1) and ensures that selective waste collection facilities are available in all its buildings. One of the two major areas of this action plan is to raise awareness among end users, particularly in the head office buildings or in the hotels held as operating properties.

Single-use plastics

Given the Group's business, the production of plastic waste is mainly connected to hotel operations. During construction and renovation, priority for identifying action levers is given to materials with a high impact in terms of carbon and biodiversity, such as concrete, steel or aluminium.

In order to be exemplary in its assets under management, Covivio initiated a process aimed at moving towards "zero plastic" by the end of 2026, several years ago. This measure was notably championed as part of the Covivio 4 Climate (C4C) project. A process for identifying single-use plastics used at the sites was therefore set up in order to consider an alternative. All of the Group's headquarters buildings are equipped with water fountains and reusable crockery is available for employees. This action is accompanied by an awareness-raising campaign for employees on the subject, in particular to encourage them to choose reusable packaging for their meals, as this type of waste is one of the main flows identified in office buildings.

The common thread, the example of L'Atelier

As part of its C4C approach, Covivio used the relocation of its European headquarters, which houses the management of Covivio Hotels, to introduce new waste reduction and management practices:

- waste sorting and recycling of 100% of paper and cardboard, collection and recycling of coffee capsules, collection of printer toner, batteries and plastic caps (for recycling) and gradual extension of sorting to other waste (metal, plastic, food, etc.);
- limited food waste via the redistribution to employees of preparations and dishes not consumed at the end of meetings/events;
- elimination of plastic water bottles and installation of water fountains;
- distribution of flasks made from recycled plastic;
- 100% of the paper used in Covivio printers is PEFC certified (paper from sustainably managed forests) and bears the European Ecolabel (based on the product's complete life cycle, its quality and its use). This paper policy applies to all printing and external administrative or commercial publications. Covivio also provides ePresse digital newspapers via QR Code in the communal areas.

3.2.5.3.3 Actions implemented for hotel operations

The buildings owned by Covivio Hotels are operated according to the standards defined by the different brands. Covivio Hotels set out an ambitious framework for waste management and combating food waste in the contracts (franchise or management) for the scope owned and operated as hotel operating properties. These provisions are in line with the action plans of the brands in this area and the Green Key label requirements that each hotel in the WiZiU scope must obtain by the end of 2025.

The waste section of the Green Key label (or Green Key in France) includes 16 criteria, 14 of which are mandatory. This label comprises a total of 120 criteria, 69 of which are mandatory.

Thus, according to the Green Key analysis grid, hotels must implement or strengthen eight actions for waste sorting and eight actions for waste reduction.

The 16 criteria of the Green Key label

Waste sorting	Waste reduction
Implementation of sorting for all categories of waste	A maximum of five food categories are individually packaged
Appropriate and safe management of hazardous waste	Elimination of disposable tableware
Frequency of collection and a sufficient number of containers to manage the volume	Limiting the use of printing and brochure paper
Provision of solutions if the frequency is insufficient or if the local authorities do not collect the sorted waste	Introduction of measures to limit food waste
Composting organic waste (on site or via a service provider)	Water carafes provided for customers when water quality permits
Measurement/estimation of the weight/volume of waste	Elimination of personal hygiene products in individual packaging
Sorting possible in rooms or at least in the hotel	Courtesy products available on request (recommended)
Clear and visible information concerning sorting locations and instructions	Purchasing policy aimed at reducing the volume of waste and the use of plastic (recommended criterion)

In addition, the label has developed a method for estimating the volume of waste in cooperation with WWF [1] to help operators make data on the subject more reliable.

Combating food waste

The hotels operated by WiZiU have included the fight against food waste in their strategy in recent years and are pursuing this objective at the individual hotel level. For example, the Méridien Nice is a partner of Too Good To Go. This mobile app enables users to collect fresh produce from local restaurants or shops, thus contributing to the fight against food waste.

(1) https://www.greenkey.global/https/sustainablehospitityallianceorg/resource/hwmm

3.2.5.3.4 Main resources deployed

Waste management represents between 1% and 4% [1] of the operating budget of a building if an external service provider is chosen. In addition, companies are liable to pay the refuse collection tax. This is re-billed to the tenant. Although the budget for waste management is controlled, it is set to continue to rise in the future to include, in addition to collection costs, costs related to sorting equipment and raising awareness among end users.

In the development phase, the implementation of a circular economy initiative requires the mobilisation of different types of resources:

- technical and intellectual: mobilisation of the local ecosystem and key partners to ensure that the initiative is successful (associations, specialised companies, Engineering consultants/Project Management Assistance [2] Environment or circular economy);
- human resources: staff commitment in order to break old habits;
- financial: the additional costs associated with carefully removing the equipment on site, which can be offset by the resale of the reused equipment.

Although the financial equation remains difficult to balance, the increased skills in the sector and the experience gained on the projects will enable potential gains to be optimised in the medium to long term.

3.2.5.4 Targets related to resource use and circular economy (E5-3)

Covivio strives to comply with European legislation on waste for all of its building renovation programmes, Directive 2008/98/EC requires 70% (by weight) of non-hazardous construction and demolition waste to be processed for reuse, recovery or recycling. This criterion of a minimum of 70% is used as a criterion by the Taxonomy, and by Covivio as a minimum target on its construction sites.

3.2.5.4.1 The objectives of the circular economy approach in development projects

Covivio has carried out life cycle analyses (LCA) since 2010, in order to quantify the environmental impacts of projects at each stage of their life cycle (construction, operation of the building and finally deconstruction). These LCAs are carried out based on the analysis of six modules: materials, energy, water, travel, construction site and waste. They have been key in the implementation of a circular economy approach in Covivio's operations. By setting targets for the use of recycled materials, Covivio is helping to reverse the trend of depleting the world's resources.

Covivio's Nature strategy is based on three pillars and 21 objectives. These go further than the regulations to ensure that environmental issues are given greater consideration in the Group's activities. After conducting a number of analyses, the circular economy emerged as a key issue for achieving the Group's climate and biodiversity objectives. Several objectives of the plan deal with this subject, as shown below in the extract from the table of objectives presented in ESRS E4 – section 3.2.4.4.

Objectives of Covivio's Nature Strategy related to resource and waste management

Objective	Launch	Deadline	Situation at 31/12/2024	Scope
Implement a traceability standard for key materials				
# 5 Structure a traceability process for the main construction materials (concrete, glass, steel, etc.) used in operations	2024-2026	End of 2026	To be launched	Development (commercial and residential)
# 6 Strengthen the Responsible Purchasing policy by integrating and deploying new criteria for key materials (recycled, low-carbon, origin, etc.)	2026-2028	End of 2028	To be launched	Group (with a particular focus on development activities)
Reduce dependency on new raw materials				
# 12 Monitor the consumption of materials with the greatest impact on at least 80% of new development operations (*e.g.* concrete, glass, steel and aluminium).	2024-2026	End-2026	To be launched	Development (commercial and residential)
# 13 Development of the use of [30]% recycled steel, [30]% recycled aluminium and [30]% low-carbon concrete and increase in volumes of recycled materials per m² built (* to be identified after diagnosis).	2026-2029	End-2030 and permanent	To be launched	Development (then operation)
# 14 Development of partnerships with key players in the reuse and sustainable materials sector, by country	2024-2026	Permanent	Dedicated working group	Group
# 15 Implementation of resource diagnostics for all large-scale demolition operations * (> 5,000 m² lettable area) and commitment to preserve/reuse (*in situ* or *ex situ*) 30% of materials (mass calculation) (*to be identified after diagnosis).	2026-2029	End-2030 and permanent	Diagnosis in progress	Development (commercial and residential)

(1) PEMD diagnosis during the cleaning phase in France.

(1) Operating expenses in waste management: the complete guide - Businessplan-templates.com
(2) BET: technical design office/project management assistant.

Project Management Assistance circular economy specifications

In conjunction with the dedicated working group set up in France (3.2.4.2), the following objectives were reiterated in the Project Management Assistance circular economy specifications for redevelopment projects, in addition to the objectives described above (in particular objective 15):

- obtain the BBCA or LCBI label for 75% of projects in France;
- for each operation, implement a circular economy approach and systematically carry out a PEMD diagnosis (Products, Equipment, Materials, Waste) during the cleaning phase;
- test a circular economy certification or label (CircoLab, Ecocycle, 2EC, Cradle to Cradle);
- achieve a recovery rate of 80% of the total mass of waste, including 50% through material recovery and 100% for inert waste;
- engage in a process of recycling existing glazing, a material found in Covivio's assets and using scarce resources (water, sand, etc.);
- and use low-carbon glazing.

These objectives are the minimum prerequisites and must be completed according to the possibilities offered by the project. These specifications are intended to be included in all new projects in France and to be shared at the European level.

More information in section 3.2.4.3, in particular concerning the link of these objectives with nature-related IROs.

Low-nuisance construction site charters

The low-nuisance construction site charters drafted by Covivio for each of its certified developments in France also enable specific objectives to be set to ensure that all stakeholders on the site comply with a high level of environmental performance.

For example, the target for site waste recovery for the IRO project in Chatillon was set at 85%, including 50% material recovery. Accurate waste monitoring by type is also stipulated in these charters, outlining the best practices to be adopted.

3.2.5.4.2 Waste management objectives in the operational portfolio

Local authorities or their waste collection contractors do not provide information on the volume or tonnage of waste. In this context, Covivio is ensuring the standardisation of selective collection (100% selective waste collection in 2023 and 2024).

Hotels - Operating properties

With the implementation of the Green Key label, the weight and/or volume of recyclable and non-recyclable waste must be measured or estimated. With 90% of hotels labelled (WiZiU scope) as of 31 December 2024, the data can now be consolidated and Covivio Hotels is planning to set a multi-year target for weight and volume in 2025.

Corporate scope

Covivio has initiated a zero plastic initiative for buildings hosting its teams in Germany, France and Italy. This initiative enables solutions to be identified which can be replicated in the direct management portfolio. Covivio aims to stop using disposable plastic in the directly managed activities scope by the end of 2026. An inventory of the uses of plastic was therefore compiled and specific actions have been taken to identify alternatives to plastic.

3.2.5.4.3 Covivio's resource inflows (E5-4)

The dual materiality study highlighted that the use of inflow materials and products is not very material for Covivio. Moreover, this subject is already well covered by specifications and regulations. This subject mainly concerns construction materials on construction sites and in the context of the refurbishment of offices in operation. Covivio considers the traceability of materials to be a key element in the context of its Nature strategy objectives and is planning to collect more information on the quantities of resource inflows in the context of its development projects (on its supply chain).

In the case of hotels, material flows mainly concern the supply of food and drink and products provided in the rooms (shampoo, shower gel, toothbrushes, bottles of water, etc.).

3.2.5.5 Resource management and circular economy metrics (E5-5)

3.2.5.5.1 Production and treatment of waste in the operating portfolio

Analysis of waste flows on the portfolio

The regulations differentiate between seven streams for which recycling is mandatory: paper, wood, metals, plastics, glass, mineral fractions and plaster. The collection of bio-waste has also been compulsory since 2024. What cannot be recycled is categorised as non-hazardous industrial waste (NHW) for the commercial sector and non-recyclable household waste for the residential sector. In particular, this includes soiled packaging or, for example, food waste in localities where the collection of bio-waste is not organised. This non-recyclable waste is then often channelled into energy recovery processes.

A reporting system is set up for assets with a contract with a waste removal company, in order to monitor the performance of the sorting and the different flows generated. However, it remains difficult to establish general statistics across the Group's portfolio, because waste production is heavily impacted by the services available on site and the type of users. The presence of restaurants or shops has a significant impact on the quantity and type of waste generated in the building, in particular by increasing the proportion of food or glass waste. Lastly, assets with green spaces generate green waste, which in most cases is handled by the green space management company.

Sector specificities

Corporate Offices	Hotel real estate
The paper/cardboard flow remains the majority in most cases, followed by recyclable and non-recyclable non-hazardous waste, in particular food waste and plastic food and metal packaging (bottles, cans, lunch boxes, etc.).	The flow of plastic packaging has been reduced in recent years thanks to the policies implemented by operators. Conversely, food waste is higher than in other sectors (breakfasts, catering). It is also possible to have textile waste.

Covivio and its subcontractors may be required to generate or collect hazardous waste, in the course of its activities, in particular:

- oils, solvents, aerosols, soiled rags;
- waste electrical and electronic equipment (WEEE).

This waste is subject to specific procedures and must be sent to the appropriate channels via specialised players. These services are usually included in facility management contracts to ensure that the building maintenance company respects these obligations. With respect to electronic waste (computers, smartphones), Covivio has set up various initiatives within its corporate scope to favour the maximum reuse of digital equipment. Specialised companies are therefore tasked with cleaning and making this equipment safe before it is repurposed. The programme has enabled the Covivio Foundation's partner associations to receive IT equipment on several occasions. Covivio is not involved in the production of radioactive waste.

However, because of the nature of its activity, this type of waste is not considered material and is not included in the table below.

For information, Covivio's electricity consumption in the operational scope in France generates 122 g of radioactive waste per MWh of electricity consumed. The data available on the Group's other locations does not allow similar equivalences to be given.

Analysis of waste flows on the portfolio

Waste production data is collected from various stakeholders:

- multi-tenant buildings: facility manager and waste removal companies when a private structure or local authorities are concerned. Waste data concerns the entire building (common and private areas);
- single-tenant: tenant or management structure of hotel operating properties (direct management).

The data can be provided:

- in the form of relatively detailed statements depending on the risks posed by the waste (hazardous or otherwise, etc.), recycled, etc.;
- estimated on the basis of diagnoses: in this case, the report specifies the estimated percentage. Some estimates are based on the frequency and volume of collection.

Details on processing methods are not systematically available and therefore do not enable this information to be consolidated at this stage. This is why only the proportion of waste that is recycled, reused or composted is indicated.

WASTE - ABSOLUTE	GRI	EPRA sBPR	HOTELS Operating properties 2024	HOTELS EUROPE 2023	HOTELS EUROPE 2024
Coverage of the reporting scope by surface area (m²)			409,430	562,649	721,534
Coverage of the scope (%)			**72%**	**31%**	**43%**
Coverage of the scope (number of buildings)			25/54	34/308	49/279
Proportion of estimated data			26%	42%	27.1%
Total non-hazardous waste (in metric tons)	**306-2**	**Water-Abs**	-	-	-
Waste intensity (in kg/m²)			8	9.8	8.7
Total non-hazardous waste (metric tons)	**306-2**	**Water-Abs**	**3,271**	**5,506**	**6,284**
of which recycled, reused or composted waste	306-2	Water-Abs	1,432	2,172	2,477
in%	**306-2**	**Water-Abs**	**43.8%**	**39.4%**	**39.4%**
Assets equipped with selective sorting systems			100%	100%	100%
Waste production extrapolated			3,271	17,973	17,432

The "hotel operational control" scope was added this year following the growth of the Hotel operating properties business across the Group's activities. However, these hotels were already included in the total Hotel reporting on previous years.

On a like-for-like basis (Waste-Lfl), waste production decreased by 21%.

3.2.5.5.2 Production and treatment of waste in the portfolio under development

Waste data on construction sites is usually collected by project environmental managers, who are responsible for monitoring environmental certifications. The main aim of this reporting is to verify that the recovery objectives of each project are being met and, in parallel, to ensure compliance with the monitoring and treatment obligations for construction-related waste.

In France, the PEMD diagnostic (Products, Equipment, Materials, Waste) has been mandatory since July 1, 2023, replacing the waste diagnostic obligation introduced in 2011, for projects involving the renovation, deconstruction of more than 1,000 m² or any building that housed hazardous substances. The objective is to break down building PEMDs by optimising their reuse or recovery.

Different methods of processing PEMDs

- virtuous >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> >>> + virtuous			
Disposal	**Recovery**		**Reuse**
Storage Incineration without energy recovery	Energy recovery	Material recovery	
	Incineration with energy recovery	Backfill Conversion of waste into fuel	Recycling Reuse Regeneration Composting

3.2.6 Contributing to the implementation of sustainable finance

Finance can be qualified as sustainable when it takes into account ESG criteria (Environment, Social, Governance); it includes socially responsible investment (SRI), solidarity finance and green finance [1]. Investors are increasingly taking ESG criteria into account in their analyses and investment choices. Covivio regularly organises roadshows focused on financial and ESG topics, or even exclusively on ESG.

Sustainable finance is a necessary lever to drive the transition to a carbon-neutral economy capable of limiting global warming. In Europe, the "Financing sustainable growth" action plan aims to provide major impetus to promote responsible investment. Foremost among the ten or so measures identified is the creation of a European Taxonomy, which aims to regulate the market for "green" or "sustainable" financial products and to direct investments towards activities that are compatible with Europe's ecological transition goals.

3.2.6.1 What compliance with the European "green" taxonomy?

The "green" taxonomy is intended to become the foundation on which future European regulations on sustainable investment will be based. The European Commission has set six major environmental objectives (detailed in the summary table below), and lists the activities that can make a positive contribution to them while not undermining the attainment of the other objectives (Do No Significant Harm – DNSH) and while respecting minimum guarantees on social and human rights issues. For each activity defined in this way, technical criteria must be satisfied in order to be able to claim that revenue, Capex or Opex is aligned with each objective. Covivio has therefore complied with the following requirements over the last four years (as at 31/12/N published in N+1) in order to comply with the regulations:

Year	Targeted objectives	Reporting obligation (Revenue, Capex, OPEX[1])	Activities identified for Covivio

2021	Climate objectives:
	• Climate change mitigation
	• Climate change adaptation
		Eligibility rate	Real estate activities:
			• construction of new buildings (development) - 7.1
			• renovation of existing buildings - 7.2
			• installation, maintenance and repair:
			  • energy efficiency equipment - 7.3
			  • instruments and devices for measuring, regulating and controlling the energy performance of buildings - 7.4
			  • charging stations for electric vehicles inside buildings - 7.5
			  • renewable energy technologies - 7.6
			• acquisition and ownership of buildings - 7.7
			• specialized services related to the energy performance of buildings - 9.3

2022	Climate targets	Eligibility and alignment rate: • verification of substantial contribution criteria • Do Not Significant Harm • Minimum safeguards	Real estate activities
2023	Climate + objectives: • Sustainable use and protection of water and marine resources • Transition to a circular economy • Pollution prevention and control • Protection and restoration of biodiversity and ecosystems	Climate objectives: • Eligibility and alignment rate 4 other objectives: • Eligibility rate	Real estate activities + : • hotels, tourist accommodation, campsites and similar accommodation - Biodiversity 2.1 • construction of new buildings* - Circular Economy 3.1 • renovation of existing buildings* - Circular economy 3.2 • demolition and dismantling of buildings and other structures - Circular economy 3.3 ** activities already included in the climate objectives*
2024	All objectives	Eligibility and alignment rate	Activities mentioned above and potential integration of new activities

(1) Given the small share of Opex which comes within the scope of the taxonomy compared to the total of the Group's Opex (less than 10%), this indicator is considered non-material.

(1) https://www.novethic.fr/decryptages-dexpert/tout-savoir-sur-la-finance-durable#: ~: text = La% 20finance% 20durable% 20d% C3% A9signe% 20des, vers% 20une% 20 % C3% A9conomie% 20plus% 20durable (French only)

Focus on the hotel business as part of the objective of protecting and restoring biodiversity and ecosystems

The Delegated Act [1] on the other four environmental objectives, including the protection of biodiversity, was published in June 2023. It introduces the hotel business within the scope of the taxonomy. For Covivio, this means that the revenue generated by its hotels in operation is eligible for the taxonomy. The alignment calculation, required for the 2024 fiscal year, requires compliance with five technical conditions, which themselves include detailed sub-criteria:

- contribution to conservation or restoration activities;
- action plan to contribute to nature conservation;
- sustainable supply chain and environmental management system;
- minimum requirements for classifying the performance;
- audit of the aforementioned information.

Covivio Hotels began the initial work of analysing these criteria in 2023, in order to launch an information gathering process on its hotels and their assets from 2024, in order to identify the sites that might be eligible and to focus the action plan on them. The analysis having not yet been completed, Covivio Hotels currently reports a 0% alignment with this objective.

The taxonomy requires the use of 100% gross revenue, calculated in accordance with IFRS. However, to enable more comparable monitoring from year to year and to reflect operational reality, Covivio has also published indicators specific to its real estate activities. These indicators are based on the same data, by only using activities 7.1 to 7.7 and 9.3.

Eligibility of the Revenues and Capex

By the end of 2024, the share of Covivio Hotels' revenues eligible for taxonomy is 100%, of which 53.9% is related to the biodiversity objective for the hotel business. If we consider the real estate perimeter, 46.1% of the revenues are eligible for the taxonomy. Given Covivio's activity, 100% of its Capex relates to real estate activities and is therefore eligible under the climate objectives, including Capex relating to non-eligible activities as they are linked to real estate assets held by Covivio.

Revenue alignment - What is a green building according to taxonomy?

Approximately half of Covivio Hotels' eligible revenues and all the aligned revenues are generated by the property acquisition and holding activity (7.7). The revenues it generates can only be considered green for the purpose of climate change mitigation.

Three criteria can be taken into account for an asset which generates revenue that can be considered as green:

1) belonging to the regional top 15% in terms of primary energy consumption: Covivio here draws on the studies available to date and carried out at the national or European level, namely the Sustainable Real Estate Observatory (OID) [2] in France and the ESG Index Deepki [3] for other countries;
2) a class A energy performance diagnostic (or B for Italy and France given the breakdown of diagnostics in these countries [4] (source ZEBRA));
3) the NZEB -10% threshold is reached for buildings with planning permission after December 31, 2020: in France, this is equivalent to RT2012 -10% or RE2020 depending on the date of the planning permission.

There are also other substantial contribution requirements: buildings larger than 5,000 m^2 must be equipped with a BMS (Building Management System), and new non-residential buildings must be subject to a LCA (Life Cycle Assessment) and a thermal and airtightness study when they are constructed.

By focusing on the real estate definition, the following results are achieved on 31/12/2024:

Alignment of revenues by activity - Real estate scope	Covivio Hotels
Climate change mitigation	
Activity 7.1 - Construction of new buildings	N/A
Activity 7.2 - Building renovation	N/A
Activity 7.7 - Acquisition and holding	31.9%
Total revenues aligned with real estate activities	**31.9%**
i.e.	€ 86,284,011

The overall rate is up this year, thanks in particular to improved data collection. The impact of changes in the top 15% and top 30% thresholds is offset at Group level but remains uneven from one country to another. The analysis conducted on the asset level in the context of the implementation of the taxonomy indicators has enabled levers for rapid improvement to be identified for certain assets. Some assets may also satisfy the alignment conditions following the investments made in the context of the Group's carbon trajectory (3.3). In addition, improving the data collection process at the site level (waste recovery rate, energy labels for equipment, water flow rates for sanitary facilities) is a lever which has been identified to refine calculations for the development activity.

(1) *https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=OJ:L_202302486*
(2) *https://resources.taloen.fr/resources/documents/6716_Taxinomy_OID_01.pdf*
(3) *https://index-esg.com/*
(4) *https://zebra-monitoring.enerdata.net/*

Capex alignment - What is a green Capex within the meaning of the taxonomy?

Unlike revenues, Capex can be "green" either in terms of mitigation or adaptation to climate change. It should be noted that while a Capex is green in terms of mitigation, it is also in fact green in terms of adaptation, in the light of the criteria of substantial contribution and DNSH for the activities identified. This is because, for real estate activities, the Adaptation DNSH for the mitigation objective is identical to the substantial contribution criterion for the adaptation objective. The following table sets out the criteria for defining a "green" Capex according to its nature and the activity to which it relates.

	Acquisition and construction (all asset-related Capex, regardless of the nature of the Capex, including developments)	Renovation of existing buildings (additional DNSH: water, pollution, circular economy)	Green Capex "by nature"
Mitigation	Compliance with the definition of a green building (above)	30% gain in primary energy compared to the initial state	Installation, maintenance and repair of energy efficiency equipment (in accordance with the highest standards), charging stations for electric vehicles, energy performance management systems or renewable energy production equipment
Adaptation	Top 30% ownership or EPC NZEB for new buildings	Compliance with thermal renovation regulations	

Therefore, by the end of 2024, **84% of Covivio Hotels' Capex was aligned** with the taxonomy in terms of the adaptation objective [1]. This rate is an increase compared to last year. Thanks to extensive information reporting, Covivio Hotels identified around €5.1 million in energy efficiency Capex, *i.e.* 4% of total Capex.

Breakdown of aligned CAPEX by sub-activity

	Covivio Hotels	
Mitigation target (CCM)/Adaptation target (CCA)	CCM	CCA
Activity 7.2 - Building renovation	N/A	N/A
Activities 7.3 to 7.6 - Efficiency measurements on existing buildings	3.7%	3.7%
Activity 7.7 - Acquisitions, Capex on aligned assets and developments of new buildings	16.7%	81.7%
Activity 9.3 - Services related to the energy performance of buildings	0.01%	0.01%
Total (excluding double counting)	**84.0%**	

Climate analysis

As a substantial contribution criterion for adaptation Capex or DNSH for the mitigation objective, a climate risk analysis is compulsory in all cases to qualify a green activity. To address this need, Covivio drew on the MSCI Climate Value at-Risk study, which has been conducted since 2020 on the asset network (3.2.1.1.12). In order to use a worst-case scenario, as required by the taxonomy regulation, Covivio used the RCP8.5 scenario for this analysis of physical risks. If a risk is considered material for the asset analysed, an adaptation plan must be defined. Covivio in particular uses the adaptive actions guide of the Sustainable Real Estate Observatory (OID).

Compliance with minimum guarantees

Covivio worked with a third party to review the compliance of its Group-wide minimum guarantee procedures and policies. The minimum guarantees referred to in Article 3(c) of the Taxonomy Regulation are procedures that a company implements to align itself with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. These include the principles and rights set by the eight fundamental conventions mentioned in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and by the International Bill of Human Rights. The analysis conducted by Covivio was based on these guiding principles as well as the documents already published and the commitments made by the Group: Group Ethical Charter and internal procedures, Universal Registration Document, Communication on Progress of the Global Compact, Diversity Charter, Responsible Purchasing Charter, etc. No areas of concern were revealed following this analysis in relation to the following 10 study points: Human Rights Policy; Human rights and due diligence risk mapping; Prevention and mitigation actions and monitoring their implementation; The whistleblowing system; Communication; Consumer interests; Anti-corruption; Competition; Taxation; Media analysis (study of controversies).

(1) 17% with regard to the mitigation target.

Summary table of taxonomic indicators at 31 December 2024

	Share of revenue/revenue		Share of Capex/Capex	
	Aligned	Eligible	Aligned	Eligible
Climate change mitigation	14.7%	46.1%	18.8%	100%
Climate change adaptation	0%	0%	84.0%	100%
Water and marine resources	0%	0%	0%	0%
Circular economy	0%	0%	0%	0%
Pollution	0%	0%	0%	0%
Biodiversity and ecosystems	0%	53.9%	0%	0%
TOTAL REGULATORY DEFINITION	**14.7%**	**100%**	**84.0%**	**100%**
TOTAL REAL ESTATE DEFINITION	**31.9% (/REAL ESTATE ACTIVITIES)**	**46.1% (CLIMATE)**	**84.0%**	**100%**

Details of the results are presented in the appendix to the regulatory tables.

Actions and indicators implemented with regard to the three compliance conditions of the taxonomy

Three conditions to be met	Examples of Covivio actions	Section	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 LCA more comparable Installation of high-performance equipment and materials (HVAC, facades, insulation, etc.) Installation of charging posts or charging bays for electric vehicles in new projects Reporting on environmental risks	3.2.1.1	Certification rate Multi-year work plan
	Annual reporting and target for reducing the portfolio's energy consumption Carbon trajectory	3.2.1.5	Energy intensity Carbon intensity and SBTi carbon trajectory
	Raising tenant awareness and environmental certification of assets in operation	3.2.1.5	Energy Performance Certificate (EPC) level
2. Climate change adaptation	Gradual adaptation of the portfolio via the delivery of buildings to the highest standards and energy renovation of the portfolio	3.1.3	Certification rate Multi-year work plan
	Monitoring of environmental risks and work on the resilience of the portfolio Deployment of a supervision system and generalisation of BMS on assets Environmental due diligence for acquisitions	3.2.2	Percentage of sites monitored for environmental risks
3. Sustainable use and protection of water and resources	Water consumption Specific construction site charters for certified projects	3.2.3.3	Portfolio water intensity
4. Protection and restoration of biodiversity and ecosystems	Biodiversity charters for construction and operation, biodiversity mapping, etc.	3.2.4.3	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	3.2.2.4	Percentage of sites monitored for health and environmental risks
6. Transition to a circular economy	Work on the circular economy: HQE Performance program Reuse of materials	3.2.5.3	Certification rate
Comply with performance criteria or standards and regulations	Use of certifications and labels for buildings and/or operations	3.1.3.4	Monitoring of certifications
	Low-carbon construction - ACV	3.1.3	SBTi approved carbon trajectory
	Analysis of the sizing of equipment/facilities	3.1.3	Technical studies site phase
	Compliance with recognized international standards for both financial and non-financial aspects	3.5.1	EPRA sBPR/TCFD/GRI/SASB standards
	Choice of location	3.3.4	Site phase studies
	Targeted resilience studies	3.2.1.1	Climate Value-at-risk
	Regulatory watch	3.2.1.5	

Three conditions to be met	Examples of Covivio actions	Section	Indicators monitored
The company must respect the minimum social guarantees: compliance with the eight "fundamental conventions" of the International Labour Organization			
The eight fundamental conventions are as follows:			
Convention No. 87 on Freedom of Association and Protection of the Right to Organize, 1948	As a signatory of the Diversity Charter and the Global Compact where it reaches the GC Advanced level (Global Compact - advanced level) Covivio strives to observe the eight fundamental conventions of the ILO, and to ensure that its suppliers comply with them.	3.2.1.5 3.3.1.2.4	Publication of an annual Communication on Progress (COP) on the Global Compact website Human Rights Policy
Right to Organize and Collective Bargaining Convention, No. 98, 1949			
Forced Labor Convention, No. 29, 1930 + its 2014 protocol			
Abolition of Forced Labor, Convention No. 105, 1957			
Minimum Age Convention, No. 138, 1973			
Worst Forms of Child Labor, Convention No. 182, 1999			
Equal Remuneration Convention, No. 100, 1951			
Discrimination (Employment and Occupation) Convention, No. 111, 1958			

3.2.6.2 Financing indexed to ESG criteria

A pioneer in the issuance of Green Bonds since 2016, Covivio has taken a key step in aligning its financial policy with its ESG ambitions, by finalising the transformation of its bond issues into Green Bonds, thus enabling it to have a 100% green Covivio and Covivio Hotels bond portfolio (€3.2 billion and €1.45 billion). In addition, Covivio signed new corporate credit lines incorporating ESG criteria, reaching 64% of its total debt (*vs* 57% in 2023).

3.2.6.2.1 Covivio Hotels, an additional milestone in 2023

In order to align its financial policy with its ESG ambitions and confirm its pioneering role in the hotel industry, Covivio Hotels became the first hotel real estate company in Europe to adopt a Green Financing Framework in 2023, with the commitment that its next bond issues will be carried out in Green Bonds format. Under this Green Financing Framework, eligible assets in operation must meet at least one of the following criteria:

1) carbon intensity of the asset below the consumption threshold necessary to comply with the 1.5°C trajectory of the Paris Agreement, as adopted by CRREM and validated by SBTi (Science Based Targets initiatives);
2) full alignment with the taxonomy for the acquisition and holding of real estate assets;
3) HQE Excellent/BREEAM Excellent/LEED or DGNB certification "Gold" or higher.

Consistent with its historical commitments, the assets must also be located less than 500 metres from public transport and the new leases must have green clauses.

In addition, Covivio Hotels has provided for the possibility of including financing for new buildings, refurbishments, the installation of renewable energy production equipment and energy efficiency work.

At the end of 2024, €4.1 billion (€3.3 billion net of the external financial debt already allocated) of hotel assets were eligible for this Green Financing Framework. Covivio Hotels plans to increase this share, in particular thanks to the continuous improvement of the quality of its portfolio and has financed €5.1 million of energy efficiency Capex in 2023 as part of this Framework.

Moody's Investors Services, in its Second Party Opinion, acknowledged the quality of the Green Financing Framework by assigning it a rating of SQS 2 Very Good, consistent with the best ratings in the European real estate sector. The overall contribution of the Green Financing Framework to sustainable development is qualified as "Significant" and its alignment with the Green Loan/Bond Principles as "Best Practices".

3.2.6.2.2 Verified performance

In addition to the internal verifications carried out to ensure compliance with the eligibility criteria, Covivio once again asked Moody's ESG (formerly Vigeo-Eiris) to conduct a Second Party Opinion. Furthermore, Covivio undertakes to engage an independent third party annually to check that funds are being allocated correctly in accordance with the principles of the Green Bond Framework, and environmental performance indicators. The audit report of the independent third party is published on the Covivio website, and in this document in Chapters 3.6.1, 3.6.2. The indicators selected for the Green Bond and verified by the independent third party are consistent with the GRI Standards indicators and the recommendations of the Green Bond Principles. They cover the portfolio reporting indicators (3.2.1.5).

Green Bonds Hotels portfolio impact indicators

The portfolio which is eligible for Covivio Hotels' Sustainable Financing Framework amounts to € 4.1 billion (€ 3.3 billion net of external financial debt already allocated). Its geographical distribution is as follows: France (37%), Germany (25%), UK (14%), Italy (9%), other European countries (26%). Covivio Hotels, with €2 billion (€1.6 billion net) of assets aligned with the European taxonomy climate change mitigation objective (exclusively for activity 7.7 of the acquisition and holding of real estate assets), can cover 100% of its issues (*i.e.* €1.45 billion) with aligned assets (substantial contribution criterion, DNSH and minimum guarantees in accordance with its framework).

Indicators	Performance
Breakdown of funds by category	99.8% Green Building/0.2% Energy performance
Breakdown of funds by type of financing	99.8% refinancing/0.2% financing
Total energy consumption and intensity (final energy)	207,181 MWhef - 168 kWhfe/m²/an 42% green electricity
Total energy consumption and intensity (primary energy)	295,141 MWhpe - 239 KWhpe/m²/year
Solar energy production	18.3 MWh
Greenhouse gas emissions and intensity	23,092 tCO_2e - 18.7 $kgCO2e/m^2$/year
Change in greenhouse gas emissions compared to N-1 (like-for-like scope)	-7.6%, *i.e.* a saving of 1,982 tCO_2e/m^2
Greenhouse gas emissions avoided (compared to a benchmark intensity - IndexESG Deepki)	30,680 tCO_2e
Total water consumption and intensity	1.6 million m^3 - 1.38 m^3/m^2/year
Waste generation and recycling rate	4,544 t - 36% recycled Coverage rate: 48%
Accessibility to public transport	100% less than 500 m from public transport
Environmental certification rate	99.9% including hotel labels
Taxonomy alignment rate (climate change mitigation target)	49%, *i.e.* €2 billion (€ 1.6 billion net), thus covering 100% of Covivio Hotels green issues
Investments directly related to the improvement of the energy performance of the portfolio (activity 7.3 of the taxonomy)	€5.1 million

The list of eligible assets is available in section 3.5.2.

3.2.6.3 Information on the SFDR regulation for Covivio's financial partners

Information for financial institutions in the context of the SFDR regulation (European Directive on non-financial reporting for financial institutions).

Negative impacts on sustainability factors		Metric	Impact [2024]	Explanations	Actions taken and actions planned and objectives set for the next baseline year
Fossil fuel	1. Exposure to fossil fuels via real estate assets	Share of investment in real estate assets used for the extraction, storage, transport or production of fossil fuels	0%	Covivio invests in real estate assets. None of these buildings is dedicated to the extraction, storage, transport or production of fossil fuels.	
Energy efficiency	2. Exposure to energy-inefficient real estate assets	Share of investment in energy-inefficient real estate assets	Covivio Hotels: 35.7%	Share of assets (in value) that do not have at least a class C Energy Performance Certificate (EPC) or do not belong to the regional top 30% (see methodology used for the taxonomy[(1)])	Energy: 3.2.1.5 Carbon: 3.2.1.3.

(1) For the purposes of harmonisation with the taxonomy, Covivio has adopted the DNSH relating to climate change mitigation, given the limitations of only taking Energy Performance Certificate (EPC) into account as a criterion for assessing energy efficiency.

All environmental data (energy, carbon, renewable energies, water, waste) relating to the Group and Covivio Hotels and Covivio Immobilien are presented respectively in Sections 3.2.1.5, 3.2.1.6, 3.2.3.4, and 3.2.5.5.

Governance, ethics and human resources criteria are also included in this document, in particular in sections: 5.3 (governance structure and composition of governance bodies), 3.1.2.4.2 and 3.1.2.2.5 (dual materiality analysis and CSR risk mapping), 3.3.1.3 (employee relations and social dialogue), 3.3.1.5 (remuneration and pay gaps, 4.2.6.9 (taxation), 3.3.2.2.2 (Human Rights).

Covivio's Ethical Code is also available to all its stakeholders on its website.

3.3 Social information

3.3.1 Own workforce (ESRS S1)

The purpose of the ESRS S1 standard is to explain the company's strategy concerning its own workforce, differentiating between employees and non-employees of Covivio Hotels.

This standard covers a range of issues relating to working conditions, social dialogue, collective bargaining, work-life balance, health and safety, equal treatment, etc. It also aims to ensure that the Company's practices conform with international conventions on Human Rights.

Working conditions, diversity and equal opportunities, and respect for labour rights and human rights were rated as a single issue in the materiality analysis of Covivio Hotels. They are presented separately above for ease of reading.

ESRS S1 - WORKING CONDITIONS	
Description and key words	Well-being at work/Quality of life at work/Work-life balance Social dialogue Accidents and health/safety at work
Main impacts	Impact on labour relations in the event of operational organisational difficulties (scheduling, workload, absenteeism) Impact on the health and safety of employees in what are sometimes demanding working environments and stress at work
Positioning in the value chain	Direct operations
Main risks	Health/Safety risk: workplace accidents (falls, cuts, burns in the kitchen)/occupational illnesses Financial risk: additional recruitment costs Potential risk of loss of skills and know-how in the event of high turnover or low ability to attract, retain and develop talent
Main opportunities	Business continuity Employer brand
Materiality	Material

ESRS S1 - DIVERSITY AND EQUAL OPPORTUNITIES	
Description and key words	Discrimination, inclusion, gender equality
Main impacts	Impact on the well-being of affected employees. Limited impact at Covivio Hotels level given its direct activities and commitments to equal opportunities
Positioning in the value chain	Direct operations
Main risks	Financial risk: in France, the maximum fine for discrimination is €45,000 (and three years' imprisonment) Reputational risk in the event of discriminatory practices
Materiality	Material

ESRS S1 - RESPECT FOR LABOUR RIGHTS AND HUMAN RIGHTS	
Description and key words	Forced labour, child labour Respect for employees' personal data
Main impacts	Impact limited in frequency but which could have a material impact on the well-being of employees if it occurs (for the respect of personal data) The impact of Covivio Hotel on forced labour and child labour is very low because its hotels are located in Europe.
Positioning in the value chain	Direct operations
Main risks	Financial and/or reputational risk: growing demand from investors and rating agencies
Materiality	Material

3.3.1.1 Social policy: European human capital that creates value (S1-1)

Covivio Hotels is a major player in the hotel sector, recognised for its excellence of service and customer satisfaction. The hotels operating properties are operated by different managers and operators. Each has its own recruitment and staff management policies. Nevertheless, they have strong similarities, because of the specificities of the hotel sector. The policies presented in this section apply to the scope of the hotel operating properties operated directly by the WiZiU subsidiary or by other operators. They are aimed in particular at employees and, in a certain number of (specified) cases also non-employees. The majority of Covivio Hotels hotel operating properties are under contract to a brand.

Covivio Hotels' social policy is based on Covivio's social policy. Convinced that sustainable success is based on an ambitious and long-term human resources policy, Covivio and its subsidiary strive on a daily basis to create the conditions so that the women and men comprising their teams can develop their full potential.

Identified as a major CSR risk from Covivio's CSR risk mapping, the "Skills/Attractiveness/Diversity" issue (ESRS 2, section 3.1.2.2.5) covers the various aspects related to the importance, for the sustainability of Covivio's model, of retaining and developing talent while promoting strong values of equality and inclusion.

The hotel business lines not only require technical expertise, but also interpersonal skills and the ability to adapt to an international clientele with a variety of demands. A proactive approach is required in order to attract and retain the best talent in an environment characterised by strong seasonality and increasing competition. This involves innovative recruitment policies, training programmes tailored to the needs of employees and opportunities for internal development that promote commitment. Flexibility and rewards for hard work, especially during busy periods, are also essential for building a close-knit and high-performing team.

The double materiality study (ESRS 2, section 3.1.2.4.1) highlighted these strong social issues, stemming from the specific nature of the jobs. This is especially the case for the issue "S1-Clean workforce Working conditions, Diversity - Human rights", which is particularly important in the hotel sector.

The reporting scope for human capital in ESRS S1 covers all employees for whom Covivio Hotels has a contractual liability. All employees of leased hotels are excluded. For hotels held as operating properties, liability is determined by the type of contract signed with the operator of the asset. The table below presents the various cases identified in the portfolio, and reported in the Universal Registration Document (URD) of Covivio Hotels or that of the Group.

Types of employees by activity

Business activity	Country	Employees	Non-employee workforce	Presented in
Headquarters and support services	France	Employment contract direct	Interns, seconded employees (temporary work, placement), self-employed workers	Covivio URD
WiZiu Hotels held as operating properties	France and Belgium	Direct employment contract with the relevant WiZiU entities	Interns, seconded employees (temporary work, placement), self-employed workers	Covivio Hotels URD
Managers of Hotels held as operating properties	4 countries	Indirect management contract	Interns, seconded employees (temporary work, placement), self-employed workers	Covivio Hotels URD
Managers of Hotels held as operating properties	2 countries	Reverse management contract: the workforce are the employees of the manager	Interns, seconded employees (temporary work, placement), self-employed workers	N/A

The different types of contracts:

- **Direct contracts:** entered into by Covivio Hotels or WiZiU, a subsidiary of Covivio Hotels.
  - The following are designated as "employees": the workforce on permanent contracts, temporary contracts, work-study contracts (apprenticeship and professional training) for students on initial training; in this case, Covivio Hotels or WiZiU is the direct employer who recruits, pays, etc.
  - The following are designated as "non-employees": self-employed workers, workers seconded under contracts concluded with temporary employment agencies and placement agencies (in reference to the NACE Code N78), trainees under agreements. Personnel who work on site but who provide security or IT maintenance services, for example, do not fall within this scope but are subcontracted.
- **Indirect contracts**: entered into by a Covivio Hotels manager and relating to the hotel activity (operation of a business asset) in the context of hotel operating properties. In this case, Covivio Hotels does not directly manage the employees: they are recruited and paid by the manager, who has disciplinary power over the workforce. Covivio Hotels makes recommendations to managers in order to be aligned as closely as possible with its HR and Human Rights policies.
- **Reverse management contracts:** also concluded by a manager of Covivio Hotels and relating to the hotel operating properties business activity. In this case, the manager of the hotel becomes the sole employer of the employees. All human resources responsibilities (recruitment, training, day-to-day management of staff) are handled by the manager.

The Human Resources (HR) policy developed by Covivio Hotels for its head office staff is based on Covivio's policy. It is centred on four fields of action that form part of the 2020-2025 objectives detailed in this chapter, namely:

- professionalisation and the pursuit of business excellence at all levels;
- a fair remuneration policy, directly linked to performance and achievements;
- exemplary management close to the teams;
- transparent and constructive social dialogue.

The Human Resources policy in the hotels operated by WiZiU is part of a commitment to innovation and human engagement, aimed at attracting, retaining and developing talent in a stimulating and inclusive environment. The priorities are structured around four main pillars:

- Equality, diversity and inclusion: WiZiU is firmly committed to promoting gender equality, valuing diversity and cultivating an inclusive culture where every employee, regardless of their origins or differences, finds their place and contributes fully to the collective adventure.
- A human and rewarding work environment: WiZiU makes a point of offering its employees an environment where respect, collaboration and well-being are priorities. WiZiU strives to develop a fulfilling work environment that fosters creativity and performance.
- Proactive management of careers and skills: the recruitment policy embraces innovative techniques, integrating high-performance digital tools to identify the best talent. WiZiU invests in customised training programmes and constant support, enabling everyone to build a rich and progressive career within the company.
- Stability and recognition; stable employment contracts are preferred, with more than 90% of the workforce on permanent contracts. Performance is valued through fair and transparent remuneration policies.

These priorities place people at the heart of WiZiU's strategy, in order to build a resilient and innovative organisation, capable of meeting the challenges of the hotel sector while responding to the aspirations of the teams.

Covivio's location within the European Union, means that its salaried and non-salaried staff benefit from a favourable social model due to legislation. Health, safety and working conditions, working hours, entitlement to paid leave, compulsory training, unemployment or sickness protection, minimum wage, gender equality, freedom of association and social dialogue, right to disconnect... these are all areas in which the European Union defines minimum standards to guarantee the protection of workers on its territory. Covivio Hotels' social policies strive to surpass them whenever possible.

Although some matters are dealt with locally by the managers of Covivio Hotels (recruitment, negotiation of agreements, etc.) with due regard for local practices and regulations, many others involve shared objectives and values. Thus, the values relating to diversity, social dialogue, quality of life at work, prevention of discrimination and personal development are shared in all hotels.

Covivio Hotels did not resort to any form of short-time working or staff cuts for economic reasons in 2024 and has no restructuring plan involving redundancies planned for 2025.

3.3.1.1.1 Challenges related to skills and attractiveness

Covivio Hotels operates in a sector where human capital plays a key role in the Company's success. The challenges relating to skills and attractiveness were identified in the context of the dual materiality analysis as major issues for the development of its activities.

The human capital risks are related to the potential loss of skills and know-how due to high turnover or a poor ability to attract and retain talent; a failure to develop existing skills due to a lack of investment in training; psychosocial issues (dissatisfaction at work, occupational illnesses) if they were not prevented and, where appropriate, treated; or even to discriminatory practices in the absence of awareness and whistleblowing mechanisms, resulting in a high reputational risk.

3.3.1.1.1.a A recruitment policy adapted to the challenges of the hotel sector

The recruitment policy complements the strategy and the development of the business model of the hotels held as hotel operating properties. The recruitment process has a common core in all hotel operating properties. Personal interviews are systematically held on site and enable the candidate's technical and non-technical skills to be assessed, as well as their commitment to the Company's values. In Germany, a trial day is often organised to test candidates' practical skills before making them a suitable job offer.

Selection criteria include specific technical skills, relevant practical experience, as well as non-technical skills such as communication, ability to work in a team or find solutions. Recruitment managers pay increasing attention to candidates' soft skills (behavioural skills). Although they remain important, qualifications tend to take up less space in the recruitment process. English language skills are also required. In addition, candidates must be flexible, as working hours are variable during the week and on weekends.

WiZiU: the use of IT tools to improve recruitment processes

WiZiU's recruitment policy is based on centralised and harmonised management *via* the use of an ATS (Applicant Tracking System). This system enables all job vacancies to be centralised thereby guaranteeing harmonisation of content and increased visibility. The use of standardised job offers reinforces the consistency of communication and the alignment of hotels in a multi-brand management context. This system has significantly improved recruitment efficiency, as is evidenced by the results: the ratio of eight applications per offer in 2022 increased to 23 in 2023, then to 44 in 2024.

Apart from the figures, this approach aims to enhance the candidate experience while simplifying the processes for the recruiting managers. The ATS offers an intuitive interface to follow each stage of recruitment, from the publication of the vacancy to the onboarding of the talents. This system also favours informed decision-making, based on clear indicators and consolidated data. This tool will improve the efficiency of exchanges with candidates, while helping to ensure fair, objective and informed recruitment decisions. In 2025, the priority will be to develop a structured interview guide and reinforce the recruitment training of managers. WiZiU, by adopting this structured and modern method, is creating the right conditions to attract the best talent, while developing agility and innovation in its recruitment processes.

In 2024, the number of temporary contracts represented a small percentage of the workforce:

- 4% for WiZiU;
- 12% for other hotel managers within Covivio Hotels hotel operating properties.

The proportion of permanent contracts, 89% for WiZiU and 73% for all Covivio Hotels employees shows how important talent retention and trust are considered in the development of the company.

Covivio Hotels workforce in 2024:

WiZiU: 583 employees;

Other managers of hotel operating properties: 986 employees;

Covivio Hotels head office: 19 employees.

The table in section 3.3.1.5.1 shows the different social indicators for employees of Covivio Hotels' hotel operating properties. The social indicators for Covivio Hotels head office employees are presented in Chapter 3, section 3.3.1.5.2 of Covivio's Universal Registration Document.

Recruitment procedure for corporate employees of Covivio Hotels

The Group's recruitment procedure is followed for employees of the Covivio Hotels head office. The candidates have the opportunity to gain a concrete insight into the company and understand its strategic challenges through four interviews, which are designed to be discussions. An interview is held with the General Management at the end of the recruitment process, which is designed as the first stage of a genuine working partnership. An English test is included in the process, in accordance with the Group's European integration requirements. Candidates are also asked to complete a personality questionnaire, which serves as a basis for discussion of their behavioural skills during the HR interview. Summaries of their personalities and motivations are automatically generated after completing the questionnaire.

The stages of the recruitment process:



In 2024, Covivio Hotels recruited 282 employees on permanent contracts, including 181 at the WiZiU level.

A welcome booklet is given to each new employee. This booklet contains key information about life in the Company (onboarding process, remuneration structure, time and absence management, etc.). Once recruited, each new employee participates in an onboarding programme, which consists of several parts: an induction day, during where representatives from each department present the essential aspects of their job, and an insight report is given to two members of the Management Committee. The integration process ends with a friendly get-together with the Chief Executive Officer.

The recruitment process in hotels operated by WiZiU

The strategy for attracting talent includes using social networks to communicate directly with candidates, and ensuring transparency in the recruitment process.

Recruitment needs for hotel employees (reception, catering, cleaning, etc.) are examined by each individual hotel and decided according to trends in the site's activities.

WiZiU's recruitment procedures are adapted according to the vacancies to be filled, in order to ensure a relevant and effective assessment of the candidates.

- The process for operational positions is limited to a single interview with the manager and/or HR manager, followed by a validation at the end of this interview. The recruitment process for a head of department position involves an interview with HR and the Hotel director, thus ensuring a dual assessment.
- The candidate for a management or support position is interviewed by the HR Director, the relevant N+1 and, if necessary, WiZiU's Chief Executive Officer, thus enabling a collegial and informed decision to be made.

Employees receive regular HR support, particularly during the onboarding period, in each country where Covivio Hotels owns hotel operating properties. The onboarding process is not uniform because it depends on the operator of the hotels. Nevertheless, certain steps are mandatory, regardless of the brand. For example, in all onboarding programmes, either an induction day or an individual appointment is arranged to present key information about the hotel. These induction days or sessions are essential, especially to present the brands under which the hotels are operated through their franchise agreement. It is also an obligation required by the franchise agreement.

3.3.1.1.1.b A policy for attracting and employing young talent

Create partnerships with schools

Partnerships have been formed with local and specialised schools, and the employer brand is strengthened by participating in job fairs and application days. Conferences and hotel visits are organised for students to offer them work placements and apprenticeships.

Trainees follow a structured onboarding process. They receive training and benefit from regular supervision from the hotel managers and teachers. The hotels operated by WiZiU also offer mentoring, rewards and recognition to encourage their development within the structures.

Hotel Westin Leipzig

The hotel has created partnerships with local schools. It has established partnerships with the city of Leipzig for student work placements. It also participates in Leipzig's "Training Night", an annual event focussed on career guidance and training. This evening event, which is organised by various educational institutions and local businesses, enables young people, students and people changing careers to find out about the training and apprenticeship opportunities available in the region.

Reduce the turnover

The turnover in the hotel industry is high, and is influenced by several factors:

- working conditions are often demanding, with irregular hours including evenings, weekends and holidays;
- seasonality also plays a significant role, especially in tourist regions where employment is often seasonal, contributing to turnover;
- the younger generations, less attached to one company, prefer to have a variety of work experiences, which increases the turnover rate;
- the working environment can be stressful at times;
- remuneration in the sector, although competitive, may seem less attractive compared to others;
- the post-Covid-19 era has seen a large exodus of talent from the sector, which has further exacerbated the turnover problem.

In order to counter this, Covivio Hotels is implementing appropriate strategies to improve working conditions. In addition, the hotels operated by WiZiU are not greatly exposed to seasonal fluctuations, because they are located in major European cities, which are not subject to significant variations.

Turnover of permanent departures was 33% for all hotel operating properties held by assets held by Covivio Hotels and 34.1% for WiZiU.

3.3.1.1.2 Ensure skills development

3.3.1.1.2.a A training policy to support the strategy

Covivio Hotels attaches great importance to the training and development of its employees, considering that the quality of the service offered to its customers is based on the skills and well-being of its staff. The development of soft skills to complement vocational training is becoming more and more embedded in the skills development strategy at the European level each year. Each hotel draws up its annual training plan, based on multi-year priority areas.

Covivio Hotels' training policy aims to create an environment which is conducive to continued learning and career development, while meeting the specific requirements of the hotel sector. Its training strategy focuses on several main training themes:

- customer service: reception and communication techniques, complaint management and customer satisfaction;
- management and leadership: team management, development of leadership skills;

- technical: use of hotel management software, maintenance and security of facilities;
- catering: table service techniques, hygiene and food safety;
- personal development: stress management, development of interpersonal skills.

Annual meetings are held at Group level at Covivio Hotels' head office with each business manager, in order to identify any developments that could impact the business and require training programmes to enable employees to improve their skills. The People Reviews conducted for each business line also enable multi-annual training priorities to be defined. Individual needs are then identified as closely as possible to the front line at annual interviews, based on the established catalogue, and are then honed individually through discussions and observations by local staff and managers.

0.9% of WiZiU's total payroll was dedicated to training in 2024.

The average training time is 9 hours/employee.

Rollout of training courses in hotels

Hotels are buildings frequented by the public and as such are subject to specific technical regulations. A number of specific courses are compulsory for employees. These training courses are almost exclusively concerned with the safety of customers and employees within the establishment (operating licence, reception of persons with reduced mobility, fire safety, occupational first-aid (OFA), etc.). Site manager, employee or technical staff, everyone receives appropriate training.

Over the last two years, the training strategy in the hotels managed today by WiZiU has mainly focused on mandatory training to ensure compliance and development of operational teams. In addition, in order to meet the contracts established with the brands, employees of the hotel operating properties must also complete the e-learning training courses set up by the various brands.

The training rate was 93% in 2024 for all employees of Covivio Hotels operating properties (82% for WiZiU).

3.3.1.1.2.b Integrated and dynamic career management

Annual interviews

Annual interviews are held in the majority of Covivio Hotels establishments. These assessments aim to provide a clear and detailed framework for discussing:

- annual performance appraisal;
- the employer's objectives and expectations;
- future prospects and development for the employee;
- employee satisfaction and feelings.

These annual reviews enable Covivio Hotels to support the career development of its employees, improve overall performance and strengthen the satisfaction and retention of talent within the Company.

In 2024, WiZiU implemented a new annual assessment process using a digital platform. The discussions are divided into two parts:

- the first focuses on behavioural skills such as collaboration, customer focus and organization;
- the second part deals with specific objectives: three for employees and five for managers. Each employee has three interviews per year.

At WiZiU: 96.5% of employees benefited from an annual performance review with their manager in 2024

People Reviews are organised every year for the teams at Covivio Hotels' head office. These are cross-functional meetings that provide an opportunity to take stock of the "talent pool" for a position, the challenges of retention, development and recruitment, according to the changes in the position, the company's objectives and the associated job market. In 2023, a People Review of young French talents under the age of 30 was carried out to take stock of their skills development and identify opportunities for each of them. A feedback report was made to the employees in the presence of the employee's direct manager and a member of the relevant Management Committee. A new event is scheduled for 2025. On an individual level, the annual interview between each employee and their manager, as well as the interviews conducted by the Human Resources Department, are at the heart of the career management and support system for each employee. 100% of employees on permanent contracts are eligible for this interview, and only an employee's absence or arrival at the end of the year is justification for postponing the interview.

Career interviews

In 2024, WiZiU's HR department oversaw the roll-out of a new process for career interviews in its hotels, aimed at making their organisation and follow-up more reliable. Thus, from 2025, interviews will be digitalised and a link will be made with the training plans defined within each establishment, in line with their needs.

In France, unlike the annual individual interview, which is not mandatory, a career interview is compulsory at least every two years. Discussions on their career development have been held since 2019 for the employees at Covivio Hotels head office during a specific interview, known as a "career development interview", which is held at least every two years. It is an opportunity for a fruitful discussion between manager and employee about the employee's expectations. The managers are trained to conduct this interview, which requires a different approach to the end-of-year interview, requiring a "manager coach" approach. This career interview may be followed by an HR interview to assess the feasibility of a possible project and set up the necessary support (skills assessment, personal training account, professional transition, professional development advice, coaching, job training, etc.). The expression of a short-term (1 year) or medium-term (3 years) mobility project as part of this interview systematically triggers an exploratory interview with the HR team and the search for paths for short-term development internally. Covivio's Universal Registration Document has a diagram which presents the career management system for head office employees.

3.3.1.1.3 Retaining talents

3.3.1.1.3.a Promoting work-life balance

Employees at Covivio Hotels' head office are covered by the Group's Quality of Life at Work (QLW) agreement. Signed for the first time in 2014, renewed in 2018, it was revised in 2023. The agreement, which was signed in 2023, covers all measures aimed at promoting a work-life balance, introduces the concept of the right to disconnect and covers the psychosocial risks associated with the use of new information and communication technologies (NICT). WiZiU employees can also work remotely when their position allows it.

This QLW agreement also addresses practices that contribute to improving the quality of work and working conditions, such as the quality of the managerial relationship and manager training, workstation ergonomics, work organisation, internal communication. or the clarity of each person's missions.

- For more information: ESRS S1, section 3.3.1.1.3.a of Covivio's Universal Registration Document.

Maternity leave in France is 16 weeks and can be supplemented by 14 days of pathological leave before the birth, with full pay. Paternity leave has been 28 days since 1 July 2021, with 100% of the salary maintained during the period of the leave. In addition, parental leave allows the parents of a child under the age of 3 to work part-time until the child is 3 years old, or to suspend their full-time employment contract for the period they choose (100% of parents who make this choice return to their job at the end of their parental leave). If a parent wishes to continue working part-time after their child has reached the age of three, they can request this; all such requests have been accepted by Covivio.

WiZiU is going to roll out new initiatives in France from 2025:

- 75% coverage of the employer's share of the mutual insurance premium;
- introduction of a long-service and loyalty bonus (WiZtrust);
- introduction of a co-opting bonus for recruitment (WiZconnect);
- individual increases (in addition to those agreed collectively);
- consideration for each employee on their birthday;
- lifting of the one-year seniority requirement for guaranteed public holidays and 'sick child' days;
- entitlement to 2.5 days of paid sick leave (the legal entitlement is 2);

3.3.1.1.3.b Remunerating performance and addressing inflation

Based on the principles of fair pay and talent retention, employees receive remuneration that takes both individual and collective results into account, as well as the employee's profile and level of experience, and the increasingly competitive job market.

A rewards and incentives programme is organised in hotels for support staff and sales teams. The programme is based on the establishment's performance (EBITDA, etc.) and customer satisfaction, which is measured using various tools (questionnaires, online ratings, etc.)

At the corporate level, an agreement is negotiated annually with the trade union representatives on salaries as part of the Mandatory Annual Negotiations (MAN). These negotiations cover the matters laid down by law: mainly remuneration and the distribution of added value, working hours, gender equality in the workplace, quality of life at work.

At WiZiU, the human resources department is in the process of harmonising practices and equal pay internally.

3.3.1.1.4 Ensure health and safety and promote quality of life at work

Covivio Hotels is committed to ensuring that its various managers comply with the eight conventions of the International Labour Organization (ILO): freedom of association, the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the abolition of child labour, and the elimination of discrimination in respect of employment, remuneration and occupation.

The work-related accidents recorded each year mainly involve incidents on the commute to and from work and a number of workplace injuries. The majority of accidents involve incorrect movements, falls and cuts, and a few burns. These incidents are usually related to the physical nature of the work in the hospitality industry.

The single occupational risk assessment document (DUERP) is updated every year. It enables health and safety risks to be identified, particularly psychosocial risks, movements and positions, etc., and, if appropriate, results in the introduction of corrective action plans.

The modernisation and refurbishment of the buildings also provides an opportunity to improve working conditions. For example, the renovation of staff rest rooms and the use (in Germany) of height-adjustable desks to prevent or reduce back pain, thus contributing to a more ergonomic and comfortable working environment.

Technology to improve working conditions: bed lifters at the Ibis Styles Gare Beffroi de Lille

The 140 rooms in this hotel were equipped with bed lifts in this hotel in 2023. This innovation reduces the physical demands on hotel maids. They can make the beds at the height that suits them, no more bending down. It is also easier to vacuum. This deployment has improved daily life and has reduced pain related to working positions.

The absenteeism rate is 6.6% for all hotel operating properties in 2024.

The workplace accident rate is 11.6% for 2024.

The prevention of electrical risk is also taken into account, with the implementation of H0-B0 authorizations (1) for all Covivio employees faced with this type of risk in Real Estate Engineering and Information Systems. The Single Occupational Risk Assessment Document (DUERP) was reviewed in 2024 with the elected members of the SEC, and includes all potential health and safety risks for Covivio employees and service providers. It is shared with the Occupational Health Service and is reviewed every year to include any new risks.

The safety rules and equipment on construction sites are defined in the procedures according to the legal standards in force. They are subject to regular training and awareness-raising actions. Travel is governed by a travel policy specific to each country. In 2024, no accident resulted in a disability and no deaths were reported.

3.3.1.2 Deployment of the Human Rights policy among employees (S1-1 EU Law)

In addition to the laws and regulations that apply in each country in which it operates, and conscious of the impact that its activities may have, Covivio Hotels is fully committed to respecting and promoting internationally recognised human rights within its businesses and throughout its chain of stakeholders. The Covivio Group is a signatory of the Global Compact and applies its 10 Principles as well as the Eight Fundamental Conventions of the International Labour Organization. Furthermore, Covivio is based in countries with highly protective laws in this area. Human Rights are therefore a significant issue for Covivio Hotels when carrying out its activities, as the double materiality study (ESRS 2, section 3.1.2.4.2) shows. In addition, Covivio has an active policy of philanthropy and skills sponsorship through its corporate foundation (ESRS S3, section 3.3.3.2.1).

The Covivio Group formalised its Human Rights policy in 2024. This policy represents a global commitment by the Group as an employer, customer and supplier of services.

Internally: it applies to employees and non-employees with a direct or indirect employment contract with the Group (section 3.3.1.1), in the different countries in which it operates, where Human Rights are subject to highly protective legislation, which Covivio endeavours to surpass.

Externally: Covivio is aware of its role and responsibility at the heart of its value chain and attaches great importance to human rights in its relationships with different stakeholders. This is reflected in its activities, particularly with its suppliers.

Although certain subjects are handled locally (recruitment, negotiation of collective agreements, etc.) taking national practices and legislation into account, many other topics involving objectives and values shared across the Group are implemented in a comparable way in the countries where the Group is present. Diversity, social dialogue, personal development, quality of life at work, work-life balance and prevention of all forms of discrimination are all common objectives that underpin Covivio's HR policy. This policy is disseminated to all employees at the Group's head offices.

Covivio Hotels implements the Group's Human Rights Policy in its directly managed hotels and recognises the importance of Human Rights in its operations. The Company is committed to guaranteeing fair and equitable working conditions for all its employees by providing them with decent wages, reasonable working hours and a safe and healthy working environment. Covivio Hotels also ensures that all forms of discrimination are eliminated, whether on the basis of race, gender, sexual orientation or any other personal characteristic.

Employees are given training to raise their awareness of human rights issues and alert them to signs that may indicate human trafficking. Several partner brand retailers deploy Human Rights policies. Some institutions, such as the RBL in Germany, carry out awareness-raising as soon as a new employee is onboarded.

3.3.1.2.1 Commitment to employees

Ethical Charter

The WiZiU Ethical Charter is handed to each new employee when they are recruited. It is accompanied by an educational video. It is also available on the Human Resources Information System dashboard. It is the Ethical Charters of the brands concerned that apply to the other assets held as operating properties.

It is the Group's Ethical Charter that applies to employees at Covivio Hotels head office (ESRS G1, section 3.4.2.2 of Covivio's Universal Registration Document).

Remedies if Human Rights are infringed

WiZiU has set up a whistleblowing system. This internal system is only intended for WiZiU employees. It has a dedicated email address. This system guarantees the protection of whistleblowers, in accordance with the provisions of the Sapin 2 law. It complements other existing communication channels.

(1) H0 B0 electrical certification covers all activities carried out in an electrical room as well as all electrical work carried out in a professional context.

The Group's whistleblowing system is available to its employees and all stakeholders. If a member of staff, whether an employee or non-employee, becomes aware of a human rights violation, either against themselves or another employee, they can report the matter using the whistleblowing procedure. Disseminated and presented internally Europe-wide, Covivio's partners and suppliers are also informed of it *via* the company's website. It is also mentioned in the Responsible Purchasing Charter (ESRS S2, section 3.3.2.2.1). This, in particular, allows the confidentiality of whistleblowers to be more effectively managed.

- For more information: ESRS G1, section: 3.4.2.4.

3.3.1.2.2 A Human Rights policy aligned with the United Nations Guiding Principles on Business and Human Rights

Each of Covivio's entities applies the eight conventions of the International Labour Organization (ILO): Freedom of association and the right to collective bargaining, elimination of all forms of forced or compulsory labour, abolition of child labour and elimination of discrimination in respect of employment, remuneration and occupation.

Covivio's Human Rights Policy specifies that certain commitments apply more specifically to its directly managed hotels, such as the fight against human trafficking and sexual exploitation. On this point, Covivio condemns and prohibits any form of human trafficking, sexual exploitation or paedophilia in the hotels under its direct management.

WiZiU has chosen to go a step further by developing its own Ethical Charter to complement the Group's, in order to strengthen the provisions relating to the hotel business. Each hotel manager is responsible for ensuring that the Ethical Charter is properly understood and applied.

- For more information on the WiZiU Ethical Charter: ESRS G1, section 3.4.2.2.

3.3.1.2.3 Prevention of workplace accidents

Details of Covivio's policy to prevent workplace accidents are given in section 3.3.1.4.

The Covivio Group has set itself the target of zero cases of occupational illness or workplace accidents among its employees.

3.3.1.2.4 Committing to diversity and equality

Diversity partnerships

Diversity is considered an essential asset at Covivio. Partnerships have been created with associations dedicated to the promotion of diversity and inclusion in order to realise this goal. These partnerships reflect the commitment by Covivio and its subsidiaries to building a fairer and more inclusive world. In Germany, partnerships have been set up with several associations such as:

- Pink Pillow Berlin Collection: this initiative comprises LGBTQ+ friendly hotels in Berlin. It seeks to offer an inclusive and warm welcome to all visitors, while actively supporting the local community;
- Frauenkulture e. V.: a socio-cultural centre in Leipzig that promotes equality, democracy and tolerance through artistic and cultural projects, workshops, and events, while providing a meeting place and support for women and girls;
- Orange day. The "No Violence Against Women" Orange Days: an annual global campaign of 16 consecutive days to raise awareness and mobilise action to stop violence against women and girls.

Covivio is also committed to combating all forms of discrimination at Group level and has introduced measures covering all direct employees in its activities in Europe. The scope of discrimination covered by these measures are: age, sex, gender identity, name, origin, family situation, sexual orientation, morals, genetic characteristics, real or supposed membership of an ethnic group, nation or race, language spoken, physical appearance, disability, state of health, state of pregnancy, political opinions, philosophical opinions, religious convictions, trade union activities, bank account domiciliation, place of residence, particular vulnerability linked to economic circumstances, and loss of autonomy.

Covivio Hotels' management analyses the recruitment process, from the monitoring job applications to invitations to job interviews, to ensure that a diverse range of profiles are considered for each position. All recruitment processes must include at least one candidate from each gender, and the recruiter's guide for HR recruiters and managers, emphasises the principles of non-discrimination in hiring as well as the relevant regulations. Recruiters in the French HR Department undergo training every three years on combating discrimination in recruitment, and an e-learning module is distributed to all recruitment managers.

Gender equality

Covivio signed the Diversity Charter [1] in 2010 and the Global Compact [2] in 2011. Its HR policy is consistent with the objectives of these agreements. A systematic analysis of pay gaps inside the same business line is periodically carried out.

WiZiU implemented an agreement on gender equality in 2024. Measures have been adopted to increase the number of women in strategic positions in the Company. Their number is increasing due to the recruitments made in 2024. This impetus was given with the drafting of a standardised interview guide for management positions at head office. Hotels will be trained in how to use this tool in 2025.

- Breakdown of the workforce of Covivio Hotels' hotel operating properties on 31 December 2024 (EPRA Diversity-Emp):
  - 49% women and 51% men within WiZiU;
  - 53% women and 47% men among the other managers.
- The gender balance in the managerial population of Covivio Hotels' operating properties on 31 December 2024:
  - 31% of the managers at WiZiU are women and 69% are men;
  - 48% of managers are women and 52% are men among the other managers.

(1) Principles of the charter: https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/combatting-discrimination/tackling-discrimination/diversity-and-inclusion-initiatives/diversity-charters-eu-country_en

(2) Covivio | UN Global Compact

Ex-Aequo to promote equal opportunities between men and women

The Covivio Group's Universal Registration Document describes the system for supporting the progression of women with direct employment contracts within the Group. Since 2017, the Ex-Aequo programme consists of two main components:

- actions to raise awareness among all employees 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. 24 French, Italian and German women are benefiting from this programme today.

The whistleblowing system in place also covers harassment and discrimination of all kinds, whilst protecting whistleblowers. In 2024, no complaint related to discrimination issues was filed with the Ethics Officer, and no conviction was pronounced against Covivio Hotels. No alert was made in 2024 within the hotels managed by WiZiU.

In France, a dual sexual harassment referent has also been appointed at corporate level (one within the Social and Economic Committee, the other within the Human Resources Department) under the 2017 Labour Law. It enables the number of possible alert and intervention channels to be increased. An e-learning module on preventing sexist behaviour is available on the Covivio Academy platform. Its aim is to help employees and managers identify sexist behaviour and its various manifestations at work, and to react accordingly when necessary.

Disability

If skills are equal, the Covivio Group will favour disabled candidates. The Covivio Group launched its first disability programme in 2021. This initiative culminated in 2023 in the signing of a partnership with the National Association for Managing the Vocational Integration of Disabled People [1] (Agefip), with the support of the Social and Economic Committee.

In order to continue the awareness-raising work which has been done since 2021, a number of very hands-on actions were taken at corporate level in 2024: creation of a page dedicated to the Disability Mission on the intranet, and the provision of varied resources; organisation of conferences on mental health and the reconciliation of chronic illness and work; information on the RQTH (recognition of the status of disabled worker), particularly during recruitment and onboarding; organisation of disability sports activities during the SEEPH (Week for the Employment of Disabled Persons); organisation of a Christmas market.

An agreement was negotiated on disability for the period 2023-2025, for the scope under WiZiU's management. This agreement aims to improve the way disabilities are considered in the recruitment process and job retention, as well as diversity and inclusion. The employment rate of disabled people in hotels had risen from 1.1% to 2.2% by the end of 2024, after it was implemented. Training sessions are organised for HR and hotel managers, as well as workshops for managers. Awareness sessions are also rolled out for all employees. These awareness-raising initiatives help to improve understanding, support and communication of the disability policy. Lastly, partnerships are established with specialised websites, ergonomists are solicited and partnerships are set up with associations such as the Arpejeh [2]. For example, these partnerships enable hotel visits to be organised for disabled students.

Measures to accommodate employees with disabilities: the example of the Park Inn Leuven (Belgium)

- Equal Employment Opportunities: All employment practices, including recruitment, promotion and remuneration, are exempt from any discrimination based on disability.
- Specific adaptations: provision of the necessary adaptations to enable disabled employees to perform their job tasks calmly and effectively. These adjustments include changes to the working environment, flexible working hours and assistive technologies.
- Accessibility: The facilities are designed to be accessible to disabled people, including the entrances, toilets and work areas.
- Training and development: Adaptation of training programmes to encourage disabled employees to develop their skills and to progress in their career.
- Support & Resources: Access to resources such as employee assistance programmes, counselling and support groups.

Senior staff

With regard to supporting senior staff in employment, Covivio has set up at corporate level, a systematic interview with the Human Resources Department for employees during the year they reach 55. This interview is repeated every year for employees who request it, and includes a review of the job, and any desired changes desired and actions to be implemented, in terms of ergonomics, for example. In 2024, all senior staff were invited to this interview and 15% chose to attend (senior staff generally wish to have this interview every two or three years rather than every year). In addition, Covivio allows employees over 55 to work part-time with pension contributions maintained on a full-time basis. Seven employees benefited from this scheme in 2024, *i.e.* 12% of the senior workforce. An agreement concerning senior staff, aimed at helping older employees to stay in work and preserving their working conditions, was signed in 2020. A Senior Staff Time Savings Account (CET) for employees aged 55 and over enables senior staff to plan their retirement. Training is also offered to employees who are approaching retirement age to prepare them for this life stage from an administrative and psychological point of view.

(1) Agefiph has been supporting employment and job retention of people with disabilities in private sector companies since 1987. Its main activities include advising and supporting companies in defining and implementing their disability policies, and providing financial assistance to companies and individuals to help compensate for disability in the workplace.

(2) Arpejeh: support and services organisation for disabled people in Paris.

3.3.1.3 Social dialogue (S1-2)

3.3.1.3.1 Organisation of social dialogue with employee representatives

Collective agreements are negotiated with the union representatives: in 2024, the employees of the Group's French head office are represented by two trade unions (CFE-CGC and CFDT). In 2024, there were few new major collective agreements signed: in addition to the agreements already concluded in previous years (and still in force) on Quality of Life at Work, Profit-Sharing and the savings plan, Equality and Diversity, and Seniors, the following were added in 2024: an agreement on the payment of a Value Sharing bonus, an agreement aimed at increasing on-call duty pay, and the updating of agreements concerning the coverage of employees' health expenses and welfare benefits. Staff representatives are responsible for any individual questions and issues. All elected representatives are "protected" under labour law, including after the end of their term of office, and can only be subject to individual sanctions with the authorisation of the State and under a specific procedure. They have a great deal of freedom of speech and time set aside for their duties as elected representatives. The openness and transparency on which this social dialogue is based means that Covivio is attentive to the suggestions of employee representatives and can work with them to anticipate the changing needs and aspirations of its employees.

Employees of hotel operating properties are covered by the HCR (hotel, café, restaurant) sector agreement. WiZiU has signed several agreements (disability, profit-sharing, quality of life at work, gender equality and working time) that apply in the majority of the hotels it operates.

Covivio Hotels or its managers have not been prosecuted or convicted in 2024 in relation to labour law or trade union freedom.

3.3.1.3.2 Dialogue methods and their uses (S1-3)

Covivio and its subsidiaries maintain a permanent dialogue with the staff representative bodies (IRP), in a transparent and constructive manner. The Staff Representative Bodies play a fundamental role in representing and defending the interests of employees, and act as a link between employees and management, ensuring that the concerns and needs of workers are heard and taken into account. IRPs are involved in negotiating working conditions, workplace safety and remuneration policies. They also ensure that employees' rights are respected, particularly with regard to termination of employment, restructuring and working conditions. By acting as mediators when requested by employees, the IRP contribute to maintaining a peaceful social climate and to fostering constructive dialogue between the various stakeholders in the company. Within this virtuous framework, Covivio is committed to promoting social dialogue and trade union freedom. All employees are free to join the professional union of their choice, and trade unions are free to develop in accordance with the provisions of the French Labour Code. Covivio undertakes not to discriminate against any employee belonging to a trade union, especially regarding recruitment, the conduct and organisation of work, job training, promotion, pay and the granting of social benefits, disciplinary action and the termination of employment contracts.

In France, collective agreements are negotiated with union representatives (3.3.1.3.1). It enables weak signals to be heard and identified so that "negative effects on own workers can be remedied", according to the definition of this ESRS. The whistleblowing channels are described in France in the QLW agreement and at Group level in the Ethical Charter. If an employee is in difficulties as due to their work at Covivio, a system allows the person concerned, or witnesses within the company, to pass on the information so that an appropriate solution can be found.

For hotels operated by WiZiU, Social and Economic Committee meetings are held every two months for establishments with more than 50 employees and once a month for those with less than 50 employees. Meetings of the SEC may be more frequent, depending on needs.

Requirement for additional CSRD data

S1-3 – Q33	**Assessment of employees' knowledge of whistleblowing processes.**	The procedure for monitoring and processing alerts received by Covivio *via* the Whistleblowing platform is explained in ESRS G1, section 3.4.2.4. No alerts were received in 2023 and 2024.

Preventing risks of corruption

Covivio Hotels has had an internal whistleblowing system since 2015. Its functioning has been modified to take the provisions of the Sapin 2 law into account. The whistleblowing system covers multiple scenarios: crimes or offences, serious and obvious violations of national or international legislation, serious threats or harm to the public interest. It also enables all employees to report violations of the principles set out in the Ethical Charter, and in the following areas in general: finance, accounting, banking, anti-corruption, anti-discrimination and anti-harassment at work. The whistleblowing system is available to Group employees and all stakeholders.

WiZiU has set up an internal whistleblowing system (3.3.1.2.1). Intended solely for its employees, the system guarantees the protection of whistleblowers, in accordance with the provisions of the Sapin 2 law.

3.3.1.4 Deployment of the social policy (S1-4)

3.3.1.4.1 HR governance in the consolidation phase

Each local manager has their own Human Resources team, in order to offer a service that is as close as possible to the operational teams' requirements for all their social issues. The goal is to standardise practices in hotel operating properties, especially in terms of employer branding and integration, management training and development, gender equality in the workplace, quality of life at work, remuneration and social dialogue.

3.3.1.4.2 Measuring employee commitment

Covivio has conducted an employee satisfaction survey every two years since 2019: the Commitment Barometer, carried out among all European employees by the Kantar institute. The 2023 survey, with an attendance rate of 83%, bears witness to the feeling of belonging, the confidence and the quality of the working conditions for everyone.

Team commitment and pride in belonging are present: 93% of employees say that their work is interesting, and 85% of them are satisfied with their job, *i.e.* 12 points higher than the Kantar Institute's benchmark for private companies. Confidence in the Group's strategy and management remain at high levels: 78% of employees say they have confidence in the management team (+15 pts compared to the benchmark) and 83% in their direct line manager. 94% of employees say they are optimistic about Covivio's future. The organisational efficiency within the Group is singled out for praise in this survey: 81% of employees state that decisions are taken quickly and 80% are pleased with the speed at which they are implemented. The quality of life at work is also highly praised: 90% consider that the working atmosphere is good within their team and 80% say that they have a good work-life balance. 91% of employees are satisfied with their material working conditions.

The results of each barometer are presented to the Executive Committee and to the CSR Committee. Any corrective measures that are identified result in an action plan for each country, which is monitored at Group level by the General Management.

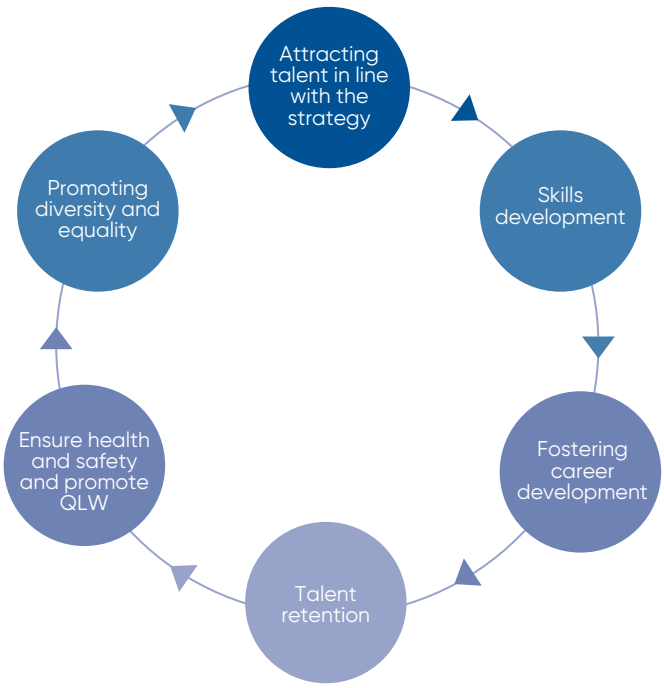
WiZiU included the creation of a questionnaire for employees of hotels in operation in its 2026 roadmap.

3.3.1.4.3 HR action plan

The 2020/2025/2030 CSR action plan for the different activities of Covivio Hotels is presented in ESRS 2 in section 3.1.2.5. This action plan details the main multi-year objectives and their progress. These objectives are the subject of internal reporting and are monitored at the different levels of the company's governance.

The diagram below shows the HR action plan for Covivio Hotels' direct employees.

HR action plan



3.3.1.4.4 The resources mobilised to implement the action plan

Ensure health and safety and promote quality of life at work: the CSSCT [1] checks that the facilities offered to employees are suitable and comfortable, and is updated on all development projects and provisional schedules for possible works.

A recruitment policy that supports the strategy: recruitment needs are studied and assessed by the General Management, according to the multi-annual business priorities and challenges. The mid-year and end-of-year interviews, as well as the People Reviews, serve to measure the workload of the teams, the density of skills required and their allocation over time, as well as any changes in skills that may have to be taken into account.

A policy of attracting and employing young talent in a context of increasing turnover: the HR teams have also organised meetings with students in order to develop the employer brand.

Integrated and dynamic career management: a People Review was carried out in 2023 to assess the development of their skills and identify opportunities for each of them. Feedback was provided to the employees concerned. The People Review will be repeated in 2025.

HR employees In FTE (Full Time Equivalent)	Corporate	WiZiU
Number of employees in charge of payroll	2	0.5
Number of employees in charge of diversity	0.2	0.2

3.3.1.5 Social policy metrics and targets (S1-5)

3.3.1.5.1 Table of social indicators (S1-6)

Information on the workforce reported by age group

		Covivio Hotels
		2024
Non-employee workforce	**Number of non-employees**	**324**
	Interns	**36**
	Men	16
	Women	20
	Non-guaranteed hours contracts	**118**
	Men	58
	Women	60
	Temporary employees	**167**
	Men	86
	Women	81
	Executive Directors	3

(1) CSSCT: Health, Safety and Working Conditions Commission: Commission created within the Social and Economic Committee (CSE).

	GRI Standards / EPRA		WiZiU	Other Hotel managers	Covivio Hotels		Coverage rate
			2023	2024	2024	2024	%	
Total workforce reported by gender		**Number of employees (including vocational training certificate (CAPs))**	583	583	986	1,569		100%
		Men	306	297	463	760	48%	100%
		Women	277	286	524	810	52%	100%
Total workforce by type of employment contract reported by gender		**Permanent contract**	**516**	**525**	**627**	**1,152**	**73%**	**100%**
		Men	282	278	297	575	50%	100%
		Women	234	247	330	577	50%	100%
		Temporary contracts	**34**	**23**	**117**	**140**	**9%**	**100%**
		Men	13	8	61	69	49%	100%
		Women	21	15	56	71	51%	100%
		Minijobs (Germany)	**0**	**0**	**84**	**84**	**5%**	**100%**
		Men	0	0	38	38	45%	100%
		Women	0	0	46	46	55%	100%
		CAP (vocational training certificate)	**33**	**35**	**158**	**193**	**12%**	**100%**
		Men	11	11	66	77	40%	100%
		Women	22	24	92	116	60%	100%
Total workforce reported by geographical area	**Diversity-Emp** **102-8**	**France**	**508**	**508**	**0**	**508**	**32%**	**100%**
		Men	271	262	0	262	52%	100%
		Women	237	246	0	246	48%	100%
		Belgium	**75**	**75**	**139**	**214**	**14%**	**100%**
		Men	35	35	84	119	56%	100%
		Women	40	40	56	96	45%	100%
		Germany	-	-	750	750	48%	100%
		Men	-	-	333	333	44%	100%
		Women	-	-	417	417	56%	100%
		Ireland	-	-	**97**	**97**	**6%**	**100%**
		Men	-	-	46	46	47%	100%
		Women	-	-	51	51	53%	100%
Total workforce by type of job reported by gender		**Full time**	**537**	**536**	**758**	**1,294**	**82%**	**100%**
		Men	296	284	381	665	51%	100%
		Women	241	252	377	629	49%	100%
		Part-time	**46**	**47**	**228**	**275**	**18%**	**100%**
		Men	10	13	91	104	38%	100%
		Women	36	34	137	171	62%	100%
Total workforce by type of professional category reported by gender		**Manager**	**76**	**70**	**124**	**194**	**12%**	**100%**
		Men	49	48	64	112	58%	100%
		Women	27	22	60	82	42%	100%
		Non Manager	**507**	**513**	**862**	**1,375**	**88%**	**100%**
		Men	259	249	417	666	48%	100%
		Women	248	264	445	709	52%	100%
Total workforce reported by age group		Less than 30	203	202	408	610	39%	100%
		30 to 50 years	261	257	360	617	39%	100%
		over 50	119	124	221	345	22%	100%

	GRI Standards / EPRA		WiZiU	Other Hotel managers	Covivio Hotels		Coverage rate
			2023	2024	2024	%	
Staff turnover reported by gender, employment contract and age group	**Emp-Turnover** **401-1**	**Total departures**	-	**266**	**274**	**540**	**0%**	**100%**
		of which temporary contracts	-	33.8%	-	160	30%	100%
		Turnover on permanent + temporary contracts	-	**34.1%**	**-**	**-**	**33%**	**100%**
		Permanent contract turnover	-	**45.6%**	**-**	**-**	**34%**	**100%**
		Men	-	150	-	285	28%	100%
		Women	-	116	-	255	25%	100%
		Less than 30	-	149	-	287	28%	100%
		30 to 50 years	-	92	-	200	19%	100%
		over 50	-	25	-	53	5%	100%
Reported recruitment rate by gender, employment contract and age group		**Total arrivals**	-	**270**	**295**	**565**	**0%**	**100%**
		of which temporary contracts	-	33.0%	-	283	50%	100%
		Permanent contract recruitment rate	-	**35.1%**			**24%**	**100%**
		Permanent contract + temporary contract recruitment rate	-	**53.1%**			**36%**	**100%**
		Men	-	152		297	29%	100%
		Women	-	118		268	26%	100%
		Less than 30	-	166		344	33%	100%
		30 to 50 years	-	79		169	16%	100%
		over 50	-	25		52	5%	100%

Metrics related to training and skills development

	GRI Standards / EPRA		WiZiU	Covivio Hotels (incl. WiZiU)	
			2024	2024	Rate of coverage
% of staff who received training	**Emp-Training** **404-1**	**Total**	**419**	**1,456**	**100%**
		Training rate	**82%**	**93%**	**100%**
		Men	222	706	100%
		Women	197	748	100%
Average number of training hours per employee by gender and by professional category		**Total training hours per employee**	**8.9**	**17.4**	**83%**
		Men	9.5	16.9	83%
		Women	8.2	17.8	83%
		Managers	10.8	11.8	83%
		Non Managers	8.9	22.3	83%
% of payroll dedicated to training		**Total**	**0.9%**	**0.6%**	**71%**
Percentage of employees receiving an annual performance and development review by gender	**Emp-Dev** **404-3**	**Total**	**96.5%**	**77.4%**	**100%**
		Men	96.8%	79%	100%
		Women	96.3%	76%	100%

Accident-related metrics

	GRI Standards / EPRA		WiZiU 2024	Covivio Hotels (including WiZiU) 2024	Covivio Hotels (including WiZiU) Rate of coverage
Reported absenteeism rate by gender		**Total**	**8.3%**	**6.6%**	**100%**
		Men	9.9%	6.7%	100%
		Women	6.7%	6.2%	100%
Rate of occupational illnesses reported by gender	**H & S-Emp**	**Total**	**0.4%**	**0.2%**	**100%**
		Men	0%	0%	100%
		Women	1%	0.3%	100%
Workplace accident rate by gender	**403-2**	**Total**	**15.9%**	**11.6%**	**100%**
		Men	14.3%	10.4%	100%
		Women	17.7%	12.8%	100%
		Frequency rate	**60.17**	-	-
		Severity rate	**2.52**	-	-
		Number of deaths	**0**	0	100%

Salary information

	GRI Standards / EPRA		Covivio Hotels (including WiZiU) 2024	Covivio Hotels (including WiZiU) Coverage rate
Ratio of basic salary and remuneration of women to men, by professional category	**Diversity-Pay**	**Average M/F ratio (excluding CAP and suspension)**	**-6%**	**100%**
		Median M/F ratio (excluding CAP and suspension)	**-7%**	**53%**
	405-2	**M/F manager ratio**	**-8%**	**96%**
		Non-manager M/F ratio	**-7%**	**96%**
Equity ratio		**Equity ratio - Average**	**0.54**	**53%**
		Equity ratio - Median	**0.51**	**53%**

Other indicators

	GRI Standards / EPRA		WiZiU 2024	Covivio Hotels (including WiZiU) 2024	Covivio Hotels (including WiZiU) Coverage rate
% of employees covered by a collective agreement	**102-41**		**100%**	**89.0%**	**95.2%**
% of employees covered by employee representatives			**100%**	**82.4%**	**89.2%**
Percentage of the total workforce represented on joint Management-Employee Health and Safety at Work Committees to monitor and advise on the Workplace First Aid programme	**403-1**	**Total**	**100%**	**67.1%**	**100%**
Percentage of activities in compliance with recognised health and safety management system principles		**Total**	**0%**	**0%**	**52.2%**
Disabled employees		**Total**	**2.2%**	**1.3%**	**100%**
Complaints on ethics-related topics (including harassment, discrimination in all its forms)	**Covivio indicator**		**0**	**1**	**1**
Amount of fines for ethical reasons or discrimination			**0**	**0**	**94%**

As of 31 December 2024, Covivio Hotels had 19 full-time employees (8 women, 11 men), 18 of whom were on permanent contracts. All of the Human Resources indicators relating to Covivio Hotels are included in Chapter 3.3 of the Covivio Universal Registration Document as part of the France ESU. Within this scope, the training rate in 2024 was 94%, with an average of 12 hours training per employee and 3% of the payroll was earmarked for training. In addition, 100% of employees are covered by collective agreements and a Health and Safety Committee. The workplace accident rate for the ESU is 1%, whilst the absenteeism rate is 2.8%. Finally, the turnover of departures was 10.9% and the recruitment rate 8.8% at the end of 2024 due to the dynamism of the labour market.

Major reorganisation operation with AccorInvest

At the beginning of December 2024, Covivio Hotels and AccorInvest announced the finalisation of the operation to consolidate the ownership of the operating properties of their hotels. Of the 43 hotels concerned, 14 are directly managed by the Covivio Hotels operational platform: WiZiU. Of these 43 business assets, 19 are accounted for under the equity method.

As the migration of HR data did not begin until December (when the operation was finalised), only the main data are available for this report:

- 613 employees: 56% women, 44% men;
- 91% permanent contracts, 4% temporary contracts, 5% apprenticeship, <1% trainees

As the integration of employees by the various entities taking over the management of human resources related to the hotels in this portfolio was still in progress at the end of the fiscal year, these employees are not included in the social reporting tables.

3.3.1.5.2 Adequate wage (S1-10)

An adequate wage does not correspond to the legal minimum wage in each country. An adequate wage can be defined as the remuneration that allows the employee and his/her family to cover their basic needs (food, housing, health care, clothing), but also education, transport, leisure, and which offers the possibility to save.

All Covivio Hotels employees receive an adequate wage. Covivio Hotels, through its social policy, endeavours to determine a fair wage based on the economic context and its need to be attractive.

For example, the average remuneration of WiZiU employees in France is €29,711 in 2024 (€29,125 in 2023). The company uses a salary scale that is consistent with industry practices. Salaries are governed by the HCR branch agreement, but WiZiU strives to ensure an adequate salary for each employee.

3.3.1.5.3 Employee health and unemployment coverage (S1-11)

All employees of the managers of Covivio Hotels are covered by social protection, as part of public programmes or benefits offered by the company, against loss of income due to illness, disability, work accidents, unemployment, maternity and parental leave as well as retirement.

In France, WiZiU employees benefit from an additional health cover (mutual) financed by the company of 75% for non-managers and 100% for managers, and their salary is maintained from the first day of absence for sick leave, for three months.

3.3.1.5.4 Work-life balance (leave) (S1-15)

100% of employees (WiZiU, corporate, other managers) can take leave for family reasons.

Employees are entitled to days of leave for specific family events, such as marriage, the birth of a child, or the death of a relative. The period of leave may vary depending on the event and national legislation. This applies to 100% of the employee and non-employee workforce.

This leave enables employees to take the time they need to manage important events in their personal lives, without loss of pay. This information is available on the intranet and in the documents provided during the onboarding process, and is granted on presentation of supporting documents without any other request for authorisation.

3.3.1.5.5 Incidents/complaints related to work and Human Rights among own staff (S1-17)

	Number in 2023	Number in 2024	Observations
The total number of incidents of discrimination, including harassment, reported during the reporting period	1	1	
The number of complaints lodged through the channels enabling company employees to express their concerns (including the grievance mechanisms) and, where applicable, with the national contact points for multinational companies of the OECD	1	1	
Total amount of fines, penalties and material compensation resulting from the above-mentioned incidents and complaints, as well as a reconciliation of these financial amounts with the most relevant amount presented in the financial agreement	0	0	

In 2024, Covivio Hotels received no reports of serious human rights incidents related to its workforce. Furthermore, there were no fines, penalties or compensation to be paid in the 2024 fiscal year.

3.3.1.5.6 Additional data requirement (S1-16)

(S1-6)	Methods and assumptions used to compile the data	The definition of the scope of the indicators and the methodology used to consolidate them is indicated in the reporting protocol for social indicators. This can be consulted directly on Covivio's website.
(S1-7)	Non-employee workforce	Explanations of the scopes, methods and assumptions used to compile the HR data are available in Covivio's social reporting protocol, directly accessible on its website.
(S1-8)	Overall percentage of employees covered at hotel level by workers' representatives	In hotel lease properties: Covivio Hotels does not deal with staff and staff representation is managed by the operator In hotels held as operating properties: 100% At Covivio Hotels head office: 100%
(S1-8)	Employee representation agreement by a European Works Council (EWC)	Due to its legal structure, Covivio Hotels does not have a European Works Council (EWC). The same applies to WiZiU, for the same reason.
(S1-9)	Breakdown of top management/ senior executives by gender	The breakdown by gender is presented in the table of social indicators, Covivio Hotels steering committee is composed of 40% women
(S1-14)	Employee health and safety coverage	**ESU Covivio France** (including Covivio Hotels employees): 100% **WiZiU scope**: 100%

3.3.2 Working conditions and respect for Human Rights in the value chain (ESRS S2)

Having a responsible supply chain is key for the Group and is a significant challenge. The performance of Covivio and its buildings depends on the performance of its suppliers, consultants and subcontractors.

The objective of the ESRS S2 standard is to present the way in which Covivio Hotels influences and interacts with workers within its value chain. This concerns all workers who are not included in the scope of its own workforce, for whom the information is provided in the dedicated section (ESRS S1).

3.3.2.1 Impacts, Risks and Opportunities related to workers in the value chain (S2.SBM-3)

3.3.2.1.1 Scope of value chain workers

Covivio has identified the main types of work in its value chain, in order to define the scope covered and the materiality of the issue. This analysis was enriched by the mapping of CSR risks related to purchases made in 2020 (see focus below). Two main groups are identified:

- **upstream:** the workers concerned are primarily the employees of suppliers involved in the construction or renovation of hotels (staff of construction companies, suppliers, other parties involved: engineers, architects, technicians, workers, etc.);
- **downstream:** workers in leased or operated hotels:
  - for operating properties: staff of maintenance companies (elevators, cleaning, etc.), security, laundry, transport and logistics companies, as well as event management companies and IT service providers for hotel management systems;
  - for leased properties: the employees of the tenant companies that operate the hotel.

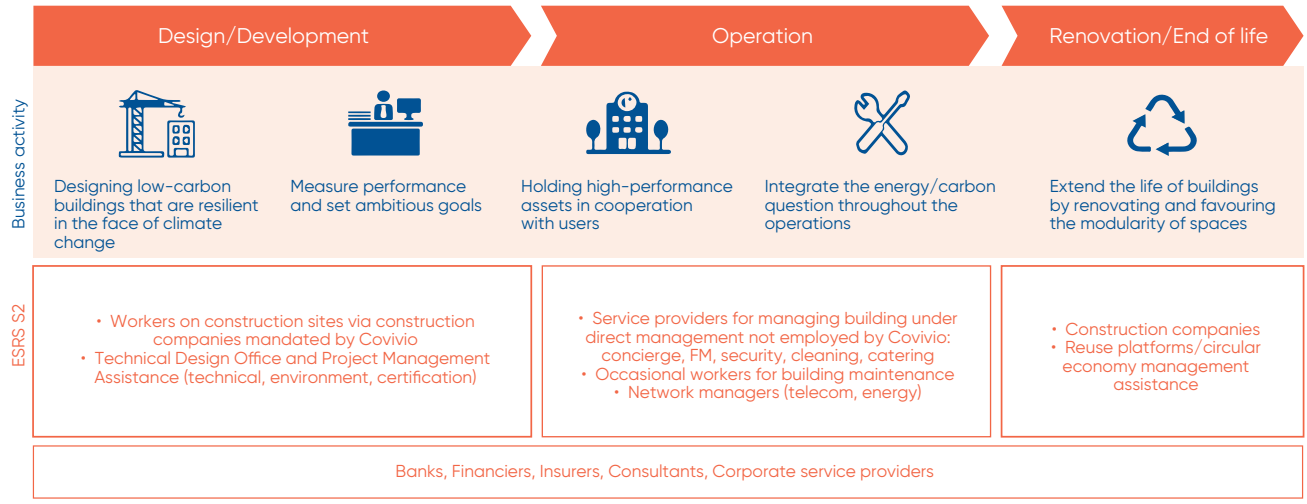
This also includes consultants and auditors involved in managing the assets. The personnel of buyers and investors are not included in this scope.

There are therefore higher impacts and risks associated with these two groups because:

- there are greater Health & Safety and Human Rights risks associated with the types of jobs included in these groups, particularly in the construction and hospitality sectors;
- the work is performed on a site owned by Covivio, although the contractual liability remains with the employers (the companies that Covivio contracts with to perform the work or services in question).

The rating of the IROs on this ESRS was therefore based on these elements.

Workers in the value chain



Other workers in the value chain have been identified with challenges that appear less material for the Group, mainly given that the other business lines are located more off the Covivio site. These include:

- suppliers of materials and producers of raw materials;
- manufacturers of energy technologies;
- manufacturers of electronic components;
- furniture manufacturers and equipment wholesalers.

The Group's influence is more limited in this case, but these services are nevertheless covered by the Responsible Purchasing policy. The same applies to workers of companies that work with Covivio in its corporate sphere, for the legal, communications/events, HR and finance departments, etc. The Responsible Purchasing policy is presented in section 3.3.2.2.1.

Mapping of CSR risks related to the value chain

A study was conducted in 2020 to determine the main CSR risks of Covivio's supplier panel. 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: **customers, partners, investors, local communities, the suppliers themselves,** etc.

Methodology

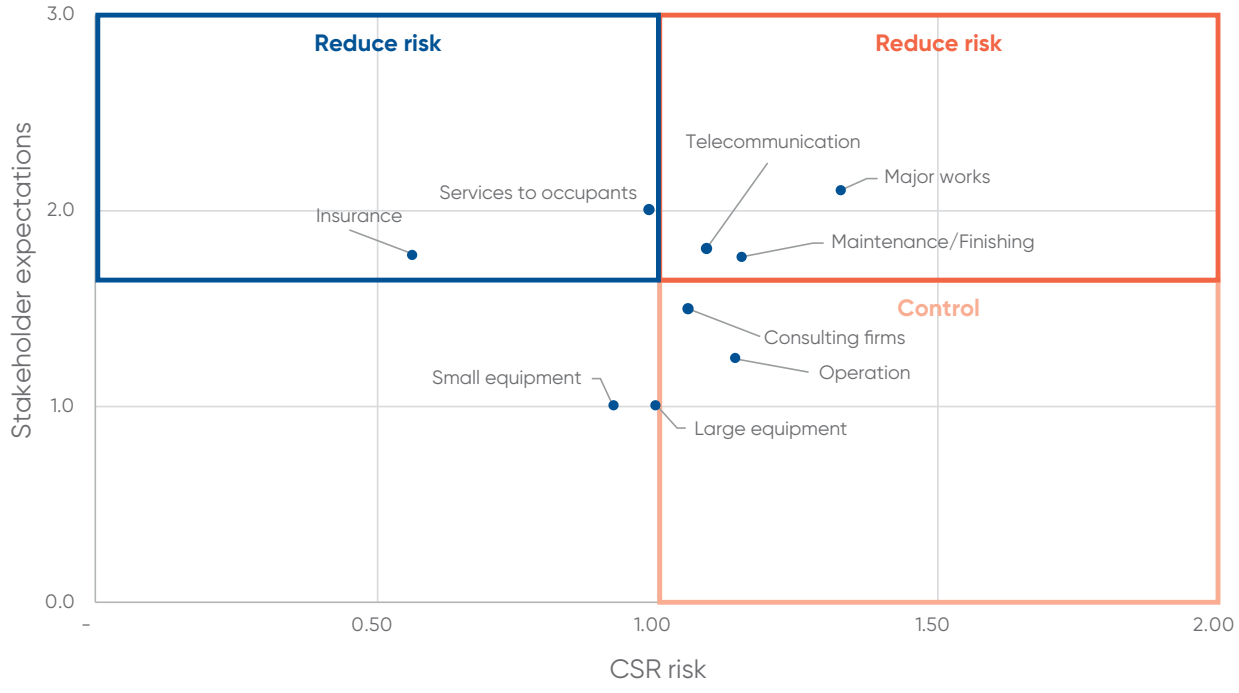
Several purchasing categories were determined in each of the three countries, based on the expenditure for 2019: nine in France, seven in Italy and six in Germany. The categories which are common to each country are: telecommunications, maintenance, design/consulting offices, major works and insurance. The Small equipment, Major equipment purchase categories are specific to France, whilst Services to Occupiers and Operating Expenses are specific to France and Italy. Two separate analyses were carried out for each of these categories:

- an analysis of the context of the purchase category: risk of disruption to the supply chain, availability of alternatives, possibility of influence from suppliers, media exposure, stakeholders' main expectations, etc.
- an analysis of the main categories of CSR risks:
  - environmental: energy consumption, CO_2 emissions, biodiversity, pollution, etc.;
  - social: health/safety, quality of life at work, respect for Human Rights, etc.;
  - customers: well-being, data security, etc.;
  - ethics: corruption, money laundering, etc.;
  - regional: nuisances for local residents, economic development, etc.

The risks analysed are the residual risks that remain after the implementation of specific actions and measures. The contributors interviewed had to quantify these different risks on a scale ranging from non-existent to critical, and including limited, significant and major, based on their experience as buyers. This study produced the following results: in France, overall perceived CSR risks are limited because they are managed internally. The environmental risk is the most significant overall. The Social and Customer risks should also not be overlooked, respectively on the major works and Engineering-Design/Consulting category. In Germany, risks related to business ethics are perceived as the most important, whilst in Italy, it is the risks related to local development. The results therefore differ from one country to another.

The graph below ranks the purchasing categories studied according to their respective levels of CSR risk (the average of each of the risks mentioned above), cross-referencing each one against the expectations of stakeholders. The higher the point on the right of the graph, the more significant the expectations and risks. The greater the expectations of the stakeholders, the greater the final risk to be managed, as this will not only affect Covivio, but also its ecosystem. The Major Works and Maintenance purchasing categories are identified as the most at risk in terms of CSR and are where stakeholders' expectations are greatest. The risks are mainly environmental (waste, pollution) and social (including health and safety of people). Ethical risks were also raised, as well as risks that could impact tenants' activities (such as those related to on-site maintenance, for example). These categories may give rise to specific actions. The other categories identified as having risks that need to be reduced are Insurance and Consulting, requiring specific actions.

Prioritisation matrix/CSR risks and stakeholder expectations



3.3.2.1.2 Fight against forced labour and child labour

Covivio's operations are conducted in countries with high levels of social protection that ban forced labour and child labour. None of these countries is considered to be at risk as defined by Ethifinance's classification as part of its Gaia rating system [1]. Covivio restates these principles and its commitment to complying with international conventions in this area in its publications, especially in its Responsible Purchasing Charter.

- For more information on the Human Rights policy: section 3.3.2.2.2.

Covivio is strengthening its procurement policy on the subjects of material traceability, where the risk of child or forced labour is higher, in order to prevent this risk throughout the value chain.

In addition, Covivio utilises the 360° monitoring system for its main suppliers, which is part of the Responsible Purchasing programme implemented with EcoVadis (section 3.3.2.2.1). This monitoring enables Covivio to be informed of suppliers' news, for example if a dispute related to forced labour arose at a supplier.

3.3.2.1.3 Identification of IROs related to workers in the value chain

The dual materiality analysis conducted in 2023/2024 led to the identification of current or potential impacts and risks concerning these categories of workers.

ESRS S2 - WORKING CONDITIONS AND RESPECT FOR HUMAN RIGHTS IN THE VALUE CHAIN	
Description and key words	Well-being at work/Quality of life at work Respect for social dialogue Accidents and health/safety at work Training
Main impacts	Maximum impact on the well-being and health/safety of employees working on construction sites and sites in operation Impact on significant reporting needs; coordination on construction sites Impact on Human Rights, in particular with certain insecure jobs (part-time, temporary contracts, temporary work)
Positioning in the value chain	Upstream, direct and downstream operations
Main risks	**Work-related risk:** Limited criminal risk, as criminal liability lies with the constructor, but a reputational risk exists if diligence is deemed insufficient Risk to business continuity related to recruitment difficulties in the construction sector **Risk linked to operating hotels:** Reputational risk Criminal risk in case of discrimination or Human Rights violations
Main opportunities	Contribution to developing local employment (cf. socio-economic impact study ESRS S3) Trust-based relationship with suppliers Brand appeal, reputation
Materiality	Material

The policies implemented to manage these negative impacts are detailed below. Covivio has also set up an accident monitoring system on its construction sites to record the frequency of this impact on workers on its construction sites (section 3.3.2.5.2).

Some workers' trades may be considered to present more risks than others: roofing, façade work, working at height, electrical work, demolition, etc. The contracts that Covivio signs with construction companies govern the safety conditions of personnel working on construction sites, regardless of their size. In addition, building sites are supervised to guarantee maximum safety for persons. For example, in France the HSC (Health and Safety coordinator) is responsible for preventing occupational risks associated with several self-employed workers or companies (including subcontractors) working simultaneously or successively during a project's design and construction phases. The Health and Safety Coordinator plans the use of shared resources during the planning phase of a project (infrastructure, logistical resources and collective protection). The coordinator ensures that the necessary safety measures are taken during the construction and operation phases of the project [2].

The Covid-19 health crisis has shown that projects can be stopped overnight in the event of a pandemic. Construction sites may also be disrupted by natural hazards (exceptional rainfall, frost, heatwaves, etc.), as well as supply difficulties (raw materials, equipment, etc.). Furthermore, Covivio is not aware of any risks or opportunities arising from the impacts on and dependencies regarding workers in the value chain that impact specific groups.

The specific case of reverse management contracts

Five hotels in the Covivio Hotels operating portfolio are operated under reverse management contracts: the workforce reports directly to the managers and not to Covivio Hotels. The impacts, risks and opportunities associated with this category of workforce are reported in the ESRS S1 of Covivio Hotels, and the expected policy and action plan levels are also the same.

(1) Ethifinance classification as part of its Gaia rating.
(2) Definition of CSPS: AFNOR Competence - https://competences.afnor.org/metiers/coordonnateur-sps-niv-1-2-3

Main quantitative indicators:

	2024
Own workers	552
M/F	48% men and 52% women
Percentage of permanent contracts	86%
Training rate	96%

3.3.2.2 Policies to manage the material challenges of workers in the value chain (S2-1)

3.3.2.2.1 Responsible Purchasing Policy

Having a responsible supply chain is key for the Group and is a significant issue, both in terms of impact on Covivio's business continuity and in terms of reputation. The performance of Covivio Hotels and its buildings depends on that of its suppliers, consultants and subcontractors, particularly in terms of carbon and climate transition.

Since 2011, Covivio has adopted a Responsible Purchasing Policy, enabling it to:

- raise awareness among buyers about Responsible Procurement;
- apply a principle of reciprocity to its suppliers, thus committing to respect the principles set out in this charter;
- encourage consultants and suppliers to be assessed with regard to CSR criteria during calls for tenders, as well as when signing new contracts *via* EcoVadis assessment;
- work with suppliers to promote sustainable development, through working groups, in coordination with associations, or through shared R&D work;
- conduct integrity and reputation checks, reserving the right to terminate any business relationship with suppliers whose behaviour is found to be unethical.

Scope of the Responsible Purchasing Policy and its governance

Covivio's Responsible Purchasing policy covers suppliers and consultants involved in operational activities (hotel development, renovation) as well as corporate activities (support) at Covivio Hotels' head office.

It is organised and supervised by Covivio's sustainable development department. The progress of this deployment is presented each year to the CSR Committee, which ensures that the objectives are met.

Covivio's Responsible Purchasing policy is based in particular on its Responsible Purchasing charter of the same name, which expressly refers to several international initiatives. It requires reciprocity from signatory suppliers with regards to the respect of Human Rights in their own value chains. By signing the charter, Covivio's suppliers undertake to control and monitor their value chain on these issues.

In 2024, the Responsible Purchasing scheme was extended to cover the scope of corporate expenditure, with the first stage concerning expenditure by the HR, Communications and Legal departments.

As a subsidiary, Covivio Hotels receives support from the Group's support services and its policies. Regarding the purchasing policy, deployment differs according to the type of asset.

For leased hotels: Covivio Hotels do not interfere in the purchasing policy of its tenants and operators. Nevertheless, its tenants are increasingly committed to Responsible Purchasing. For example, hotels operating under the Accor brand benefit from the chain's central purchasing service. This service analyse only lists suppliers that respond positively to their sustainability requirements.

For hotel operating properties run by WiZiU: Covivio Hotels has adopted a Responsible Purchasing policy in addition to the Group's policy. It details the Company's commitments related to the specific activities of hotel operations:

- promoting responsible food: sustainable (MSC - Marine Stewardship Council) or seasonal fishing, a menu free of products from endangered species (meat, fish and shellfish products), favouring seasonal fruits and vegetables, a minimum quota of products from organic farming, fair trade and/or local distribution channels, prioritising the sourcing of ingredients in order to favour "homemade" dishes, offering at least one vegetarian dish on the menu;
- favouring products and equipment from sustainably managed sectors: purchase low-energy consumption equipment, favour FSC (1) or PEFC (2) certified furniture, buy paper items (office and hygiene) sourced from sustainably managed forests, favour products with eco-responsible compositions (ecological cleaning products).

For hotel operating properties outside WiZiU, the management contracts include the requirement to have Responsible Purchasing Policy.

Deployment of the Responsible Purchasing Policy

Covivio's Responsible Purchasing Policy is deployed using three tools (the Responsible Purchasing Charter, the EcoVadis questionnaire and the CSR clause; section 3.3.2.5.1 presents these tools in detail) and allows a number of requirements to be met:

- obligations such as those resulting from the law of 9 December 2016, known as "Sapin 2", on transparency, the fight against corruption and the modernization of economic life;
- commitments such as respecting the principles of social responsibility defined in the United Nations Global Compact and including them into the purchasing process;
- provisions stipulated for certifications such as Green Key or BREEAM In Use.

(1) Forest Stewardship Council: sustainable forestry label.
(2) Programme for the Endorsement of Forest Certification: forest certification attests to the sustainable management of the forest.

Covivio's Responsible Purchasing Charter sets out the suppliers' commitments regarding Human Rights:

- Principle 1: "The supplier or consultant in question undertakes to initiate a suitable and structured CSR policy, in particular by implementing an environmental and social management system that is consistent with the environmental, social and societal requirements of this Charter."
- Principle 9: "The supplier undertakes to promote diversity by firmly condemning all forms of discrimination (age, origin, gender, disability, etc.) as defined in Article 225-1 of the French Criminal Code and according to the criteria of the Diversity Charter which Covivio is a signatory of. The supplier is particularly encouraged to use the sheltered and protected sector for its subcontracting contracts."
- Principle 10: "The supplier undertakes to comply with current labour regulations, in particular the eight Fundamental Conventions of the ILO relating to fair remuneration, non-discrimination (age, origin, gender, disability, etc.) and forced labour, and to comply with the provisions of Article 32 of the Charter of Fundamental Rights of the European Union on the prohibition of child labour and the protection of young people at work. The supplier also undertakes to guarantee the right of association and trade unionism to its employees."
- Principle 11: "The supplier undertakes to respect and promote the rights and freedoms enshrined in the Universal Declaration of Human Rights as well as the Ten Principles of the United Nations Global Compact."

3.3.2.2.2 Human Rights Policy

In 2024, Covivio adopted a Human Rights policy, which applies to its own employees as well as to workers in the value chain, in which the company undertakes to recognise and adhere to the following fundamental principles:

- **the International Bill of Human Rights;**
- **the Organization for Economic Co-operation and Development (OECD) Guidelines** for Multinational Enterprises on Responsible Business Conduct;
- **UN Guiding Principles on Business and Human Rights;**
- **the Declaration on Fundamental Principles and Rights at Work and the eight Fundamental Conventions of the International Labour Organization** (ILO): freedom of association, 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 respect of employment, pay and occupation;
- **the ten principles of the Global Compact,** which Covivio has been a signatory of since 2011;
- **the 17 UN Sustainable Development Goals** for 2030;
- **the Diversity Charter,** which Covivio has been a signatory of since 2010.

Covivio is notably committed to treating its stakeholders fairly.

Covivio has not received any reports of non-compliance during the course of its activities with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights work or the OECD Guidelines for Multinational Enterprises involving value chain workers.

In addition, Covivio has an Ethical Charter which lays down a set of principles and rules applicable to the Group and which also serves as a Code of Conduct within the meaning of Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life, known as the 'Sapin 2 Law". Stakeholders (suppliers, partners, customers, etc.) and anyone with whom Covivio works in general, are asked to comply with the principles set out in this charter.

The assets held as hotel operating properties are operated under different brands. Although they share the same high ethical standards, these standards are applied through the charters and procedures that are specific to each of these brands. The international hotel group partners of Covivio Hotels publish their ethical policies on their websites.

3.3.2.2.3 General approach in terms of commitment, communication and remedial actions concerning the policies implemented

Covivio strives to provide the most transparent communication possible on Human Rights issues. At the end of 2024, Covivio published its Human Rights policy in a document available on its website. Its Ethical Charter is accessible there.

Deployment of the Human Rights Policy

Covivio uses a range of tools to monitor and assess the commitment by its suppliers and consultants to respecting Human Rights. To reinforce this approach, from 2025, works contracts shall gradually include specific human rights clauses: "*The Project Owner expects the Company to comply with the terms of the European Directive of 24 April 2024 on corporate duty of care with regard to sustainability, pending its transposition into national law. The Company therefore undertakes to do what is necessary to remedy any negative impact on human rights and the environment, whether actual or potential, with regard to its own activities, the activities of its subsidiaries and the operations carried out by its commercial partners in its chains of operations. To this end, the Company acknowledges its responsibility to exercise duty of care with regard to human rights by identifying, preventing and mitigating the adverse human rights impacts that its activities may have, and by reporting on how it remedies these impacts. The Company shall avoid infringing human rights and remedy any negative impact on human rights that it may have caused, contributed to or been linked to through its own activities and those of its subsidiaries and through its direct and indirect business relationships.*"

Specific clauses are also included in the Responsible Purchasing Charter. The assessment conducted by EcoVadis also enables the commitment of suppliers to be verified, with human rights having a significant weighting in this assessment.

Covivio Hotels will set up a Purchasing Department for the WiZiU scope from 2025. Dialogue with suppliers will be reinforced to increase their awareness of Covivio's CSR and ethics issues.

Measures to prevent or remedy Human Rights impacts

Preventive measures are implemented with Covivio's partners who work on its construction sites to ensure that Human Rights are protected. Accident monitoring is used for all operations that Covivio is developing or restructuring. This is managed by the HSW (Health and Safety at Work) coordinator and published in the coordinator's Annual Report on Sustainable Performance. In addition, an SHP (safety and health protection) coordinator is appointed for each construction site, who conducts a weekly inspection to check working conditions. The coordinator writes a report of his or her findings at the end of the inspection, which the company is obliged to follow.

Covivio requires its partners to supply a declaration of subcontractors and a list of foreign workers, together with proof that they are legally entitled to work for each project. BTP cards (professional card for the building and public works sector) are therefore systematically checked on each site.

Works contracts and day-to-day management contracts include a clause in which the supplier undertakes to sign Covivio's Responsible Purchasing Charter and to respect its principles, relating to ethics, respect for human rights and labour rights, etc.

Purchasing policies, particularly with regard to food, cleaning products, laundry and textiles, remain strongly attached to the policies developed by each brand, each with a Responsible Purchasing policy shared with the operator. Some franchise contracts include an obligation to purchase exclusively through the brand's central purchasing service. The management of hotel operating properties in the context of the roll-out of WiZiU will gradually lead to a convergence of purchasing practices.

3.3.2.3 Dialogue process (S2-2)

Stakeholders commitment

The standard clause and the Responsible Purchasing Charter encourage suppliers (and therefore their employees) to make any suggestions to Covivio that could positively impact its carbon footprint, reduce energy or water consumption, or more broadly reduce its environmental footprint or intensify its societal actions.

Engagement with workers in the value chain is carried out by the legal representatives of the companies employing them.

The dialogue with suppliers for construction and renovation activities takes the form of meetings, visits to prominent buildings, etc. There is no quantifiable follow-up (statistics or other) for these exchanges with suppliers, due to the very large number of suppliers and managers.

Concerning the operation of hotel operating properties, there is continuous dialogue between the management of each hotel and the representatives of the companies involved in the value chain (laundry, cleaning, security, transport, etc.). There are regular meetings to discuss compliance with commitments and to adapt services to changes in the business. In addition, a number of hotel operators use newsletters to strengthen the sharing of CSR issues by reminding suppliers of their environmental commitments.

Covivio does not give direct orders or instructions to employees (workers, technicians, engineers) on its construction sites. Nevertheless, as the contracting authority, its contracts indicate the level of commitment it expects from its suppliers in relation to their employees. The measures Covivio takes on its construction sites are detailed in section 3.3.2.2.3.

Requirements concerning marginalised or vulnerable workers are, notably, set out in the low-nuisance construction site charters. For example: "If foreign minorities are working on the site, the signs, notices and booklets are published in the languages of these minorities".

The delegation of powers makes the supplier responsible for ensuring strict compliance with all regulations on health and safety and the prohibition of undocumented labour, in an effective and permanent manner, as is required of the Project Owner. It is therefore the supplier who is personally liable for the strict compliance with these obligations.

3.3.2.4 Whistleblowing system (S2-3)

There is a whistleblowing system available to all Covivio employees and their stakeholders to report actual or potential incidents concerning:

- any fraud, corruption or influence peddling;
- any case of discrimination or mental or sexual harassment;
- any act involving a danger to the life or health of an employee;
- any act contrary to Covivio's Ethical Charter.

The alert can relate to information concerning events that have occurred or are highly likely to occur. Covivio employees can report incidents which they have direct or indirect knowledge of. This action must be made in good faith and for no direct financial gain. The system is public: it is on Covivio's website: link Covivio whistleblowing procedure (ESRS G1 - section 3.4.2.4)

Covivio has yet to set up a mechanism for assessing the needs or concerns of stakeholders. For instance, Covivio has not conducted a survey on the level of confidence that its suppliers' workers in the value chain have in the whistleblowing system. However, Covivio's teams are in constant contact with supplier's representatives regarding construction work and real estate management, as well as with the managers responsible for the operation of hotels. This enables them to identify weak signals and areas for improving the working conditions of suppliers' employees.

3.3.2.5 Actions and objectives (S2-4)

Covivio conducts a 360° watch on the reputational risks of its suppliers, particularly in terms of integrity and ethical standards.

3.3.2.5.1 Action plan

In 2011, Covivio was one of the first European real estate companies to set up a system for assessing suppliers and consultants. This notably covered the Company's operating expenditure within its corporate scope (head offices).

This in-house system was based on an internal charter signed by the supplier, a clause enabling the contractualisation of the suppliers' CSR commitment in the contracts and specifications of maintenance and works contracts. A survey questionnaire was also introduced, as well as a verification by an independent third party, of the questionnaire responses from a number of respondents each year.

Some brands such as Accor have a central purchasing service that analyses potential suppliers according to CSR criteria. Hotels operating under management contracts with hotel operators are contractually obligated to use their purchasing services. An incentive is provided for franchise agreements.

The Group has decided to enlist the expertise of an independent third party, EcoVadis, since 2022 to gradually extend the scope of the assessments to its subsidiaries, in particular Covivio Hotels. This system enables suppliers to be assessed using real-time information, centralised on a platform, sectoral benchmarks and the support of an international structure with 180 experts who have already assessed more than 100,000 companies worldwide.

A Responsible Purchasing policy, three tools

- Covivio's Responsible Purchasing Charter promotes the principles of the Global Compact, the Diversity Charter and the International Labor Organization, as well as the principles of Covivio's Ethical Charter. This charter aims to combat corruption and money laundering, anti-competitive practices and poor environmental (products used) or social (non-compliance with regulations) practices. Covivio's Responsible Purchasing Charter sets out its 11 CSR principles, notably with regard to the UN's 17 SDGs for 2030.
- The assessment of suppliers is performed using the EcoVadis platform, which covers 21 criteria based on the following four pillars: environment, social and Human Rights, ethics and responsible purchasing. This applies to orders of more than €200,000 excluding VAT for expenditure within the "real estate" scope (purchases of services, works, studies covering construction, renovation, facility or property management, etc.) and €50,000 excluding VAT for the "non-real estate" or "corporate" scopes (purchases made by support services and by Wellio). The following are excluded from the process: taxes, duties and fees, condominium managing companies and notaries. The analysis indicates the strengths and weaknesses of the rated suppliers, proposes areas for improvement in terms of CSR and also offers the possibility to follow training webinars on CSR topics.
- A clause enables the suppliers' CSR commitment to be contractualised in the contracts and specifications of maintenance and works contracts. An anti-corruption clause has also been included in the new contracts and specifications signed in France.

The results of the assessments reveal a correlation between the size of the companies and the scores obtained, due to different CSR maturity levels, but also to differences in financial and human resources. It shows that the larger the company, the more CSR issues are treated with maturity. Large companies formalise their policies to a greater extent and obtain more labels/certifications, while small companies act in a more informal manner. Overall, companies of all sizes take social issues, particularly quality of life at work, into account, but societal actions are less well addressed. 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.

At the end of 2024, after a third year of gradual deployment, EcoVadis assessed 232 French/German/Italian suppliers as well as 21 international (multinational) suppliers. The results are an average score of 64.2/100 for the 253 suppliers assessed, while the EcoVadis average is 47.6/100 (an increase on our average of 46/100 last year). The average of Covivio's suppliers for the construction activity is 62.7/100, well above EcoVadis's average for this sector (57.3). Covivio worked with 187 strategic suppliers in 2024 with revenues exceeding €200,000 (as an initial amount for calls for tenders and a rolling amount for other operations). Of the 187 strategic suppliers, 88 are rated by EcoVadis.

Overall, at the end of 2024, the expenses covered by EcoVadis' rating are:

- 50% for the corporate scope, which represents purchases related to support functions;
- 75% for tertiary and residential development expenses.

It should be noted that six of the ten largest suppliers of the development activity are rated by EcoVadis. These six companies represent 70% of development spending in 2024.

Lastly, 43% of operations-related purchases are covered by EcoVadis' rating. In short, 61% of expenditure in France are covered by the EcoVadis rating.

Beyond monitoring the indicators of the number of suppliers evaluated who are signatories of its Responsible Purchasing Charter, Covivio also receives CSR performance reports on its suppliers from the EcoVadis platform. These reports enable Covivio to measure the commitment of its suppliers and their progress.

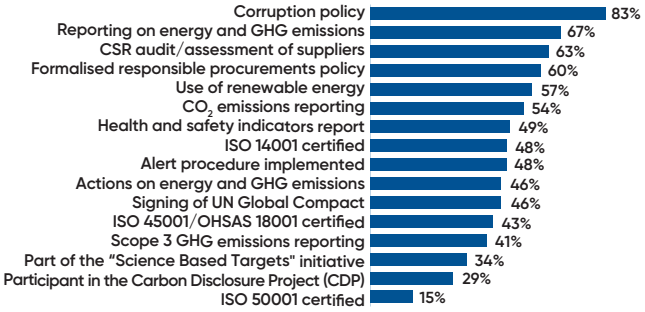
EcoVadis gave Covivio the following information on its suppliers in 2024:

- 83% of the suppliers have formalised a policy on corruption (up 1% since 2023), 48% of them have set up a whistleblowing procedure, and nearly half report on health and safety indicators (up 35%).
- The number of suppliers using renewable energy increased by 50% (average of all sectors) attaining 57% of suppliers. However, it should be noted that the number of suppliers taking action on energy consumption and greenhouse gas emissions has fallen by 27%. Nevertheless, momentum remained strong for the construction sector, which grew by 19% for energy and GHG actions and by 31% for energy and GHG emissions reporting. The environmental risk, identified in the risk mapping, is now at the heart of the CSR actions of suppliers in the construction sector.

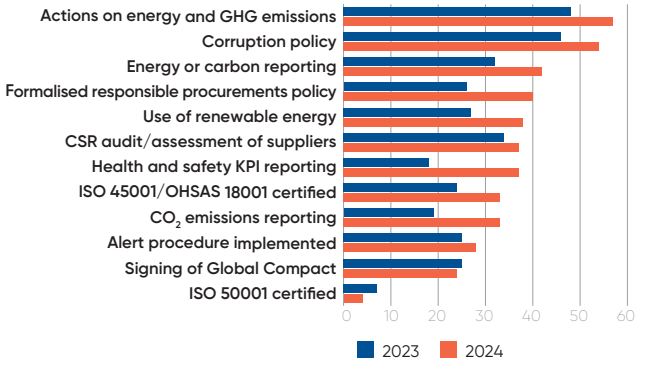
- 63% of Covivio's suppliers carry out audits or assessments of their suppliers' CSR issues to avoid any environmental and social risk.
- This commitment is strengthened with the increased standardisation of the Responsible Purchasing policy. 60% of Covivio suppliers assessed by EcoVadis have a standardised Responsible Purchasing Policy (58% for the construction sector). This represents an increase of 28% in one year.
- The proportion of suppliers that have signed the Global Compact has stabilised at 46%.

The platform developed by EcoVadis enables performance to be categorised by company, company size, geographical area and sector of activity. EcoVadis also monitors the continuous improvement of users (companies) by proposing corrective action plans, directly *via* the platform. A large number of reports can be generated and suppliers can access e-learning modules on a range of subjects (independently on the platform) as well as occasional webinars organised by EcoVadis.

Percentage of suppliers responding positively to these items in Ecovadis' questionnaire (selection of actions)



Focus on construction - Ecovadis responses



3.3.2.5.2 Actions taken by Covivio to remedy the risks identified

The mapping of the risks connected to Covivio's suppliers (3.3.2.1.1) mainly identified CSR risks (waste, pollution, health and safety) and ethical risks.

Covivio does not give direct orders or instructions to employees (workers, technicians, engineers) on construction sites. Nevertheless, as the contracting authority, it makes recommendations to contractors and monitors accidents. Requirements concerning marginalised or vulnerable workers are, notably, set out in the low-nuisance construction site charters. For example, these stipulate that panels, notices and booklets must be published in the languages of the foreign minorities working on the site.

The delegation of powers gives full powers to the supplier to ensure, in an effective and permanent manner, that all the health and safety rules and the rules on combating illegal work that are incumbent on the project owner are strictly observed. It is therefore the supplier who is personally liable for the strict compliance with these obligations.

Accidents on construction sites

Covivio monitors accidents for all its development and restructuring operations in Europe. Covivio Hotels did not report any deaths among its suppliers and subcontractors in 2024.

Covivio Hotels does not give direct instructions to employees of suppliers of the managers of hotels. These managers are responsible for adapting their organisations to the expectations and needs of their employees. Likewise, if vulnerable communities are required to work in these establishments, the manager must ensure that health and safety rules are properly applied.

Nevertheless, the purchasing policies deployed within the hotels contribute to improving the improvement of working conditions. Particular attention is paid to the use of eco-responsible cleaning products (household, laundry, etc.). Besides having a lower impact on the environment, they reduce employees' exposure to chemical substances. The use of technological innovation is also encouraged to reduce the physical risks associated with certain tasks. An example of this are the bed lifts installed at the Ibis Styles Beffroi in Lille which is presented in ESRS S1 in section 3.3.1.4.

Accidents at hotels operated under reverse management contracts

	2024
Scope of coverage	552 employees
Workplace accident rate	9.7%

Ethical risk

The CSR risk mapping showed that the Ethical risk mainly concerns transactions. The Group has implemented mandatory tendering procedures to avoid the risk of corruption. This was the subject of a specific, in-house training programme for 100% of members of staff likely to be exposed to it.

Covivio Hotels was not convicted of any corruption or human rights violations in 2024. In addition, the monitoring of construction site accidents shows that the accident rate is lower than for the sector as a whole, and Covivio Hotels did not record any fatalities on its construction sites or in its hotels in operation.

Achieving zero accidents on construction sites is a key objective, shared with suppliers, who remain contractually liable for this.

Material opportunities in relation to workers in the value chain

Covivio, through its activities, contributes to the development of the economy and supports local employment.

- For more information on the socio-economic impact study: ESRS S3, section 3.3.3.1.3.

The policies implemented also help to enhance the brand's appeal by helping to improve the trust-based relationship developed with the partners.

Resources allocated to managing material impacts

Covivio has invested financially and in terms of human resources to implement these three tools. Thus, the annual cost of using the EcoVadis platform is shared by Covivio's different activities, and monitoring and running the system internally involves the work of three full-time equivalents divided among several Group employees. Suppliers pay a contribution to EcoVadis within the scope of their subscription for their assessment.

3.3.2.6 Covivio objectives (S2-5)

Covivio does not involve the suppliers or workers in its value chain in the definition of its objectives. Each supplier is independent and responsible for how they manage the goal of "zero accidents on construction sites". Each uses its own internal safety plans, communication and awareness-raising tools according to the country's regulations and its area of specialisation.

In 2024, Covivio was once again recognised by the CDP (formerly the Carbon Disclosure Project) as a leader in terms of supplier engagement (CDP Supplier Engagement Leader A-List). Covivio also obtained a score of 74/100 in its sixth EcoVadis assessment, placing it among the top 6% of companies rated by this organisation and thus qualifying for the Silver level.

3.3.3 Affected communities (ESRS S3)

The ESRS S3 standard covers communities "affected" by the activities of the company and its value chain. The objective is to explain how the impacts and the dependencies of the company in relation to these communities can create risks and opportunities for Covivio Hotels. In order to do this, the identification and management of the material impacts on affected communities are presented in the following pages.

3.3.3.1 Impacts, risks and opportunities related to affected communities (S3.SBM-3)

Scope

All affected communities that may be materially impacted by the company are included in the scope of ESRS S3. This includes:

- within the context of its building development and management operations, local residents, regions and their populations, local authorities and public bodies, with the purpose of successfully integrating the building into its environment, as well as social and economic dimensions;
- secondly, the communities that benefit from actions conducted by Covivio, in particular via its corporate foundation. It supports associations that work locally in a hands-on way to promote equal opportunities.

3.3.3.1.1 Material impacts on affected communities

The dual materiality analysis confirmed that, in the context of its activities (in particular the development and renovation of buildings), the consequences of Covivio's activities on the communities have moderate material impacts. Thus, special care is taken in the context of each operation to reduce any inconvenience or nuisance that the construction site might cause to local residents. The analysis enabled the positive impacts on local communities to be identified, notably through the actions implemented and support of the Covivio Foundation.

The dual materiality analysis showed that the issue of the rights of indigenous populations is of very little material importance given the Group's activities and locations.

3.3.3.1.2 Risk measurement in affected communities

Covivio has striven to measure its regional socio-economic impact in recent years. The assessment of the socio-economic footprint is a tool designed to improve the understanding of the broader impact of an activity and to identify possible ways of optimising the economic spin-offs of the company in the areas where it is located. The assessment of the socio-economic footprint is a tool intended to better understand the broader impact of an activity and to identify possible ways of optimizing the economic benefits of the company on the regions where it operates. This optimisation may involve, firstly, increasing the quantity of impacts (particularly the number of local jobs created) and, secondly, improving the quality of impacts (nature and type of jobs created, working conditions, etc.).

Covivio has identified two main levers that enable it to maximise the local impact of its activities, and on which it will increasingly rely:

- the "employment" lever: using local organisations that hire disabled people (sheltered and adapted sectors) or people who are marginalised from the job market (integration businesses);
- the "purchasing" lever: favouring local suppliers and subcontractors in the supply chain.

Numerous jobs are created by the renovation and construction of new buildings (see socio-economic study 2024 - section 3.3.3.1.3). In addition, the attractiveness of these buildings and the hotel or leisure activities they house have a significant impact on the vitality and economic activity of the areas where they are situated. This subject is included in "S3 - Societal involvement - sustainable cities", in the double materiality analysis.

3.3.3.1.3 Risks and opportunities for affected communities

The city of tomorrow will be low-carbon, connected and a player in the circular economy. To minimise travel and provide more friendly living spaces, buildings must be flexible, capable of evolving by integrating new technologies as well as challenges related to mixed uses, allowing city dwellers to use these open urban spaces to live, work and relax. By anticipating these changes, Covivio is able to manage the risks that could reduce its assets' attractiveness if the Group failed to prioritise its stakeholders, particularly in major cities. When conducting the mapping of CSR risks reference to the analysis of the 'integration into the sustainable city' double materiality matrix was identified as a major issue in relation to Covivio's activities in Europe.

Additional measures can be implemented for projects which are located in dense urban areas with many local residents, as well as a map of local stakeholders to identify potential partners or prioritise the use of local suppliers.

ESRS S3 SOCIETAL INVOLVEMENT - INTEGRATION IN THE SUSTAINABLE CITY	
Description and key words	Place and role of assets in the city, openness to the city, the district Access to the buildings
Main impacts	Impact mainly linked to the operation of hotels Positive impact linked to participation in the vitality of the local economy and the regeneration of districts
Positioning in the value chain	Downstream
Main risks	Risk to the activity's continuity: the integration into the local area and its ecosystem is necessary, particularly in the context of renovation projects. The commitment of local communities is a prerequisite for the success of a project. Risk of asset obsolescence in the event of poor accessibility (PRM and public transport) High reputational risk in addition to a risk of non-completion of the project
Materiality	Material

ESRS S3 - RIGHT OF INDIGENOUS POPULATIONS	
Description and key words	"The indigenous peoples have in common a historical continuity with a given territory before colonization and have a strong link with their land. They maintain, at least in part, distinct social, economic and political systems. They have distinct languages, cultures, beliefs and knowledge systems" UN definition (1)
Main impacts	The main impact is the non-respect by a supplier of the rights of indigenous populations
Positioning in the value chain	Upstream
Main risks	Reputational risk in the event of an incident with a supplier The hotel sector is considered to be particularly at risk in this respect. However, the risk is very limited for Covivio Hotels because the hotels it operates are located exclusively within the European Union.
Materiality	Non-material

3

(1) Indigenous Peoples | United Nations

Measuring the socio-economic impact of activities on a European scale

Covivio is aware of its economic weight and its territorial footprint in several major European cities, and since 2014 has striven to characterise and quantify the socio-economic benefits of its activities, within a scope that now extends across all the Group's activities in the countries where it operates in Europe. These studies are conducted with Utopies using the LOCAL FOOTPRINT® methodology.

The LOCAL FOOTPRINT® model

The LOCAL FOOTPRINT® model is a statistical assessment tool of the RIMS type (Regional Input-Output Modeling System) that reproduces the functioning of the regional economy as closely as possible. This model uses different sources (Eurostat, INSEE and BEA for 380 sectors), supplemented by the location coefficients of the University of Bristol. LOCAL FOOTPRINT® uses real or modelled purchasing, payroll and corporate tax data to simulate the socio-economic impact of a company's activities in a given area.

The analysis summarised below, which was carried out in 2024 on 2023 data, covers all the Group's activities (corporate, operating assets, development). It is based on data collected for Offices (France, Germany and Italy), Residential (Germany) and Hotels (Europe) activities.

DIRECT IMPACTS

1,000 Covivio jobs

1,500 Hotel operating properties jobs

(rounded figures)

Direct impacts reflect the 1,000 Covivio employees in Europe and the 1,500 employees of the Hotel operating properties division (full-time equivalent at end-2023).

INDIRECT IMPACTS

6,700 jobs supported in the supply chain

Indirect impacts are generated by Covivio's purchasing, which generates economic activity at suppliers and throughout the supply chain. In this way, Covivio supports 6,700 jobs in Europe (including 2,700 in France, 3,100 in Germany and 600 in Italy), which break down as follows: 4,300 (64%) at direct (tier 1) suppliers and 2,400 (36%) at tier 2 suppliers and further down the chain.

INDUCED IMPACTS

4,100 jobs supported by household spending

3,700 jobs supported by public sector spending

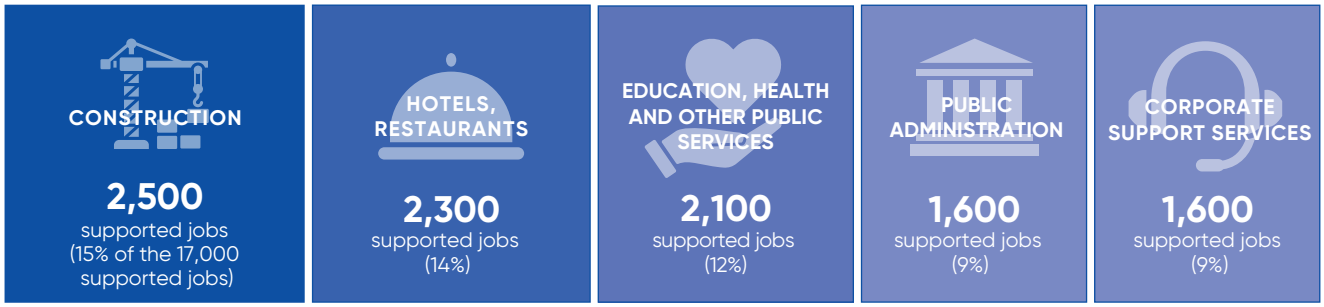
Induced impacts refer to:
- Household spending by Covivio employees and employees in the supply chain, which help support or create 4,100 jobs in Europe (of which 2,300 in France, 1,200 in Germany and 400 in Italy).
- Spending by public administrations, generated by tax paid by Covivio and its suppliers, which supports 3,700 jobs in Europe (2,100 in France, 1,100 in Germany and 300 in Italy).

Total supported jobs

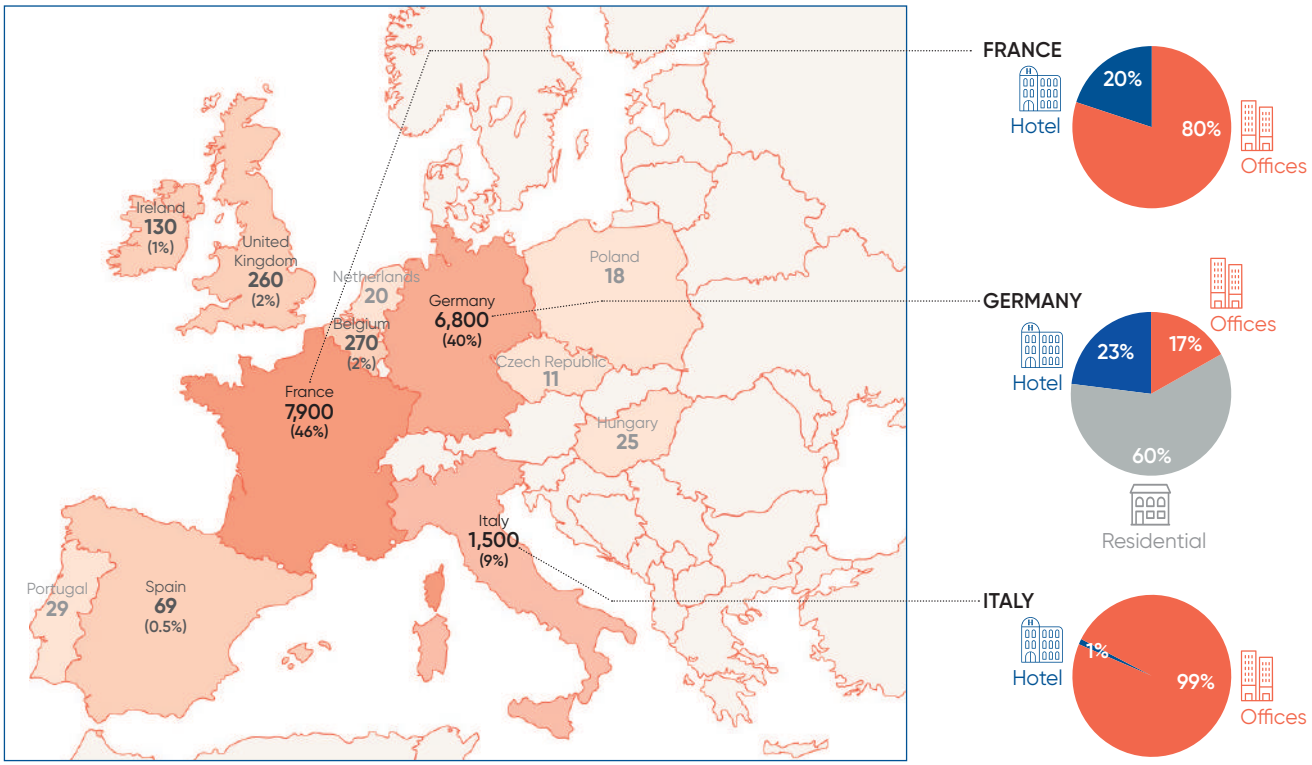
17,000

Total impacts (group share*): these correspond to the sum of direct, indirect and induced impacts. Covivio supports 17,000 jobs in the countries where it operates in Europe, including 7,900 in France (46%), 6,800 in Germany (40%), 1,500 in Italy (9%) and 800 in the other countries where it operates (5%). Therefore, for one job at Covivio, 6 additional jobs are supported. In addition, Covivio generates €2.2 billion in direct, indirect and induced GDP.

* The total number of jobs supported is calculated as Group share (percentage of buildings owned by the portfolio and Covivio's percentage equity stake in its subsidiaries). At 100%, 23,600 jobs were supported, an increase of 56% compared to the 15,100 jobs supported in 2018. Therefore, again at 100%, for one job at Covivio 9 additional jobs are supported.



Map of Covivio's socio-economic impacts in Europe (17,000 jobs created)



The 17,000 jobs that Covivio provides in the countries where it operates are mainly concentrated in France, Germany and Italy: these three countries represent 95% of the jobs created. Four other countries account for the bulk of the remaining 5%: Belgium, United Kingdom, Ireland and Spain. Finally, five other countries are concerned to a lesser extent: Portugal, Hungary, the Netherlands, Poland and the Czech Republic.

Focus on catalytic jobs

The tenant companies of offices and hotels have an economic activity with socio-economic impacts on a European scale. These impacts, known as catalytic impacts, are estimated in Group Share, on a pan-European scale (not only in the countries where the Group is present):

- 375,000 catalytic jobs related to companies occupying offices leased by Covivio (in France, Germany and Italy);
- 15,000 catalytic jobs related to companies operating hotels let by Covivio (in 10 European countries).

This contribution, which is not directly attributed to Covivio but to its tenants, should not be added to or compared with the economic benefits (17,000 jobs created) associated with the management and development of Covivio.

Country	Catalytic office jobs	Hotel catalytic jobs
France	171,000	9,000
Germany	50,000	2,000
Italy	95,000	1,000
Rest of Europe	59,000	3,000
TOTAL EUROPE	**375,000**	**15,000**

These catalytic impacts can be broken down into:

- **direct jobs** at companies occupying the offices let by Covivio and at companies operating the hotels let by Covivio;
- **indirect and induced jobs** supported by the activities of these companies (purchases made, wages paid, taxes paid, added value generated).

Direct jobs were estimated at 91,000 FTE at the companies occupying the offices let by Covivio, and at 10,000 FTE at the companies operating the hotels let by Covivio.

The impact in terms of catalytic uses can be assessed using appropriate indicators: per m^2 of office space or per hotel room. The following estimation has been made, in Group share:

- 0.25 catalytic jobs per m^2 of office space;
- 1 catalytic use per hotel room.

These indicators enable the positive externalities of land let to third-party companies to be measured, and thus the broader influence of Covivio's ecosystem, particularly at the local level, in the cities where it is present.

The impact of the tourism sector on companies

Tourism is one of the drivers of global economic growth. It represents 1 in 11 jobs worldwide today [1]. By opening up access to decent work opportunities in the tourism sector, skills development and career progression make a positive contribution to society.

Tourism is one of the fast-growing economic sectors in the world today. It contributes 9% to global GDP, represents 1 in 11 jobs worldwide and 6% of global exports. The World Tourism Organization (UNWTO) forecasts that there will be 1.8 billion international tourist arrivals each year by 2030.

3.3.3.2 Policies towards affected communities (S3-1)

3.3.3.2.1 Human Rights Commitments

The commitments made by Covivio and its subsidiaries take the communities that may be affected by their activities into account. The communities that are affected by the activities of Covivio and its subsidiaries are taken into account in its commitments. In the same vein, vulnerable communities that could be affected are included in the policies and actions described below.

Reducing the impact of construction sites on local residents and the region

Covivio strives to minimise any disruption or inconvenience to local communities in the context of its development or renovation operations. Covivio has set up a certain number of systems on its construction sites (section 3.3.3.3), in order to limit the risks or negative impacts for local residents. This, in particular, limits the risks of legal action (for noise, environmental damage, damage to the urban landscape, or other nuisances) and the risks of delays to the delivery of the development. These actions are deployed for all sites where risks relating to local residents have been identified and are mainly monitored by the Development Department.

Investing in city life

Since 2008, Covivio has developed a partnership and collaborative policy with non-profit organizations, focused on equal opportunities, relying in particular on skills-based sponsorship, which helps to enhance internal know-how.

Train future decision-makers in the real estate sector

The Palladio Foundation was created in 2008, under the aegis of the Fondation de France, by players in the real estate sector, including Covivio, to address the major challenge of urban construction. Covivio supports this Foundation, which is a place for meetings, exchanges, debates and reflection, through financial sponsorship and the participation of its managers and teams in the projects and events organised by Palladio. The theme chosen for 2024 was: "Taking care of the city", and in 2025, the theme will be: "The European city: a model to be defended?". Covivio is a signatory on the Charter of the City of Tomorrow University, which lays the foundations for a new working method based on cooperation between those who design, build and govern the city, those who talk about it and those who live in it.

Covivio's employees also participate in different study programmes such as ESTP or Dauphine, with subjects that are usually focused on sustainable development. Covivio offers practical knowledge and advice to students studying real estate in Italy every year.

Support for equal opportunities *via* the Foundation

Created in 2020, the Covivio Foundation's mission is to structure and strengthen the sponsorship activities that the Group has already been carrying out for almost 15 years.

The Board of Directors of the Covivio Corporate Foundation

The Board of Directors, which meets two to three times a year, sets the Foundation's roadmap, manages the budget, approves the main projects to be funded, monitors the European coordination of the actions supported and ensures there is good communication between the Foundation and the Covivio teams. It is composed of three qualified external members and five internal members:

- **Alix d'Ocagne** Independent Director of Covivio & Chairwoman of the Foundation
- **Nathalie Blum** Independent
- **Bruno Derville** Senior Advisor
- **Géraldine Lemoine** Director of Communication, Covivio & Vice-Chairwoman of the Foundation
- **Yves Marque** Chief Operating Officer, Covivio
- **Anne Lhuillier** Independent sponsorship & philanthropy advisor
- **Tugdual Millet-Taunay** Chief Executive Officer (CEO) Hotels, Covivio
- **Giovanna Ruda** Chief Corporate Officer, Covivio (Italy).

Covivio has decided to focus its Foundation's actions on supporting initiatives related to projects that promote equal opportunities: access to education and training, access to work, access to housing, support for the integration or reintegration of vulnerable populations, etc. The Foundation's support is part of a dynamic that includes Covivio's endorsement of the Global Compact and its commitment to Human Rights relevant to the affected communities.

Covivio, through its Foundation, is committed to equal opportunities and supports around twenty associations in the three countries in which it operates, among which in 2024:

- in France: Activ'Action, Article 1, la Cravate Solidaire, Refugee Food, Osons Ici et Maintenant, Wake Up Café, Fratries, Résidence jeunes Sainte Constance, PLAY International, Kabubu, etc.;
- in Italy: Fondazione Mission Bambini, Associazione La Strada, Fondazione Francesca Rava, L'Impronta Group, L'Accoglienza, etc.;
- in Germany: Al Farabi Music Academy, Fondation Oliver Kahn, Lebenshilfe, Ruhrwerkstatt, TAFEL, etc.

While financial support remains essential, the Foundation's aim is to develop 360° partnerships that go further and enable strong, personalised connections to be forged with each of the associations supported. Beyond its European dimension, the originality of this approach is that it offers several types of support to the partner associations: financial sponsorship, skills-based sponsorship, community projects, the provision of spaces within our property portfolio, gifts in kind (furniture and IT equipment), hosting of community events, etc.

Covivio thus offers partner associations one-off free access to several of its function rooms in which to organise training courses, seminars, governance meetings, etc.

(1) Source: Harnessing the Power of One Billion Tourists for a Sustainable Future | UN Tourism

For example, in 2024, Covivio hosted the Kabubu teams in one of its buildings during the Paris Olympic Games, because their premises were inaccessible during the event. In a much more enduring way, Covivio has hosted the La Cravate Solidaire association's largest clothing storage and sorting centre at its CAP 18 site in the north of Paris for over two years.

Thus, Covivio, in addition to its financial donation of €300,000, invests around €230,000 in sponsorship in kind and skills every year.

This approach allows Covivio to focus its efforts and resources on a limited number of projects in order to offer significant support to each association and strengthen the impact of their actions.

In order to ensure a relationship of proximity, a local committee of employees from Covivio's business lines has been set up in each country to follow up the sponsored associations. The local committees are also responsible for identifying future projects to be implemented and presenting them to the Foundation's Board of Directors.

The Covivio Corporate Foundation has a budget of €1.7 million over five years for financing projects, and the operating costs inherent to its actions.

- For further information: link Covivio Corporate Foundation

33 associations
sponsored since the creation of the Foundation

26 associations
sponsored at the end of 2024

Of which 15 sponsored for at least 3 years

More than 430 employees
have participated in a mission since 2021

Covivio received the "Mécénat & Solidarités dans la ville" award in the "Societal Commitment" category at the SIMI (Paris Real Estate Exhibition) in December 2023. This award, which rewards the solidarity actions carried out by real estate companies and awarded by the FEI (Fédération des entreprises de l'Immobilier), highlights the positive impact of the work carried out by the Covivio Foundation since its creation.

Covivio employees mobilised: focus on Socovivio Week in France and Socovivio Days in Rome and Milan

342 missions were carried out by Covivio employees during the third edition of Socovivio Week (France) and Socovivio Days (Italy) in 2024 (141 in Germany, *i.e.* 41%, 121 in France, *i.e.* 36%, and 80 in Italy, *i.e.* 23%). 1,523 hours were carried out for the benefit of 20 associations. On a voluntary basis, employees were able to participate in helping out missions such as meal-making workshops with Refuge Food, food distribution with Chorba, clothing sorting with Cravate Solidaire, HR coaching workshops with the Wake Up Café and gardening or cooking workshops at the Sainte Constance youth residence (Metz). The commitment of Covivio employees is growing. In fact, with 1,523 hours of volunteer work, the commitment has increased by 69% compared to 2023 (898 hours).

Local partnerships forged between hotel industry players and associations

Hotel operators are seeking to boost the integration of their hotels in the city. Thus, they have been encouraging the creation of partnerships with local associations for several years. For example, every year the Méridien in Nice partners with the Red Cross (with donations of food, clothing and toys), participates in the Christmas party organised by the MIR association in their social hotel by providing food and drinks, and organises a clothing and cake sale in the hotel to raise funds for the WeForest association.

3.3.3.2.2 Interactions with affected communities

The quality of interactions with local communities is key to the success of Covivio's activities.

Covivio has set up agencies in the field in close proximity to its real estate assets and customers. (3.3.3.3).

Real estate is experiencing an unprecedented transformation due to new technologies and new user needs and practices. For Covivio, innovation is both a factor in improving its competitiveness and opening up new markets. Covivio is rolling out its innovation programme on a European scale in order to keep pace with the trends that are driving its markets. This is based on two pillars: firstly, identifying and facilitating the implementation of new processes and materials designed to make buildings more resilient and virtuous. Secondly, deploying new offers and systems to improve comfort and services for occupants, often by using local economic operators. (ESRS S4 -3.3.4.3.1).

3.3.3.2.3 Compliance with international Human Rights guidelines

As a signatory of the Global Compact, Covivio aims to be exemplary in complying with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines. For example, its Human Rights Policy (ESRS S2, section 3.3.2.2.2) or its Responsible Purchasing Charter (ESRS S2, section 3.3.2.2.1) refer directly to the international texts.

3.3.3.3 Collaboration with communities (S3-2)

Covivio strives to anticipate and limit nuisances and to set up risk management and prevention mechanisms for its construction and renovation operations. Upstream of projects, a map of the residents in the vicinity of the construction site is drawn up to assess the risks to them. Information meetings are held for local residents when a project requires it, often in conjunction with local authorities. Covivio informs local residents in advance about the nature of the project, the duration of the works, the construction site and delivery times, the companies involved in the project, and the points of contact, via a letter displayed on construction site. It may be supplemented by targeted information letters. In addition, a complaint handling mechanism is deployed on development projects, allowing complaints to be submitted via a specific email address and/or a letterbox installed directly on the construction site. The contact details to be used, if necessary, by third parties and in particular local residents, are displayed on the construction sites.

Covivio has four regional branches in France (Lille, Lyon, Bordeaux and Marseille) in addition to its offices in Paris and Metz, to enable it to work as closely as possible with its stakeholders and take the concerns of its customers and local residents into account. In Germany, offices and management agencies have been opened in Berlin, Dresden, Essen, Hamburg, Leipzig, etc. to complement the teams at the head office historically located in Oberhausen. In Italy, the workforce is based in Rome and Milan. Covivio is also represented in Luxembourg by two employees and in Spain by a Country Manager, to assist its local development as close as possible to its partners. Covivio works to enhance the profile of the areas where its buildings are situated, in particular by participating in numerous public relations events.

The collaboration with the communities during the development phase, is mainly undertaken by the General Management, the Development Management and the Institutional Relations Management.

The effectiveness of the collaboration can be measured by the level of acceptance of the project at delivery or the number of complaints during the project or the number of complaints that were able to resolved. However, as each project is specific and the contexts are different each time, there is no single method that can be used to assess the effectiveness of collaborations.

The consideration of indigenous peoples and their specific rights is not considered material in the context of Covivio's activities (double materiality matrix: ESRS 2, section 3.1.2.4.2).

3.3.3.4 Actions to address negative impacts and channels for communicating with affected communities (S3-3)

All communication channels such as the whistleblowing and complaints mechanism (ESRS G1, section 3.4.2.4) are deployed on development projects. In addition to these channels, additional measures, such as newsletters, can be used for projects in dense urban areas where there are many local residents. An app is set up by the company in charge of the works for these construction sites so that local residents can follow the news about the site (noisy work phases, noise prevention, general information, etc.) or get in touch with the companies working on the site. Covivio is directly informed if complaints are made on the platform, in order to ensure that appropriate solutions are put in place in cooperation with the companies concerned.

In addition, monitoring devices can be installed during the construction phase, especially to monitor noise levels. A range of measures by construction companies also help to limit noise and visual pollution. Covivio's low-nuisance construction site charter also enables site workers to be involved in subjects such as risk prevention, soil and air pollution, and waste management.

The projects are developed in close liaison with the local authorities, so as to take account of the constraints and opportunities for the regions, as effectively as possible.

The hotels are also directly involved in local initiatives initiated by local authorities. For example, the Méridien de Nice participates in the "Nice Ville Verte" fund. This is a sponsorship initiative launched in 2023 by the Nice-Côte d'Azur metropolitan area. Its objective is to open up and share greening initiatives with economic players in the region.

3.3.3.5 Actions to address risks to affected communities and opportunities (S3-4)

3.3.3.5.1 Action plan to manage impacts, risks and opportunities related to affected communities

Covivio is also involved with local authorities, such as the City of Paris, by committing to the Paris Action Climat network, which launched the Charter of the same name. This Charter, which has become Paris Action Climat Biodiversité, invites companies to commit to combating climate change and to the Climate Plan. It was updated in 2018 when Covivio signed it again, committing to adopting an operational action plan by 2030 and contributing to Paris' carbon neutrality trajectory.

Open hotels in the city

With a portfolio of 283 hotels, 90% of which are located in the main European capitals, Covivio is one of Europe's leading hotel owners, with 39,477 rooms. To open up hotels more to the city, a number of brands are modifying their offerings to provide greater access to local residents. This concerns bars, restaurants, co-working spaces, patisseries, rooftop terraces, etc., such as the Zoku hotel, developed by Covivio, and which is located in Stream Building, a mixed-use programme, and winner of the Reinventing Paris competition. Developments that contribute to making establishments more lively with hybrid spaces in which people can work or relax.

Here, design acts as an element of hybridity, offering several uses, services and experiences in the same space, for example in the lobbies, which now offer a restaurant/café and creativity rooms, a library and children's games. This new spatial design encourages discovery and interaction, in particular by enabling both external customers and local residents to enjoy the same experiences. No need to necessarily be a customer, the hotel is finding its place in city life.

In Madrid, the Radisson Red RED opens up to the city

Owned by Covivio, this former independent hotel located in the heart of Madrid was completely renovated by the Radisson Hotel Group, and reopened in 2022 under its RED lifestyle brand. The starting point for this renovation was to open up the ground floor as much as possible and give it a new, more welcoming glass façade. The reception is now situated at the end of the central hub, which houses a restaurant and a bar overlooking the street. The restructuring also involved the creation of a rooftop with a restaurant and terrace, offering a spectacular view of the city. The objective, which is a success, was to turn this establishment, with its meticulous design and services, into a real living space.

Details of other collaborative and communication-based initiatives in managing relations with local residents are provided in section 3.3.3.3.

Covivio takes the necessary measures in advance to ensure that Human rights are respected in its real estate projects. Thus, there is no need for a specific remediation procedure if a human rights incident occurs because the issue has been dealt with beforehand.

3.3.3.5.2 Additional CSRD data requirement (S3-4)

Identification of appropriate actions and measurement of their effectiveness	The diverse and highly variable nature of the actions implemented in terms of collaboration and communication means that it is not possible to carry out a quantification or consolidated monitoring of the effectiveness of the processes put in place to remedy the negative impacts on the affected communities.
Description of serious Human Rights issues and incidents related to affected communities	No incidents concerning respect for Human Rights were recorded in the Group in 2024.
Description of the resources allocated to manage material impacts	The low number of reports of negative impacts means that the resources deployed (staff, budget, etc.) remain marginal and potentially variable, and do not allow for quantification.
Handling complaints	Communities that could be affected by Covivio's activities are authorised to use the previously mentioned channels to raise concerns or needs. The use of whistleblowing procedures cannot give rise to reprisals as long as it is not defamatory. Complaints are handled confidentially, with respect for privacy and data protection rights. Anonymous reports will be considered provided that the reported facts are sufficiently serious and detailed.
Indication of whether and how the company seeks to use its leverage with the relevant business relationships to manage material adverse impacts on affected communities about impacts communities	Covivio is a member of the Fédération des Entreprises Immobilières (FEI) and the European Public Real Estate Association (EPRA) at the European level. These two bodies represent real estate companies before a certain number of bodies and help to define and express sectoral positions in this area (responses to consultations on texts organizing taxonomy, the tertiary decree (EIF), etc.).

3.3.3.5.3 The UN's 17 Sustainable Development Goals for 2030

In 2015, 193 governments around the world adopted the 2030 Agenda for Sustainable Development, comprising 17 Sustainable Development Goals (SDGs) and 169 targets. This programme aims to eradicate extreme poverty, and to combat inequality and climate change by 2030.

Covivio has been expressly referring to the UN's 17 SDGs since 2016, particularly in its CSR publications, which are available on its website or on the UN's dedicated website as a signatory of the Global Compact. Covivio's multi-year CSR objectives presented in this document are consistent with the SDGs they contribute to. Covivio also respects the OECD Guidelines for Multinational Enterprises and the eight fundamental conventions of the International Labor Organization.



The in-house study conducted in 2017 and completed in 2018 and then in 2020, based on an analysis matrix, enabled the nine major SDGs to be specified for Covivio, based on its targets:



The issues represented by each of these objectives hold an important place in Covivio's CSR policy and in its economic model. Each refers to the actions taken within the portfolios of buildings developed and owned by Covivio as well as internally, within the company's corporate scope, as an employer.

3.3.3.6 Objectives to limit impacts on affected communities (S3-5)

3.3.3.6.1 Objectives set

The socio-economic impact study carried out on all the Group's activities in Europe enables Covivio's contribution to direct and indirect employment to be quantified. This study is presented in paragraph 3.3.3.1.3. The results are based on the volume of operations developed, managed or leased. They cannot be translated into objectives.

3.3.3.6.2 Involvement of affected communities in defining objectives

In 2020, Covivio set up a Stakeholders Committee, composed of members from inside and outside Covivio. It conducts forward-looking work by exploring and analysing major trends and weak signals which directly or indirectly impact Covivio's scope of intervention. Its members meet two or three times a year around a common theme, with the aim of sharing their work with the company's internal and external stakeholders.

Bertrand de Feydeau - Chairman of the Committee, Honorary Chairman of the Fondation Palladio

Stéphan de Faÿ Chief Executive Officer (CEO) of Greater Paris Development	**Jade Francine** Co-founder & Director of Development WeMaintain	**Alexandre Labasse** Chief Executive Officer (CEO) Paris Urban Planning Workshop	**Sonia Lavadinho** Founder & Director of Bfluid
Jérôme Ruskin Founder & Chief Executive Officer of Usbek & Rica	**Patricia Savin** Lawyer, Chairwoman of the Orée Association, Independent Director of Covivio	**Jean-Paul Viguier** Architect & Urban Planner	**Jean-Luc Biamonti** Chairman of the Board of Directors Covivio
Christophe Kullmann Chief Executive Officer of Covivio	**Olivier Estève** Deputy CEO Covivio	**Géraldine Lemoine** Head of Communication Covivio	**Yves Marque** Chief Corporate Officer Covivio

- For further information: Summary of the work of the Stakeholders Committee - Shaping Social Rhythms 2023/2024

3.3.4 Consumers and end-users (ESRS S4)

The ESRS S4 standard addresses the consumers and end-users related to the business and value chain of the company. The challenge is to explain how the impacts and dependencies of the company on consumers and end-users can generate risks and opportunities. This will involve presenting Covivio's general approach in terms of identifying and managing significant impacts on consumers and end users. This in particular concerns the impacts related to information, personal safety and social inclusion.

3.3.4.1 Covivio consumers and end-users (S4.SBM-3)

Covivio places the user at the centre of each of its projects. This is echoed by its Purpose, "Building well-being and lasting relationships", with the aim of continuing to optimise satisfaction among customers and building occupants.

Covivio has grown by forging and developing strong links with its main stakeholders. Its activity involves a multitude of relationships with various stakeholders, both private and public, of different sizes and sectors. As the Group's success is partly based on the quality of its relationship with external stakeholders (customers, financiers, local authorities, etc.), this was considered to be a risk, but was analysed as one that is very well managed. Specific strategies have been set up to respond as effectively as possible to the expectations of customers, suppliers and consultants. Besides the quality of the relationship and the trust cultivated within the framework of structuring partnerships Covivio sees cooperation with its external stakeholders as a real lever for innovation and growth.

3.3.4.1.1 Types of Covivio consumers and end-users

A distinction should be made between:

- Covivio Hotels **consumers**: these are mainly corporate tenants of leased assets and managers of hotel operating properties;
- Covivio Hotels **end-users**: these are the customers of its hotel lease properties or its hotel operating properties.

For Covivio, its consumers and end users who are subject to material impacts constitute all of its **customers**. Covivio strives to develop "tailor-made" solutions for each of them, taking their strategic challenges into account. Covivio is close to its customers (refer to the strong partnerships section) and analyses weak signals and market trends in order to anticipate the needs and expectations of its consumers and users.

The safety of property and people remains a major concern for Covivio, even if the regulations (GDPR, fire, etc.) and the numerous measures taken by Covivio's teams and their suppliers help to ensure that these risks are properly managed. Cyber risks are constantly increasing. Covivio takes this into account when managing its buildings and within its corporate scope. In particular, the Group respects strict rules regarding the conditions for collecting and storing data that could be sensitive for tenant service companies or their employees, as well as for hotel employees and customers.

3.3.4.1.2 Covivio's positive impact for its customers and end users

Covivio Hotels is committed to developing high-quality real estate that meets the requirements of consumers (customers) and end-users.

Flexibility, adaptability to new uses and new technologies, and the quality of the facilities and equipment (connectivity, green spaces, etc.) satisfy the requirements of even the most demanding customers.

Lastly, the environmental strategy deployed by Covivio to reduce energy and water consumption has a direct and tangible impact on the control of operating expenses for tenants. The high standards of construction and management include aspects of comfort and well-being in terms of light, acoustics and even olfactory ambiances, in order to promote a sense of calm and comfort. By the same token, rooftops, terraces, greenhouses and patios all contribute to improving the experience of customers... and neighbours who have a direct view of these facilities.

3.3.4.1.3 Description of the risks and opportunities arising from the impacts identified by Covivio

Covivio closely monitors the material risks and opportunities facing the Group. By monitoring its mapping of material CSR risks, Covivio is able to implement actions to mitigate risks and transform them into opportunities. Consumers and end users form an integral part of these risks, as they are at the heart of its business.

The dual materiality study carried out as part of applying the CSRD has enabled the Group's CSR risks to be updated, by integrating the specificities of each activity, particularly those of the hotel industry. The dual materiality matrix was then rolled out for Covivio Hotels. In both cases, the two most important impacts with regard to customers and end users are the security and quality of the information provided to them.

ESRS S4 - INFORMATION FOR CUSTOMERS AND END-USERS	
Description and key words	Quality of service delivered to customers
Main impacts	Direct impact on customer satisfaction, as customers may consider Covivio responsible for the failures.
Positioning in the value chain	Direct and downstream operations
Occurence	Occasional
Main risks	Financial risk: data protection: GDPR sanctions of up to 4% of a company's revenues in the event of a breach Reputational risk: Name and Shame principle in the event of a GDPR breach
Main opportunities	Long-term financial stability
Materiality	Material

ESRS S4 - CUSTOMER AND END-USER SECURITY	
Description and key words	Well-being, comfort Safety/Health
Main impacts	The impact on the health of occupants has become a major topic since the Covid pandemic in 2020. Direct impact on customer satisfaction, as customers may consider Covivio responsible for the failures. Positive impact: contribution of well-being to occupants
Positioning in the value chain	Direct and downstream operations
Occurence	Frequent
Main risks	Risk of security failure in buildings or asset resilience leading to the inability to manage major crises that could cause an incident, an accident, a health risk, or even engage the Company's liability
Main opportunities	Long-term financial stability
Materiality	Material

ESRS S4 - SOCIAL INCLUSION OF CUSTOMERS AND END-USERS	
Description and key words	Inclusion of disabled customers Social inclusion with a network of assets accessible by public transport
Main impacts	Impact on the well-being of disabled employees and/or customers if hotel buildings and services are not optimised to include all users (11% of disabilities are related to a work-related accident and 59% [1] of disabilities are related to or aggravated by work activity)
Positioning in the value chain	Downstream
Occurence	Occasional
Main risks	Financial risk: Accessibility issues are well covered in the countries of operation. Nevertheless, the process of upgrading certain hotels to comply with regulations is complex (e.g. regulations governing historic buildings)
Main opportunities	Long-term financial stability
Materiality	Non-material

The tenants of Covivio Hotels do not conduct their activities in "particular contexts" as defined by ESRS S4, and therefore do not present specific risks.

Covivio Hotels is not dependent on a customer which represents an excessive share of its revenues. Overall, Covivio Hotels tenant brands have ambitious CSR policies and strong levels of commitment.

(1) Source : HANDICAPS ET EMPLOI - Rapport thématique 2019-2020 de l'Igas | Igas (French only)

3.3.4.2 Policies towards customers and end-users (S4-1)

The attractiveness of Covivio's buildings is a value issue:

- firstly, in terms of rent: the attractiveness and satisfaction of tenants and end users results in a high renewal rate at Covivio, and a low vacancy rate;
- secondly, in terms of asset valuation: an attractive building that is 100% occupied enjoys good liquidity and a higher valuation.

The dual materiality study positioned the themes "S4- Safety of customers and end users" and "S4 - Information to customers and end users" as being of some importance, particularly from the point of view of the potential impact on customers and subsequently on Covivio if its buildings and their management did not meet the expectations of the market and in particular of consumers and end users.

The value of Covivio Hotels' buildings benefits from the Group's fight against obsolescence by combining environmental, social and financial performance. The risk of obsolescence (Sector issue, section 3.1.3.1) has been identified as material both by the double materiality study and by the risk study followed by the Audit and Internal Control (ACI).

3.3.4.2.1 Customer safety, at the heart of Covivio's challenges

The safety of consumers and end-users is a major issue at all stages of the asset's life: new project development, management/operation, or renovation.

In addition to the stringent regulations in force in Europe, Covivio Hotels applies the highest standards, in particular through high levels of certification that include safety and well-being aspects. Covivio Hotels relies on dedicated Covivio teams and tools in order to go further in terms of environmental safety (asbestos, etc.).

For more information, please refer to:

- on certifications: Section Sectoral issues, section 3.1.3.1.3.
- on environmental safety: ESRS E2, section 3.2.2.2.

3.3.4.2.2 Action to secure data in the buildings

Covivio generates and manages a huge amount of data in the course of its business and is therefore subject to the General Data Protection Regulation (GDPR). In addition, its buildings use an ever-increasing number of computerised equipment and services. By becoming a "smart building", increasingly linked to the smart city via data exchanges, buildings, like Covivio's activities, are exposed to the risk of cyberattacks, losses, damage, data theft, etc. Covivio is aware of these risks and has taken a number of measures to protect its business and the business of its stakeholders.

Robust security strategies have been put in place to provide effective data protection in smart buildings, including monitoring and managing access, installing firewalls, and training staff and users in cybersecurity best practices.

Data protection, a real estate issue

A growing number of cyberattacks worldwide target buildings and their equipment (BMS/GTC, cameras, access control, etc.). In 2016, Covivio commissioned Arp-Astrance to conduct a study on the risks of cyberattacks on its building portfolios. This study enabled the solutions to reduce the risk to the networks and management equipment to be identified and prioritised.

3.3.4.2.3 Accessibility to buildings as a lever for inclusion

Accessibility and location are key criteria for hotels. A lower quality location can create a risk of obsolescence for a hotel. Covivio Hotels masters this risk well through the quality of its choice of locations.

Covivio has set itself the target of ensuring that, by the end of 2025, at least 95% of its buildings are less than 1 km from public transport (train, RER, metro, bus, tram, etc.). At the end of 2024, 97.1% of the assets held by Covivio Hotels were located less than 500 m from public transport, and 99.5% were less than 1 km away.

3.3.4.2.4 Acting to ensure that buildings are accessible to disabled people

Covivio is particularly attentive to ensuring that its buildings are accessible to disabled persons and to removing architectural barriers in public spaces. The legislation in the countries where Covivio operates sets out technical parameters that must be met: minimum door width, staircase characteristics, particularly to encourage their use for the first floors rather than the lift, lift dimensions, access ramps, toilet characteristics, etc. Covivio's developments and renovations comply with the most ambitious accessibility standards.

A range of solutions have been put in place in new and existing buildings to improve the quality of life for people with visual or hearing impairments, including the installation of audible signals and illuminated signage.

Improving the hotel experience for disabled people

A number of hotels already have facilities that go beyond the regulatory requirements, in order to enhance the comfort and inclusion of disabled guests. This is the case for the Hilton Lille hotel, for example, which offers:

- lift equipped with a Braille system;
- digital alarm clock with sound and vibrating pad and/or warning light;
- telecommunications equipment for hearing-impaired guests;
- visual alarms for hearing-impaired people in common areas;
- subtitles on televisions;
- lowered emergency evacuation instructions;
- portable shower chairs;
- sports facilities accessible to people with reduced mobility.

3.3.4.2.5 Covivio's Human Rights commitments for its customers and consumers

Covivio has been a signatory of the Diversity Charter since 2010 and a member of the Global Compact since 2011. The Company incorporates the 10 principles of the Global Compact into its strategy and practices, and promotes them to its stakeholders, particularly its suppliers, via its Responsible Purchasing Charter. Covivio's Human Rights Policy refers to these texts, as well as to those of the ILO.

The dual materiality analysis showed that the topic of Human Rights is not material for Covivio in its relationship with consumers and end users. Nevertheless, the Group's Human Rights Policy requires that these rights are respected in its own offices and in the buildings it manages or is developing. It covers these different scopes, with specific provisions targeting its hotel operating properties and condemning all forms of human trafficking. In addition, employees of hotels owned by Covivio Hotels take part in awareness-raising activities to identify signs of prohibited behaviour.

- For more information on Covivio's Human Rights Policy: ESRS S2, section 3.3.2.2.2.

3.3.4.3 Deployment of Covivio customer policies - (S4-2)

Covivio's policy in relation to its consumers and end customers is reflected in a wide range of actions. However, it did not give rise to any particular formalization other than what is presented in the following paragraph.

3.3.4.3.1 Inventing new uses for real estate

Innovate to improve the comfort and use of buildings by leveraging smart systems

The other focus of Covivio's innovation strategy is to deploy "smart" systems that optimise building energy management, improve occupant comfort, facilitate predictive maintenance, and integrate connected solutions to allow more efficient and sustainable building management. These initiatives rely on the skills of a special team within the IT Department to combine several innovative technologies:

- the installation of centralised IP networks that connect items of technical building equipment (BMS, IoT, sensors). These networks offer simplified management and rationalization of digital infrastructures;
- the deployment of Powerbat (real-time energy consumption monitoring) and Witco (occupant services) platforms (3.3.4.4), etc.;
- the use of a centralised platform that consolidates building data in a single dashboard, thus facilitating building management.

Innovate to improve the customer experience

The customer experience is one of Covivio's areas of innovation, which is embodied in the deployment of the Witco application, which allows occupants to dematerialise numerous services such as access, real-time visualisation of the use of workspaces and payment for services (catering, etc.).

The "managed office" service developed by Covivio releases the user from having to manage certain services (concierge, catering, entertainment, etc.). Covivio's "All-in-One" approach offers increased use value and "à la carte" support for prospects in the design of their real estate project.

Artificial intelligence, a lever for future innovations

Artificial intelligence (AI) should help enrich the relationship between owners, managers and occupants of buildings, by using technology to promote well-being and efficient building management. By collecting and analysing data from connected sensors in real time, AI will, for example, enable energy consumption to be analysed and optimised, maintenance needs to be anticipated, operating costs to be controlled and increasingly personalised services to be offered (suggestions based on use or habits: catering, temperature settings, lighting, etc.).

New uses for new offers in the hotel industry:

Uses are evolving: fewer business trips but for longer periods, leisure trips where people work remotely, a desire to have standout experiences. Hotel customers are becoming more hybrid, and operators are adapting.

New uses that bring new offers. The **Stream Building**, delivered in 2022, will host the first Zoku hotel in France. Its concept: offering lofts, real micro-apartments that allow people to live, work and receive friends and business relationships. In all, 109 lofts, co-working spaces, a restaurant, a bar, and a vast rooftop. The workspaces and social spaces are open to all.

3.3.4.3.2 A strategy of long-term partnership and optimising customer satisfaction

Covivio favours a long-term partnership strategy with customers, shareholders, suppliers, local authorities and associations.

A strategy of long-term partnership and optimising customer satisfaction

With a portfolio of 283 hotels in 12 countries, Covivio Hotels is the main real estate partner of hotel operators in Europe (AccorInvest, IHG, NH Hotel Group, B&B HOTELS, Meininger Hotels, Radisson Hotel Group, etc.). By placing the customer experience at the heart of its strategy, Covivio Hotels is helping to renew the hotel offering and experience by identifying the best concepts and contributing to the deployment of the most innovative brands.

Customer satisfaction is a crucial issue. Customers can now express their satisfaction or dissatisfaction after a stay in a number of ways. For example, they can give their opinion on online platforms (Booking, Expedia, Google, etc.) or *via* questionnaires sent by hotel operators. These opinions represent a dual challenge for operators:

- the quality of the response given to an unsatisfied customer is essential to ensure that they will return in the future;
- these comments are valuable for identifying priority areas for improvement in the establishments, particularly during the preparatory phase of renovation work.

Covivio Hotels uses several tools to guarantee the quality of the service offered to customers in its hotels:

- the management of customer comments and complaints is contracted with hotel operators. The management of each hotel is responsible for responding to and following up on customer comments. There may be penalties if managers do not respond to disputes in accordance with the contracts (response times, compensation, etc.);
- the data related to customer comments/complaints are monitored monthly (analysis of the rate, type of response) by Covivio Hotels' teams;
- a level of customer satisfaction, based on the average of the online satisfaction rating and the rating of the brand questionnaire, is set for the award of a performance-related bonus to the operator. Some contracts state that non-attainment of qualitative performance is a reason for terminating the contract.

3.3.4.3.3 Succeeding together in the environmental transition

Covivio is aware of the need to involve its partners (customers, suppliers, etc.) to ensure that its environmental transition action is successful, especially with regard to its 2030 carbon trajectory (ERS E1, section 3.3.4.4). Covivio's Purpose, "Building well-being and lasting ties", expresses this challenge as well as its know-how in this area.

By implementing various concrete actions, such as environmental annexes or Sustainable Development Partnership Committees, Covivio has laid the foundations for an effective and constructive exchange relationship in order to optimise the environmental performance of buildings. Covivio has been organising Sustainable Development Committees in France since 2010, as part of its special relationship with each customer. These contribute to raising tenants' awareness of various environmental issues: energy, carbon, water, waste, etc. Covivio now wants to raise awareness of nature issues by integrating biodiversity. These Committees facilitated and anticipated the implementation of the environmental annex on 100% of the leases covering more than 2,000 m^2 of retail or office space in France. These exchanges made it easier to implement the Tertiary Eco Energy scheme (tertiary sector decree) as well as the actions associated with the energy conservation plan launched at the end of 2022.

The tenants and operators of Covivio Hotels buildings have introduced proactive policies to reduce their energy and water consumption, cut their waste production and their ecological footprint, strengthen their ties with stakeholders, and be acknowledged to be responsible and committed players in the face of major environmental and social challenges. Their customers, both private and professional, are also increasingly sensitive to environmental issues and demand healthy food and virtuous products and services.

Eco-responsible hotels: what customers expect

An increasing number of travellers are looking to stay in hotels that are more environmentally friendly. This trend is part of sustainable and responsible tourism. By choosing eco-responsible hotels, customers can minimise their environmental footprint or that of their employer.

62% of travellers surveyed as part of the survey conducted on the initiative of Booking in 2024 are sensitive to or even looking for eco-responsible hotel solutions [1]. In addition, this type of hotel often offers an authentic and immersive experience in the local culture. These establishments often incorporate elements of regional tradition and savoir-faire, allowing visitors to discover and appreciate the culture of the place.

3.3.4.4 Management of Covivio's negative impacts on consumers and end-users (S4-3)

Covivio's activity is based on a "premium" service. This is based in particular on a permanent search for customer satisfaction, so that Covivio does not have any negative impacts for its customers. Nevertheless, frequent meetings and contacts with customers as well as satisfaction surveys make it possible to identify areas for improvement for Covivio, its suppliers and operators.

Customer confidence is demonstrated by the systems set up by the hotels, the communication channels used, and the survey results (3.3.4.3.2). The verbatim reports of customer surveys are sent directly to the site manager. The site manager must propose an action plan to remedy each negative impact raised. The management of Covivio Hotels monitors suggestions for improvement and ensures that they are implemented.

In every country where Covivio operates, if customers or users wish to report a negative impact other than through their dedicated contacts, they can use the Covivio whistleblowing platform (3.4.2.4). It is accessible to all internal and external stakeholders. There were no alerts in 2024.

Please note that Covivio Hotels uses several tools to guarantee the quality of the service and the responses to comments and complaints from consumers and end customers, as specified in section 3.3.4.3.2.

3.3.4.5 Action plan to manage material impacts, risks and opportunities (S4-4)

Some of the action plans put in place by Covivio to manage the impacts, risks and opportunities connected to its customers are detailed in section 3.3.4.3.

3.3.4.5.1 Offering customers a health/safety environment that exceeds standards

Committing to customer well-being

People in the northern hemisphere spend approximately 90% of their time indoors. The building has an impact on the health and well-being of its occupants, whether through temperature, indoor air quality, lighting quality, noise or the greening of spaces. Covivio aims for the highest construction standards (HQE, BREEAM, etc.) in order to optimise the comfort and well-being of the users of its buildings.

For tertiary buildings under direct management, 100% of the assets are subject to assessments relating to the health and safety of occupants of the hotel operating properties (EPRA H&S-Asset). This system was reinforced during the Covid period and has been closely monitored since then. None of the buildings analysed were deemed non-compliant (EPRA H&S-Comp).

(1) *https://news.booking.com/fr/le-dernier-rapport-de-bookingcom-sur-le-voyage-durable-met-en-evidence-les-defis-auxquels-sont-confrontes-les-consommateurs-et-souligne-la-nec*

Limiting noise pollution

Hotel rooms must provide rest and peace. Covivio Hotels, which places the user's comfort and well-being at the heart of its projects, endeavours to own buildings that optimise acoustic conditions for the occupants (choice of materials, embellishments, organisation of spaces, etc.). In the context of its developments and renovations, Covivio is also committed to reducing the exposure of users and local residents to noise pollution from construction sites.

Indoor air quality, a health issue:

The quality of indoor air in buildings is increasingly becoming a matter of concern for hotel guests. The 2019 health crisis has given new prominence to this issue, transforming it from an element of comfort and well-being to one that has an impact on health. In addition, according to a study by Harvard TH Chan School of Public Health, the concentration of pollutants (VOCs, fine particles, CO_2) could cause sleep disorders and restless sleep. Indoor air quality and olfactory comfort in buildings is therefore an important issue for Covivio Hotels and its operators. A range of studies and monitoring operations have been carried out on the portfolio, including the use of air purifiers in some cases.

3.3.4.5.2 Action plan to secure data and information systems in buildings

Leveraging synergies to strengthen the operational efficiency of teams

Covivio is deploying an ambitious strategy to adopt the best practices in its market, particularly in terms of tools, as part of a European integration process for its business lines, its organisation and information system, and to maintain greater control over its growth and IT costs.

For example, these tools are designed to support the digitisation of customer relations and the development of the Group's activities in Europe, in particular through the Salesforce solution, aimed at providing Covivio with a CRM (Customer Relation Management) software package, or the deployment of SAP software in 2021. In keeping with the change management approach, the implementation of these tools has involved workshops to reflect on the processes and harmonisation of working methods (10% of the total workforce mobilised for SAP).

In parallel, a project to "move to cloud" for the Group's IT infrastructure systems was carried out, again with the aim of accelerating cooperation and the integration of IT. It allows for greater flexibility in the management of business applications and improves the security of IT infrastructures at the European level.

3.3.4.5.3 Covivio's action plan to create positive impacts for its customers

With art, Covivio buildings are to be experienced and visited

Convinced that art contributes to the identity of a place and the construction of a common space while stimulating exchanges and creativity, Covivio joined the "1 building, 1 work" programme in 2018, under the oversight of the Ministry of Culture. This is a programme that encourages its members to commission or purchase a work of art from a living artist for their buildings, thereby supporting artistic creation in keeping with the best practices of the artist's profession. Art has thus become an integral part of Covivio, which has adopted a global and committed approach at Group level in order to create a strong identity for its assets, facilitate encounters between art and city users, and create unifying communal spaces. Covivio encourages the emergence of artists who respect the environment in their creative process.

This initiative is being rolled out in the main new or renovated buildings, whether offices, hotels or housing unit, in France, Italy and Germany. From Marseille to Milan, *via* Berlin, from street art to the design of a monumental sculpture, there are already 20 works that give colour to the Covivio portfolio and help to create links and a range of experiences.

The Ibis Montmartre hotel has been home to a mural from the Generation Equality Forum created by Spanish artist Lula Goce since 2021. The Generation Equality Forum partnered with ONU Femmes and Street Art for Mankind to create a series of three murals in several locations around the world. These murals use art to spread the vision of faster progress towards gender equality around the world.

Supporting artistic creation and presentation in the regions

Art at Covivio also aims to contribute to the visibility and attractiveness of the regions. During the summer of 2023, Philippe Katerine's poetic and offbeat artwork was on display in the streets of Clichy and Paris 17. This sponsorship action, backed in particular by Covivio, supported the "Mignonisme" exhibition and, in collaboration with the town halls of Paris, Paris 17 and Clichy, satisfied the following objectives, to:

- promote Greater Paris by bringing together Paris 17 and Clichy for an artistic journey between the two cities leading to a free institutional exhibition;
- transform and revitalise the Porte de Clichy after many years of construction work and disruption for users and residents;
- provide access to an artistic event open to everyone, 24 hours a day, in the public space;
- introduce the work of a popular artist with offbeat humour.

Share its commitments with customers

Covivio's 'We Care' programme offers a series of events and activities to enable it to share its engagement with its customers, in particular by introducing them to the associations supported by the Covivio Foundation. Some examples of actions carried out in 2024:

- collection of work clothes organised in 16 Covivio buildings. A total of 463 kg of clothing was collected and recycled, *i.e.* 200 kg more than in 2023;
- hosting Kabubu free of charge for 2 weeks at the Art&Co building (Paris 12th); as this association's premises were inaccessible at the start of the Olympic Games;
- The Solidaire Vertigo race organised by the PLAY International association, hosted in the CB 21 building in Paris La Défense. This was an opportunity to mobilise Covivio teams and customers around this event, intended to raise funds to finance the association's projects. More than 1,000 runners started and €100,000 was collected.

These meetings are also an opportunity to invite customers to go further, for example by becoming volunteers for the association concerned or by getting involved occasionally.

3.3.4.5.4 Measuring and monitoring the actions implemented

Covivio has set up satisfaction surveys to measure the impact of its actions on its customers. Details of these surveys as well as the monitoring of their results are provided in the "optimising customer satisfaction" section (3.3.4.3.2).

Covivio has strict specifications for the construction/renovation or management of buildings, with regard to actions aimed at preventing material negative impacts on its customers through its business relationships. They ensure a level of quality and safety for customers and third parties to the operation by using virtuous solutions and materials.

As part of its management contracts for its existing hotel operating properties, Covivio contractually encourages its managers to apply health and safety regulations, and to meet the expectations and needs of customers. Please note that some contracts stipulate that non-attainment of a qualitative performance level is a reason for terminating the contract (3.3.4.3.2).

3.3.4.5.5 Requirement for additional CSRD data

Description of the role of consumers and end-users in the activities	Covivio includes future tenants in the planning and design of tertiary building developments, before construction. They are involved by participating in brainstorming workshops. As part of the renovation and construction of Covivio Hotels hotels, the managing operators and retailers are co-partners from the start of the project.
The measures described above are also designed to support the achievement of one or more of the Sustainable Development Goals	Covivio actively contributes to several Sustainable Development Goals established by the UN. Covivio has identified nine major SDGs in line with its targets. The actions are presented in ESRS S3, section 3.3.3.5.5.
Description of internal functions involved in impact management and the types of action taken	The actions implemented to meet the expectations of customers and end users are reflected in the annual review interviews with the employees concerned. The action plans are the basis for a number of objectives set in consultation with each manager at the various management levels, to ensure their success.

3.3.4.6 Objectives (S4-5)

Covivio has grown by forging and developing strong links with its main stakeholders. Covivio sees cooperation with its external stakeholders as a real lever for innovation and growth. The objectives have therefore been defined in order to respond as effectively as possible to the identified expectations of the customers and users of the Group's buildings. They are not currently involved in the monitoring of Covivio's performance on these issues.

The table below shows the objectives that Covivio has set itself to meet the expectations and needs of its customers and end users.

	Objective	Actions	Deadline	Progress made at the end of 2024
Mobilities	Accessibility to public transport: at least 95% of buildings within a 10-minute walk of public transport	Choice of qualitative locations Annual mobility study of all its European assets	Permanent	99.5% of assets are less than 1 km from public transport
	Promoting soft mobility	Installation of bicycle parking spaces, as well as electric scooters and bicycles (VAE)	Installation of charging stations for e-bikes and electric scooters	nc
	Facilitating the use of electric vehicles	Electric Vehicle Charging Infrastructure Facility (IRVE)	Analysis and ongoing deployment	nc
Guarantee customer well-being	100% of assets labelled for well-being	Green Key label on operating properties scope	100% by the end of 2025	90% of WiZiU assets labelled or in progress of being at the end of 2024
Customer satisfaction	Optimise tenant (lease) and end-user satisfaction in operating properties	End-customer satisfaction measurement	Permanent	100% of hotels are targeted for end-customer satisfaction monitoring

3.4 Business conduct policies and corporate culture (ESRS G1)

The ESRS G1 standard covers the presentation of processes, procedures and more generally performance in terms of business conduct. This refers to a set of topics relating to ethics, transparency and the Company's relations with its suppliers. The challenge is to share and promote understanding of the Company's strategy and approach.

The ESRS G1 standard also covers business ethics, the fight against corruption, the management of relations with suppliers (payment practices, etc.), the protection of whistleblowers, the corporate culture, the company's activities and commitments related to its potential political influence (lobbying, etc.).

3.4.1 Governance based on ethics and transparency (GOV-1)

Covivio Hotels, whose shares are listed on compartment A of Euronext Paris, is currently the leading investor in hotel real estate in Europe. Covivio Hotels has a unique hotel portfolio comprising 283 hotels located at the centre of major European cities. It currently partners with around 17 hotel chains representing some 30 brands in Europe, with a portfolio comprising 66% budget and mid-range hotels and 34% upscale hotels. Covivio Hotels supports brands in their lease, operating properties and development projects. Covivio's governance is adapted to respond effectively to the challenges of its multi-sector business model (hotel operating properties, hotels under management and retail premises). The analysis of the CSR risk mapping carried out in 2020 does not place the risks relating to governance among the most sensitive risks for the Group. Covivio Hotels plans to use increasingly effective governance and the necessary skills to meet the challenges facing the company now and in the future.

Respect for best practices in governance

The Supervisory Board of Covivio Hotels has adopted the Afep-Medef Code as the reference framework for the corporate governance of listed companies. This decision was published by Covivio Hotels on 30 December 2008. The company therefore complies with the Afep-Medef Code in its updated version of December 2022, which can be consulted on the HCGE website. Covivio Hotels strives to implement its recommendations.

- For more information, see Chapter 5, section 5.2: compliance with the Afep-Medef Code.

A balanced governance

The Supervisory Board seeks to encompass a range of skills, providing expertise in real estate, the hotel industry and finance. This diversity enables informed and independent decisions to be made on the financial statements and compliance with accounting standards. Close attention is also paid to the quality and complementarity of the career paths of the Supervisory Board's members.

The Supervisory Board has a good balance of the skills required to manage the Company effectively. The diversity within the Council is essential, because this stimulates the discussions and decisions, thereby ensuring a quick and in-depth analysis of the company's activities and challenges. The Supervisory Board has implemented a policy for appointing the members of the governing bodies to ensure this.

- For more information on the governance bodies: Chapter 5, section 5.2.2.1.

3.4.1.1 Description of the role of the administrative, management and supervisory bodies related to the conduct of business (G1-GOV-1)

The balancing of powers is based on a separation between management and the Supervisory Board. Covivio Hotels has deployed dedicated governance to ensure that the business runs smoothly.

Organisation of governance for risk prevention

To reiterate, Covivio Hotels is fully incorporated into the governance of the Covivio Group, with the same management structure and decision-making processes.

In accordance with the recommendations of the AMF, the internal control system is based, in particular, on known objectives, a distribution of responsibilities, and adequate management of resources and skills.

Delegations and subdelegations of powers are in place. This delegation ensures 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.

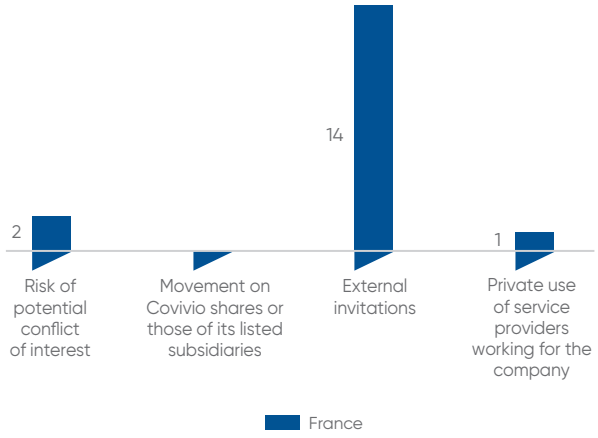
- For more information on the components of this system: Chapter 2, section 2.2.2 of the Covivio Group's URD.

The internal control of accounting and financial information is a key element of the internal control system and a key element in the conduct of the Group's business. It is described in Chapter 2, section 2.2.3.2 of the Covivio Group's URD and notably specifies the involvement of the Chief Executive Officer and the Audit Committee, as an offshoot of the Group's Board of Directors.

The Ethics Officer plays a key role in the responsibilities identified within the Group to ensure that ethical principles are respected in the conduct of business. Three Ethics Officers were appointed, one in France, one in Germany and one in Italy. Ethics Officers report exclusively to the General Management in order to ensure that their work is effective and that their actions are relevant to the organisation as a whole. He or she has a duty of confidentiality with regard to the information disclosed. Their mission includes several components:

- advising employees on conflicts of interest, gifts and other benefits in kind received or offered;
- reminder of the stock market law rules;
- verifying the application of ethical principles;
- performing regulatory oversight on the subject of ethics.

Number of requests to Ethics Officers in 2024



A Group Compliance Officer function was created in 2018, with the support of local contacts, in order to strengthen the governance structure for risk prevention.

As part of their Group compliance duties, the Group Compliance Officer:

- is involved in drafting and updating the Ethical Charter;
- ensures that it is distributed to all employees when it is updated and to new employees when they join the company;
- is responsible for its implementation: as such, it ensures that each department implements the appropriate means to comply with the provisions which apply to it, and is supported by the Audit department to conduct the checks that are considered necessary;
- maps and updates the corruption and influence peddling risks, and ensures that the resulting recommendations are properly implemented;
- performs due diligence on third parties;
- ensures that appropriate measures are taken if these rules are breached.

3.4.1.2 Business conduct expertise of the administrative, management and supervisory bodies (G1-GOV-1)

The expertise of the administrative, management and supervisory bodies in terms of business conduct is a major topic for Covivio. The skills and expertise of the non-executive corporate officers are summarised in a table in Chapter 5, section 5.2.2.1.3 of this document. In addition, the training and experience of the corporate officers is present in their CVs (section 5.2.2.1.3).

The diversity of the members of the Supervisory Board enables experience of corporate governance and business conduct to be shared. 92% of them have experience of listed companies.

Training of administrative, management and supervisory bodies in business conduct

Section 5.3.2.2.5.5 of Chapter 5 of Covivio's universal registration document presents the induction process for new Directors. It is tailored to the individual skills, experience and expertise of each of them, to enable them to gain a better understanding of the Covivio Group and its activities, and to grasp its strategic issues and priorities.

3.4.2 Policies related to business conduct and corporate culture (G1-1)

3.4.2.1 Identification of IROs related to business conduct

All information relating to the process of identifying impacts, risks and opportunities is detailed in the ESRS 2 in section 3.1.2.4.1.

Summary table of IROs related to ESRS G1

ESRS G1 - BUSINESS CONDUCT	
Description/key words	Governance and corporate culture Whistleblowing system and protection of whistleblowers Political commitment and responsible lobbying Supplier relationship management and preventive measures Corruption and conflicts of interest
Main impacts	Potential impact on business failures: two out of three companies pay their suppliers late; one in four bankruptcies among VSEs is caused by late payments (the leading cause of bankruptcy). It also creates tensions in employment with domino effects. Corruption mainly concerns sales, acquisition, leasing and development activities, which involve significant capital movements and regular contact between employees and local service providers, intermediaries and/or public officials.
Positioning in the value chain	Direct operations
Main risks	Risk to the relationship of trust with stakeholders who could consider the company as an at-risk partner in the event of proven corruption Market and transaction risk: this subject also covers relations with suppliers (in particular dependencies and payment terms)
Main opportunities	Identification of Covivio as a reliable player
Materiality	Material

3.4.2.2 Managing impacts, risks and opportunities

Promoting fair and ethical practices among all Group stakeholders is a major challenge for Covivio and addresses the "Fraud/corruption/ethics" risk identified in the CSR risk mapping. A failure to comply with the profession's ethical rules and the Group's internal procedures, or insufficient control of commercial (negotiation, contracting, invoicing, etc.) and financial processes could lead to significant risks: negative impact on reputation, loss of stakeholder confidence, financial losses, curbs on business development, etc. To counter this, Covivio has implemented numerous measures to control this risk, in accordance with the legislation of the countries in which it operates and the most widely recognised international standards in the sector. Its Ethical Charter, which serves as a Code of Conduct within the meaning of Law no. 2016-1691, known as the Sapin 2 Law, was updated in 2022; it is enforceable against its employees and covers all ethical issues that Covivio may have to face.

Covivio updated its mapping of ethics and corruption risks during 2024. This mapping was carried out with the help of an external consultant in order to ensure that the methodology was appropriate and that best practices were applied. Several workshops were held in each department to review potential risks and the measures implemented to address them, as well as to reiterate to employees what corruption can consist of and to discuss the Sapin 2 regulations.

The corruption risk mapping was shared and validated with General Management. Specific action plans have been identified to improve the control of certain risks and reduce their potential occurrence or impact.

In addition to the general risk mapping, specific analyses are carried out each year on certain subjects which may present particular risks (such as cyber risks, fraud and corruption risks and CSR risks). The Audit Committee reviewed the action plans for the main risks identified during the 2024 fiscal year (3.2.4.2), and approved the risk management policy and the 2025 audit plan. The Committee shared all these details with the Board of Directors.

The Ethical Charter, a driver for responsibility

Covivio's Ethical Charter is a fundamental part of its ethical and compliance approach. It is based on a common foundation and is adapted to the legal and regulatory specificities of each country, and covers all Group employees throughout Europe. It can be consulted on Covivio's websites and intranet. The Ethical Charter sets out the rules and principles that all employees must follow in their professional practices and in their dealings with stakeholders. The fundamental principles set out in this Charter are as follows: compliance with laws and regulations (prevention of insider trading, combating money laundering, corruption and any related offences, etc.); respect for the environment and for people (health and safety at work, preventing and combating acts of discrimination, respect for third parties, etc.); protection of the company's assets (reputation, property, resources, etc.); transparency of the information provided; protection of personal data. The Charter has been updated regularly: in 2015, 2018, 2022 and 2024. The new whistle blowing system was incorporated in 2024. The Ethical Charter is legally binding on Group employees and serves as a Code of Conduct within the meaning of the Sapin 2 law.

A WiZiU Ethical Charter

The purpose of the WiZiU Ethical Charter is to define a set of principles and rules applicable to the Company and also serves as a Code of Conduct within the meaning of Law No. 2016-1691 of December 9, 2016 on transparency, the fight against corruption and the modernization of economic life, known as the Sapin 2 law. This charter, drawn up in 2018, was updated in 2024. It applies to hotels operated by WiZiU or under franchise agreements, or even under white label agreements. It deals with topics that are common with those of the Group: discrimination, harassment, corruption, influence peddling, gifts policy, conflict of interest. Nevertheless, several subjects are specific to the hotel business and justify the need to have a charter dedicated to this activity. The specific provisions concern in particular:

- money laundering linked to cash payments;
- the fight against fraud (related to payments received);
- the fight against prostitution, pimping and paedophilia;
- management of customer confidentiality (data and their images);
- food safety and hygiene.

The Charter specifies that the partners of hotels (operators, suppliers and, more generally, any person with whom the company is required to do business) are expected "to behave ethically in accordance with the spirit of this Charter, particularly in the areas concerning respect for the individual, working conditions and the fight against corruption".

Each hotel manager is responsible for ensuring that the Ethical Charter is properly understood and applied.

3.4.2.3 Develop, promote and assess the company's culture

Covivio's corporate culture and its purpose

Covivio aims to be consistently committed and ambitious, agile and collaborative, solid and human, towards all its stakeholders. The Group's reputation has been built on respect for these values on a daily basis, with a strong emphasis on compliance with regulations and ethical principles. In keeping with these values and its culture of commitment, Covivio set out its Purpose in 2019: "Building well-being and lasting ties". A true mainstay, it now guides the majority of the Group's strategic and operational choices.

Covivio's Purpose is part of a long-term vision. It is inspired by the Group's mission: to capitalise on solid know-how in long-term partnerships and on the ability to create living spaces that offer a unique experience and contribute to the emergence of more sustainable, resilient and inclusive real estate and cities.

Several initiatives have been set up to promote the company's values. The Ethical Charter is included in the onboarding programmes for 100% of head office employees. It is handed to employees with the Internal Regulations. The Risk, Compliance, Audit and Internal Control department organises training sessions called "Process Mornings" to strengthen awareness of these issues. They are used to explain the internal control systems and the Ethical Charter.

Employer Brand

The employer branding policy introduced in 2019 as part of the change of identity is also being pursued at the European level through the coordination of the three already-formed ambassador groups. They lend their image and their voice to Covivio's employer brand, and represent the Group and its business lines on social networks and at forums organised by schools. 53 ambassadors help promote Covivio both internally and externally in Europe, by taking part in school forums or after-work events organised with students. They also play an active role on social networks, sharing Covivio posts and job offers available within the Group. As such, they receive regular training on using social media and have access to a dedicated resource platform (Teams group and ambassador booklet).

Commitment assessment

Covivio conducts an internal barometer survey every two years to assess the mindset of its teams. The 2023 results confirmed the company's strong in-house culture at European level and the employees' strong attachment to the company.

Team commitment and pride in belonging are high: 93% of employees say their work is interesting, and 85% of them are satisfied with their job, 12 points higher than the Kantar Institute benchmark for private companies. Confidence in the Group's strategy and management remain at high levels: 78% of employees say they have confidence in the management team (+15 pts compared to the benchmark) and 83% in their direct line manager. 94% of employees say they are optimistic about Covivio's future. The organisational efficiency within the Group is singled out for praise in this survey: 81% of employees state that decisions are taken quickly and 80% are pleased with the speed at which they are implemented. The quality of life at work is also highly praised: 90% consider that the working atmosphere is good within their team and 80% say that they have a good work-life balance. 91% of employees are satisfied with their material working conditions.

The results of the Barometer were presented to the CSR Committee at the meeting of 21 September 2023 as well as to Covivio's Board of Directors.

3.4.2.4 Mechanisms for identifying, reporting and monitoring practices that breach the principles of the Ethical Charter

Ethics and the fight against fraud and corruption, the cornerstones of Covivio's governance

Ethics and the fight against fraud and corruption are part of the cornerstones of Covivio's governance. To help achieve this, Covivio has introduced numerous risk management measures in accordance with the legislation of the countries in which it operates and the most widely recognised international standards in the sector. Its Ethical Charter, which serves as a Code of Conduct within the meaning of the Sapin 2 law, is enforceable against its employees and covers all the ethical issues that Covivio may face.

The Charter in particular highlights Covivio's "zero tolerance" policy on corruption and influence peddling, and the ability for any (internal or external) stakeholder to report any action which is contrary to the principles of the Charter through the whistleblowing system, via the Group Whistleblowing platform. In 2024 (as in 2023), there were no disciplinary actions against any employees for failure to comply with the Ethical Charter. Furthermore, Covivio has not received any complaints or been the subject of any convictions on these grounds.

Covivio has implemented the 8 measures for preventing the risks of corruption and influence peddling covered by the Sapin 2 law.

1) Corruption risk mapping

The cornerstone of Covivio's corruption risk prevention system, the mapping of corruption risks is regularly updated to stay abreast of changes in the Group's activities. It was updated in 2024. The recommendations arising from the mapping are implemented at European level by the Compliance Officers and are subject to regular monitoring by the Audit Committee and by the Management Committees of each country.

2) 3) Procedures for assessing the situation of customers and suppliers and accounting control procedures

In view of the major risks identified by the mapping, Covivio is particularly vigilant about the trustworthiness of its main customers and suppliers, and carries out appropriate analyses, and implements specific accounting controls aimed at detecting acts of fraud and corruption in its accounts. Furthermore, transactions which are regarded as being sensitive, such as the purchase or sale of buildings or companies, and construction or renovation work, are subject to appropriate procedures, particularly concerning knowledge of intermediaries. Covivio uses a dedicated platform (in addition to EcoVadis, ESRS S2, section 3.3.2.5) to carry out a due diligence on suppliers identified as being at risk by the corruption risk mapping. This platform analyses the trustworthiness of the companies concerned, their legal representatives and their subsidiaries. This analysis lists potential international sanctions, any negative press and indicates the politically exposed persons.

4) 5) Code of conduct and disciplinary procedures

Covivio's Ethical Charter has been updated in accordance with the requirements of the Sapin 2 law in order to serve as a Code of Conduct. In France, it is annexed to the company's Internal Regulations, and it has a similar binding force in Germany and Italy. Non-compliance with its provisions, and in particular any proven act of corruption or influence peddling, will result in strict sanctions, which can include termination of the employment contract or the term of office of the person in question.

6) Whistleblowing system

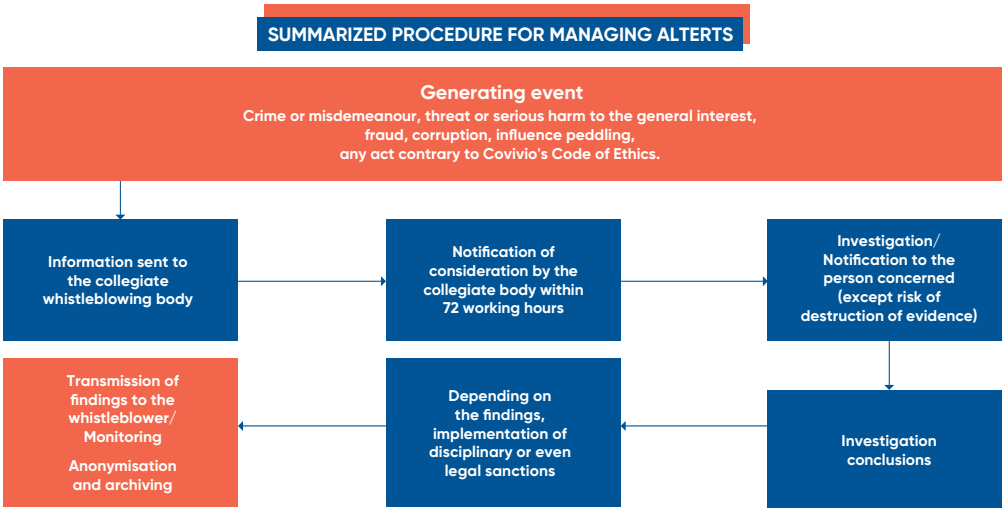
Covivio Hotels has had an internal whistleblowing system since 2015. Its functioning has been modified to take the provisions of the Sapin 2 law into account. The facts liable to be covered by the whistleblowing system are many and varied: serious or more minor offences, gross and flagrant violations of national or international regulations, serious threats or harm to the general interest. It also allows any stakeholder to report breaches of the principles set out in the Ethical Charter and in the following areas in general: finance, accounting, banking, the fight against corruption, the fight against discrimination and harassment in the workplace. The whistleblowing system is available to Group employees as well as to all stakeholders. It is the subject of an internal procedure that is publicised and explained at the Europe-wide level. Partners and suppliers are also informed of its existence via the Covivio website and the reference to it in the Responsible Purchasing Charter (ESRS S2, section 3.3.2.2.1) instituted in France. A new Whistleblowing platform was set up in France, Germany and Italy, at the end of 2023,

Covivio is committed to protecting the whistleblower:

- by keeping his or her identity confidential;
- against possible reprisals, disciplinary sanctions or legal action, provided that the alert is not made maliciously and is made in good faith.

The Whistleblowing platform also enables any misconduct to be reported anonymously. Anonymous alerts are investigated if the gravity of the reported facts is established and the facts are sufficiently detailed. The whistleblowing procedure was updated in 2024 to take changes in the law aimed at strengthening the protection of whistleblowers into account. After the internal investigation into the alert has ended, and provided that it has not resulted in any legal and/or disciplinary action, Covivio will anonymise all the data collected within 2 months and will only keep an Excel file which contains no personal data. This file is exclusively intended to analyse the system. In 2024, no alert was launched under this system.

Summary procedure for managing alerts



The investigation is carried out by the relevant whistleblowing investigation body. This is an internal Covivio body that constitutes the first stage of the reporting process. It is independent. It guarantees the confidentiality of the identity of the whistleblower' as well as the person implicated. It has a duty of confidentiality with regard to the information disclosed. It can be seized by any means available to the staff as well as by third parties (service providers, commercial partners, suppliers, customers, etc.), notably *via* the platform. Covivio's whistleblowing body is composed of the following people: the Chief Operating Officer and the Audit and Internal Control Director, who may enlist the services of any appropriate persons to carry out their investigations.

7) Employee training

The Risk, Compliance, Audit and Internal Control Department has put in place regular and compulsory training courses, which are provided to all employees. These training sessions, called "Process Mornings", focus on compliance with the cybersecurity and data protection rules, raise awareness of the principles of the Ethics Charter (combating corruption and influence peddling, the Group's gift and invitations policy, the whistleblowing system) as well as a reminder of procedures. This practice, initiated in France, has been rolled out to all Group employees in Europe. The Ethical Charter is also handed to each new employee when they join the Group.

8) System for monitoring and assessing the measures implemented

The Audit Department carries out regular checks, as part of the annual audit plans ratified by the Audit Committee, to ensure that measures to prevent the risk of corruption are being properly applied.

Prevention of the risk of fraud:

In accordance with the regulations and the provisions of the Global Compact's 10th principle, Covivio ensures that its risk prevention measures are properly applied in relation to fraud, corruption and related offences, such as influence peddling. The separation of scheduling (the order) and launch (the payment) operations, as well as the procedures linked to the competitive bidding thresholds, significantly reduce the risk of fraud. The company informs employees in charge of transactions about the risk of fraud and corruption, during "Process Mornings", and reminds them of the "zero tolerance" level which applies within the Group. "Anti-fraud" audits are regularly carried out within the Group. In the context of the audit plans approved by the Audit Committee, these measures are subject to internal control and assessment.

Ensure fair competition:

Covivio and its subsidiaries undertake to comply with the provisions of the competition laws in force in each country during their business activities, and more specifically during sales, acquisitions and construction processes. The company has therefore set up appropriate procedures: for example, competitive bidding is compulsory above certain thresholds, and the framework for calls for tenders is defined by procedures drawn up and approved by the General Management. Several companies may have to be consulted, depending on the amounts and types of transactions. Similarly, a bid opening procedure, involving at least two employees and a bid opening report has been introduced for certain calls for tenders, in order to ensure maximum transparency and competition. Audits are regularly performed to check compliance with internal procedures in this area. The risk of anti-competitive (or antitrust) is limited in the context of the Group's activities, as the ownership of real estate assets is widely dispersed.

Combating money laundering:

Covivio, as a real estate company, is subject to anti-money laundering legislation in its activities of letting, business domiciliation, buying and selling of buildings, businesses, shares or stakes in real estate companies, which could conceal one or more money laundering activities subject to criminal prosecution. As it carries out transactions involving movements of capital, Covivio is also required to report any suspicious transactions it is aware of to the Public Prosecutor. Covivio and its subsidiaries have implemented a comprehensive anti-money laundering and counter-terrorist financing (AML/CTF) system, adapted to specific national statutory and regulatory requirements, in the form of a procedure that identifies and describes the actions to be carried out by the employees responsible for the operations concerned. The Group Compliance Officer as well as the Risk, Compliance, Audit and Internal Control Director are "AML/CFT" Managers and TRACFIN Correspondents and Declarants. The system is based on due diligence from the start of the business relationship and with respect to the third parties concerned. The implementation of the AML/CFT system is supported by regular training campaigns during "Process Morning" training sessions.

WiZiU has set up a whistleblowing system. This system is in-house and is only intended for WiZiU employees. It complements other existing communication channels. This system guarantees the protection of whistleblowers, in accordance with the provisions of the Sapin 2 law.

3.4.2.5 Business-related training

Consistent with the obligations of the Hoguet Act, which regulates the conditions for working in the real estate sector, Covivio organises training for the employees concerned. They are holders of the management and/or transaction card or of Hoguet law certificates. The 28 people concerned by this obligation attended training courses in 2024. These courses represent a volume of 42 hours spread over 3 years and include modules on business ethics.

Covivio is offering all Group employees the opportunity to take part in awareness-raising initiatives or training courses on cyber risks, emphasising the best practices and behaviour to adopt. To ensure that these actions are successful, phishing tests are regularly organised internally.

Covivio's intranet site provides all head office employees with easy access to all current charters, regulations and procedures. In addition, face-to-face training sessions ("Process Mornings") are organised for these employees to reaffirm good practices and provide links to documentation and procedures.

3.4.2.6 Description of the functions most exposed to corruption

Corruption risk mapping has enabled the most at-risk functions to be identified. These are the functions responsible for works and works contracts when selecting suppliers and contractors, as well as the functions and employees in charge of public and institutional relations involved in administrative applications to the public authorities.

These functions are subject to strict procedures in order to ensure that these risks are controlled properly. Controls and audits are also carried out regularly to ensure that the processes are properly complied with.

The company informs its employees who are in charge of transactions about the risk of fraud and corruption, during "Process Morning Meetings", and reminds them of the Group's zero-tolerance policy.

3.4.2.7 Additional CSRD data requirement (G1-1)

Processing of incident reports	In accordance with the procedure mentioned in section 3.4.2.4, Covivio undertakes to investigate incidents related to the conduct of business quickly, independently and objectively. Covivio undertakes to promptly, independently and objectively investigate incidents related to the conduct of business.
Animal welfare	This issue did not appear in the double materiality analysis given Covivio's activities. However, this subject is often included by hotel operators as part of more global initiatives related to responsible food. This is notably the case with the implementation of the Green Key label that Covivio Hotels is rolling out to all of its directly managed hotels.
Legal requirements for the protection of whistleblowers	Covivio applies the provisions of Law No. 2022-401 of 21 March 2022 aimed at improving the protection of whistleblowers, and they were included in Covivio's new whistleblowing procedure launched in January 2024.

3.4.3 Supply chain and payment practices (G1-2)

3.4.3.1 Policies to prevent late payments

Covivio's Responsible Purchasing Charter promotes a responsible relationship with its business partners. This Charter is based on the principles of the United Nations Global Compact, the Diversity Charter and the International Labor Organization (ILO) and promotes Covivio's ethical values. They are primarily aimed at respecting payment deadlines for suppliers and consultants, combating corruption and influence peddling, money laundering and anti-competitive practices, limiting economic dependence and preventing conflicts of interest.

3.4.3.2 Responsible Purchasing Policies

Covivio is committed throughout the life cycle of its assets (design, operation, deconstruction) to prioritising suppliers and consultants who aim to:

- improve, through the products or services offered, the environmental performance (energy, carbon, biodiversity) of assets under construction, renovation, management or occupied by Covivio teams;
- promote social and societal actions;
- show themselves to be very trustworthy;
- help to control budgetary expenditure by calculating the indirect costs of the products or services offered, in addition to the direct costs.

Besides its Responsible Purchasing Charter, Covivio also uses Ecovadis to assess the CSR performance of its suppliers.

Details of Covivio's commitments in terms of the choices, requirements and quality of the dealings with its suppliers are detailed in the Responsible Purchasing Charter, presented in ESRS S2, section 3.3.2.2.1.

3.4.4 Preventing risks of corruption and bribery (G1-3)

In accordance with the regulations and the 10th principle of the Global Compact, Covivio has strengthened its risk prevention system against fraud, corruption and similar offences, such as influence peddling.

The fight against corruption and bribery is an integral part of the principles of the Covivio Ethical Charter. The eight measures to prevent the risks of corruption and influence peddling governed by the Sapin 2 law are detailed in the ESRS G1, section 3.4.2.4.

Alert management

In the event of a whistleblowing alert, the whistleblowing body conducts the investigation (see above). After investigating, and in view of the evidence in its possession, the body concludes whether the allegations are founded or not.

If the allegations are unfounded, the investigative body will remove all documents used in its investigation within a maximum of two months and will only keep an Excel file which will contain no names, except in the event of a judicial action. The sole purpose of this file is to analyse the system. The person who is the subject of an alert cannot obtain disclosure of the whistleblower's identity, based on their right of access, under any circumstances. The investigative body archives the anonymised data immediately after the end of the investigation for statistical processing.

If the allegations are substantiated, disciplinary or even legal action will be taken with the support of the Human Resources Department and the competent legal authorities, as appropriate.

Training

Regular and mandatory training sessions called "Process Mornings", delivered to 100% of employees, warn them against corruption and the payment of bribes. They are detailed in the section 3.4.2.3. The Group's "zero tolerance" policy is reiterated during these sessions. Special attention is focused on employees responsible for transactions that may present a risk of fraud or corruption. The anti-corruption and anti-bribery training sessions are organised and run by the "Risks, Compliance, Audit and Internal Control" Department, whose Director reports directly to the Group's Chief Executive Officer.

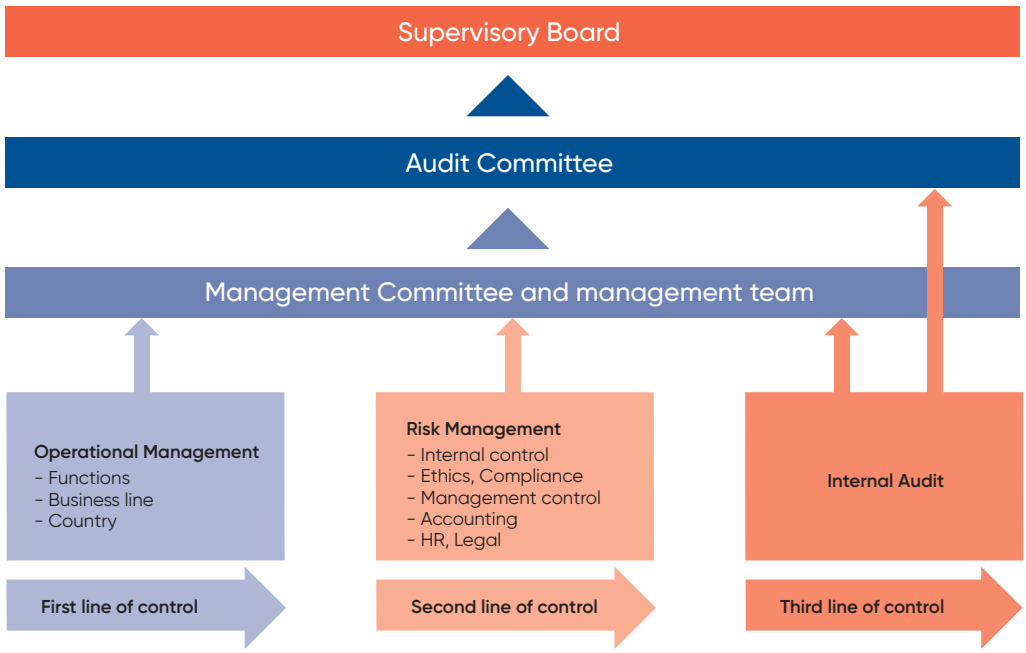
In addition, Covivio's Ethical Charter is handed to each new employee when they join the Group.

3.4.5 Business conduct metrics (G1-4)

3.4.5.1 Action plan and resources

Levels of control and stakeholders

The system is based on the lines of control presented below:



As a reminder, Covivio Hotels is supported by the Covivio Group's centralised departments, in particular Audit, Ethics and Compliance, Accounting, Cash Management, Sustainable Development, Legal, HR, etc.

In addition to the general risk mapping and specific analyses that are conducted annually on topics that may pose special risks (such as cyber risks, Fraud and Corruption and CSR risks), the Board of Directors reviewed the action plans implemented for the main risks identified during the 2024 fiscal year and approved the risk management policy and the 2025 audit plan.

Action plan

Actions implemented	Time horizon considered	Target audience	Resources allocated
Ethical Charter	Update according to changes in legislation and Covivio policies	All employees and contractual relationships	Risk Management Department, ACI Ethics officer Compliance officer General Management Whistleblowing platform
Training	Training at least every two years	All employees	Risk Management Department, ACI If necessary, external provider E-learning platform Edflex
Responsible procurements	Permanent staff: Calls for tenders and during the signing of contracts	Suppliers > €200 thousand (€50 thousand on corporate expenses) All purchasing employees	Sustainable Development Department EcoVadis Altares
KYC (verification of the identity and integrity of customers)	At each signature	Tenants, buyers, sellers during acquisitions and asset sales.	Compliance Trustworthiness platform
Procedures	Update according to changes in the legislation or Covivio's organisation	All employees and contractual relationships	Risk Management Department, ACI

Given the absence of any breach of the principles of the Ethical Charter, no remedial measures have been implemented. As a reminder, failure to comply with the rules laid down in the charter, and in particular any act of corruption, may, in addition to legal consequences, result in strict disciplinary action, including termination of the employment contract or term of office of the person concerned.

3.4.5.2 Metrics

Monitoring of infringements

	2023	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	0 No convictions	0 No convictions
Amount of fines for violation of anti-corruption and anti-bribery laws	0 No fine	0 No fine
Number of confirmed incidents of corruption or bribery	0 No incidents of corruption	0 No incidents of corruption
Information on the nature of confirmed cases of corruption or the payment of bribes	Not applicable	Not applicable
Number of confirmed cases resulting in the dismissal or disciplinary actions against workers for corruption or the payment of bribes	0 No cases	0 No cases
Number of confirmed cases of contracts with commercial partners that were terminated or not renewed due to violations related to corruption or the payment of bribes	0 No cases	0 No cases
Information on the court cases concerning corruption or bribery brought against the company and its own workers and on the outcome of such cases	0 Not applicable	0 Not applicable

3.4.6 Interest representation and lobbying (G1-5)

Covivio has a special procedure for the following activities:

- the companies' involvement in donations (including sponsorship, patronage), memberships or contributions to professional or non-professional associations or foundations;
- lobbying (representation of interests)/public relations, if a specialised firm is used.

This procedure is based on the principle that, while respecting the commitments of its employees who, as citizens, participate or wish to participate – in a private capacity – in public life, Covivio does not finance any public official, political party, holder of public office or candidate for public office, or any trade union or religious organisation which is not recognised as being in the public interest.

The Corporate Foundation, founded in 2020 is responsible for any donations, patronage, sponsorship and similar operations related to equal opportunities. All other actions are coordinated by the Communications Department, which refers the request for due diligence to the Compliance Officer prior to final approval of the project by the General Management.

The membership of professional associations by Covivio employees (whose subscriptions are paid by the company) is also subject to internal validation processes. The Compliance Officer may be asked to conduct a preliminary integrity investigation.

Covivio may also join professional associations that represent interests, or occasionally hire specialised firms who are subject to special oversight and strict application of Covivio procedures.

All requests to use such a firm are sent to the Institutional Relations Director, who, supported by the Compliance Officer, carries out the following procedures:

- checks that the specialised firm complies with the ethical rules and principles laid down by Law No. 2013-907 of 11 October 2013 on transparency in public life;
- obtains any document from the proposed firm certifying compliance with these rules, in particular via the signature of a Code of Conduct (*e.g.* the Charter of the French Association of Lobbying and Public Affairs Consultants);
- verifies that the Firm is properly registered in the Directory of Interest Representatives provided by the High Authority for Transparency in Public Life;
- formalises, as part of the drawing up of the contract, the missions of the firm and establishes an hourly rate-based remuneration structure: written activity reports and formal appointment reports;;
- ensures that the contract includes the obligations stipulated in Article 18-5 of Law No. 2013-907 of 11 October 2013 on transparency in public life, and more specifically prohibits:
  - giving gifts of any kind to a public official, to one of his or her relatives or agents, regardless of the amount,
  - paying a public official to attend a conference,
  - attempting to obtain information by fraudulent means,
  - selling the information or documents he obtains from a public official.

If he considers it necessary, the Compliance Officer may carry out background checks on the proposed firm, and submit the results to the General Management, which is the only body authorised to sign this type of contract.

No member of the Board of Directors of Covivio or the Supervisory Board of Covivio Hotels has previously held a similar position in public administration within two years of their appointment. The CVs of the Directors are reported in Chapter 5, section 5.3.2.1.3 of Covivio's Universal Registration Document and in Chapter 5, section 5.2.2.1.3 of this Covivio Hotels Universal Registration Document.

Involvement in national or international organisations

Covivio as a Group and on behalf of its subsidiaries (Hotels, Development, etc.) actively contributes to public building policy through its strong commitments within working groups and professional associations. Covivio is a member of the Fédération des Entreprises Immobilières (FEI), and Jean-Eric Fournier, Covivio's Sustainable Development Director is the Chairman of its CSR Commission. He is also Vice-Chairman of the Alliance HQE-GBC France, member of the Board of Directors of the Orée association, of the Bureau du Plan Bâtiment Durable, and leader of the Professional Sustainability group of RICS France. Covivio's involvement in various working groups in connection with associations (Alliance HQE-GBC, Orée, SBA-Smart Building Alliance, etc.) and with scientific organizations (Politecnico di Milano, etc.), its participation in studies (Palladio, IFPEB, etc.), its role as a supporter of TCFD and TNFD and its commitment to the Global Compact or the Diversity Charter, all demonstrate the Group's strong commitment to sustainable real estate.

	2023	2024	Observations
Political, financial or in-kind contributions	0 None	0 None	Covivio does not support any political party
Amount of direct internal and external lobbying expenses	0	0	Declaration of elected contacts in an annual register
Amount paid for membership of lobbying associations	€184K	€184K	Limited to professional associations: Afep, FEI and EPRA
Description of how the monetary value of in-kind contributions is estimated	Not applicable	Not applicable	Covivio does not support any political party

3.4.7 Supplier payment terms (G1-6)

Covivio is aware of the impact of payment practices on the financial health of its suppliers, especially the smallest organisations, and makes every effort to respect the contractually agreed payment terms. Its payment procedures are structured in accordance with the Law on the Modernisation of the Economy (LME) of 4 August 2008, which governs payment terms. These are explained in Chapter 1, section 1.4.1.7. of Covivio's Universal Registration Document. The data presented below only cover the Covivio - France scope and not the entire Covivio Hotels scope.

Payment terms metrics **Covivio France scope**	2024	Observations
Average number of days to pay an invoice from the date on which the contractual or legal payment period begins to be calculated	22 days	Section 1.4.1.7. of Covivio's Universal Registration Document
Description of the Company's standard payment terms in number of days by main supplier category	Group payment terms: transfer within 30 days Exception for "fluids" (EDF, Orange, etc.): direct debit possible	Section 1.4.1.7. of Covivio's Universal Registration Document
Percentage of payments compliant with standard payment terms	86% of invoices are paid within 30 days or less (date of receipt)	Section 1.4.1.7. of Covivio's Universal Registration Document
Number of ongoing legal proceedings for late payments	None	Section 1.4.1.7. of Covivio's Universal Registration Document

3.5 CSR performance

3.5.1 Cross-reference table

3.5.1.1 Multi-reference tables

ESRS	DP CSRD	EPRA	GRI	ISSB STANDARDS	TNFD	SDGS
ESRS 2	**GOV-1** 3.1.2.2.1 3.1.2.2.2	Gov-Board	2-9, 2-11	S2.6 (a), (b) S1.21 (b)	Governance A, Governance B	
	GOV-2 3.1.2.2.2		2-12, 2-13, 2-16, 2-24		Governance A, Governance B, Governance C	
	GOV-3 3.1.2.2.4		2-19, 2-20	S2.6 (a) (v), S1.21 (b), S2.22 (b) (i), (ii) S2.29 (g) (i), (ii)	Governance A	
	GOV-4 3.1.2.2.5		2-23		Governance C	
	GOV-5 3.1.2.2.5		2-14		Governance A	
	BP-1		2-2, 3-1			
	BP-2		2-4	S2.10 (d)		
	SBM-1 3.1.2.3.1		2-6, 2-7, 2-22, 3-3		Risk and impact management (ii)	
	SBM-2 3.1.2.3.2		2-12, 2-29		Governance C	
	SBM-3 3.1.2.3.3		3-2, 3-3, 201-2, 306-1	S2.10 (a), (c), S2.13 (a), (b), S2.14 (a), S2.15 (a), (b), S2.16 (a), (b), (c), (d), S2.25 (b)	Governance C, Strategy A-D Risk and impact management (ii), Metrics and targets B	
	IRO-1 3.1.2.4.1		2-14, 3-1	S2.25 (a), (b), (c)	Governance B-C Strategy A/D Risk and impact management A (i), (ii), B, C	
	MDR-A 3.1.2.5			S2.14 (a), (c), S2.25 (a) (v)	Strategy B, C, Metrics and targets B	
	MDR-M 3.1.2.5				Metrics and targets A-B	
	MDR-P 3.1.2.5				Governance B, C, Strategy B, Metrics and targets B	
	MDR-T 3.1.2.5			S2.29 (a) (iii) (1–3), S1.50 (c), S2.33, S2.B67, S2.33, S2.34, S2.35,	Strategy B, Metrics and targets C	
Sector-related issues		Cert-tot				

ESRS	DP CSRD	EPRA	GRI	ISSB STANDARDS	TNFD	SDGS
E1 **Climate change**	**E1-1** 3.2.1.1		201-2	S2.10 (b), S2.14 (a), (c), S2.22 (a), (b) S1.23, S1.B42 (c), S2.25 (a), (b), S2.29 (e)	Strategy B, Metrics and targets C	
	E1-2 3.2.1.2		3-3	S2.25 (a), (b), S2.33 (e), (g), S2.36 (a), (b)	Strategy B, Risk and impact management B	
	E1-3 3.2.1.3		3-3, 305-5	S2.14 (a), (b)	Strategy B, C	
	E1-4 3.2.1.4		3-3, 305-1, 305-2, 305-3, 305-5	S2.14 (a) (ii-iii), S2.33, S2.34 (a), S2.36 (a), (b), (d)	Strategy B	
	E1-5 3.2.1.5	Elec-Abs Elec-LfL, DH&C-Abs DH & C-LfL, Fuels-Abs, Fuels-LfL, Energy-Int	302-1, 302-2, 302-3, 302-4, 302-5	S2.29 (a) (i) (3), S2.B38-B57, S2.29 (a) (ii), (iii) (1–3), S2.B19		
	E1-6 3.2.1.6	GHG-Dir-Abs, GHG-Indir-Abs, GHG-Int	305-1, 305-2, 305-3	S2.29 (a), S2.B38 – B57, S2.29 (a), S2.B30, S2.B31, S2.B32, S2.B56 (a), (b), S2.B34		
	E1-7 3.2.1.7			S2.36 (e)		
	E1-8 3.2.1.8			S2.29 (f), S2.36 (e) (iii)		
	E1-9 3.2.1.9		201-2	S2.25 (b), S2.29 (b-d)		
E2 **Pollution**	**E2-1** 3.2.2.2		3-3		Strategy B, Risk and impact management B	
	E2-2 3.2.2.4		3-3		Strategy B, Strategy C	
	E2-3 3.2.2.5		3-3, 303-2		Strategy B, Metrics and targets C	
	E2-4 3.2.2.6				Metrics and targets B	
	E2-6 3.2.2.6				Strategy B-C, Metrics and targets A	
E3 **Water and marine resources**	**E3-1** 3.2.3.2		3-3		Strategy B, Risk and impact management B	
	E3-2 3.2.3.3		3-3, 303-1, 303-4		Strategy BC, Metrics and targets C	
	E3-4 3.2.3.4	Water-Abs Water-LfL, Water-Int	3-3, 303-3, 303-5		Metrics and targets B	
	E3-5 n.a				Strategy B, Metrics and targets A	
E4 **Biodiversity and ecosystems**	**E4-1** 3.2.4.1		3-3		Strategy C	
	E4-2 3.2.4.2		3-3		Governance C, Risk and impact management B	
	E4-3 3.2.4.3		3-3, 304-3		Governance C, Strategy C	
	E4-4 3.2.4.4		3-3, 304-3		Metrics and targets C	
	E4-5 3.2.4.5		304-1, 304-2, 304-4		Metrics and targets B	
	E4-6 3.2.4.6				Strategy C, Metrics and targets A	

ESRS	DP CSRD	EPRA	GRI	ISSB STANDARDS	TNFD	SDGS
E5 Circular economy	**E5-1** 3.2.5.2		3-3		Risk and impact management B	
	E5-2 3.2.5.3		3-3, 306-2		Strategy C	
	E5-3 3.2.5.4		3-3		Metrics and targets C	
	E5-4 3.2.5.4.3		301-1, 301-2, 306-1		Metrics and targets B	
	E5-5 3.2.5.5	Water-Abs Waste-LfL	306-3, 306-4, 306-5		Metrics and targets B	
S1 Own workforce	**S1-1** 3.3.1.1	Diversity-Emp	2-23, 2-25, 2-29, 3-3, 404-2, 405-1, 407-1, 408-1, 409-1			
	S1-2 3.3.1.3		2-29, 3-3, 402-1, 407-1			
	S1-3 3.3.1.3.2		2-25, 2-26, 403-2			
	S1-4 3.3.1.4		2-24, 3-3, 403-1, 403-9, 403-10			
	S1-5 3.3.1.5		3-3			
	S1-6 3.3.1.5.2	Diversity-Emp, Diversity-Pay, Emp-Training, Emp-Dev, Emp-Turnover, H & S-Emp	2-7, 401-1, 403-2, 403-9, 403-10, 404-1, 404-3, 405-1, 405-2			
	S1-7 3.3.1.5.7		2-8			
	S1-8 3.3.1.5.8		2-30			
	S1-11 3.3.1.5.4		403-3			
	S1-14 3.3.1.5.7		403-3, 403-8			
	S1-15 3.3.1.5.5		401-3			
	S1-16 3.3.1.5.2		2-21, 405-2			
	S1-17 3.3.1.5.6		2-27, 406-1			
S2 Workers in the value chain	**SBM-3** 3.3.2.1		408-1, 409-1			
	S2-1 3.3.2.2		2-23, 2-25, 2-29, 3-3			
	S2-2 3.3.2.3		2-29, 3-3			
	S2-3 3.3.2.4		2-25, 2-26			
	S2-4 3.3.2.5		2-24, 3-3, 308-1, 403-7, 414-1			
	S2-5 3.3.2.6		3-3			
S3 Affected communities	**SBM-3** 3.3.3.1		203-2, 204-1, 411-1, 413-2		Governance C	
	S3-1 3.3.3.2		2-23, 2-25, 2-29, 3-3, 203-1, 413-1		Governance C	
	S3-2 3.3.3.3	Comty-Eng	2-29, 3-3			
	S3-3 3.3.3.4		2-25, 2-26			
	S3-4 3.3.3.5		2-24, 2-25, 3-3		Strategy B	
	S3-5 3.3.3.6		3-3			

ESRS	DP CSRD	EPRA	GRI	ISSB STANDARDS	TNFD	SDGS
S4 **Consumers and end-users**	**S4-1** 3.3.4.2	H & S-Asset, H & S-Comp	2-23, 2-25, 2-29, 3-3			
	S4-2 3.3.4.3		2-29, 3-3			
	S4-3 3.3.4.4		2-25, 2-26, 418-1			
	S4-4 3.3.4.5		2-24, 2-25, 3-3, 416-1			
	S4-5 3.3.4.6		3-3			
G1 **Business conduct**	**GOV-1** 3.4.1		2-9, 2-12, 2-15, 405-1			
	G1-1 3.4.2.7		2-13, 2-16, 2-23, 2-24, 2-26, 3-3, 206-1			
	G1-2 3.4.3		3-3		Strategy B	
	G1-3 3.4.4		2-26, 3-3, 205-2			
	G1-4 3.4.5		2-27, 205-3			
	G1-5 3.4.6		2-28, 3-3, 415-1		Governance C	
Chap 2			2-17, 2-18			
Chap. 5		Gov-Select, Gov-COI	2-10, 2-11, 2-12, 2-13, 2-15			

The material ESRS for Covivio Hotels are presented in ESRS 2, section 3.1.2.3.3.

3.5.1.2 SASB Index - RealEstate Standard

Sustainability Disclosure Topics & Accounting metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	Hotels/ Europe
Energy Management	Energy consumption data coverage as a percentage of total floor area, by property subsector	Quantitative	% by floor area	IF-RE-130a.1	3.2.1.5
	Total energy consumed by portfolio area with data coverage, percentage grid electricity, and percentage renewable, by property subsector	Quantitative	kWh,%	IF-RE-130a.2	3.2.1.5
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Quantitative	%	IF-RE-130a.3	3.2.1.5
	Percentage of eligible portfolio that has an energy rating and is certified to energy performance standards, by property subsector	Quantitative	% by floor area	IF-RE-130a.4	3.2.1.5
	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	3.2.1.1.2.a3. 2.1.1.3
Water Management	Water withdrawal data coverage as a percentage of total floor area and floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Quantitative	% by floor area	IF-RE-140a.1	3.2.1.5
	Total water withdrawn by portfolio area with data coverage and percentage in regions with High or Extremely High Baseline Water stress, by property subsector	Quantitative	m^3,%	IF-RE-140a.2	3.2.1.5
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Quantitative	%	IF-RE-140a.3	3.2.1.5
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis	N/A	IF-RE-140a.4	3.2.1.5
Management of tenant sustainability impacts	Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and associated leased floor area, by property subsector	Quantitative	% by floor area, m2	IF-RE-410a.1	
	Percentage of tenants that are separately metered or submetered for grid electricity consumption and water withdrawals, by property subsector	Quantitative	% by floor area	IF-RE-410a.2	n.a
	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	Discussion and analysis	N/A	IF-RE-410a.3	3.3.4.5
Climate change adaptation	Area of properties located in 100-year flood zones, by property subsector	Quantitative	m²	IF-RE-450a.1	3.2.1.1.12
	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	3.2.1.1.12

Activity Metric	Category	Unit of Measure	Code	Hotels in Europe
Number of assets, by property subsector	Quantitative	Number	IF-RE-000.A	283
Lettable floor area, by property subsector (including land plots)	Quantitative	m²	IF-RE-000.A	39,500 rooms
Percentage of indirectly managed assets, by property subsector	Quantitative	% by floor area	IF-RE-000.C	66%
Average occupancy rate, by property subsector	Quantitative	%	IF-RE-000.C	100%

3.5.1.3 Table: Environmental risks, probability of occurrence, level of impact

Covivio's strengths and weaknesses in coping with them and the associated areas of strategy

TNFD category	Description	Probability of occurrence by scenario (Sc.)	Level of impact taking vulnerability into account	Strengths and weaknesses	Related areas of the Covivio strategy
Physical - One-off and chronic	● Disruption of supply chains and material shortages due to extreme events (*e.g.* wood shortages due to forest fires, pests, concrete shortages due to water stress). -> Main financial risks: construction delays, increase in the cost of materials.	Sc. 1: Certain; Sc. 2: Very likely	Sc. 1: Medium; Sc. 2: Low	Covivio has a wide variety of suppliers and can therefore adapt to changes in the availability of materials. However, shortages can lead to increased costs and delivery delays. A Group-wide sourcing strategy, and more local anchoring can be examined. Covivio has had a Responsible Purchasing policy in place since 2010 and strengthened it in 2023 by extending its scope to all of the Group's activities and using EcoVadis' services. 186 of the Group's suppliers were rated at the end of 2023.	Pillar 1 - Avoiding damage to natural spaces - Priority # 3 - Establish a traceability standard for key materials. And Pillar 2 - Reduce resource consumption - Priority # 2 - Reduce dependency on new raw materials.
	● Loss of worker productivity due to heat waves. -> Main financial risks: construction delays in the event of prolonged heat waves.	Sc. 1: Very likely; Sc. 2: Probable	Sc. 1: High; Sc. 2: Low	Despite the identification of the risk, Covivio appears to have limited room for manoeuvre, with few levers for action regarding the organisation of construction sites. Among the solutions adopted by construction companies are staggered working hours and postponing certain work to non-heatwave days.	This risk is not directly linked to an action plan objective but is part of the Group's adaptation strategy, starting with a commitment to map the various risks in its portfolio using recognised scientific scenarios.
	● Damage to real estate assets due to climate change (flooding, temperature, soil, etc.). -> Main financial risks: loss of value and accelerated obsolescence, repair works.	Sc. 1: Very likely; Sc. 2: Probable	Sc. 1: Medium; Sc. 2: Very low	This risk is well identified by Covivio. Nevertheless, the studies carried out have shown that the Group's assets face limited exposure to climatic hazards. The MSCI 2023 study concludes that, based on a 5°C - ROE 8.5 scenario, at 2050 (worst-case scenario), physical risks represent 0.24% of the value of the assets analysed (-0.45% by 2100). Over the same period, 14% (by surface area) of the assets analysed should face an increase of more than 1°C. In addition, 29% of the assets analysed could face 20 days of heat wave (respectively 13% compared to 25 days of heat wave), and 13% could experience an average of 10 days of intense rain per year.	
	● Damage to real estate assets caused by rising sea levels, increased temperatures and reduced soil maintenance. -> Main financial risks: loss of value and accelerated obsolescence, repair works.	Sc. 1: Very likely; Sc. 2: Probable	Sc. 1: High; Sc. 2: Medium	This risk is well identified by Covivio: according to the studies carried out, very few assets are exposed but those that are would be badly affected (up to 2% of the value of the assets concerned). Construction reinforcement measures have been taken to mitigate the risk of flooding on all new at-risk projects. Soil characteristics are also taken into account for new projects.	

TNFD category	Description	Probability of occurrence by scenario (Sc.)	Level of impact taking vulnerability into account	Strengths and weaknesses	Related areas of the Covivio strategy
Transition - Political	● Obligation to install solar panels or green roofs on 30% to 50% of the surface area for all new commercial, industrial and small business buildings or warehouses (or those built after 2019) (Climate and Energy Act) and on existing buildings in the longer term. -> Main financial risks: additional costs related to equipment and facilities.	Sc. 1: Very likely; Sc. 2: Certain	Sc. 1: Medium; Sc. 2: Low	In general, Covivio installs green roofs and/or solar panels on the buildings it constructs or renovates. However, technical constraints for existing buildings or local regulations may hinder the development of these systems.	Pillar 3 – Contribute to improving biodiversity in the city.
	● Creation and increase of the carbon tax affecting the import prices of materials (*e.g.* cement under the EU's new ETS). -> Main financial risks: additional costs related to the increase in the price of materials.	Sc. 1: Probable; Sc. 2: Certain	Sc. 1: Medium; Sc. 2: Low	The creation of a carbon tax could affect the profitability of certain projects, particularly in the residential sector. The teams are monitoring the practical application of these taxes.	Pillar 2 - Reduce resource consumption - Priority # 1 - Buildings are designed to enable customers to reduce their water and energy consumption.
	● Obligation to produce increasingly comprehensive and detailed CSR reporting in line with regulations and investor requirements (*e.g.* publication of a complete biodiversity footprint, with metrics, information on the value chain and the location of activities (link with SBTN), transition plan). -> Main financial risks: costs related to the additional reporting.	Sc. 1: Very likely; Sc. 2: Certain	Sc. 1: Medium; Sc. 2: Low	Covivio's reporting is already well structured, however, difficulties in obtaining certain data in connection with recent regulations have been identified, particularly in the value chain. A set of MSCI-type studies have been performed to calibrate the Group's transition plan.	Pillar 1 Avoiding damage to natural habitats - Priority # 3 - Establish a traceability standard for key materials.
	● Obligation to demonstrate that purchases of raw materials are compatible with the Deforestation-free Products Regulation for goods imported into Europe (timber and rubber are already covered, the regulation could be extended to mining products). -> Main financial risks: verification and reporting costs.	Sc. 1: Probable; Sc. 2: Certain	Sc. 1: Low; Sc. 2: Low	Commitments relating to obtaining certain labels require information to be collected on the origin of certain materials. These actions are very *ad hoc* at the present time.	Pillar 1 - Avoiding damage to natural spaces - Priority # 3 - Implement a traceability standard for key materials.

TNFD category	Description	Probability of occurrence by scenario (Sc.)	Level of impact taking vulnerability into account	Strengths and weaknesses	Related areas of the Covivio strategy
Transition - Political	● Compulsory labelling of buildings regarding the use of bio-sourced materials (*e.g.*: RE2020, E + C-, etc.). -> Main financial risks: additional costs of materials insofar as the sector is not yet structured.	Sc. 1: Unlikely; Sc. 2: Very likely	Sc. 1: Medium; Sc. 2: Medium	By obtaining a certain number of certifications (*e.g.* HQE, BREEAM, LEED, BBCA) for certain projects, the teams involved are guaranteed to have the necessary skills. Nonetheless, these initiatives must be structured in accordance with the Group's strategy. These initiatives are also rarely mentioned or highlighted in the standards, which does not encourage their implementation. Difficulties associated with sourcing sustainable materials and increasing costs are also to be expected.	Pillar 1 - Avoiding damage to natural spaces - Priority # 3 - Implement a traceability standard for key materials.
	● Obligation to comply with legislation relating to restrictions on planning, land artificialisation of land and the protection of natural spaces (*e.g.* CBD target of 30% protected areas, green and blue corridors, etc.). -> Main financial risks: construction costs (however already included in the projects overall).	Sc. 1: Certain; Sc. 2: Certain	Sc. 1: Medium; Sc. 2: Very low	One of Covivio's strategic objectives is to minimise the artificialisation of land. Most of the Group's projects are densification projects in urban areas. However, the regeneration of natural environments in artificialised areas can pose technical challenges.	Pillar 1 - Avoiding damage to natural areas - Priority # 2 - Real estate development is no longer associated with damage to natural spaces.
Transition - Market	Increase in the price of raw materials linked to the growing demand in priority sectors (*e.g.* the demand for concrete and steel in the wind energy sector). -> Main financial risks: increase in costs.	Sc. 1: Probable; Sc. 2: Probable	Sc. 1: High; Sc. 2: Low	Covivio has identified building renovation, in particular to improve energy performance, as a growth market. However, the economic profitability of these projects may vary depending on the price of the materials used.	Pillar 1 - Avoiding damage to natural areas - Priority # 2 - Real estate development is no longer associated with damage to natural spaces.
	Changing customer/tenant preferences towards sustainable building design (*e.g.*, healthy, energy-efficient, ecological and modular building materials, the restoration of natural habitats, etc.). -> Main financial risks: decrease in revenues, increase in construction costs.	Sc. 1: Probable; Sc. 2: Very likely	Sc. 1: Medium; Sc. 2: Low	Covivio is already aware of customers' demands regarding the energy performance of buildings and is able to adapt to this demand by offering related services. Apart from the equipment, the changes required to building architecture can pose technical difficulties in terms of energy efficiency.	Pillar 1 - Avoiding damage to natural areas - Priority # 2 - Real estate development is no longer associated with damage to natural spaces.
Transition - Technology	Increase in the number of designs to take the need for flexible building use into account (*e.g.*: coworking for offices, easy conversion of offices into residential, co-use, etc.) leading to a reduction in artificialisation. -> Main financial risks: increase in costs related to materials/ equipment deployed and energy.	Sc. 1: Very likely; Sc. 2: Very likely	Sc. 1: Medium; Sc. 2: Low	Incorporating flexibility into how buildings are used is an integral part of the Group's vision, with the positive effect of extending the building's lifespan by reducing its potential for obsolescence at the design stage. However, these desires for flexibility may conflict with economic constraints as they generate additional costs.	Pillar 2 - Reduce resource consumption - Priority # 1 - Buildings are designed to enable customers to reduce their water and energy consumption.

TNFD category	Description	Probability of occurrence by scenario (Sc.)	Level of impact taking vulnerability into account	Strengths and weaknesses	Related areas of the Covivio strategy
Transition - Reputation and Responsibility	Local conflicts related to land availability, reduced space available for development and soil quality. -> Main financial risks: potential litigation costs.	Sc. 1: Very likely; Sc. 2: Probable	Sc. 1: Low; Sc. 2: Low	The majority of the Group's projects do not involve the conversion of natural spaces, although the creation of a new building can always be a source of conflict locally.	Pillar 1 - Avoiding damage to natural areas - Priority # 2 - Real estate development is no longer associated with damage to natural spaces.
	Local conflicts related to water use, during the construction phase and the building use phase. -> Main financial risks: shutdown of operations or certain specific equipment assets (particularly in the hotel industry).	Sc. 1: Certain; Sc. 2: Probable	Sc. 1: Medium; Sc. 2: Medium	All of Covivio's new projects and renovated buildings are equipped with water saving devices. The issue is specifically identified internally in the hotel portfolio, where water consumption is highest and where specific restrictions may be applied in the event of a shortage (*e.g.* swimming pools). The equipment of old buildings remains more complex.	Pillar 1 - Avoiding damage to natural areas - Priority # 2 - Real estate development is no longer associated with damage to natural spaces.
	Reputational risk linked to scandals concerning supply in the value chain or legal action for non-compliance with environmental regulations. -> Main financial risks: litigation or reputational risks with a potential impact on marketing.	Sc. 1: Probable; Sc. 2: Certain	Sc. 1: Low; Sc. 2: Low	In addition to obtaining certain labels, for which specific criteria relating to the source of the materials must be met, the traceability of the materials is monitored on a large scale at the project level. The few initiatives for enhanced traceability must be structured at Group level.	Pillar 2 - Reduce our consumption of resources - Priority # 1 - Buildings are exemplary in enabling customers to reduce their water and energy consumption.
	Accusations of exaggerating claims about sustainable practices (greenwashing). -> Main financial risks: mainly reputational risks that could cause a drop in the confidence of our partners.	Sc. 1: Unlikely; Sc. 2: Very likely	Sc. 1: Low; Sc. 2: Low	Covivio positions itself as a player that provides rational and substantiated environmental reporting, as close as possible to or even in anticipation of regulatory requirements, in a spirit of transparency.	Pillar 1 - Avoiding damage to natural spaces - Priority # 3 - Implement a traceability standard for key materials.
Ecosystem stability	Local shortages of drinking water. -> Main financial risks: a moderate operating risk at Group level but which could specifically impact the local hotel industry.	Sc. 1: Very likely; Sc. 2: Probable	Sc. 1: High; Sc. 2: Low	This risk has been clearly identified by Covivio: according to the Aqueduc WRI study carried out in 2023, more than 50% of Covivio's portfolio is located in regions with high water stress (not only the south, but also highly densified regions with relatively fewer resources available, such as northern France, Belgium or cities like Frankfurt).	
	Shortages of certain bio-sourced materials (*e.g.* wood, sand). -> Main financial risks: construction delays and potential substitution costs.	Sc. 1: Very likely; Sc. 2: Probable	Sc. 1: Medium; Sc. 2: Low	Covivio has a wide variety of suppliers and can therefore adapt to changes in the availability of materials. However, shortages can lead to increased costs and delivery delays. A Group-wide sourcing strategy, as well as a more localised anchoring of this strategy, would be necessary.	

● Main risks identified during the analysis.

Table: Main environmental opportunities, probability of occurrence, level of impact, Covivio's strengths and weaknesses in tackling them and associated strategic areas

TNFD category	Description	Probability of occurrence by scenario	Level of impact taking vulnerability into account	Strengths and weaknesses	Related areas of the Covivio strategy
Business - Market	● New renovation and deconstruction market, in line with zero net artificialisation policies.	Sc. 1: Probable; Sc. 2: Certain	Sc. 1: Medium; Sc. 2: Low	Expertise on some of these offers exists within the Group, especially on the office portfolio, where half of the operations are already renovations and a quarter involve densification or implantation projects in already artificialised areas. However, renovation projects may have more technical constraints and be more costly for older buildings. The Group also needs to develop its expertise in the circular economy in the cleaning/deconstruction phase, which is still in the pilot stage.	Pillar 1 - Avoiding damage to natural areas - Priority # 2 - Real estate development is no longer associated with damage to natural spaces.
	● New market for the design of sustainable buildings (*e.g.* energy-efficient, green building materials, modular, including restoration of natural habitats, etc.)	Sc. 1: Unlikely; Sc. 2: Certain	Sc. 1: Medium; Sc. 2: Low	Projects are designed to incorporate a range of measures to optimise the environmental performance of buildings, in line with the long-standing strategy of certifying buildings. The use of sustainable materials is a common practice, but not systematic, due to the lack of a structured Group-wide policy in this regard. The price of these materials can also be a barrier to their use, particularly in a difficult economic context.	Pillar 1 - Avoiding damage to natural areas - Priority # 2 - Real estate development is no longer associated with damage to natural spaces.
Business - Efficient use of resources	Reduction in the cost of recycled and bio-based materials due to the greater maturity of the sector and financial incentives, etc.	Sc. 1: Probable; Sc. 2: Very likely	Sc. 1: Medium; Sc. 2: Low	There are internal resources on the use of recycled and bio-sourced materials, pilot projects, and training is in progress to improve this expertise, although the use of these materials is not systematic. Nevertheless, the use of some of these materials continues to be a challenge in terms of supply, regulatory framework and/or business model. Working with partners in the sector remains key for Covivio.	Pillar 2 - Reducing resource consumption - Priority # 2 - Dependency on new raw materials is reduced.
	● Measures to reduce energy and water consumption in residential and office buildings. Reduction of costs for tenants associated with heating residential buildings and producing renewable energy.	Sc. 1: Probable; Sc. 2: Certain	Sc. 1: Low; Sc. 2: Low	Building renovation (commercial and residential buildings) is also a strong lever that has been identified (implementation of the €261 million green Capex plan from 2023 to 2030 as part of the carbon trajectory). The teams are constantly working on optimising the energy consumption of the assets. Annexes and green clauses included in leases make it possible to commit tenants and owners to these issues. However, these efforts are more difficult to implement on existing assets than on new projects, and the results also depend on the practices of tenants, and the Group therefore also aims to raise tenants' awareness of these issues.	Pillar 2 - Reduce the consumption of resources - Priority # 1 - Buildings are exemplary because we enable our customers to reduce their water and energy consumption
Business - Capital flows and financing	● Increased financing opportunities related to the development of sustainable real estate projects (green bonds, private or public investments, conservation financing, etc.)	Sc. 1: Probable; Sc. 2: Certain	Sc. 1: Low; Sc. 2: Low	Financial market players have already identified the Group's activities as suitable for green financing. Two Green Bond frameworks specify the eligibility conditions for assets (*e.g.* full alignment with the Taxonomy criteria for the hotel industry).	Pillar 3 - Contribute to the improvement of biodiversity in cities - Priority # 1 - Have a positive impact on biodiversity in 100% of our operations
Business - Reputation	Reputation opportunities linked to the environmental quality and quality of life offered by the portfolio.	Sc. 1: Probable; Sc. 2: Very likely	Sc. 1: Medium; Sc. 2: Medium	Covivio's tenants have recognised it as an environmentally committed lessor through its commitment to improving the quality of life of its tenants by introducing of green spaces and energy efficiency and water saving measures. This was confirmed by an independent study carried out on the German scope.	Pillar 3 - Contribute to the improvement of biodiversity in cities - Priority # 1 - Have a positive impact on biodiversity in 100% of our operations

TNFD category	Description	Probability of occurrence by scenario	Level of impact taking vulnerability into account	Strengths and weaknesses	Related areas of the Covivio strategy
Sustainability performance - Sustainable use of natural resources	Designing buildings to optimise the use of resources, focussing on renovation and end-of-life optimisation.	Sc. 1: Probable; Sc. 2: Certain	Sc. 1: Low; Sc. 2: Low	The teams work on a case-by-case basis on new designs and the reduction of the use of resources in particular, using life cycle analyses and the BIM (Building Information Modelling) system. However, these initiatives are still based on commercial opportunities and could be associated with defined strategic objectives.	Pillar 2 - Reducing resource consumption - Priority # 2 - Reducing dependency on new raw materials.
Sustainability performance - Protection, restoration and regeneration of ecosystems	● Use of the portfolio's green spaces to contribute to ecological continuity or to restore biodiversity in city centres (based on ecological diagnostics)	Sc. 1: Unlikely; Sc. 2: Certain	Sc. 1: Low; Sc. 2: Low	Restoring ecological continuity sometimes forms part of the environmental objectives associated with the development of certain projects. It is conducted on the basis of ecological studies and is evaluated by the calculation of the CBS (biotope coefficient by area) before and after the project - a calculation performed on all French projects. However, the use of this type of diagnostic and practices needs to be systematised at Group level.	Pillar 3 - Contribute to improving biodiversity in the city

● Main opportunities identified during the analysis

Details of forward-looking scenarios used for risk and opportunity analysis

The analysis of climate and biodiversity risks and opportunities was based on two scenarios designed on the basis of the four forward-looking scenarios by 2050 proposed by ADEME in its publication "Transition(s) 2050: Four scenarios and their serials to achieve carbon neutrality by 2050". The two scenarios used are as follows:

	Opportunistic adaptation In a less restrictive regulatory context, the transition to more sustainable models is difficult and slower than environmental change. Some institutional shortcomings generate additional costs and poor adaptation strategies are observed. The ecosystems are damaged, the temperature rises by +3°C by 2050.	**Planned transformation** Strongly stimulated by regulations, society is evolving towards a more sustainable model, based on the conservation of resources and the adaptation. The structure of the economy is undergoing a profound transformation, enabling economic players to rethink their models. The ecosystems are preserved, and the rise in temperature is kept at +2°C by 2050.
State of ecosystems	Global warming and the loss of biodiversity are not stopped. Ecosystem services are degraded, and technological solutions are used, generating additional costs.	Nature is protected, solutions based on nature are put in place. Ecosystem services have maintained a functional level, and access to natural resources is highly regulated.
Land availability	Development of large cities and land artificialisation	Drastic reduction in the number of new buildings
Change in eating habits	Low, meat consumption decreases slightly.	High, meat consumption meat decreases significantly.
Energy	Slight decrease in consumption, significant use of biomass and renewable energy.	Significant reduction in energy consumption, massive renovation of buildings.
Materials and circular economy	An increase in the quantities of steel, aluminium, glass, and paper-cardboard and plastics from recycling.	The majority of quantities of steel, aluminium, glass, paper and cardboard and plastics come from recycling.
Agriculture	Intensification of agriculture, particularly in relation to energy needs	Extensification of agriculture
International trade	Very important role of imports in a globalised economy promoting trade	Contracted industrial production and tightening of the supply on "Made in France"
Regulatory context	Not very restrictive, based on transparency of practices and incentives	Restrictive, based on strong penalties in the event of non-compliance

3.5.2 List of assets and compliance with Green Bonds criteria

Selected assets portfolio - Hotels (as of 31 December 2024)

Last name	Town/City	Country	Classification 31/12/2024	100% surface areas on 31/12/2024	Eligible category	Main certification criteria	Green clause (on new leases outside France)	Accessibility <500 m
Baden Airpark	Rheinmünster	Germany	In operation	1,879	Green Building	Taxonomy	*	√
Erlangen	Erlangen	Germany	In operation	2,167	Green Building	Taxonomy	*	√
Freiburg	Freiburg	Germany	In operation	2,080	Green Building	Taxonomy	*	√
Mannheim	Mannheim	Germany	In operation	2,290	Green Building	Taxonomy	*	√
Niederrad	Frankfurt	Germany	In operation	3,005	Green Building	Taxonomy	*	√
Braunschweig	Braunschweig	Germany	In operation	1,776	Green Building	Taxonomy	*	√
Hanover North	Hanover	Germany	In operation	1,876	Green Building	Taxonomy	*	√
Herne	Herne	Germany	In operation	1,574	Green Building	Taxonomy	*	√
Köln-Porz	Köln-Porz	Germany	In operation	2,063	Green Building	Taxonomy	*	√
Aachen	Würselen	Germany	In operation	1,776	Green Building	Taxonomy	*	√
Frankfurt-Nord	Frankfurt	Germany	In operation	2,107	Green Building	Taxonomy	*	√
Mainz	Mainz	Germany	In operation	1,999	Green Building	Taxonomy	*	√
Mülheim	Mülheim an der Ruhr	Germany	In operation	2,306	Green Building	Taxonomy	*	√
Berlin Messe	Berlin	Germany	In operation	4,402	Green Building	Taxonomy	*	√
Erfurt	Erfurt	Germany	In operation	2,597	Green Building	Taxonomy	*	√
Duisburg	Duisburg	Germany	In operation	2,706	Green Building	Taxonomy	*	√
Berlin-Süd	Genshagen	Germany	In operation	1,827	Green Building	Taxonomy	*	√
Düsseldorf Airport	Düsseldorf	Germany	In operation	2,262	Green Building	Taxonomy	*	√
Munich Airport – Hallbergmoos	Hallbergmoos	Germany	In operation	2,864	Green Building	Taxonomy	*	√
Essen	Essen	Germany	In operation	2,900	Green Building	Taxonomy	*	√
Regensburg	Regensburg	Germany	In operation	3,109	Green Building	Taxonomy	*	√
Mönchengladbach	Mönchengladbach	Germany	In operation	2,450	Green Building	Taxonomy	*	√
Würzburg	Würzburg	Germany	In operation	1,837	Green Building	Taxonomy	*	√
Böblingen	Böblingen	Germany	In operation	2,430	Green Building	Taxonomy	*	√
Heidelberg	Heidelberg	Germany	In operation	2,506	Green Building	Taxonomy	*	√
Nuremberg	Nuremberg	Germany	In operation	4,656	Green Building	Taxonomy	*	√
Osnabruck	Osnabruck	Germany	In operation	2,358	Green Building	Taxonomy	*	√
Potsdam	Potsdam	Germany	In operation	2,626	Green Building	Taxonomy	*	√
Konstanz	Konstanz	Germany	In operation	2,400	Green Building	Taxonomy	*	√
Munich	Aschheim	Germany	In operation	2,666	Green Building	Taxonomy	*	√
Lübeck	Lübeck	Germany	In operation	3,502	Green Building	Taxonomy	*	√
Hamburg East	Hamburg	Germany	In operation	4,132	Green Building	Taxonomy	*	√
Première Classe Frankfurt-Offenbach	Frankfurt	Germany	In operation	1,626	Green Building	Taxonomy	*	√
Première Classe Schweinfurt	Schweinfurt	Germany	In operation	1,626	Green Building	Taxonomy	*	√
Première Classe Kassel	Kassel	Germany	In operation	1,626	Green Building	Taxonomy	*	√
Première Classe Hanover	Hanover	Germany	In operation	1,626	Green Building	Taxonomy	*	√
Première Classe Düsseldorf - Ratingen	Düsseldorf	Germany	In operation	1,627	Green Building	Taxonomy	*	√
Première Classe Berlin	Berlin	Germany	In operation	2,239	Green Building	CRREM	*	√
Première Classe Düsseldorf City Sud	Düsseldorf	Germany	In operation	2,162	Green Building	Taxonomy	*	√
Première Classe Köln	Cologne	Germany	In operation	2,239	Green Building	Taxonomy	*	√
Meininger Munich	Munich	Germany	In operation	6,969	Green Building	Taxonomy	*	√
Motel One Frankfurt Niederrad	Frankfurt	Germany	In operation	5,377	Green Building	Taxonomy	*	√
NH Nuremberg	Nuremberg	Germany	In operation	12,901	Green Building	CRREM	*	√
NH Stuttgart	Stuttgart	Germany	In operation	11,883	Green Building	CRREM	*	√
NH Frankfurt	Frankfurt	Germany	In operation	6,569	Green Building	CRREM	*	√
NH Oberhausen	Oberhausen	Germany	In operation	6,583	Green Building	CRREM	*	√

Last name	Town/City	Country	Classification 31/12/2024	100% surface areas on 31/12/2024	Eligible category	Main certification criteria	Green clause (on new leases outside France)	Accessibility <500 m
NH Düsseldorf Königsallee	Düsseldorf	Germany	In operation	3,413	Green Building	Taxonomy	*	√
NH Berlin City Ost	Berlin	Germany	In operation	2,847	Green Building	Taxonomy	*	√
NH Hamburg Mitte	Hamburg	Germany	In operation	5,735	Green Building	CRREM	*	√
Ibis Dresden	Dresden	Germany	In operation	38,415	Green Building	Taxonomy	*	√
Mercure Potsdam City	Potsdam	Germany	In operation	13,555	Green Building	Taxonomy	*	√
The Westin Grand Berlin	Berlin	Germany	In operation	34,494	Green Building	Taxonomy	*	√
The Westin Leipzig	Leipzig	Germany	In operation	45,579	Green Building	Taxonomy	*	√
Radisson Blu Leipzig	Leipzig	Germany	In operation	20,705	Green Building	Taxonomy	*	√
Radisson Blu Erfurt	Erfurt	Germany	In operation	16,000	Green Building	Taxonomy	*	√
Park Inn Alexander Platz	Berlin	Germany	In operation	81,313	Green Building	Taxonomy	*	√
Novotel Brussels Grd Place	Brussels	Belgium	In operation	7,870	Green Building	CRREM	*	√
Novotel Gent Centrum	Ghent	Belgium	In operation	7,393	Green Building	CRREM	*	√
Ibis Brussels Grand Place	Brussels	Belgium	In operation	5,099	Green Building	CRREM	*	√
Ibis Brussels Airport	Machelen	Belgium	In operation	2,648	Green Building	CRREM	*	√
Ibis Brugge Centrum	Bruges	Belgium	In operation	3,768	Green Building	CRREM	*	√
Ibis Antwerpen Centrum	Antwerp	Belgium	In operation	4,476	Green Building	CRREM	*	√
Ibis Gent Opera	Ghent	Belgium	In operation	4,250	Green Building	CRREM	*	√
Ibis Brussels. Expo Atomium	Grimbergen	Belgium	In operation	3,689	Green Building	Taxonomy	*	√
Crowne Plaza Brussels Airport	Brussels	Belgium	In operation	21,243	Green Building	CRREM	*	√
Park Inn Louvain	Leuven	Belgium	In operation	6,728	Green Building	CRREM	*	√
Ibis Gent Centrum St Baafs Kathedraal	Gent	Belgium	In operation	4,150	Green Building	CRREM	*	√
Aeropuerto Barcelona by Melia	Barcelona	Spain	In operation	14,132	Green Building	Taxonomy	*	√
Ramada Valencia Almussafes	Almussafes	Spain	In operation	5,592	Green Building	Taxonomy	*	√
Hotel Plaza Nice	Nice	France	In operation	10,000	Green Building	Taxonomy	√	√
IBIS BUDGET MULHOUSE DORNACH	Mulhouse	France	In operation	1,353	Green Building	CRREM	√	√
IBIS BUDGET TOULOUSE MATABIAU CENTRE GARE	Toulouse	France	In operation	3,500	Green Building	CRREM	√	√
NOVOTEL LYON NORD	Dardilly	France	In operation	4,283	Green Building	CRREM	√	√
NOVOTEL PARIS CERGY	Cergy-Pontoise	France	In operation	7,717	Green Building	CRREM	√	√
Novotel Paris Massy	Palaiseau	France	In operation	5,826	Green Building	CRREM	√	√
Novotel Paris Roissy	Roissy	France	In operation	10,014	Green Building	Taxonomy	√	√
Novotel Strasbourg Halle	Strasbourg	France	In operation	3,762	Green Building	CRREM	√	√
Novotel Atria Grenoble	Grenoble	France	In operation	6,004	Green Building	CRREM	√	√
Ibis Annecy	Annecy	France	In operation	2,661	Green Building	CRREM	√	√
IBIS CHARTRES CENTRE	Chartres	France	In operation	1,443	Green Building	CRREM	√	√
IBIS MARSEILLE CENTRE	Marseille	France	In operation	1,310	Green Building	CRREM	√	√
Ibis Metz Centre Cathédrale	Metz	France	In operation	2,094	Green Building	CRREM	√	√
Ibis Paris Bastille Opéra	Paris	France	In operation	7,862	Green Building	CRREM	√	√
IBIS PARIS VERSAILLES PARLY 2	Le Chesnay	France	In operation	1,851	Green Building	CRREM	√	√
IBIS ROUEN CENTRE RIVE GAUCHE	Rouen	France	In operation	2,398	Green Building	CRREM	√	√
MERCURE PARIS LA DEFENSE	Nanterre	France	In operation	5,851	Green Building	CRREM	√	√
MERCURE ST QUENTIN	Montigny-le-Bretonneux	France	In operation	3,507	Green Building	Taxonomy	√	√
NOVOTEL LILLE CENTRE PALAIS CONGRES	Lille	France	In operation	4,360	Green Building	CRREM	√	√
IBIS BUDGET L'ISLE ADAM	L'Isle d'Adam	France	In operation	1,410	Green Building	CRREM	√	√
IBIS BUDGET GENNEVILLIERS	Gennevilliers	France	In operation	2,720	Green Building	CRREM	√	√
IBIS ARRAS	Arras	France	In operation	1,354	Green Building	CRREM	√	√
IBIS BORDEAUX GARE	Bordeaux	France	In operation	2,100	Green Building	CRREM	√	√
IBIS FONTAINEBLEAU	Fontainebleau	France	In operation	2,615	Green Building	CRREM	√	√
IBIS MARSEILLE PRADO	Marseille	France	In operation	2,975	Green Building	CRREM	√	√
IBIS NANCY CENTRE GARE	Nancy	France	In operation	2,436	Green Building	CRREM	√	√
IBIS PARIS CAMBRONNE	Paris	France	In operation	15,235	Green Building	CRREM	√	√
IBIS STRASBOURG HALLES	Strasbourg	France	In operation	2,600	Green Building	CRREM	√	√
IBIS STYLES PARIS BERCY	Paris	France	In operation	7,944	Green Building	CRREM	√	√
NOVOTEL LILLE FLANDRES	Lille	France	In operation	3,780	Green Building	CRREM	√	√
MERCURE PARIS PORTE ST CLOUD	Boulogne Billancourt	France	In operation	9,920	Green Building	Taxonomy	√	√

Last name	Town/City	Country	Classification 31/12/2024	100% surface areas on 31/12/2024	Eligible category	Main certification criteria	Green clause (on new leases outside France)	Accessibility <500 m
MERCURE NICE	Nice	France	In operation	4,253	Green Building	CRREM	√	√
Angers 1	BEAUCOUZE	France	In operation	1,367	Green Building	Taxonomy	√	√
Aulnay-sous-Bois	AULNAY-SOUS-BOIS	France	In operation	2,620	Green Building	CRREM	√	√
Évry Lisses 1	EVRY LES LISSES	France	In operation	1,839	Green Building	CRREM	√	√
Avranches	AVRANCHES	France	In operation	1,380	Green Building	Taxonomy	√	√
Évry Lisses 2	EVRY LES LISSES	France	In operation	1,918	Green Building	Taxonomy	√	√
Béziers	VILLENEUVE LES BÉZIERS	France	In operation	1,468	Green Building	Taxonomy	√	√
Bordeaux Bruges	Bordeaux	France	In operation	1,683	Green Building	CRREM	√	√
Bordeaux Mérignac	MERIGNAC	France	In operation	1,574	Green Building	CRREM	√	√
Hyères	HYERES	France	In operation	918	Green Building	CRREM	√	√
La Queue-en-Brie	La Queue-en-Brie	France	In operation	1,076	Green Building	CRREM	√	√
Brest Kergaradec	BREST KERGARADEC	France	In operation	935	Green Building	CRREM	√	√
Brest Port	Brest	France	In operation	2,389	Green Building	Taxonomy	√	√
Brignoles	BRIGNOLES	France	In operation	1,622	Green Building	Taxonomy	√	√
Caen Mémorial	SAINT-CONTEST	France	In operation	1,362	Green Building	CRREM	√	√
Chalon Sur Saône Sud	SAINT-REMY	France	In operation	1,453	Green Building	CRREM	√	√
Chambéry	CHAMBERY	France	In operation	1,653	Green Building	Taxonomy	√	√
Le Mans Sud	ARNAGE	France	In operation	1,367	Green Building	Taxonomy	√	√
Lens Noyelles-Godault	NOYELLES-GODAULT	France	In operation	1,612	Green Building	Taxonomy	√	√
Nantes Saint Herblain	SAINT HERBLAIN	France	In operation	1,683	Green Building	Taxonomy	√	√
Orgeval	ORGEVAL	France	In operation	1,617	Green Building	Taxonomy	√	√
Paray-le-Monial	PARAY-LE-MONIAL	France	In operation	1,629	Green Building	CRREM	√	√
Louveciennes	LOUVECIENNES	France	In operation	1,822	Green Building	CRREM	√	√
Poitiers 1	CHASSENEUIL -DU-POITOU	France	In operation	1,442	Green Building	Taxonomy	√	√
Lyon Gambetta	LYON	France	In operation	2,617	Green Building	Taxonomy	√	√
Lyon Monplaisir	LYON	France	In operation	2,740	Green Building	Taxonomy	√	√
Poitiers 3	CHASSENEUIL -DU-POITOU	France	In operation	2,353	Green Building	Taxonomy	√	√
Lyon Vénissieux	VENISSIEUX	France	In operation	3,515	Green Building	Taxonomy	√	√
Malakoff – Paris Parc des Expositions	MALAKOFF	France	In operation	5,225	Green Building	CRREM	√	√
Rennes Cesson-Sévigné	CESSON-SEVIGNE	France	In operation	1,859	Green Building	CRREM	√	√
Rennes Saint-Grégoire	SAINT GREGOIRE CEDEX	France	In operation	1,574	Green Building	Taxonomy	√	√
Rouen Saint-Étienne-du-Rouvray	ST ETIENNE-DU-ROUVRAY	France	In operation	1,441	Green Building	Taxonomy	√	√
Maurepas	MAUREPAS	France	In operation	1,362	Green Building	CRREM	√	√
Nantes Centre	NANTES	France	In operation	1,723	Green Building	CRREM	√	√
Nantes La Beaujoire	NANTES	France	In operation	1,367	Green Building	Taxonomy	√	√
Cholet	CHOLET	France	In operation	1,355	Green Building	CRREM	√	√
Saint-Michel-sur-Orge	SAINT -MICHEL-SUR-ORGE	France	In operation	1,331	Green Building	CRREM	√	√
Saint-Quentin	ST QUENTIN	France	In operation	1,514	Green Building	Taxonomy	√	√
Colmar	WINTZENHEIM	France	In operation	1,362	Green Building	CRREM	√	√
Corbeil	CORBEIL-ESSONNES	France	In operation	1,076	Green Building	CRREM	√	√
Tours Nord 1	TOURS	France	In operation	1,278	Green Building	Taxonomy	√	√
Tours Nord 2	TOURS	France	In operation	1,361	Green Building	CRREM	√	√
Tours Sud	JOUE LES TOURS	France	In operation	1,574	Green Building	Taxonomy	√	√
Troyes Barberey	BARBEREY ST SULPICE	France	In operation	1,502	Green Building	Taxonomy	√	√
Dieppe Saint-Aubin	ST AUBIN SUR SCIE	France	In operation	1,612	Green Building	Taxonomy	√	√
Troyes Saint-Parres	SAINT -PARRES-AUX-TERTRES	France	In operation	1,324	Green Building	CRREM	√	√
Vannes Est	VANNES	France	In operation	1,622	Green Building	Taxonomy	√	√
Metz Jouy aux Arches	JOUY-AUX-ARCHES	France	In operation	1,331	Green Building	CRREM	√	√
Metz Semecourt	SEMECOURT	France	In operation	1,469	Green Building	CRREM	√	√
Off-plan sales Porte de Choisy	IVRY-SUR-SEINE	France	In operation	4,598	Green Building	CRREM	√	√
Salon Provence	SALON-DE-PROVENCE	France	In operation	1,954	Green Building	CRREM	√	√
Valenciennes Marly	MARLY	France	In operation	1,932	Green Building	CRREM	√	√
EuraLille	LILLE	France	In operation	2,789	Green Building	CRREM	√	√

Last name	Town/City	Country	Classification 31/12/2024	100% surface areas on 31/12/2024	Eligible category	Main certification criteria	Green clause (on new leases outside France)	Accessibility <500 m
Off-plan sales Lyon Caluire	CALUIRE ET CUIRE	France	In operation	2,875	Green Building	CRREM	√	√
Arras	ARRAS	France	In operation	1,925	Green Building	Taxonomy	√	√
Nanterre	Nanterre	France	In operation	3,364	Green Building	Taxonomy	√	√
Châtenay-Malabry	Châtenay-Malabry	France	In operation	2,947	Green Building	Taxonomy	√	√
Lyon Berthelot	Lyon	France	In operation	2,605	Green Building	CRREM	√	√
Lens	Lens	France	In operation	1,767	Green Building	CRREM	√	√
Roubaix	ROUBAIX	France	In operation	2,227	Green Building	Taxonomy	√	√
Sophia Antipolis Le Biot	Biot	France	In operation	1,397	Green Building	CRREM	√	√
Sophia Antipolis Le Relais	Biot	France	In operation	1,250	Green Building	CRREM	√	√
Paris Est Bondy	Bondy	France	In operation	3,699	Green Building	CRREM	√	√
Cannes Ouest La Bocca	Cannes	France	In operation	2,340	Green Building	CRREM	√	√
Chevilly-Larue	CHEVILLY-LARUE	France	In operation	1,939	Green Building	CRREM	√	√
Bayonne Tarnos	Tarnos	France	In operation	2,135	Green Building	Taxonomy	√	√
Bagnolet	Bagnolet	France	In operation	2,425	Green Building	CRREM	√	√
Porte des Lilas	Paris	France	In operation	7,104	Green Building	Taxonomy	√	√
Romainville	Noisy-le-Sec	France	In operation	2,264	Green Building	CRREM	√	√
Torcy	Torcy	France	In operation	3,153	Green Building	CRREM	√	√
Couvent des Minimes	Lille	France	In operation	5,640	Green Building	CRREM	√	√
Crowne Plaza	Lille	France	In operation	6,300	Green Building	CRREM	√	√
Grand Hôtel Bellevue	Lille	France	In operation	4,000	Green Building	Taxonomy	√	√
Art Déco	Lille	France	In operation	1,500	Green Building	CRREM	√	√
Hermitage Gantois	Lille	France	In operation	7,800	Green Building	CRREM	√	√
Meininger Porte de Vincennes	Paris	France	In operation	7,937	Green Building	CRREM	√	√
Motel One Porte Dorée	Paris	France	In operation	6,233	Green Building	Taxonomy	√	√
Formule 1 Paris Porte de Montmartre	Paris	France	In operation	8,221	Green Building	Taxonomy	√	√
Ibis Bordeaux Bastide	Bordeaux	France	In operation	2,390	Green Building	CRREM	√	√
Ibis Budget Lille Centre Gare	LILLE	France	In operation	2,703	Green Building	CRREM	√	√
IBIS BUDGET Lyon Gerland	LYON	France	In operation	2,106	Green Building	CRREM	√	√
IBIS BUDGET Marseille Prado	MARSEILLE	France	In operation	1,852	Green Building	CRREM	√	√
IBIS BUDGET Paris Porte de Montmartre	Paris	France	In operation	10,474	Green Building	Taxonomy	√	√
IBIS BUDGET Saint Cyr l'Ecole	SAINT CYR L'ECOLE	France	In operation	1,070	Green Building	CRREM	√	√
IBIS BUDGET Toulouse Cité de l'Espace N 2	TOULOUSE	France	In operation	1,445	Green Building	CRREM	√	√
IBIS BUDGET Vélizy	Vélizy	France	In operation	2,413	Green Building	CRREM	√	√
IBIS Marseille Gare Saint Charles	MARSEILLE	France	In operation	5,427	Green Building	CRREM	√	√
IBIS Paris La Villette	Paris	France	In operation	8,218	Green Building	CRREM	√	√
IBIS Paris Montmartre	Paris	France	In operation	8,926	Green Building	CRREM	√	√
IBIS Paris Porte d'Orleans	MONTROUGE	France	In operation	10,458	Green Building	CRREM	√	√
IBIS STYLES Lille Centre	LILLE	France	In operation	4,141	Green Building	Taxonomy	√	√
IBIS Toulouse Centre	TOULOUSE	France	In operation	5,216	Green Building	CRREM	√	√
MERCURE Lyon Saxe Lafayette	LYON	France	In operation	8,624	Green Building	CRREM	√	√
MERCURE Marseille Centre	MARSEILLE	France	In operation	6,110	Green Building	CRREM	√	√
MERCURE Massy Gare Tgv	MASSY	France	In operation	3,330	Green Building	CRREM	√	√
MERCURE Paris La Defense 5	COURBEVOIE	France	In operation	18,652	Green Building	Taxonomy	√	√
MERCURE Paris Porte d'Orleans	MONTROUGE	France	In operation	7,846	Green Building	CRREM	√	√
NY Residence Budapest	Budapest	Hungary	In operation	15,185	Green Building	CRREM	*	√
Palazzo Naiadi	Rome	Italy	In operation	23,440	Green Building	CRREM	*	√
Dei Dogi Venezia	Venice	Italy	In operation	4,871	Green Building	Taxonomy	*	√
Santa Lucia	Venice	Italy	In operation	5,608	Green Building	Taxonomy	*	√
Palazzo Gaddi Florence	Florence	Italy	In operation	7,356	Green Building	Taxonomy	*	√
NH Amsterdam	Amsterdam	Netherlands	In operation	13,600	Green Building	Taxonomy	*	√
NH Amsterdam Noord	Amsterdam	Netherlands	In operation	14,916	Green Building	CRREM	*	√
NH Amersfoort	Amersfoort	Netherlands	In operation	5,580	Green Building	Taxonomy	*	√
B&B Lodz	LODZ	Poland	In operation	5,909	Green Building	Taxonomy	*	√
B&B Warsaw	Warsaw	Poland	In operation	4,042	Green Building	Taxonomy	*	√
DA BALAIA	Albufeira	Portugal	In operation	45,813	Green Building	Taxonomy	*	√

Last name	Town/City	Country	Classification 31/12/2024	100% surface areas on 31/12/2024	Eligible category	Main certification criteria	Green clause (on new leases outside France)	Accessibility <500 m
Kimpton Fitzroy London	London	UK	In operation	21,213	Green Building	CRREM	*	√
Kimpton Manchester	Manchester	UK	In operation	27,132	Green Building	Taxonomy	*	√
Kimpton Edinburgh Charlotte Square	Edinburgh	UK	In operation	13,747	Green Building	CRREM	*	√
Intercontinental Edinburgh George Street	Edinburgh	UK	In operation	13,658	Green Building	CRREM	*	√
Kimpton Glasgow Blythswood Square	Glasgow	UK	In operation	9,841	Green Building	CRREM	*	√
Voco Cardiff	Cardiff	UK	In operation	10,700	Green Building	Taxonomy	*	√
Principal York	York	UK	In operation	12,466	Green Building	CRREM	*	√
Voco Glasgow Grand Central	Glasgow	UK	In operation	20,541	Green Building	Taxonomy	*	√
Voco Oxford Spires	Oxford	UK	In operation	13,485	Green Building	Taxonomy	*	√
Voco Oxford Thames	Oxford	UK	In operation	12,000	Green Building	Taxonomy	*	√

* On new leases.

3.5.3 Regulatory tables related to European taxonomy

The table below presents the data relating to the taxonomy; the methodology used is detailed in Section 3.3.4.1.

3.5.3.1 Revenues

				Substantial contribution criterion					
Economic activities	Codes	Absolute revenues	Share of revenues	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		EUR	%	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*
A. Activities eligible for taxonomy									
A.1. Environmentally sustainable activities (aligned with taxonomy)									
Acquisition and ownership of buildings	CCM - 7.7	86,284,011	14.7%	YES					
Revenues from environmentally sustainable activities (A.1)		**86,284,011**	**14.7%**	**14.7%**	**-**	**-**	**-**	**-**	**-**
of which enabling		-	**0%**	**0%**	-	-	-	-	-
of which transitory		-	**0%**						
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)									
Acquisition and ownership of buildings	CCM - 7.7	183,806,420	34.4%	EL	N	N	N	N	N
Hotels, tourist accommodation, campsites and similar accommodation	Biodiversity - 2.1*	315,373,797	53.9%	N	N	N	N	N	EL
Revenues from activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy) (A.2)		**499,180,217**	**85.3%**	%	%	%	%	%	%
Revenues from activities eligible for taxonomy (A)		**585,464,227**	**100%**	%	%	%	%	%	%
B. Activities not eligible for taxonomy									
Revenues from activities not eligible for taxonomy (B)		-	0%						
TOTAL A + B		**585,464,227**	**100%**						

* Only the eligibility calculation is required for this year for the other four environmental objectives.

	Does Not Significant Harm criteria									
	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of revenue aligned (A.1.) or eligible (A.2.) for taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
	Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*M*	*T*
		YES	YES	YES	YES	YES	YES			

CCM = Climate Change Mitigation//CCA = Climate Change Adaptation

3.5.3.2 Capex

Economic activities	Codes	Absolute capital expenditure	Share of capital expenditure	Substantial contribution criterion: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		EUR	%	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*
A. Activities eligible for taxonomy									
A.1. Environmentally sustainable activities (aligned with taxonomy)									
Installation, maintenance and repair of equipment promoting energy efficiency	CCM/CCA – 7.3	4,940,918	3.6%	Y	Y	N	N	N	N
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CCM/CCA – 7.5	126,877	0.1%	Y	Y	N	N	N	N
Acquisition and holding of buildings	CCM/CCA – 7.7	110,842,789	53.9%	Y	Y	N	N	N	N
Professional services related to building energy efficiency	CCM/CCA – 9.3	17,730	0.01%	Y	Y	N	N	N	N
Capital expenditure for environmentally sustainable activities (A.1)		**113,988,289**	**84%**	**18.8%**	**84%**	**%**	**%**	**%**	**%**
of which enabling		**5,085,525**	**3.7%**	**3.7%**	**3.7%**	**%**	**%**	**%**	**%**
of which transitory		–	**0%**	**0%**					
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)									
Acquisition and holding of buildings	CCM/CCA – 7.7	21,737,439	16%	EL	EL	N	N	N	N
Capital expenditure for activities eligible for the taxonomy but not environmentally sustainable (A.2)		**21,737,439**	**16%**	**%**	**%**	**%**	**%**	**%**	**%**
Capital expenditure for activities eligible for the taxonomy (A)		**135,725,728**	**100%**	**%**	**%**	**%**	**%**	**%**	**%**
B. Activities not eligible for taxonomy									
Capital expenditure for activities not eligible for taxonomy			0%						
TOTAL A + B		**135,725,728**	**100%**						

Do No Significant Harm criterion (DNHS)									
Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of capital expenditure aligned (A.1.) Or eligible (A.2.) With taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*M/T*	
Y	Y	Y	Y	Y	Y	Y		M	
Y	Y	Y	Y	Y	Y	Y		M	
Y	Y	Y	Y	Y	Y	Y			
Y	Y	Y	Y	Y	Y	Y		M	
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**			
							%		
							%		

It should be noted that in Covivio's case, the Capex linked to real estate activities aligned with the mitigation objective are *a fortiori* aligned with the adaptation objective (3.3.4.1). Double counting is cancelled on activity 7.7, in other words, if an energy efficiency Capex (7.3) is made on an asset aligned with taxonomy (7.7), the amount of energy efficiency Capex is deducted. of total Capex in line 7.7.

Furthermore, to avoid double counting, priority has been given to activity 7.7, so that an energy efficiency Capex is only shown in the table if it relates to non-green assets related to mitigation or adaptation.

3.5.3.3 Opex

Economic activities	Codes	Absolute operating expenses	Share of operating expenses	Substantial contribution criterion: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		EUR	%	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*
A. Activities eligible for taxonomy									
A.1. Environmentally sustainable activities (aligned with taxonomy)									
Operating expenses for environmentally sustainable activities (A.1)	**NC**		**%**	**%**	**%**	**%**	**%**	**%**	**%**
of which enabling			**%**	**%**	**%**	**%**	**%**	**%**	**%**
of which transitory			**%**						
A.2. Activities eligible for taxonomy but not environmentally sustainable (not aligned with taxonomy)									
Operating expenses for activities eligible for taxonomy but not environmentally sustainable (A.2)	**NC**		**%**	**%**	**%**	**%**	**%**	**%**	**%**
Operating expenses for activities eligible for taxonomy but not environmentally sustainable (A.2)	**NC**		**%**	**%**	**%**	**%**	**%**	**%**	**%**
B. Activities not eligible for taxonomy									
Operating expenses for activities not eligible for taxonomy	**NC**		**%**						
TOTAL A + B		**245,075,000**	**100%**						

			Does Not Significant Harm criteria							
	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of operating expenses aligned (A.1.) Or eligible (A.2.) With taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
	Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*M/T*	
								%		
								%		
								%		
								%		

By carrying out a materiality exercise on all of its Opex, it was found that the Opex falling within the scope of the taxonomy represented around 4% of the Group's total Opex. This 4% was calculated on the basis of income statement lines. A more refined analysis would have resulted in a further reduction in the scope of the Opexes considered for the taxonomy.

NC = Not Calculated

NA = Not Applicable (objectives 3 to 6 not published and DNSH not analysed due to exemption)

Taxonomic indicators and green funding

All the Capex for improving energy efficiency (activities 7.3 to 7.6) are included in the green financing framework of Covivio and Covivio Hotels, they represented €5.1 million at the end of 2024, *i.e.* 3.7% of the Capex totals.

3.6 Independent third party audit

3.6.1 Sustainability information certification report

To the General Meeting of Covivio Hotels,

This report is issued in our capacity as Statutory Auditor of Covivio Hotels. It covers the information on sustainability and the information provided for in Article 8 of Regulation (EU) 2020/852, relating to the financial year ended 31 December 2024 and included in the "Sustainability Report" section of the management report (hereinafter, the "Sustainability Report").

Pursuant to Article L. 233-28-4 of the French Commercial Code, Covivio Hotels is required to include the aforementioned information in a separate section of its management report. This information has been compiled in the context of the first application of the aforementioned articles, marked by uncertainties regarding the interpretation of the texts, the use of significant estimates, the lack of established practices and frameworks, particularly for the dual materiality analysis, as well as an evolving internal control system. They provide an understanding of the impact of the Group's activity on sustainability issues, as well as how these issues influence the development of the Group's business, its results and its situation. Sustainability issues include environmental, social and corporate governance issues.

In accordance with Article L. 82154 II of the above-mentioned code, our task is to carry out the work necessary to issue an opinion, expressing limited assurance, on:

- the compliance with the sustainability reporting standards adopted pursuant to Article 29b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process applied by Covivio Hotels to determine the information published, and the respect of the obligation to consult the Social and Economic Committee provided for in the sixth paragraph of Article L. 231217 of the French Labour Code;
- the compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS; and
- the compliance with the disclosure requirements of Article 8 of Regulation (EU) 2020/852.

This task is carried out in accordance with the rules of ethics, including independence, and the quality standards prescribed by the French Commercial Code.

It is also governed by the guidelines of the High Audit Authority "Certification of information on sustainability and control of the disclosure requirements of information provided for in Article 8 of Regulation (EU) 2020/852".

In the three separate parts of the report that follow, we present, for each of the areas of our mission, the nature of the audits that we carried out, the conclusions that we drew from them, and, in support of these conclusions, the elements. which were the subject of particular attention on our part and the procedures we carried out in respect of these items. We draw your attention to the fact that we do not express a conclusion on these elements taken in isolation and that the procedures explained must be considered as part of the overall context of the formation of the conclusions issued on each of the three areas of our assignment.

Finally, when it appears necessary to draw your attention to one or more sustainability-related items of information provided by Covivio Hotels in its management report, we include an observation(s) paragraph.

Limits of our assignment

As our assignment is to provide limited assurance, the nature (choice of audit techniques) of the work, its range (scope) and its duration are less than those necessary to obtain reasonable assurance.

Furthermore, this assignment does not consist of guaranteeing the viability or the quality of the management of Covivio Hotels, in particular by making an assessment, which would go beyond compliance with the ESRS information requirements, on the relevance of the choices made by Covivio Hotels in terms of action plans, targets, policies, scenario analyses and transition plans.

However, it does allow conclusions to be drawn regarding the process of determining the sustainability information published, the information itself, and the information published in accordance with Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such material importance that they could influence the decisions that could be taken by the readers of the information which is the subject to our audits.

Our assignment does not cover any comparative data.

The compliance with the ESRS of the process implemented by Covivio Hotels to determine the information published, and the respect of the obligation to consult the Social and Economic Committee provided for in the sixth paragraph of Article L. 231217 of the French Labour Code

Nature of audits carried out

Our procedures also involved checking:

- the process defined and implemented by Covivio Hotels enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability issues, and to identify those of these material impacts, risks and opportunities that led to the publication of sustainability information in the Sustainability Report; and
- the information provided on this process is also in accordance with the ESRS.

In addition, we monitored compliance with the Social and Economic Committee's consultation obligation.

Conclusion of the audits performed

On the basis of the audits we carried out, we did not identify any material errors, omissions or inconsistencies concerning the compliance of the process implemented by Covivio Hotels with the ESRS.

Concerning the consultation of the Social and Economic Committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code, we inform you that as of the date of this report, this has not yet taken place.

Items that received special attention

We present below the elements that have been the subject of special attention by us concerning the compliance with the ESRS of the process implemented by Covivio Hotels to determine the information published.

Information relating to the identification of stakeholders and impacts, risks and opportunities as well as the assessment of impact materiality and financial materiality are mentioned in paragraph 3.1.2 "General information (ESRS 2)" of the Sustainability Report.

Concerning the identification of stakeholders

We reviewed the analysis carried out by the entity to identify:

- stakeholders, who may affect the entities in the scope of information or may be affected by them, by their activities and direct or indirect business relationships in the value chain;
- the main users of the sustainability statements (including the main users of the financial statements).

With this in mind, we held discussions with the Sustainable Development Department and the persons concerned and inspected the available documentation as part of the stakeholder identification process.

In particular, we :

- assessed the consistency of the main stakeholders identified by the entity with the nature of its activities and its geographical location, taking into account its business relationships and its value chain;
- applied our critical judgement to assess the representative nature of the stakeholders identified by the organisation;
- assessed the appropriateness of the description given in paragraph 3.1.2.3.2 "Involving Stakeholders (SBM-2)" of the Sustainability Report.

Regarding the identification of impacts, risks and opportunities

In particular, we reviewed the process applied by the organisation to identify actual or potential impacts (negative or positive), risks and opportunities (IRO) related to sustainability issues mentioned in paragraph AR 16 of the "Application requirements" of the ESRS 1 standard and, where applicable, those specific to the organisation, as presented in paragraph 3.1.2.4 "Identify and manage sustainability impacts, risks and opportunities (IRO)" of the Sustainability Report.

We also assessed the scope used to identify IROs, particularly in relation to the scope of the consolidated financial statements.

We reviewed the mapping produced by the entity of identified IROs, including in particular the description of their distribution in the specific activities and the value chain, as well as their time horizon (short, medium or long term), and assessed its consistency with our knowledge of the Group.

In particular, we assessed:

- the approach used by the entity to collect information on subsidiaries;
- the consistency of the current and potential IROs identified by the entity, in particular those that are specific to it, as they are not covered or insufficiently covered by ESRS standards, based on our knowledge of the entity;
- how the organisation has taken different time horizons into account, particularly with regard to climate issues;
- whether the entity has taken into account its dependencies on natural, human and social resources in the identification of risks and opportunities.

Regarding the assessment of impact materiality and financial materiality

We gained an understanding of the process used by the entity to assess materiality of impact and financial materiality, through interviews with management and inspection of the available documentation, and assessed its compliance with the criteria defined in ESRS 1.

We reviewed the decision-making process implemented by the entity to assess the impact and financial materialities, and assessed their presentation in paragraph 3.1.2.4.2 "Results of the double materiality analysis (IRO-2)" of the Sustainability Report.

In particular, we assessed the process implemented by the entity to determine, in terms of positive and negative impacts:

- their probability of occurrence, their magnitude, their scope;
- where applicable, for negative impacts, their irremediable nature;
- in the short, medium or long term, and the thresholds used to determine the materiality of these impacts, as presented in paragraph 3.1.2.4.2 "Results of the double materiality analysis (IRO-2)" of the Sustainability Report.

We reviewed the process conducted by the entity to determine the materiality of risks and opportunities with regard to:

- their probability of occurrence; and
- potential magnitude.

In particular, we assessed the way in which the entity established and applied the materiality of information criteria defined by ESRS 1, including those relating to the setting of thresholds, to determine the material information published:

- for the metrics relating to the material IROs identified in accordance with the relevant thematic ESRS standards;
- for entity-specific information.

The compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including with the ESRS

Nature of audits carried out

Our work consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the information provided provides an understanding of the preparation and governance processes for the sustainability information included in the Sustainability Report, including the processes for determining the information related to the value chain and the disclosure exemptions used;
- the presentation of this information ensures that it is readable and comprehensible;
- the scope used by Covivio Hotels in relation to this information is appropriate; and
- based on a selection, according to our analysis of the risks of non-compliance of the information provided and the expectations of its users, this information does not contain any errors, omissions or significant inconsistencies, *i.e.* likely to influence the judgement or decisions of the users of this information.

Conclusion on the checks carried out

Based on our audits, we did not identify any material errors, omissions or inconsistencies concerning the compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233. -28-4 of the French Commercial Code, including with the ESRS.

Observations

Without calling into question the conclusion expressed above, we draw your attention to paragraph 3.1.2.1 "Sustainability reporting scope and methodology (ESRS 2 BP-1/2)" in the Sustainability Report which describes the context of first application of the European CRSD directive, marked in particular by:

- uncertainties about the interpretation of the texts, in particular concerning the treatment of greenhouse gas emissions related to the tenants of Covivio Hotels buildings;
- the estimation of part of the data on energy consumption, water and waste production and treatment;
- the first year of reporting social data for the Hotel Operating Properties.

Items that received special attention

Information provided in accordance with environmental standards (ESRS E1 to E5)

The information published under climate change (ESRS E1) is mentioned in paragraph 3.2.1 "Climate change (ESRS E1)" of the Sustainability Report.

Our procedures also involved:

- on the basis of the interviews conducted with the persons concerned, in particular the Sustainable Development Department, assessing whether the description of the policies, actions and targets put in place by the entity covers the following areas: climate change mitigation, adaptation to climate change, energy efficiency, renewable energy;
- assessing the appropriateness of the information presented in the aforementioned paragraph of the Sustainability Report and its overall consistency with our knowledge of the entity.

Regarding the information published in respect of greenhouse gas emissions

- we assessed the consistency of the scope considered for the assessment of the greenhouse gas emissions assessment with the scope of the consolidated financial statements and the upstream and downstream value chain;
- we reviewed the greenhouse gas emissions inventory protocol used by the entity to assess the presentation of its greenhouse gas emissions;
- we assessed the process of collecting information concerning Scope 3 emissions related to the energy consumption of tenants;
- we assessed the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions for the most significant items, given the inherent uncertainty in the state of scientific knowledge; economic data and the quality of the external data used;
- we reconciled, on the basis of tests, the underlying data used to calculate greenhouse gas emissions with the supporting documents;
- we implemented analytical procedures;
- with regard to the estimates that we considered to be structuring, which the entity used to calculate its greenhouse gas emissions, through discussions with the Sustainable Development Department, we reviewed the methodology for calculating the estimated data and the sources of information on which these estimates are based;
- we verified the arithmetical accuracy of the calculations used to establish this information.

With regard to the levers for reducing the carbon footprint presented in paragraph 3.2.1.1.2.a "Quantifiable levers", our work consisted mainly

- reconciling, for a selection of data underlying the valuation of these levers, the information presented with the available documentation;
- examining the resources allocated (OpEx and CapEx) to climate change mitigation actions and the costing methods used.

Information provided in accordance with social standards (ESRS S1 to S4)

The information published in respect of the Company's personnel (ESRS S1) is presented in paragraph 3.3.1 "Own workforce (ESRS S1)" of the Sustainability Report.

Our main procedures on this information involved:

- examining the scope of activities on which the information was prepared, in particular for the Operating Properties scope;
- reviewing the sustainability information for the Company's employees included in the aforementioned section of the Sustainability Report. These procedures focused in particular on the policies described by the entity in respect of the Company's personnel relating to health and safety, diversity and remuneration;
- comparing the information obtained from our knowledge of the Group, with the items appearing in the consolidated financial statements and with publications relating to these subjects that we were able to identify;
- examining the methods used by the Group to implement the key concepts of the ESRS S1 standard relating to this information, such as the concept of employees or non-employees, components additional to the base salary or variable elements taken into account in the remuneration, etc.;
- defining and implement analytical procedures adapted to the information audited;
- examining the compliance of the supporting documents with the corresponding information on a selection of items of information.

Compliance with the disclosure requirements of Article 8 of Regulation (EU) 2020/852

Nature of audits carried out

Our work consisted in verifying the process implemented by Covivio Hotels to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information published pursuant to Article 8 of Regulation (EU) 2020/852, which involves verifying:

- the compliance with the rules governing the presentation of this information, which guarantee its readability and comprehensibility;
- on the basis of a selection, the absence of errors, omissions or material inconsistencies in the information provided, *i.e.* likely to influence the judgement or decisions of the users of this information.

Conclusion of the audits performed

Based on our audits, we did not identify any material errors, omissions or inconsistencies regarding compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Items that received special attention

Concerning the eligible nature of activities

Information concerning the eligibility of activities can be found in paragraph 3.2.6.1. "How does it comply with the European "green" taxonomy? of the Sustainability Report.

We have assessed, through interviews and inspections of the related documentation, the conformity of the organisation's analysis of the eligibility of its activities with the criteria defined in the annexes of the delegated acts supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council.

Concerning the aligned nature of eligible activities

Information on the alignment of activities is provided in paragraph 3.2.6.1 above.

As part of our audits, we:

- consulted a selection of documentary sources used and conducted interviews with the persons concerned;
- analysed a selection of elements on which the management based its judgement when it assessed whether the eligible economic activities met the cumulative conditions, derived from the Taxonomy Framework, required in order to be classified as aligned;
- assessed the analysis carried out with respect to compliance with the minimum guarantees, mainly with regard to the elements collected in the context of reviewing the entity and its environment.

Concerning the key performance indicators and the information that accompanies them

The key performance indicators and the information accompanying them can be found in paragraph 3.5.3 "Regulatory tables related to European taxonomy" of the Sustainability Report.

With regard to total revenues and CapEx and OpEx (the denominators), presented in the regulatory tables, we examined the reconciliations made by the entity with the data from the accounting data used as a basis for the preparation. financial statements. With regard to the other amounts comprising the various indicators of eligible and aligned activities (the numerators), we:

- implemented analytical procedures;
- we assessed these amounts on the basis of a selection of assets that we determined according to the portfolio to which these assets are attached and their contribution to the indicators.

Finally, we assessed the consistency of the information in paragraph 3.5.3 "Regulatory tables related to European taxonomy" of the Sustainability Report with the other sustainability information in this report.

Paris-La Défense, 19 March 2025

The Statutory Auditors

ERNST & YOUNG et Autres

Pierre Lejeune

3.6.2 Independent third party verification - Green Bonds Covivio Hotels

Report by one of the Statutory Auditors on compliance with the environmental and social criteria for qualifying and monitoring the assets selected for responsible bonds and on the value of the portfolio of selected assets

For the attention of the Manager,

In our capacity as auditor of Covivio Hotels (hereinafter "the Company") and in response to your request, we are pleased to present our report on the compliance of the assets selected for the responsible bonds (hereinafter 'Green Financing Bonds') with the environmental and social qualification and monitoring criteria defined in the "Use of Proceeds" criteria of the Green Financing Bonds established by the Company in June 2023 (hereinafter "Green Financing Framework") [1] and the consistency of the value of these assets with the accounting data and data underlying the accounting.

Preparation of information by the Company

The lack of a generally accepted and commonly used frame of reference or established practices on which to rely to evaluate and measure sustainability-related information means that different but acceptable measurement techniques can be used, which may affect comparability between entities over time.

Therefore, the information should be read and understood with reference to the Green Financing Framework available on the Company's website or on request.

Responsibility of the Company

It is the responsibility of the Company's management to establish the qualification and monitoring criteria defined in the "Green Financing Framework", in order to select the assets for the Green Financing Bonds in accordance with these criteria and to design, implement and maintain the internal control that it considers necessary to prepare information free from material misstatement, whether due to fraud or error.

Our independence and quality control

Our independence is defined by the provisions of Article L. 821-28 of the Commercial Code, the Code of Ethics for Statutory Auditors and the IESBA Code of Ethics (International Code of Ethics for Professional Accountants (including Independence Standards)).

In addition, we apply the International Standard on Quality Management 1, which involves defining and implementing a quality control system including documented policies and procedures to ensure compliance with ethical rules, professional standards and legal texts and applicable regulations.

The responsibility of the Statutory Auditors

It is our responsibility, on the basis of our work:

- to express a limited assurance conclusion that the assets selected by the Company for the Green Financing Bonds have been selected, in all material respects, in accordance with the qualification and monitoring criteria defined in the "Green Financing Framework";
- to certify that the value of the portfolio of selected assets is consistent with the accounting records.

It is not our responsibility to assess the alignment of the Company's Green Financing Framework with the Green Bond Principles of the ICMA (International Capital Market Association).

1. Limited assurance report on compliance with environmental and social criteria for qualification and monitoring

Professional standards applied

We conducted our work in accordance with ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information published by the IAASB (International Auditing and Assurance Standards Board).

Nature and scope of work

We planned and performed our work in such a way as to take into account the risk of material misstatements that could call into question the claim that the assets selected for the Green Financing Bonds were established, in all material respects, in accordance with the qualification and monitoring criteria defined in the "Green Financing Framework".

To assist us in carrying out our work, we called on our experts in sustainable development, under the responsibility of Mr. Philippe Aubain, partner.

(1) June 2023 "Green Financing Framework" press release on qualification (Use of Proceeds) and reporting criteria for Green Financing Bonds available at: https://www.covivio-hotels.fr/wp-content/uploads/sites/8/2023/10/Green-Financing-Framework.pdf

We implemented the following procedures based on our professional judgement:

- We reviewed the procedures for qualifying and monitoring the assets selected for the Green Financing Bonds implemented in your company; and
- We assessed the compliance of the selected assets with the qualification and monitoring criteria for the most material assets, by interviewing the appropriate people in the company and by examining supporting documents.

The procedures implemented as part of a limited assurance assignment are less extensive than those required for a reasonable assurance assignment. As a result, the level of assurance obtained in a limited assurance assignment is substantially lower than that which would have been obtained if a reasonable assurance assignment had been performed.

Conclusion

Based on the procedures we implemented, as described in the "Nature and scope of the work" section, and the information we collected, we did not identify any material misstatements that would call into question the claim that the assets selected by the Company for Green Financing Bonds have been selected, in all material respects, in accordance with the qualification and monitoring criteria defined in the "Green Financing Framework".

Observations

Without calling into question the conclusion expressed above, we draw your attention to paragraph 2.1 "Use of Proceeds" of the Green Financing Framework, which states that:

- The qualification and monitoring criteria relate only to the environmental and social aspects of eligible assets, to the exclusion of their economic aspects. These criteria are the minimum criteria that eligible assets must meet to qualify as "Green Bonds". They concern the construction and operation phase of the assets.
- Some of the criteria can only be applied and verified once the process of implementing environmental annexes with the tenants has been completed, which is currently in progress for all assets concerned by the Green Financing Bonds.

2. Certification of the value of the portfolio of selected assets

As part of our statutory audit, we carried out, with the firm KMPG SA, an audit of the consolidated financial statements of the Company for the financial year ended 31 December 2024. Our audit, conducted in accordance with professional standards applicable in France, aimed to express an opinion on the consolidated financial statements taken as a whole, and not on the specific elements of these financial statements used to determine this information. We therefore did not perform our audit tests and surveys for this purpose and we do not express any opinion on these elements taken in isolation.

Our work, which does not constitute an audit or a limited review, was carried out in accordance with the professional guidelines of the French National Association of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this work. Our work involved, by sampling or by means of other selection methods:

- reviewing the procedures put in place by the Company to determine the value of the portfolio of selected assets net of the associated external financial debt (in proportion to the Group's holding) based on the information as at 31 December 2024;
- verifying that the value of the assets selected is consistent with the data underpinning the consolidated financial statements for the year ended 31 December 2024;
- verifying the consistency of the external financial debt associated with the selected assets with the data underpinning the consolidated financial statements for the year ended 31 December 2024 (capital remaining due at 31 December 2024 in respect of financial debts associated with the asset portfolios, allocated to the selected assets based on the LTV ratio of the corresponding portfolio);
- reconciling the Group's share of ownership, used to calculate the total value of the portfolio of selected assets net of the associated external financial debt with the Group's share of ownership, with the data underpinning the consolidated financial statements for the fiscal year ended December 31, 2024;
- verifying that the total value of the portfolio of selected assets net of the associated external financial debt (Group share of ownership) corresponds to the amount of €3.3 billion on 31 December 2024.

Based on our work, we have no matters to report as to the consistency of the value of the portfolio of selected assets with the accounting data and the data underpinning the accounting.

Paris-La Défense, 19 March 2025

One of the Statutory Auditors

ERNST & YOUNG et Autres

Pierre Lejeune

Partner



Radisson Red Madrid
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€6.6 billion in the hotel real estate portfolio.

4

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4.1.1 Statement of financial position

Assets

(In € million)	Note 4.2.5.	31/12/2024	31/12/2023	Variation
Goodwill	1.2	325.0	117.4	207.6
Other intangible assets	1.2	0.9	0.2	0.7
Operating properties (carried at cost)	1.2	1,653.0	1,106.7	546.3
Investment property (at fair value)	1.3	3,950.1	4,655.2	-705.1
Assets in progress	1.3	0.0	0.0	0.0
Other tangible assets	1.2	10.7	3.0	7.7
Investments in companies accounted for using the equity method	3.2	216.7	204.6	12.1
Non-current financial assets	2.2	76.0	59.5	16.6
Deferred tax assets	4	9.5	24.0	-14.5
Non-current derivatives	12.5	112.2	120.3	-8.2
Total non-current assets		**6,354.0**	**6,290.9**	**63.1**
Assets available for sale	1.3	68.6	161.9	-93.3
Inventories and work in progress	6	2.8	2.4	0.4
Receivables	7.2	40.6	42.7	-2.2
Other receivables	8	40.3	32.5	7.8
Other non-current financial assets	5	17.5	23.8	-6.3
Current derivatives	12.5	44.5	57.3	-12.8
Cash and cash equivalent	10.2	577.0	108.8	468.2
Prepaid expenses	9	10.0	3.4	6.6
Total current assets		**801.3**	**432.8**	**368.5**
TOTAL ASSETS		**7,155.3**	**6,723.7**	**431.6**

Liabilities

(In € million)	Note 4.2.5.	31/12/2024	31/12/2023	Variation
Capital		592.6	592.6	-0.0
Premiums		1,486.4	1,659.5	-173.1
Treasury shares		-0.1	-0.1	0.1
Consolidated reserves		1,131.0	1,146.8	-15.7
Consolidated income		224.6	-11.6	236.2
Total shareholders' equity, Group share	**4.1.4**	**3,434.5**	**3,387.1**	**47.4**
Non-controlling interests		166.5	163.6	2.9
Total shareholders' equity	**11.2**	**3,601.0**	**3,550.7**	**50.2**
Non-current financial liabilities	12.2	2,243.5	2,199.0	44.6
Long-term rental liabilities	12.6	291.2	283.0	8.2
Non-current derivatives	12.5	38.6	40.9	-2.3
Deferred tax liabilities	4	208.2	210.3	-2.1
Guarantee deposits	14	9.4	9.3	0.0
Non-current provisions	13	7.1	4.7	2.4
Other non-current liabilities		0.0	0.0	0.0
Total non-current liabilities		**2,797.9**	**2,747.1**	**50.8**
Liabilities held for sale	4.2.4.3	0.0	6.6	-6.6
Current financial liabilities	12.2	536.8	255.8	281.0
Short-term rental liabilities	12.6	5.8	5.8	0.0
Short Term Provisions	13.2	2.4	0.6	1.8
Current derivatives	12.5	25.2	31.7	-6.5
Payables	14	72.4	48.4	24,0
Trade payables on fixed assets	14	10.8	7.1	3.7
Tax and social debts	14	47.8	29.4	18.4
Other current liabilities	14	43.1	22.8	20.3
Pre-booked income	16	12.2	17.7	-5.5
Total current liabilities		**756.5**	**425.9**	**330.6**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**7,155.3**	**6,723.7**	**431,6**

4.1.2 Statement of net income

(In € million)	Note 4.2.6.	31/12/2024	31/12/2023 restated (1)
Rental income	2.1	270.1	264.0
Rental charges not recovered	2.2	-3.0	-3.1
Expenses on Buildings	2.2	-3.4	-3.0
Net bad debt expenses	2.2	-1.0	-0.5
Net Rental Income		**262.7**	**257.4**
EBITDA of hotels under management	2.3	82.6	74.6
Other Activity income	2.3	0.0	0.0
Management and administration income	2.4	8.1	5.6
Structure costs	2.4	-23.2	-24.9
Depreciation of operating assets	2.5	-56.7	-48.2
Net change in provisions	2.5	-0.8	7.8
Other operating profits and losses	2.5	15.5	16.0
Operating result		**288.2**	**288.4**
Net income from properties in inventory		0.0	0.0
Income from disposals of real estate assets	3	12.6	0.3
Income from the sale of securities	3	-0.4	0.0
Result of value adjustments	4	51.3	-197.5
Income from changes in scope	4.2.3	-4.9	-3.8
Operating income		**346.8**	**87.4**
Financial income related to the cost of debt		91.1	60.7
Financial expenses related to the cost of debt		-148.5	-123.7
Cost of net financial debt	5	-57.3	-62.9
Interest charges on rental liabilities	6	-15.7	-15.3
Value adjustment of derivative instruments	6	-21.4	-67.0
Exceptional depreciation of loan issue costs	6	-1.2	-0.4
Other financial income and expenses	6	0.9	0.4
Share of profit of companies accounted for using the equity method	4.2.5.3.2	15.1	-2.0
Net income before tax		**267.2**	**-59.9**
Taxes	7.2	-30.5	34.6
Net income for the period		**236.7**	**-25.3**
of which net income attributable to non-controlling interests		12.1	-13.7
Net income for the period - Group share		**224.6**	**-11.6**
Net income per share, Group Share (in €)	**4.2.7.2**	**1.52**	**-0.08**
Diluted net income per share, Group Share (in €)	**4.2.7.2**	**1.52**	**-0.08**

(1) 2023 has been restated - see note 4.2.1 relating to the change in accounting method related to a change in presentation.

4.1.3 Statement of comprehensive income

(In € million)	31/12/2024	31/12/2023
Net income for the period	**236.7**	**-25.3**
Currency translation differences	15.2	5.8
Other comprehensive income that can be reclassified to profit or loss	**15.2**	**5.8**
Other comprehensive income that cannot be reclassified to profit or loss	**0.0**	**0.0**
Other items of comprehensive income	**15.2**	**5.8**
Comprehensive income for the period	**251.9**	**-19.5**
of which attributable to owners of the parent company	239.8	-5.8
of which attributable to non-controlling interests	12.1	-13.7

4.1.4 Statement of changes in shareholders' equity

(In € million)	Capital	Share premium account	Treasury shares	Non distributed reserves and income (loss)	Total shareholders' equity, Group Share	Non-controlling interests	Total shareholders' equity
Position at 31 December 2022	**592.6**	**1,700.6**	**-0.2**	**1,284.8**	**3,577.8**	**184.7**	**3,762.5**
Dividends distribution	-0.0	-43.5	-0.0	-141.7	-185.2	-6.9	-192.1
Capital increase	-	-	-	-	-	-0.5	-0.5
Elimination of treasury shares	-	-	0.1	-	0.1	-	0.1
Others	-	2.4	-	-2.2	0.2	-0.0	0.2
Total comprehensive income (loss) for the period	**-**	**-**	**-**	**-5.8**	**-5.8**	**-13.7**	**-19.5**
Of which currency translation gains	-	-	-	5.8	5.8	-	5.8
Of which net income (loss)	-	-	-	-11.6	-11.6	-13.7	-25.3
Position at 31 December 2023	**592.6**	**1,659.5**	**-0.1**	**1,135.2**	**3,387.1**	**163.6**	**3,550.7**
Dividends distribution	-0.0	-173.1	-0.0	-19.4	-192.6	-9.2	-201.8
Capital increase	-	-	-	-	-	-0.1	-0.1
Elimination of treasury shares	-	-	0.1	-	0.1	-	0.1
Others	-	-	-	0.1	0.1	0.1	0.1
Total comprehensive income (loss) for the period	**-**	**-**	**-**	**239.8**	**239.8**	**12.1**	**251.9**
Of which currency translation gains	-	-	-	15.2	15.2	-	15.2
Of which net income (loss)	-	-	-	224.6	224.6	12.1	236.7
POSITION AT 31 DECEMBER 2024	**592.6**	**1,486.4**	**-0.1**	**1,355.6**	**3,434.5**	**166.5**	**3,601.0**

4.1.5 Statement of cash flows

(In € million)	Note 4.2.	31/12/2024	31/12/2023
Consolidated net income (including minority interests)		**236.7**	**-25.3**
Net depreciation and provisions (excluding those related to current assets)		57.5	43.2
Unrealised gains and losses relating to changes in fair value	5.12.5 & 6.4	-29.8	264.5
Income and expenses calculated on stock options and related share-based payments		-0.1	0.0
Other calculated income and expenses	6.6	2.2	-10.3
Gains or losses on disposals	4.2.6.3	-12.2	-0.3
Share of income from companies accounted for under the equity method	5.3.2	-15.1	2.0
Cash flow after tax and cost of net financial debt		**239.2**	**273.8**
Cost of net financial debt and interest charges on rental liabilities	6.5 & 5.12.6	68.2	74.2
Income tax expense (including deferred taxes)	6.7.2	30.5	-34.6
Cash flow before tax and cost of net financial debt		**337.8**	**313.5**
Taxes paid		-16.2	-9.4
Change in WCR on continuing operations	5.7.2	26.6	20.1
Net cash generated by the business		**348.2**	**324.1**
Impact of changes in the scope:			
Investments in consolidated securities	4.2.6.3	-254.3	-1.6
Divestments of consolidated securities	4.2.6.3	97.7	1.5
Disbursements related to acquisition of tangible and intangible fixed assets	5.1.2	-135.3	-37.8
Proceeds from the disposal of tangible and intangible fixed assets	5.1.2	368.0	24.0
Dividends received (companies accounted for under the equity method, non-consolidated securities)	5.3.2	6.1	5.1
Change in loans and advances granted	5.2.2	-1.5	3.1
Net cash flow from investment activities		**80.8**	**-5.8**
Amounts received from shareholders in connection with capital increases:			
Paid by parent company shareholders	4.1.4	0.1	0.0
Paid by non-controlling interests of consolidated companies	4.1.4	0.0	-0.5
Purchases and sales of treasury shares		0.1	0.1
Dividends paid during the reporting period:			
Dividends paid to parent company shareholders	4.1.4	-192.6	-185.2
Dividends paid to non-controlling interests of consolidated companies	4.1.4	-9.2	-6.9
Proceeds related to new borrowings	5.12.2	722.9	624.3
Repayments of borrowings (including finance lease agreements)	5.12.2	-417.8	-682.6
Net interest paid (including finance lease agreements)		-62.8	-77.5
Other cash flow from financing activities	5.12.5	-2.0	0.7
Net cash flow from financing activities		**38.8**	**-327.6**
Impact of changes in the exchange rate		**0.1**	**0.9**
Change in net cash		**467.9**	**-8.3**
Opening cash position	5.12.2	108.7	117.0
Closing cash position	5.12.2	576.6	180.7
CHANGE IN CASH AND CASH EQUIVALENTS		**467.9**	**-8.3**

4.2 Notes to the consolidated financial statements

4.2.1 General principles

4.2.1.1 Accounting standards

The consolidated financial statements of the Covivio Hotels Group at 31 December 2024 were prepared in accordance with the international accounting standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union as of the preparation date. These standards include the IFRS (International Financial Reporting Standards) and IAS (International Accounting Standards) and their interpretations.

The financial statements were approved by the Management on 14 February 2025.

Accounting principles and methods used

- Change in accounting method related to a change in presentation

Cost of net financial debt

In a context of sharp rise in interest rates, interest income on cash investments and derivative instruments became material. In this context, and in order to improve its interpretation in the primary statements, the aggregate *Cost of net financial debt* is now broken down into two lines in the income statement, presenting separately the *Financial income related to the cost of debt* and *Financial expenses related to the cost of debt*.

Other minor changes in presentation were made to the financial statements as at 31 December 2024 compared to the financial statements as at 31 December 2023.

The accounting principles applied to the consolidated financial statements as at 31 December 2024 are identical to those used for the consolidated financial statements as at 31 December 2023, with the exception of new standards and amendments whose application is mandatory as from 1 January 2024 and which were not applied early by the Group.

The following amendments, which are mandatory as of 1 January 2024, did not have any impact on the Group's consolidated financial statements:

- amendments to IAS 1 "*Presentation of the financial statements - Classification of liabilities as current or non-current*". Non-current liabilities with prepayment clauses. These amendments specify how a company should classify, in the statement of financial position, debts and other liabilities whose settlement date is uncertain. Under these amendments, these debts or other liabilities must be classified as either current or non-current liabilities. The application of these amendments did not lead to significant changes in the presentation of the interim financial statements.
- amendments to IFRS 16 *"Leaseback in a sale and leaseback transaction"*. The IFRS-IC has published a decision illustrating the application of IFRS requirements on the initial recognition of a sale-leaseback with variable rents. This amendment complements the previous IFRIC decision. The application of these amendments did not lead to significant changes in the presentation of the interim financial statements.
- amendment to *IAS 7 & IFRS 7 "Supplier financing arrangements"*. These amendments introduced requirements for disclosures by a company about its supplier financing arrangements. These new requirements require the Company to provide users with financial statements to assess the impact of its supplier financing arrangements on its liabilities and cash flows, and to understand the effects of such arrangements on its exposure to liquidity risk and the way in which it could be affected if it were no longer able to use these agreements. The application of these amendments did not lead to significant changes in the presentation of the interim financial statements.

Standard, amendment and interpretation published by the IASB, applicable in advance for financial years beginning on or after 1 January 2024:

- Amendment to "IAS 21 - The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability". This amendment clarifies the treatment of foreign currency transactions when the spot exchange rate is not available. Given the Group's location, this amendment should not have any impact on the financial statements of the Group, which has chosen not to apply it early.

Standards, amendments and interpretations published by the IASB, applicable for financial years beginning on or after 1 January 2025, subject to their adoption by the European Union:

- Amendments to IFRS 7 and IFRS 9 - Classification and measurement of financial instruments
  - Derecognition: The amendments specify when a financial asset or liability is to be derecognised.
  - Financial liabilities: These allow the derecognition of liabilities settled via electronic payment systems before the settlement date, under certain conditions.
  - SPPI criterion: They clarify the analysis of the SPPI criterion for loans related to environmental, social and governance criteria.

These amendments will come into force for financial years beginning on or after 1 January 2026, subject to their adoption by the European Union:

- IFRS 18 - Presentation and disclosures in financial statements

This standard is intended to replace IAS 1 on the presentation of financial statements and to amend, mainly, IAS 7 - Statement of Cash Flows and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

This standard aims to:

increase the comparability of the income statement by defining principles relating to its structure and content, in particular through three new categories of expenses and income that complement the existing "Tax" and "Discontinued operations" categories: "Operations", "Investment" and "Financing";

- improve transparency in the use of certain Alternative Performance Measures in relation to the income statement;

- accentuate the relevance of the information disclosed by strengthening the requirements in terms of grouping or details of the information disclosed in the primary statements and notes to the financial statements.

Subject to its adoption by the European Union, the application of IFRS 18 will be mandatory for financial years beginning on or after 1 January 2027, on a retrospective basis.

- IFRS 19 - Subsidiaries with no public disclosure obligation: Disclosures

This standard aims to reduce the disclosure requirements in the notes for subsidiaries whose securities or debt are not listed. It is not applicable for the Group.

Subject to its adoption by the European Union, the application of IFRS 19 will be mandatory for financial years beginning on or after 1 January 2027.

4.2.1.2 Estimates and judgments

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 Hotels Group in preparing the financial statements mainly relate to:

- measurement of the fair value of investment properties;
- the valuations used for testing impairment, in particular assessing the recoverable value of goodwill and intangible fixed assets;
- measurement of the fair value of derivative financial instruments;
- measurement of provisions.

Due to the uncertainties inherent in any valuation process, the Covivio Hotels Group reviews its estimates based on regularly updated information. These estimates take into account, where applicable, the financial impacts related to the commitments made by the Group on the effects of climate change (note 4.2.1.3 to the consolidated financial statements). The future results of the transactions in question may differ from these estimates.

In addition to the use of estimates, Group management makes use of judgements to define the appropriate accounting treatment of certain business activities and transactions when the IFRS standards and interpretations in effect do not precisely address the accounting issues involved.

4.2.1.3 Taking into account the effects of climate change

In 2021, Covivio announced a new carbon trajectory and raised its ambitions to achieve a 40% reduction in greenhouse gas emissions by 2030, thus also raising the targets for Covivio Hotels. 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.

Covivio Hotels continued its drive in terms of building certification: the proportion of assets with HQE, BREAM, GREEN KEY, GSTC or equivalent certification, in operation and/or under construction, reached 97.5% at the end of 2024. This strategy actively contributes to achieving the new Carbon trajectory. It is accompanied by a commitment to work hand in hand with its clients to achieve its objectives by relying on its strong partnerships.

In addition, in accordance with European regulations, Covivio publishes its European Taxonomy (3.2) eligibility and alignment rates. Chapter 3 - Group Sustainability Report details the climate change mitigation plan implemented by the Group, and its implementation at Covivio Hotels level.

In terms of financing, Covivio Hotels has a Green Financing Framework and reclassified all its bond issues as green in 2023. Covivio Hotels published an Impact report in 2024 in order to report on the performance of the portfolio in relation to the requirements of these frameworks. At the end of 2024, Covivio Hotels had an eligible portfolio under the Taxonomy of €4.1 billion (€3.3 billion net of debt), covering the €1.45 billion of bonds.

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 Operating segments (IFRS 8)

The operating segments of the Covivio Hotels Group are detailed in Section 4.2.8.1.

4.2.1.5 IFRS 7 – Reference table

• Risk related to changes in the value of the portfolio	• § 4.2.2.5
• Liquidity risk	• § 4.2.2.1
• Financial expense sensitivity	• § 4.2.2.3
• Sensitivity of the fair value of investment properties	• § 4.2.5.1.3
• Counterparty risk	• § 4.2.2.4
• Covenants	• § 4.2.5.12.7
• Exchange rate risk	• § 4.2.2.6

4.2.1.6 Conversion method

The financial statements of Covivio Hotels are presented in millions of euros, the euro being the Group's functional and presentation currency. Each Group entity determines its own functional currency. The functional currency corresponds to the currency of the economic environment in which the Company operates its principal activities. All items included in the financial statements of these entities are valued using this functional currency.

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the transaction date. The assets and liabilities of subsidiaries are translated into euros at the exchange rate prevailing at the reporting date, while income and expenses are translated at the average exchange rate over the period. Exchange differences are recognised in equity.

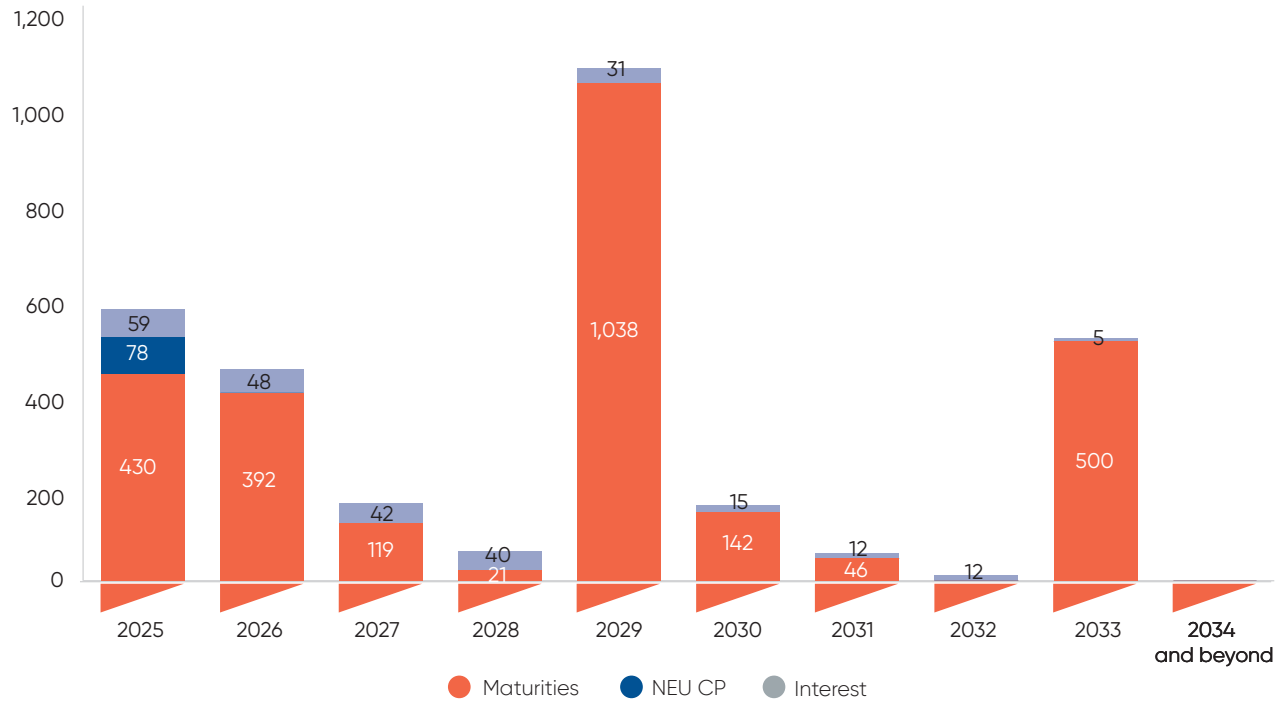
4.2.2 Financial risk management

The operating and financial activities of the company are exposed to the following risks:

4.2.2.1 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 2024, Covivio Hotels' available cash and cash equivalents amounted to €1,022 million, including €403 million in confirmed credit lines, €577 million in short-term investments and cash equivalents and €42 million in granted unused overdraft facilities.

The graph below shows the maturities of borrowings (in € million) including interest expenses as at 31 December 2024.



(In € million)	2025	2026	2027	2028	2029	2030	2031	2032	2023	2034 and beyond
Maturities	430	392	119	21	1,038	142	46	-	500	-
NEU CP	78	-	-	-	-	-	-	-	-	-
Interest	59	48	42	40	31	15	12	12	5	-

Covivio Hotels Group debt totalled €2,765.4 million as at 31 December 2024 (see 4.2.5.12).

The interest payable up to the extinguishing of all the debt, estimated based on the outstanding amount as at 31 December 2024 and the average interest rate on debt, totalled €265 million.

Details of the debt maturities are provided in note 4.2.5.12.3, and a description of the banking covenants and accelerated payment clauses included in the loan agreements is presented in note 4.2.5.12.7.

4.2.2.2 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 almost systematically hedged via financial instruments (see 4.2.5.12.5). As at 31 December 2024, after taking interest rate swaps into account, an average of 94.8% of the Group's debt was actively hedged, and the bulk of the remainder was covered by interest rate caps, which resulted in the following sensitivity to changes in interest rates:

- the impact of an increase of 100 bps on the rates at 31 December 2024 is -€1.2 million on cost of net debt Group Share for 2024
- the impact of an increase of 50 bps on the rates at 31 December 2024 is -€0.6 million on the cost of debt Group Share for 2024
- the impact of a decrease of 50 bps on the rates at 31 December 2024 is +€0.5 million on the cost of debt, Group Share in 2024.

4.2.2.3 Financial counterparty risk

Given Covivio Hotels Group's contractual relationships with its financial partners, the company is exposed to counterparty risk. If one of its counterparties is not in a position to honour its undertakings, the Group's net income could suffer an adverse effect.

This risk primarily involves the hedging instruments entered into 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 the Covivio Hotels 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.

Counterparty risk is included in the measurement of cash instruments. At 31 December 2024, the amount is -€5.2 million compared to -€4.7 million at 31 December 2023 (see 4.2.5.12.5).

4.2.2.4 Lease counterparty risk

Covivio Hotels Group's rental income is fairly concentrated among a group of principal tenants (Accor, B&B, IHG, NH, etc.) who generate the bulk of annual rental income.

The Covivio Hotels 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.

In 2024, the Group's revenue continued to grow.

4.2.2.5 Risk related to changes in the value of the portfolio

Changes in the fair value of investment properties are recognised in the income statement. Changes in property values can thus have a material impact on the operating performance of the Group.

The investment policy of the Covivio Hotels group seeks to minimise the impact of the various stages of the cycle by choosing investments that:

- with long-term leases and high-quality tenants, to soften the impact of a reduction in market rental income and the resulting decline in real estate prices;
- are located in major European cities.

The holding of real estate assets intended for leasing exposes the Covivio Hotels 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.

Rental income is indexed to rent indexation indices, to changes in Accor revenues and to the likelihood of the application of major underperformance clauses on the portfolio in the United Kingdom for the hotels concerned.

The sensitivity of the fair value of investment properties to changes in rental values and/or capitalisation rates is analysed in § 4.2.5.1.3.

4.2.2.6 Currency risk

The Group operates both inside and outside the Euro zone following the acquisition of hotel real estate assets in the United Kingdom, Poland, the Czech Republic and Hungary. The Group protected itself against fluctuations in the pound sterling by financing part of the acquisition in the UK with a foreign currency loan and a currency swap.

Impact of a decrease in the GBP/EUR exchange rate on the shareholders' equity

		Sensitivity		
	31/12/2024 (in £M)	4.7% real increase in the GBP/EUR exchange rate	5% decrease in the GBP/EUR exchange rate (in €M)	10% decrease in the GBP/EUR exchange rate (in €M)
Portfolio	658	29.1	-31.4	-62.6
Debt	270	-12.0	12.8	25.6
Cross currency swap	250	-11.2	11.8	23.7
Shareholders' equity impact		**5.9**	**-6.8**	**-13.4**

(-) corresponds to a loss; (+) corresponds to a gain

4.2.2.7 Risk related to changes in the value of shares and bonds

The Group is exposed to risks for two classes of shares (see § 4.2.5.3.2):

- available-for-sale securities measured at fair value. This fair value is the market price when the securities are traded on a regulated market;
- shares of companies accounted for under the equity method are measured at their value in use. Value in use is determined based on independent assessments of the real estate assets and financial instruments.

The Covivio Hotels group made an inaugural bond issue in September 2018, a second bond issue in July and November 2021 for €599 million and a new bond issue of €500 million in May 2024, the characteristics of which are presented in § 4.2.5.12.4.

4.2.2.8 Marketing risk for properties under development

The Group is involved in property development. As such, it is exposed to various risks, in particular risks related to construction costs, late delivery and the marketing of the asset. There were no building projects under development as of 31 December 2024.

4.2.2.9 Tax environment

The Group does not observe any major changes in the tax environment in France and in other countries impacting the results of the 2024 fiscal year.

Stemming from a project by the OECD and the European Commission, the "PILLAR 2" international tax reform aims to guarantee a minimum effective taxation of 15% of groups with revenue of at least €750 million, and will be applicable from the 2024 fiscal year.

The details expected from the bodies representing the reform, which take account of the specificities of the national schemes specific to REITs, have been postponed until 2025. In this context, and on the basis of the discussions and information obtained during the 2024 financial year and an OECD note from 2025 confirming the work in progress on REITs, no tax was recognised relating to the PILLAR 2 rules for the SIIC, SOCIMI and UK REIT scopes as of 31 December 2024.

For non-SIIC scopes, a provision of €150 thousand, taking into account the local corporate tax rate, was made for the PILLAR 2 tax in Hungary.

4.2.2.9.1 Tax risks

Due to the complexity and formalism that characterise the tax environment in which Covivio Hotels conducts its activities, the Group is exposed to tax risks. After consulting our advisors, if a tax treatment presents a risk of adjustment, a provision is made.

There is no provisioned tax risk at 31 December 2024, for which the effects would be likely to significantly affect Covivio Hotels' results or financial position.

4.2.2.9.2 Deferred Taxes

The impact of deferred tax liabilities therefore mainly relates to investments to which the SIIC regime does not apply (Belgium, Czech Republic, Germany, Hungary, Ireland, Italy, Netherlands, Poland, Portugal, Spain, United Kingdom). In the case of Spain, all Spanish companies have opted for the SOCIMI regime exemption. However, there are deferred tax liabilities related to assets held by the companies prior to opting for SOCIMI treatment.

Deferred tax mainly arises from fair value measurement of the overseas portfolio and from the Operating Properties business (German rate: 15.825%, French rate: 25.83%). Please note that the hotel 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.

For the UK, 9 of the 12 companies have entered the UK REIT exemption from 1 January 2024. There is therefore no longer any deferred tax on this part of the portfolio.

4.2.3 Scope of consolidation

4.2.3.1 Accounting principles relating to the scope of consolidation

Consolidated subsidiaries and structured entities – IFRS 10

These financial statements include the financial statements of Covivio Hotels and the financial statements of the entities (including structured entities) that it controls and its subsidiaries.

The Covivio Hotels 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 a manner as to affect the amount of returns that it receives.

The Covivio Hotels 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 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 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 accounted for in these consolidated accounts 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 statement 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 holding rate and change in consolidation method

None.

4.2.3.3 List of consolidated companies

Entries and exits from the consolidation scope are presented in the table below at the beginning or end of each business segment.

195 Companies	Country	Business sector	Consolidation method in 2024	% interest 2024	% interest 2023
SCA Covivio Hotels	**France**	**Multi-business**	**Parent company**	**-**	**-**
HoldCo Phoenix	France	Operating Properties	EM/EA	31.15	-
Holdco IRIS Dahlia	France	Operating Properties	EM/EA	20.00	-
Exhotel	France	Operating Properties	FC	100.00	-
Porte de Saint Cloud	France	Operating Properties	FC	100.00	-
SHPES	France	Operating Properties	FC	100.00	-
CTID	France	Operating Properties	EM/EA	20.00	-
Paris Clichy	France	Operating Properties	EM/EA	20.00	-
Mont du Centre	France	Operating Properties	EM/EA	31.15	-
Montreuilloise	France	Operating Properties	EM/EA	20.00	-
Ulysse OpCo Belgium	Belgium	Operating Properties	FC	100.00	-
Phoenix OpCo Belgium	Belgium	Operating Properties	EM/EA	33.33	-
Iris OpCo Belgium	Belgium	Operating Properties	EM/EA	20.00	-
Groen Brugge Hotel BV	Belgium	Operating Properties	EM/EA	20.00	-
Covivio Hotels Belgique	Belgium	Hotels	FC	100.00	-
Las Dalias Propco S. L	Spain	Hotels	FC	100.00	-
WIZIU Belgique	Belgium	Operating Properties	FC	100.00	-
Rocky 1	France	Hotels	FC	100.00	100.00
Rocky 2	France	Hotels	FC	100.00	100.00
Rocky 3	France	Hotels	FC	100.00	100.00
Rocky 4	France	Hotels	FC	100.00	100.00
Rocky 5	France	Hotels	FC	100.00	100.00
Rocky 6	France	Hotels	FC	100.00	100.00
Rocky 7	France	Hotels	FC	100.00	100.00
Rocky 8	France	Hotels	FC	100.00	100.00
Rocky 9	France	Hotels	FC	100.00	100.00
Rocky 10	France	Hotels	FC	100.00	100.00
Rocky 11	France	Hotels	FC	100.00	100.00
SCI Hôtel Porte Dorée	France	Hotels	FC	100.00	100.00
Foncière B4 Hôtel Invest	France	Hotels	FC	50.20	50.20
SARL Loire	France	Hotels	FC	100.00	100.00
Foncière Otello	France	Hotels	FC	100.00	100.00
SNC Hôtel René Clair	France	Hotels	FC	100.00	100.00
Foncière B2 Hôtel Invest	France	Hotels	FC	50.20	50.20
OPCI B2 Hôtel Invest	France	Hotels	FC	50.20	50.20
Foncière B3 Hôtel Invest	France	Hotels	FC	50.20	50.20
FDM Gestion Immobilière	France	Hotels	FC	100.00	100.00
Roco Italy Holdco SRL	Italy	Hotels	FC	100.00	100.00
Dei Dogi Venice Propco SRL (Roco Italy)	Italy	Hotels	FC	100.00	100.00
Bellini Venice Propco SRL (Roco Italy)	Italy	Hotels	FC	100.00	100.00
Palazzo Gaddi Florence Propco SRL (Roco Italy)	Italy	Hotels	FC	100.00	100.00
Palazzo Naiadi Rome Propco SRL (Roco Italy)	Italy	Hotels	FC	100.00	100.00
New York Palace PropCo Ltd (Roco Hungary)	Hungary	Hotels	FC	100.00	100.00
SC Czech AAD, s.r.o. (Roco Czech Republic)	Czech Rep.	Hotels	FC	100.00	100.00
Sardobal Investment (B&B Poland)	Poland	Hotels	FC	100.00	100.00
Redewen Investment (B&B Poland)	Poland	Hotels	FC	100.00	100.00

195 Companies	Country	Business sector	Consolidation method in 2024	% interest 2024	% interest 2023
Noxwood Investment (B&B Poland)	Poland	Hotels	FC	100.00	100.00
Cerstook Investment (B&B Poland)	Poland	Hotels	FC	100.00	100.00
Forsmint Investment (B&B Poland)	Poland	Hotels	FC	100.00	100.00
Rocky Covivio Limited	United Kingdom	Hotels	FC	100.00	100.00
Blythswood Square Hotel Glasgow Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
George Hotel Investments Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Grand Central Hotel Company Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda Leeds Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda Palace Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda Russell Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda York Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Oxford Spires Hotel Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Oxford Thames Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Roxburghe Investments Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
The St David's Hotel Cardiff Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Wotton House Properties Holdco Ltd (Rocky operation)	United Kingdom	Hotels	FC	100.00	100.00
Blythswood Square Hotel Glasgow Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
George Hotel Investments Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Grand Central Hotel Company Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda Leeds PropCo Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda Palace PropCo Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda Russell PropCo Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Lagonda York PropCo Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Oxford Spires Hotel Ltd (Rocky - Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Oxford Thames Limited (Rocky - Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Roxburghe Investments Propco Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
The St David's Hotel Cardiff Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
Wotton House Properties Ltd (Rocky – Propco operation)	United Kingdom	Hotels	FC	100.00	100.00
HEM Diestelkade Amsterdam BV (LHI 2 operation)	Netherlands	Hotels	FC	100.00	100.00
Delta Hotel Amersfoort BV	Netherlands	Hotels	FC	100.00	100.00
Hôtel Amsterdam Noord	Netherlands	Hotels	FC	100.00	100.00
Hôtel Amersfoort	Netherlands	Hotels	FC	100.00	100.00
NH Amsterdam Center Hôtel HLD	Netherlands	Hotels	FC	100.00	100.00
Stadhouderskade Amsterdam BV	Netherlands	Hotels	FC	100.00	100.00
MO Lux 1 SARL	Luxembourg	Hotels	FC	100.00	100.00
LHM Holding Lux SARL	Luxembourg	Hotels	FC	100.00	100.00
LHM PropCo Lux SARL	Luxembourg[1]	Hotels	FC	90.00	90.00
H Invest Lux	Luxembourg[1]	Hotels	FC	100.00	100.00
H Invest Lux 2	Luxembourg[1]	Hotels	FC	100.00	100.00
Murdelux SARL	Luxembourg	Hotels	FC	100.00	100.00
FDM Rocatiera	Spain	Hotels	FC	100.00	100.00
Trade Center Hotel	Spain	Hotels	FC	100.00	100.00
B&B Invest Spain SLU	Spain	Hotels	FC	100.00	100.00
Portmurs	Portugal	Hotels	FC	100.00	100.00
B&B Invest Lux 1	Germany	Hotels	FC	100.00	100.00
B&B Invest Lux 2	Germany	Hotels	FC	100.00	100.00
B&B Invest Lux 3	Germany	Hotels	FC	100.00	100.00
Mo First Five	Germany	Hotels	FC	84.60	84.60

195 Companies	Country	Business sector	Consolidation method in 2024	% interest 2024	% interest 2023
B&B Invest Lux 4	Germany	Hotels	FC	100.00	100.00
MO Dreilinden, Niederrad	Germany	Hotels	FC	94.00	94.00
MO Berlin et Koln	Germany	Hotels	FC	94.00	94.00
Ringer	Germany	Hotels	FC	100.00	100.00
B&B Invest Lux 5	Germany	Hotels	FC	93.00	93.00
Ulysse Belgique	Belgium	Hotels	FC	100.00	100.00
Ulysse Trefonds	Belgium	Hotels	FC	100.00	100.00
Foncière No Bruxelles Grand Place	Belgium	Hotels	FC	100.00	100.00
Foncière No Bruxelles Aéroport	Belgium	Hotels	FC	100.00	100.00
Foncière No Bruges Centre	Belgium	Hotels	FC	100.00	100.00
Foncière Gand Centre	Belgium	Hotels	FC	100.00	100.00
Foncière Gand Opéra	Belgium	Hotels	FC	100.00	100.00
Foncière IB Bruxelles Grand-Place	Belgium	Hotels	FC	100.00	100.00
Foncière IB Bruxelles Aéroport	Belgium	Hotels	FC	100.00	100.00
Foncière IB Bruges Centre	Belgium	Hotels	FC	100.00	100.00
Foncière Antwerp Centre	Belgium	Hotels	FC	100.00	100.00
Foncière Bruxelles Expo Atomium	Belgium	Hotels	FC	100.00	100.00
Sunparks Oostduinkerke	Belgium	Hotels	FC	100.00	100.00
Foncière Vielsam	Belgium	Hotels	FC	100.00	100.00
Sunparks Trefonds	Belgium	Hotels	FC	100.00	100.00
Foncière Kempense Meren	Belgium	Hotels	FC	100.00	100.00
Opco Hotel Stadt Berlin Betriebs (Park-Inn) – Rock	Germany	Operating Properties	FC	94.90	94.90
Berlin III (Propco Mercure Potsdam) – Rock	Germany	Operating Properties	FC	94.90	94.90
Opco Hotel Potsdam Betriebs (Mercure Potsdam) – Rock	Germany	Operating Properties	FC	94.90	94.90
Dresden II (propco Ibis Hotel Dresden) – Rock	Germany	Operating Properties	FC	94.90	94.90

Company	Country	Business sector	Consolidation method in 2024	% interest 2024	% interest 2023
Dresden III (propco Ibis Hotel Dresden) – Rock	Germany	Operating Properties	FC	94.90	94.90
Dresden IV (propco Ibis Hotel Dresden) - Rock	Germany	Operating Properties	FC	94.90	94.90
Opco BKL Hotelbetriebsgesellschaft (Dresden II to IV) – Rock	Germany	Operating Properties	FC	94.90	94.90
Dresden V (propco Pullman Newa Dresden) – Rock	Germany	Operating Properties	FC	94.90	94.90
Leipzig I (propco Westin Leipzig) – Rock	Germany	Operating Properties	FC	94.90	94.90
Opco Hotelgesellschaft Gerberst. Betriebs (Westin Leipzig) - Rock	Germany	Operating Properties	FC	94.90	94.90
Leipzig II (propco Radisson Blu Leipzig) – Rock	Germany	Operating Properties	FC	94.90	94.90
Opco Hotel Deutschland Leipzig Betriebs (Radisson Blu) – Rock	Germany	Operating Properties	FC	94.90	94.90
Erfurt I (propco Radisson Blu Erfurt) – Rock	Germany	Operating Properties	FC	94.90	94.90
Opco Hotel Kosmos Erfurt (Radisson Blu) – Rock	Germany	Operating Properties	FC	94.90	94.90
Opco Grand Hotel Berlin Betriebs (Westin Berlin) – Rock	Germany	Operating Properties	FC	94.90	94.90
Berlin II (Propco Park Inn Alexanderplatz) – Rock	Germany	Operating Properties	FC	94.90	94.90
Berlin I (Propco Westin Grand Berlin) – Rock	Germany	Operating Properties	FC	94.90	94.90
WIZIU SAS	France	Operating Properties	FC	100.00	100.00
OPCO Rosace	France	Operating Properties	FC	100.00	100.00
SCI Rosace	France	Operating Properties	FC	100.00	100.00
WIZIU Holiday Inn Picardy	France	Operating Properties	FC	100.00	100.00
WIZIU Hermitage Gantois	France	Operating Properties	FC	100.00	100.00
WIZIU Hotel De Bourgtheroulde	France	Operating Properties	FC	100.00	100.00
WIZIU Grand Hotel Bellevue	France	Operating Properties	FC	100.00	100.00

Company	Country	Business sector	Consolidation method in 2024	% interest 2024	% interest 2023
WIZIU Crown Plaza	France	Operating Properties	FC	100.00	100.00
WIZIU Art Deco	France	Operating Properties	FC	100.00	100.00
Société nouvelle de l'hôtel Plaza Sas (opco Nice) (Roco France)	France	Operating Properties	FC	100.00	100.00
Constance	France	Operating Properties	FC	100.00	100.00
Nice – M	France	Operating Properties	FC	100.00	100.00
Hermitage Holdco	France	Operating Properties	FC	100.00	100.00
Ruhl Côte d'Azur	France	Operating Properties	FC	100.00	100.00
WIZIU - Couvent des Minimes (PROPCO & OPCO)	France	Operating Properties	FC	100.00	100.00
OPCO 2 Bruges NV (Opco Belgium)	Belgium	Operating Properties	FC	100.00	100.00
Airport Garden Hotel NV	Belgium	Operating Properties	FC	100.00	100.00
Exco Hôtel	Belgium	Operating Properties	FC	100.00	100.00
Invest Hôtel	Belgium	Operating Properties	FC	100.00	100.00
FDM M Lux	Luxembourg	Operating Properties	FC	100.00	100.00
Dresden Dev SARL	Luxembourg[1]	Operating Properties	FC	94.90	94.90
Rock Lux opco	Luxembourg	Operating Properties	FC	100.00	100.00
Constance Lux 1	Luxembourg	Operating Properties	FC	100.00	100.00
Constance Lux 2	Luxembourg	Operating Properties	FC	100.00	100.00
Rock-Lux	Luxembourg	Operating Properties	FC	100.00	100.00
Lagonda Leeds Opco Ltd (Opco UK)	United Kingdom	Operating Properties	FC	100.00	100.00
Lagonda York Opco Ltd (Opco UK)	United Kingdom	Operating Properties	FC	100.00	100.00
Wotton House Properties Opco Limited (Opco UK)	United Kingdom	Operating Properties	FC	100.00	100.00
Honeypool (Holding Hilton Dublin)	Ireland	Operating Properties	FC	100.00	100.00
Thornmont Ltd (Propco Hilton Dublin)	Ireland	Operating Properties	FC	100.00	100.00
Kilmainham Property Holdings (Hilton Dublin)	Ireland	Operating Properties	FC	100.00	100.00
Iris Holding France	France	Hotels	EM/EA	19.90	19.90
OPCI Iris Invest 2010	France	Hotels	EM/EA	19.90	19.90
Foncière Iris SAS	France	Hotels	EM/EA	19.90	19.90
Sables d'Olonne SAS	France	Hotels	EM/EA	19.90	19.90
Iris investor Holding Gmbh	Germany	Hotels	EM/EA	19.90	19.90
Iris General partner Gmbh	Germany	Hotels	EM/EA	10.00	10.00
Iris Bochum & Essen Gmbh	Germany	Hotels	EM/EA	19.90	19.90
Iris Frankfurt Gmbh	Germany	Hotels	EM/EA	19.90	19.90
Iris Verwaltungs Gmbh & co KG	Germany	Hotels	EM/EA	18.90	18.90
Iris Nurnberg Gmbh	Germany	Hotels	EM/EA	19.90	19.90
Iris Stuttgart Gmbh	Germany	Hotels	EM/EA	19.90	19.90
Narcisse Holding Belgique	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Bruxelles Tour Noire	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Louvain	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Bruxelles Centre Gare	Belgium	Hotels	EM/EA	19.90	19.90
Tulipe Holding Belgique	Belgium	Hotels	EM/EA	19.90	19.90
Iris Tréfonds	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Louvain Centre	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Liège	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Bruxelles Aéroport	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Bruxelles Sud	Belgium	Hotels	EM/EA	19.90	19.90
Foncière Bruge Station	Belgium	Hotels	EM/EA	19.90	19.90

Company	Country	Business sector	Consolidation method in 2024	% interest 2024	% interest 2023
OPCI Camp Invest	France	Hotels	EM/EA	19.90	19.90
SAS Campeli	France	Hotels	EM/EA	19.90	19.90
SCI Dahlia	France	Hotels	EM/EA	20.00	20.00
Jouron (Phoenix Belgium)	Belgium	Hotels	EM/EA	33.33	33.33
Foncière Gand Cathédrale (Phoenix)	Belgium	Hotels	EM/EA	33.33	33.33
Foncière IGK (Phoenix)	Belgium	Hotels	EM/EA	33.33	33.33
Kombon SAS (Phoenix)	France	Hotels	EM/EA	33.33	33.33
OPCI Otelli (Phoenix)	France	Hotels	EM/EA	31.15	31.15
CBI Orient (Phoenix)	France	Hotels	EM/EA	31.15	31.15
CBI Express (Phoenix)	France	Hotels	EM/EA	31.15	31.15
Iris Berlin Gmbh	Germany	Hotels	EM/EA	-	19.90
Foncière Bruxelles Sainte Catherine (Phoenix)	Belgium	Hotels	EM/EA	-	33.33
Opco Hotel Newa Dresden Betriebs (Pullman) – Rock	Germany	Operating Properties	FC	-	94.90
Bardiomar	Spain	Hotels	FC	-	100.00

1. Luxembourg company with assets operated in Germany.

EM/JV: Equity method - Joint venture (0)
EM/AC: Equity method - Associated company (41)
FC: Full consolidation (153)
n.i.: Not integrated (0)
merged (3)

The registered office of the parent company Covivio Hotels and its main fully consolidated French subsidiaries has been at Rue de Madrid – 75008 Paris since 24 February 2024. The registered office of its main Luxembourg subsidiaries is located at 21 avenue de la Gare, L-1611 Luxembourg.

There are 195 companies in the Covivio Hotels Group, including 153 fully consolidated companies and 41 equity affiliates.

4.2.3.4 Assessment of control

OPCI Foncière B2 Hôtel Invest (consolidated structured entity)

OPCI Foncière B2 Hôtel Invest, 50.2% owned by Covivio Hotels as at 31 December 2024, is fully consolidated.

Governance decisions at the OPCI are taken by a majority of the six members of the Board of Directors (Covivio Hotels has three representatives including the Chairman, who has a casting vote in the event of a tie).

Considering the rules of governance that grant Covivio Hotels powers giving it the ability to affect asset yields, the company is fully consolidated.

4.2.4 Significant events of the period

Significant events during the period were as follows:

4.2.4.1 Business update

The year 2024 marks a generally positive dynamic with the continued increase in RevPAR and occupancy rates slightly higher than in 2023. This continued growth is reflected in:

- an increase in rental income, particularly in Southern Europe
- the €7.9 million increase in the EBITDA of hotels under management.

4.2.4.2 Operation Vauban

An agreement with AccorInvest was signed on 29 November 2024 and covers the sale of 16 assets. In return, Covivio Hotels received the business assets of 43 hotels already owned by the Group in France, Belgium and Germany. This consolidation operation represents an exchange value of nearly €800 million.

This transaction led to the reclassification of hotel properties, corresponding to €550 million from investment properties measured at fair value to operating properties recognised at amortised cost. The amortisation impact of this reclassification over the period is €4 million. The preliminary allocation of the purchase price is presented in Note 4.2.5.1.2 "Fixed assets movements tables", in the "Goodwill" paragraph.

For information, the transaction also concerns the hotels held in joint ventures (two portfolios). Covivio Hotels and these partners are acquiring 19 business assets in exchange for the sale of 6 assets.

4.2.4.3 Asset disposals

During the financial year, the Covivio Hotels group sold 2 hotels in Spain, 19 Accor hotels (including 10 as part of the Vauban project), 5 hotels in Germany, 2 hotels in Poland, 1 hotel in Belgium and 2 shops.

As of 31 December 2024, new commitments had also been signed for two hotels in Poland for €17 million, four hotels in France for €38 million and nine shops for €14 million.

4.2.4.4 Disposal of securities

During the 2024 financial year, shares in Bardiomar were sold for €67.4 million and a German Operating Property for €0.7 million.

4.2.4.5 Financing and reimbursement

Covivio Hotels subscribed on 15 May 2024 to a green bond of €500 million with a maturity of 9 years. Covivio Hotels made a partial redemption of £130 million (€150 million) out of the £400 million subscribed in 2018.

During the fiscal year, Covivio Hotels also refinanced its Spanish debt for €229 million with a maturity of seven years.

At the end of the year, Covivio Hotels took out a new loan of €150 million as part of the acquisition of the assets of the Vauban operation.

Over the fiscal year, Covivio Hotels also issued commercial paper for €78 million.

4.2.5 Notes to the statement of financial position

4.2.5.1 Portfolio

4.2.5.1.1 Accounting principles relating to tangible and intangible assets

Business combinations (IFRS 3) and goodwill

An entity must determine whether a transaction or event constitutes a business combination within the meaning of the definition of IFRS 3, which stipulates that a business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return directly to investors in the form of dividends, lower prices or other economic advantages.

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 price on the portion of the buyer's interest in the fair value of the assets and liabilities acquired, net of any deferred taxes. Badwill is recognised in the income statement.

To determine whether a transaction constitutes a business combination, the Group considers whether an integrated set of businesses is acquired in addition to real estate. The criteria the Group uses may be the number of assets and the existence of a process such as asset management or sales and marketing units.

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. Impairment testing consists of comparing the net book value of tangible and intangible fixed assets and related goodwill with the valuation of the hotels in the "Operating Properties" activity carried out by real estate appraisers. In 2024, the acquisition of the business assets of the Vauban operation required the recognition of goodwill of €210 million. Indeed, the price paid to acquire these business assets contributes to the value of the assets (OpCos + PropCos), as valued by the real estate appraiser. The Group did not pay any additional price to acquire these OpCos. The goodwill published in the balance sheet therefore contributes to the fair value of the assets shown as operating properties in the Group's balance sheet.

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 of an acquisition classified as a business combination are recognised in expenses in accordance with IFRS 3 under "Income from changes in scope" in the income statement, while acquisition costs not classified as a business combination are booked as part of the asset value 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.

Owner occupied buildings are recognised as tangible fixed assets at amortised cost.

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.

The Covivio Hotels portfolio is appraised by independent experts who are members of AFREXIM (in particular Cushman, BNP Paribas Real Estate, CBRE, BPCE Expertise, MKG) on a half-yearly basis, with two appraisals, one on 30 June and the other on 31 December.

The assets were estimated at values excluding and including duties, and rents at market value. They are accounted for at their net market value.

The methodology changes according to the type of asset:

Valuation of hotel real estate

The value of hotel real estate was determined by discounting future annual net income on the basis of the following principles:

- most of the cash flow forecasts were valued over ten years;
- cash flow is determined on the basis of rental income, which is in turn dependent on hotel real estate revenues, and direct investments by Covivio Hotels are deducted from cash flow;
- rental income is calculated by applying a fixed rate to hotel revenues. Rates vary depending on the brand and the asset location;
- discount and capitalisation rates are determined on the basis of risk-free interest rates plus a risk premium related to the property.

Valuation of Club Méditerranée in Portugal

The resort was valued by capitalising the rental income that it is likely to generate.

Valuation of non-material activities

The restaurants (Courtepaille) were valued by capitalising the rental income they are likely to generate (having regard to the estimated level of the standardised rent that the asset is likely to carry) as well as by discounting all the rental income over the residual term of the lease.

The resulting values are also cross-checked with the initial yield rate, monetary values per m^2 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 all categorised at level 3 according to the IFRS 13 fair value hierarchy.

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, managed hotels under the Operating Properties business line (Own Occupied Buildings - occupied or operated by Group teams) are carried at historical cost less accumulated depreciation and any potential impairment. They are amortised over their expected useful life according to a components-based approach.

The hotels operated as Operating Properties are depreciated according to their period of use:

Buildings	50 to 60 years
General facilities and building improvements	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.

Assets available for sale (IFRS 5)

In accordance with IFRS 5, when Covivio Hotels 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 begun.

For Covivio Hotels, only assets corresponding to the above criteria and for which a preliminary sale agreement has been signed are classified as assets held for sale.

If a preliminary sale agreement 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

Goodwill

On 29 November 2024, Covivio Hotels acquired from AccorInvest and its subsidiaries 100% of the shares of companies that hold hotel business assets previously owned by the Covivio Hotels group.

The transaction thus concerns the acquisition by Covivio Hotels (and its partners for the two joint ventures) of 43 operating companies (thereby enabling them to be consolidated as properties owned and operated by Covivio Hotels) in exchange for the transfer to AccorInvest of sixteen other hotels, which will then be owned by AccorInvest.

These consolidation transactions for Covivio Hotels (consolidated portfolio) and the joint-ventures (stakes in equity-accounted companies) represent a total of €369 million for the hotel property companies sold by Covivio Hotels and its partners, equivalent to that of the operating companies owned and operated by the companies whose shares were acquired. The acquisition price was settled by offsetting seller loans from the sale of the premises to AccorInvest. The acquisition price amounts to €241.2 million for the 24 consolidated business assets acquired.

The transaction with AccorInvest enables Covivio to strengthen its presence in the hotel sector in major tourist areas with considerable potential for value creation through repositioning and management optimisation.

Fair value measurement of identifiable assets and liabilities acquired in business combinations (IFRS 3)

The amounts by category of assets and liabilities recognised, at the acquisition date, of fully consolidated companies are presented below:

(In € million)	29/11/2024
Intangible fixed assets	0.2
Other tangible assets	38.8
Other non-current assets	0.2
Non-current assets	**39.1**
Receivables	3.1
Other receivables	10.1
Cash and cash equivalent	21.1
Current assets	**34.3**
TOTAL ASSETS	**73.4**
Shareholders' equity Group Share	**31.1**
Non-current financial liabilities	0.0
Provisions	3.5
Other non-current liabilities	0.0
Non-current liabilities	**3.5**
Current financial liabilities	0.1
Payables	14.2
Other liabilities	24.5
Current liabilities	**38.8**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**73.4**

Goodwill corresponds to the difference between the total cost of the business combination (€241.2 million) and the equity acquired (€31.1 million), and amounts to €210.1 million.

The revised IFRS 3 provides for a maximum period of 12 months from the acquisition date for the final recognition of the acquisition: the corrections of the valuations made must be linked to facts and circumstances existing at the acquisition date. Thus, beyond this 12-month period, any contingent consideration is recognised in profit or loss for the year, unless it is in the form of an equity instrument.

€4.9 million were recognised in acquisition costs on securities in the income statement, and are presented in the aggregate *Income from changes in scope*.

Since their acquisition at the end of November, the acquired entities have contributed €14.7 million to the revenue of hotels under management and -€9.7 million to the operating expenses of hotels under management. The contribution of hotels under management to EBITDA was therefore +€5.0 million. These companies also contributed -€0.6 million to depreciation expenses. The contribution to the Group's net income amounted to +€1.0 million, net of intragroup billings.

If the transaction had been completed on 1 January 2024, the acquired entities would have contributed €173 million to the revenue of Hotels under management and €60 million to EBITDA.

(In € million)	31/12/2023	New consolidation scope	Others	31/12/2024
Gross amounts	227.7	210.1	-6.2	431.5
Depreciation/Impairment	-110.3	0.0	3.7	-106.6
GOODWILL	**117.4**	**210.1**	**-2.5**	**325.0**

The entry in the scope of consolidation column for €210.1 million is linked to the Vauban acquisition. This increase was partially offset, by €2.5 million, by the disposal of the Pullman Dresden fund.

At 31 December 2024, goodwill sensitivity tests were carried out. A 2.5% decrease in appraisal values would result in additional impairments of €14.7 million, including €14 million from the Vauban portfolio acquired at the end of 2024 and a 5% decrease in values would result in additional impairments of €33.3 million, of which €31.8 million is related to the Vauban portfolio.

Position at 31 December 2023

(In € million)	31/12/2022	Impairment	Others	31/12/2023
Gross amounts	22.7	0.0	0.0	227.7
Depreciation/Impairment	-107.6	-2.7	0.0	-110.3
GOODWILL	**120.1**	**-2.7**	**0.0**	**117.4**

Intangible fixed assets

(In € million)	31/12/2023	New consolidation scope	Increase/ acquisitions	Additions/ reversals	Others	31/12/2024
Gross amounts	2.2	0.3	0.6	0.0	-0.1	3.1
Depreciation/Impairment	-1.9	-0.2	0.0	- 0.2	0.1	-2.2
OTHER INTANGIBLE ASSETS	**0.2**	**0.2**	**0.6**	**- 0.2**	**-0.0**	**0.9**

An increase of €0.6 million was recorded over the financial year in connection with the acquisition of licenses and the creation of the operator WIZIU.

Position at 31 December 2023

(In € million)	31/12/2022	New consolidation scope	Increase/ acquisitions	Additions/ reversals	Others	31/12/2023
Gross amounts	2.4	0.0	0.1	0.0	-0.3	2.2
Depreciation/Impairment	-2.1	0.0	0.0	- 0.2	0.3	- 1.9
OTHER INTANGIBLE ASSETS	**0.3**	**0.0**	**0.1**	**- 0.2**	**-0.0**	**0.2**

Tangible fixed assets

(In € million)	31/12/2023	New consolidation scope	Disposal, scrapping	Increase/ acquisitions	Additions/ reversals	Transfers	Indexation	Others	31/12/2024
Operating properties and assets under management	1,574.5	81.8	-39.4	34.3	0.0	-58.9	0.0	704.0	2,296.4
Use rights on operating properties	45.2	0.0	0.0	0.0	0.0	2.5	0.4	0.7	48.7
TOTAL GROSS VALUES	**1,619.7**	**81.8**	**15.3**	**34.3**	**0.0**	**-56.5**	**0.4**	**704.7**	**2,345.1**
Operating properties and assets under management	-510.4	-43.5	0.0	0.0	-53.4	53.7	0.0	-150.8	-689.1
Use rights on operating properties	-2.6	0.0		0.0	-0.7	0.3	0.0	-0.0	-3.1
TOTAL DEPRECIATION	**-513.0**	**- 43.5**	**15.3**	**0.0**	**-54.0**	**54.0**	**0.0**	**-150.8**	**-692.2**
OPERATING PROPERTIES (CARRIED AT COST)	**1,106.7**	**38.4**	**-24.1**	**34.3**	**-54.0**	**-2.5**	**0.4**	**553.9**	**1,653.0**

The portfolio of hotels held as operating properties totalled €1,653.0 million at 31 December 2024. They are recognised in the line item "Operating buildings (carried at cost)". In accordance with IFRS, the owner-occupied buildings do not meet the definition of investment property and are measured and recognised at amortised cost.

The net total of the "Other" column (€553.9 million) mainly includes:

- the effect of the consolidation of hotels with AccorInvest by reclassifying investment properties as operating properties for €549.4 million;
- exchange rate fluctuations for €4.5 million.

The net total of the "additions to the consolidation scope" column (€38.4 million) corresponds to the effect of the consolidation of hotels with AccorInvest and the entry of fixed assets via the buyback of the companies holding the business assets.

The "Increase/Acquisitions" column mainly includes:

- work carried out on the Belgian portfolio for €10.6 million;
- work carried out in the UK for €1.5 million;
- the additional impairment of an asset in the United Kingdom for -€7.5 million and the impairment of two assets in Germany for -€3.6 million.

The column "Additions/reversals" -€54 million includes the amortisation for the period, plus the recognition of amortisation of revaluation differences on the Vauban portfolio (-€4 million).

The "indexation" column (€0.4 million) includes the indexation of long-term leases treated in accordance with IFRS 16.

Position at 31 December 2023

(In € million)	31/12/2022	New consolidation scope	Disposal, scrapping	Increase/ acquisitions	Additions/ reversals	Transfers	Indexation	Others	31/12/2023
Operating properties and assets under management	1,613.7	0.0	-16.6	19.3	0.0	-27.7	0.0	-14.1	1,574.5
Use rights on operating properties	0.0	0.0	0.0	0.0	0.0	29.2	0.0	15.9	45.2
TOTAL VALEURS BRUTES	**1,613.7**	**0.0**	**-16.6**	**19.3**	**0.0**	**1.5**	**0.0**	**1.8**	**1,619.7**
Operating properties and assets under management	-482.9	0.0	16.5	0.0	-46.3	2.4	0.0	0.0	-510.4
Use rights on operating properties	0.0	0.0	0.0	0.0	-0.7	-1.9	0.0	0.0	-2.6
TOTAL DEPRECIATION	**-482.9**	**0.0**	**-16.5**	**0.0**	**-47.1**	**0.5**	**0.0**	**0.0**	**-513.0**
OPERATING PROPERTIES (CARRIED AT COST)	**1,130.8**	**0.0**	**-0.1**	**19.3**	**-47.1**	**2.0**	**0.0**	**1.8**	**1,106.7**

Other tangible assets

(In € million)	31/12/2023	New consolidation scope	Increase/ acquisitions	Disposal, scrapping	Additions/ reversals	Transfers	31/12/2024
Gross amounts	15.1	1.0	4.9	-0.7	0.0	55.2	75.5
Depreciation/Impairment	-12.1	-0.6	0.0	0.0	-2.4	-49.7	-64.8
OTHER TANGIBLE ASSETS	**3.0**	**0.4**	**4.9**	**-0.6**	**-2.4**	**5.5**	**10.7**

The "Increase/acquisitions" column for €4.9 million mainly includes purchases and renewals of furniture in the Operating Properties portfolio and more specifically in Belgium (€2 million) and Germany (€1.1 million).

Position at 31 December 2023

(In € million)	31/12/2022	New consolidation scope	Increase/ acquisitions	Disposal, scrapping	Additions/ reversals	Transfers	31/12/2023
Gross amounts	14.2	0.0	0.4	-0.6	0.0	0.6	15.1
Depreciation/Impairment	-11.1	-0.0	0.0	0.0	-1.0	0.0	-12.1
OTHER TANGIBLE ASSETS	**3.1**	**0.0**	**0.4**	**-0.6**	**-1.0**	**0.6**	**3.0**

Investment properties and assets held for sale

(In € million)	Investment properties	Use rights on investment properties	Total investment properties (at fair value)	Assets available for sale	Investment properties total
Investment properties at 31/12/2023	**4,411.9**	**243.4**	**4,655.2**	**161.9**	**4,817.2**
Increase, acquisitions	101.1	0.0	101.1	0.4	101.4
Disposals	-313.1	0.0	-313.1	-36.2	-349.4
Change in fair value	48.6	-0.6	47.9	3.3	51.3
Transfers	-20.1	-3.5	-23.6	20.1	-3.5
Indexation, contract modification	0.0	1.4	1.4	0.0	1.4
Change in exchange rate	23.0	7.7	30.7	0.1	30.8
Others	-549.4	-0.1	-549.5	-81.0	-630.5
Investment properties at 31/12/2024	**3,701.9**	**248.3**	**3,950.1**	**68.6**	**4,018.7**

Under IFRS, investment properties and assets held for sale are measured in accordance with the fair value principle.

The €101.4 million "Increase, acquisitions" line mainly includes:

- the acquisition of a hotel in Spain for €81 million;
- work on 3 assets in Spain (€14 million), on B&B Tandem (€1 million) and ACCOR France (€2.2 million);
- the impact of rent-free periods and step rental schemes for €2.4 million.

The "Disposals" line (-€349.4 million) includes:

- the disposal of two hotels in Spain (-€35 million), nine ACCOR hotels (-€59 million), four hotels in Germany (-€31 million), two hotels in Poland (-€16.5 million) and three shops (-€5 million);
- the sale, as part of the Vauban transaction, of 10 ACCOR hotels for -€203.5 million;
- the reclassification of retail assets, whose commitments were not repeated in 2024, for -€36.2 million.

The "Other" line (-€630.5 million) notably includes the effect of the consolidation of hotels with AccorInvest and the acquisition of fixed assets via the buyback of the companies holding the business assets (-€549.5 million) and the disposal of Bardiomar under agreement (-€81 million).

"Assets held for sale" for €68.6 million include two hotels in Poland (€17 million), four hotels in France (€38 million) and nine shops (€14 million).

The change in the fair value of properties was up by €51.3 million over the fiscal year. It is linked to the increase in appraisal values over the fiscal year.

The amount of the "Disbursements related to acquisition of tangible and intangible fixed assets" line item in the Statement of Cash Flows totalled -€135.3 million. It mainly corresponds to the total of the "Increase/acquisitions" column of investment properties for (-€101.4 million), works on operating properties and acquisitions (-€34.3 million), acquisitions and new consolidation scope on other property, plant and equipment (-€5.9 million), the impact of changes in debts on acquisitions of fixed assets (+€3.4 million) and the impact of rent-free periods included in the appraisal values (+€2.9 million).

Position at 31 December 2023

(In € million)	Investment properties	Use rights on investment properties	Total investment properties (at fair value)	Assets available for sale	Investment properties total
Investment properties at 31/12/2022	**4,698.9**	**238.3**	**4,937.2**	**42.9**	**4,980.2**
Augmentation, acquisitions	23.6	0.0	23.6	0.0	23.6
Disposals	-3.5	0.0	-3.5	-17.0	-20.5
Change in fair value	-195.7	-0.7	-196.3	-1.2	-197.5
Transfers	-130.7	8.6	-122.1	130.7	8.6
Indexation, contract modification	0.0	0.0	0.0	0.0	0.0
Change in exchange rate	18.3	2.7	21.0	0.0	21.0
Others	0.9	-5.6	-4.7	6.5	1.8
Investment properties at 31/12/2023	**4,411.9**	**243.4**	**4,655.2**	**161.9**	**4,817.2**

4.2.5.1.3 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 real estate appraisers:

Position at 31 December 2024

Grouping of comparable assets	Level	Yield rate (min. - max.)	Yield rate (weighted average)	DCF discount rate	Average discount rate	Appraisal value (In € thousand)
Germany	Level 3	4.6% - 6.0%	5.4%	5.1% - 7.8%	6.6%	590.9
Belgium	Level 3	6.9% - 9.0%	8.6%	9% - 11.2%	10.7%	121.5
Spain	Level 3	4.3% - 7.5%	5.2%	6.2% - 9.4%	7.1%	641.3
France	Level 3	4.5% - 6.5%	5.3%	6.0% - 10.0%	7.2%	957.4
Netherlands	Level 3	5.3% - 8.3%	5.9%	7.3% - 10.3%	7.9%	159.1
UK	Level 3	4.5% - 6.5%	5.1%	6.5% - 8.5%	7.1%	712.1
Others	Level 3	5.7% - 7.7%	6.0%	7.9% - 9.5%	8.1%	545.6
Hotels - Lease properties	**Level 3**	**4.3% - 9.0%**	**5.7%**	**5.1% - 11.2%**	**7.3%**	**3,727.9**
Other activities (non-material)	Level 3	6.5% - 10.0%	7.6%	8.5% - 12.0%	9.6%	42.5
Total investment properties, excluding development portfolio and rights of use						**3,770.5**
Rights-of-use	Level 3					248.3
TOTAL						**4,018.7**

Position at 31 December 2023

Grouping of comparable assets	Level	Yield rate (min. - max.)	Yield rate (weighted average)	DCF discount rate	Average discount rate	Appraisal value (In € thousand)
Germany	Level 3	4.6% - 6.0%	5.3%	5.1% - 7.5%	6.5%	626.9
Belgium	Level 3	6.1% - 8.8%	7.5%	8.4% - 10.7%	9.6%	205.2
Spain	Level 3	4.2% - 7.4%	5.3%	6.1% - 9.3%	7.3%	636.1
France	Level 3	4.4% - 8.3%	5.2%	6.0% - 8.8%	7.0%	1,668.5
Netherlands	Level 3	5.0% - 6.3%	5.6%	7.0% - 8.3%	7.6%	158.8
UK	Level 3	4.5% - 6.5%	5.1%	6.5% - 8.5%	7.1%	662.0
Others	Level 3	5.6% - 7.5%	6.1%	8.0% - 9.4%	8.3%	558.9
Hotels - Lease properties	**Level 3**	**4.2% - 8.8%**	**5.5%**	**5.1% - 10.7%**	**7.3%**	**4,516.4**
Other activities (non-material)	Level 3	7.55% - 8.0%	0.2%	9.45% - 10.4%	0.2%	50.9
Total investment properties, excluding development portfolio and rights of use						**4,567.3**
Rights-of-use	Level 3					243.4
Other assets held for sale						6.5
TOTAL						**4,817.2**

Impact of changes in the yield rate on the change in the fair value of real estate assets:

(In € million)	Yield	Yield -25 bps	Yield +25 bps
Hotels in Europe	6.4%	164.2	-151.0
TOTAL	**6.4%**	**164.2**	**-151.0**

- If the yield rate excluding taxes drops 25 bps (-0.25 points), the market value excluding taxes of the real estate assets will increase by €164.2 million;
- If the yield rate excluding taxes increases by 25 bps (+0.25 points), the market value excluding taxes of the real estate assets will decrease by -€151 million.

Impact of changes in the discount rate on the change in the fair value of real estate assets:

On the basis of a significant sample of the portfolio of hotel leases, the sensitivity of the value of the portfolio to changes in the discount rate can be assessed as follows:

- If the discount rate drops 25 bps (-0.25 points), the market value excluding taxes of the real estate assets will increase by about +2.6%, or €96.6 million;
- If the discount rate increases by 25 bps (+0.25 points), the market value excluding taxes of the real estate assets will decrease by about 2.5%, or €94 million.

4.2.5.2 Other non-current financial assets

4.2.5.2.1 Accounting principles related to financial assets

Loans

At each closing 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.

Other financial assets

Other financial assets are made up of investments in non-consolidated companies.

When acquired these securities are recognised at their fair value, generally corresponding to the acquisition price. They are then recognised at fair value in the income statement on the closing date. The fair value is arrived at on the basis of recognised valuation techniques (reference to recent transactions, discounted future cash flows, etc.).

Non-consolidated securities are valued at their fair value and changes in value are recorded either in other comprehensive income or in the income statement, depending on the option chosen by the Group for each of these securities in accordance with IFRS 9.

Dividends received are recognised when they have been approved by vote.

4.2.5.2.2 Other non-current financial assets

(In € million)	31/12/2023	New consolidation scope	Increases	Decreases	Reclassification	31/12/2024
Loans granted to equity-accounted companies	51.6	0.0	18.2	-14.2	3.4	59.0
Non-consolidated securities	0.2	0.0	0.0	-0.0	0.0	0.2
Security deposits	5.1	0.2	0.0	-0.6	0.0	4.7
Advances and advanced payments	2.5	0.0	0.0	0.0	0.0	2.6
Other financial assets	0.0	0.0	9.5	-0.0	0.0	9.5
TOTAL OF OTHER NON-CURRENT FINANCIAL ASSETS	**59.5**	**0.2**	**18.2**	**-14.8**	**3.4**	**76.0**

Loans granted to equity affiliates mainly consist of subordinated loans to the Phoenix (€37.6 million) and Iris (€3.4 million) portfolios and a new loan for the new HoldCo Iris-Dahlia entity holding the business assets of the Vauban stores for €19.6 million.

The "decreases" column corresponds to the repayment of loans to the Phoenix portfolio (-€14 million).

Security deposits mainly include security deposits paid to municipalities in Spain for €4.8 million.

Advances and down payments on equity investments concern two acquisitions of hotels under development in Portugal and Belgium.

The increase in "other financial assets" (€9.5 million) concerns AccorInvest's deferred payment of more than one year.

4.2.5.3 Investments in equity affiliates and joint ventures

4.2.5.3.1 Accounting principles related to investments

Investments in equity affiliates and joint ventures are accounted for by the equity method. According to this method, the Group's investment in equity affiliates or joint ventures is initially accounted for at cost, increased or reduced by the changes, subsequent to the acquisition, in the share of the net assets of the affiliates. Goodwill related to an associate is included in the carrying amount of the investment. The share in the earnings for the period is shown in the line item "Share in income of equity affiliates".

The financial statements of equity affiliates 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 Hotels group.

4.2.5.3.2 Table of investments in equity affiliates and joint ventures

(In € million)	% held	31/12/2024	31/12/2023	Share of net income	Dividend payments
OPCI CAMPINVEST	19.90%	21.5	21.0	1.8	-1.3
IRIS HOLDING France	19.90%	23.7	21.4	2.3	0.0
OPCI IRIS INVEST 2010	19.90%	25.2	32.3	2.5	-9.6
SCI DAHLIA	20.00%	22.5	21.2	1.3	-0.0
IRIS DAHLIA (Business assets)	20.00%	4.5	0.0	-0.0	4.6
OPCI OTELI (Phoenix)	31.15%	74.0	71.9	5.0	-2.9
PHOENIX Business assets	31.15%	7.4	0.0	-0.2	7.6
KOMBON (Phoenix)	33.33%	23.9	25.2	-0.2	-1.1
JOURON (Phoenix)	33.33%	14.0	11.6	2.6	-0.2
TOTAL		**216.7**	**204.6**	**15.1**	**-3.0**

Investments in equity affiliates totalled €216.7 million as at 31 December 2024, compared with €204.6 million as at 31 December 2023. The change in profit (+€15.1 million) includes changes in the fair value of buildings (€18.6 million), financial instruments (-€4.3 million) and a decrease in Accor variable rents (-€1.8 million).

The Vauban transaction resulted in the acquisition of 19 hotel business assets whose portfolio companies already hold the premises against the disposal of 6 hotels in the portfolio. The transaction was completed on 29 November 2024.

As a reminder, the OPCI Iris Invest 2010 and Iris Holding France holding companies were set up in 2010 and hold a portfolio of 30 Accor hotels in France, Belgium and Germany and a B&B Hotels portfolio of 13 hotels in France.

The OPCI Campinvest holding company was formed in 2011 and owns a portfolio of 19 Campanile hotels in France.

SCI Dahlia, established in 2011, owns a portfolio of four Accor hotels in France and two hotels under the B&B Hotels brand.

The Phoenix portfolio was acquired in July 2019 and now includes 23 Accor hotels in France, two Accor hotels in Belgium and two B&B Hotels.

4.2.5.3.3 Breakdown of the shareholding structure of the main equity affiliates and joint ventures

	OPCI CAMPINVEST	IRIS HOLDING France	OPCI IRIS INVEST 2010	SCI DAHLIA	IRIS DAHLIA (Business assets)	OPCI OTELI (Phoenix)	PHOENIX Business assets	KOMBON SAS (Phoenix)	JOURON SPRL (Phoenix)
Covivio Hotels group									
Covivio Hotels	19.9%	19.9%	19.9%	20.0%	20.0%	31.15%	31.15%	33.33%	33.33%
Non-Group third parties									
PREDICA	68.8%	80.1%	80.1%	80.0%	80.0%				
PACIFICA	11.3%								
SOGECAP						31.15%	31.15%	33.33%	33.33%
CAISSE DÉPÔT CONSIGNATION						37.7%	37.7%	33.33%	33.33%

4.2.5.3.4 Main financial information on equity affiliates and joint ventures

(In € million)	Balance sheet total	Total non-current assets	Cash	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)
OPCI CAMPINVEST	162.0	130.1	27.4	0.0	0.5	53.2	10.6	0.0	9.3
IRIS HOLDING France	225.9	185.2	38.6	24.2	2.3	80.2	12.7	-2.9	11.4
OPCI IRIS INVEST 2010	185.9	145.2	38.8	0.0	2.5	56.7	17.1	-2.2	12.7
SCI DAHLIA	185.6	157.8	25.2	0.0	1.4	71.6	9.8	-1.9	6.7
IRIS DAHLIA (Business assets)	86.3	40.9	23.5	0.5	28.7	34.6	0.0	0.0	-0.2
OPCI OTELI	300.5	270.7	11.5	0.0	1.6	61.4	20.2	-4.8	16.0
PHOENIX Business assets	72.8	59.9	5.3	0.5	10.9	37.8	0.0	-0.1	-0.6
KOMBON SAS	139.5	135.6	3.8	12.5	0.1	55.3	7.6	-3.1	-0.6
JOURON SPRL	45.8	20.5	2.8	2.1	1.7	0.0	2.2	0.0	7.7

4.2.5.4 Deferred taxes at closing

Given the applicable tax regime in France (SIIC regime), potential tax savings on tax loss carry forwards from real estate operations in France are not recognised.

(In € million)	31/12/2023	P&L change	Transfers	Currency translation differences	31/12/2024
DTA on temporary differences	-0.6	-7.4	9.4	-0.4	2.1
DTA on FV of buildings	1.2	-3.1	2.4	0.0	-1.9
DTA on FV cash instruments	0.0	-0.0	0.0	0.0	0.0
DTA on losses carried forward	22.5	-2.0	-10.6	0.0	9.9
	21.9	-12.6	1.2	-0.4	10.1
DTA/DTL offset	2.0		-2.6		-0.6
DTA total	**24.0**	**-12.6**	**-1.4**	**-0.4**	**9.5**

(In € million)	31/12/2023	P&L change	Transfers	Currency translation differences	31/12/2024
DTL on temporary differences	10.6	-2.5	-3.3	-0.4	4.4
DTL on FV of buildings	199.0	1.2	7.1	0.0	207.3
DTL on FV cash instruments	0.9	-0.2	0.0	0.0	0.7
DTL on losses carried forward	-2.2	1.2	-2.7	0.0	-3.7
	208.3	-0.2	1.1	-0.4	208.2
DTA/DTL offset	2.0		-2.6		-0.6
DTL total	**210.3**	**-0.2**	**-1.5**	**-0.7**	**208.2**
TOTAL NET	**-186.3**	**-12.3**	**0.1**	**0.3**	**-198.7**
IMPACT ON THE INCOME STATEMENT		**-12.3**			

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.

Deferred tax loss carryforwards mainly relate to hotels under Operating Properties.

Deferred tax liabilities linked to unrealised gains on fixed assets relate to the Hotels segment for €114.9 million and the Operating Properties segment for €91.9 million.

The Hotel sector increased from €125.0 million to €114.9 million, mainly under the effect of the Vauban transaction, which led to the disposal of 43 assets.

The non-recognised tax loss carryforwards, calculated at the standard rate, amounted to €670.6 million as of 31 December 2024, as detailed below:

(In € million)	Non-recognised tax loss carryforwards	Unrecognised DTA
Lease properties	395.7	97.4
Operating Properties	274.9	61.5
GROUP TOTAL	**670.6**	**158.9**

(In € million)	Non-recognised tax loss carryforwards	Unrecognised DTA
Germany	81.9	12.8
Belgium	33.8	8.4
France	179.6	46.4
Hungary	14.8	1.3
Luxembourg	360.3	89.9
Others	0.2	0.0
GROUP TOTAL	**670.6**	**158.9**

In 2023, the amount of tax loss carryforwards not capitalised at the standard rate was €702.9 million, as detailed below:

(In € million)	Non-recognised tax loss carryforwards	Unrecognised DTA
Lease properties	427.2	107.8
Operating Properties	275.8	76.1
GROUP TOTAL	**702.9**	**183.9**

(In € million)	Non-recognised tax loss carryforwards	Unrecognised DTA
Germany	105.2	33.1
Belgium	31.5	7.9
France	193.1	49.9
Hungary	0.0	0.0
Luxembourg	373.1	93.0
Others	0.1	0.0
GROUP TOTAL	**702.9**	**183.9**

4.2.5.5 Other non-current financial assets

(In € million)	31/12/2023	Increase	Decrease	Transfers	31/12/2024
Loans and accrued interest	9.0	2.2	-5.5	-3.4	2.2
Accrued interest on swaps	14.8	15.3	-14.8	0.0	15.3
TOTAL	**23.8**	**17.5**	**-20.4**	**-3.4**	**17.5**

Other current financial assets mainly comprise accrued interest on SWAPs for €15.3 million and a loan granted to the Phoenix portfolio for €1.4 million.

4.2.5.6 Inventories and work in progress

The Covivio Hotels group's inventories and work-in-progress derive wholly from the hotel operations of the Operating Properties business.

(In € million)	31/12/2023	Variation	Change in scope	31/12/2024
Inventories of raw materials and other supplies	2.2	-0.3	0.3	2.3
Merchandise inventories	0.2	0.2	0.1	0.5
TOTAL INVENTORIES AND WORK-IN-PROGRESS	**2.4**	**-0.1**	**0.4**	**2.8**

4.2.5.7 Trade receivables

4.2.5.7.1 Accounting principles related to trade receivables

Trade receivables consist of operating lease receivables and receivables from 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.

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 Hotels are as follows:

- no provisions are set aside for existing or vacated tenants whose receivables are less than three months overdue;
- 50% of the amount of the receivable for existing tenants whose receivables are between three and six months overdue;
- 100% of the total amount of the receivable for existing tenants whose receivables are more than six months overdue;
- 100% of the total amount of the receivable for departed tenants whose receivables are more than three months overdue.

The arithmetical impairments arising from the rules above are reviewed on a case-by-case basis to factor in any specific situations. Receivables may also be booked as impaired even before a non-payment situation arises.

Receivables of hotels under operation

Receivables of hotels under operation are impaired according to payment deadlines.

The receivables and theoretical impairments arising from the rules above are reviewed on a case-by-case basis in order to factor in any specific situations.

4.2.5.7.2 Table of trade receivables

	31/12/2024	31/12/2023	Variation
Expenses to be reinvoiced to tenants	**3.6**	**3.7**	**-0.0**
Trade receivables and related accounts	*28.9*	*32.1*	*-3.2*
Customers - Invoices to be issued	*13.2*	*12.7*	*0.5*
Total gross trade receivables	**45.7**	**48.5**	**-2.8**
Impairment of trade receivables	*-5.1*	*-5.8*	*0.6*
NET TOTAL TRADE RECEIVABLES	**40.6**	**42.7**	**-2.2**

Charges to be reinvoiced mainly comprise the rendering of charges on the portfolio of Operating Properties in Germany.

Gross trade receivables, with a balance of €45.7 million at 31 December 2024, mainly comprise:

- gross trade receivables from the Operating Properties business segment (€18.3 million) is mainly from the Germany portfolio (€7.9 million) and invoices to be issued (€2.4 million);
- gross trade receivables from the Hotels segment for €27.4 million of which:
  - €3.5 million of unpaid receivables in France, fully impaired;
  - receipts not due for the month of December 2024;
  - invoices to be issued for €10.8 million, including €2.9 million in gross deferred rents not yet due in Spain, France, Italy and Germany as well as variable rents to be invoiced.

Impairment of trade receivables amounted to -€5.1 million. They mainly concern France for €3.3 million (Retail) and Spain for €1.3 million.

Invoices to be prepared are up as a result of the provisions for variable rent of the Lease Hotels and the re-invoicing of fees for the Vauban transaction to the Partnership companies.

Breakdown of trade receivables due:

			Past due receivables				
(In € million)	Total	Receivables not yet due	Past due receivables	1-90 days	between 90 days and 180 days	From 181 days to 1 year	>1 year
Trade receivables and related accounts	**28.9**	4.1	24.8	19.6	0.9	0.2	4.1
Impairment of trade receivables	**-5.1**	-1.3	-3.8	0.0	-0.3	0.0	-3.5

The line "Change in working capital requirements on continuing operations" on the Cash Flow Statement consists of:

(In € million)	31/12/2024	31/12/2023
Impact of changes in inventories and work in progress	0.1	-0.1
Impact of changes in trade & other receivables	9.9	13.5
Impact of changes in trade & other payables	16.7	6.6
CHANGE IN WCR ON CONTINUING OPERATIONS	**26.6**	**20.1**

Changes in trade payables are explained by the buyback of Vauban business assets at the end of the year.

4.2.5.8 Tax and other receivables

(In € million)	31/12/2024	31/12/2023	Variation
Tax receivables	**17.9**	**17.4**	**0.5**
Corporate income tax	3.0	5.7	-2.7
VAT	13.0	8.0	5.1
Other tax receivables	1.9	3.7	-1.8
Other receivables	**22.4**	**15.1**	**7.3**
Security deposits received	5.2	0.0	5.2
Trade payables and prepayments	12.7	7.4	5.3
Current accounts	1.0	1.1	-0.1
Other miscellaneous receivables	3.5	6.7	-3.1
TOTAL OTHER OPERATING RECEIVABLES	**40.3**	**32.5**	**21.0**

The main changes in the "tax receivables" item are mainly due to the increase in VAT receivables (+€5.1 million), of which €9.1 million concern the Operating properties portfolio. There was also a decrease in corporate tax receivables (-€2.7 million) of which -€1.5 million concern the portfolio in the United Kingdom.

The "other receivables" item (€22.4 million) mainly concerns the Operating properties business (€14.4 million), in particular related to the down payment on Le Méridien (€4.1 million) and the Vauban portfolio (€4.7 million).

Current accounts mainly come from Foncière Loisirs Vielsam (€0.9 million).

4.2.5.9 Prepaid expenses

(In € million)	31/12/2024	31/12/2023	Variation
Prepaid expenses	10.0	3.4	6.6
TOTAL PREPAID EXPENSES	**10.0**	**3.4**	**6.6**

Prepaid expenses mainly concern the Operating Properties business for €8.7 million and the change is mainly due to the entry of the Vauban portfolio (+€7 million).

4.2.5.10 Cash and cash equivalents

4.2.5.10.1 Accounting principles related 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.

4.2.5.10.2 Statement of cash and cash equivalents

(In € million)	31/12/2024	31/12/2023
Cash equivalents	358.6	1.5
Cash at bank	218.4	107.3
GROSS CASH	**577.0**	**108.8**
Bank overdrafts	0.4	0.1
GROSS CASH	**577.3**	**108.8**

At 31 December 2024, the portfolio of money market securities consisted mainly of traditional money market funds (Level 2).

- 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).

4.2.5.11 Shareholders' equity

4.2.5.11.1 Accounting principles related to shareholders' 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 Shareholders' equity is purchased, sold, issued or cancelled.

4.2.5.11.2 Change in shareholders' equity

The statement of changes in shareholders' equity and movements in the share capital are presented in note 3.1.4.

The Combined General Meeting of 17 April 2024 approved the payment of an ordinary dividend of €193 million, *i.e.* a dividend of €1,30 per share.

The €15.2 million change in currency translation differences recorded directly under net position mainly comprises the following:

- effect of fluctuations in the pound sterling for +€18 million (the closing rate was €1.20616 compared to €1.15193 at opening);
- effect of fluctuations in the Hungarian forint for -€8.9 million;
- effect of fluctuations in the Polish zloty for +€0.1 million;
- effect of fluctuations in the Czech koruna for -€1.2 million;
- impact of net investments abroad (IAS 21 and IFRS 9) on Covivio Hotels for +€6.5 million.

At 31 December 2024, the share capital consisted of 148,141,452 fully paid-up shares with a par value of €4.00.

Transaction	Shares issued	Treasury shares	Shares outstanding
Number of shares at 31 December 2023	148,141,452	7,687	148,133,765
Capital increase			
Treasury shares – liquidity agreement		-4,894	
NUMBER OF SHARES AT 31 DECEMBER 2024	**148,141,452**	**2,793**	**148,138,659**

4.2.5.12 Statement of liabilities

4.2.5.12.1 Accounting principles related to the statement of liabilities

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".

Companies belonging to the Covivio Hotels group hold real estate assets via finance lease agreements: finance leases (Operating Properties) or long-term leases/construction leases. In this case, the liability recognised as counterparty to the asset is initially recorded at the lower of the fair value of the real estate asset and the present value of minimum lease payments. This debt is amortised as the contracts expire and give rise to the recognition of a financial expense.

The rental liability related to long-term leases/construction leases is presented on the line Short-term or long-term rental liabilities in the balance sheet and the financial expense in the item Interest charges on rental liabilities.

Derivatives and hedging instruments

The Covivio Hotels group uses derivatives to hedge its floating rate debt against interest rate risk (hedging of future cash flows) and exchange rate risk.

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.

Given the characteristics of its debt, Covivio Hotels does not qualify for hedge accounting. All derivative instruments are accounted for at fair value, and changes are reflected in the income statement, with the exception of the portion of the cross-currency swap hedging exchange rate risk, which is described as net foreign investment hedging.

4.2.5.12.2 Change in financial liabilities and derivatives

(In € million)	31/12/2023	Increase	Decrease	Change in scope	Other changes	31/12/2024
Non-current bank loans	1,254.4	220.1	-235.3	0.0	-83.7	1,155.4
Other borrowings and similar non-current liabilities	4.3	10.2	-0.7	-9.9	-0.7	3.2
Securitised loans	949.0	500.0	0.0	0.0	-350.0	1,099.0
Non-current interest-bearing loans	**2,207.7**	**730.4**	**-236.1**	**-9.9**	**-434.4**	**2,257.7**
Non-current loan issue premiums and costs	-8.7	5.0	-10.8	0.0	0.4	-14.1
Non-current financial liabilities	**2,199.0**	**735.4**	**-246.9**	**-9.9**	**-434.0**	**2,243.5**
Derivatives, assets	-120.3	0.0	0.0	0.0	8.2	-112.2
Derivatives, liabilities	40.9	0.0	0.0	0.0	-2.3	38.6
Non-current derivatives	**-79.5**	**0.0**	**0.0**	**0.0**	**5.9**	**-73.6**
Current bank loans	24.0	1.6	-30.2	0.0	83.7	79.1
Other loans and similar liabilities - current	-0.0	0.0	0.0	0.0	0.7	0.6
Commercial paper - current	213.0	0.0	-135.0	0.0	0.0	78.0
Securitised loans	0.0	0.0	0.0	0.0	350.0	350.0
Current interest-bearing loans	**237.0**	**1.6**	**-165.2**	**0.0**	**434.4**	**507.7**
Accrued interest	22.4	32.7	-22.6	-0.1	0.0	32.4
Current loan issue premiums and costs	-3.6	0.3	0.0	0.0	-0.4	-3.7
Creditor banks	0.1	0.0	0.0	0.1	0.2	0.4
Current financial liabilities	**255.8**	**34.7**	**-187.8**	**-0.0**	**434.2**	**536.8**
Derivatives, assets	-57.3	0.0	0.0	0.0	12.8	-44.5
Derivatives, liabilities	31.7	0.0	0.0	0.0	-6.5	25.2
Current derivatives	**-25.6**	**0.0**	**0.0**	**0.0**	**6.3**	**-19.3**
TOTAL FINANCIAL LIABILITIES AND DERIVATIVES	**2,349.7**	**770.0**	**-434.7**	**-9.9**	**12.4**	**2,687.4**

The line "inflows related to new borrowings" of the cash flow statement (+€722.9 million) corresponds to the column Increase in non-current and current interest-bearing borrowings (+€730.4 million) to which is added the impact of lease liabilities (+€3.2 million) and loan issuance costs (-€10.8 million).

The "Repayment of borrowings" line of the cash flow statement (-€417.8 million) corresponds to the column decrease in interest-bearing borrowings (-€401.3 million), reduced for currency translation differences (-€12.1 million) and the impacts of lease liabilities (-€4.3 million).

Position at 31 December 2023

(In € million)	31/12/2022	Increase	Decrease	Change in scope	Other changes	31/12/2023
Non-current bank loans	1,265.2	394.7	-398.2	0.0	- 7.4	1,254.4
Other borrowings and similar non-current liabilities	4.3	1.2	-0.8	-0.5	0.1	4.3
Securitised loans	949.0	0.0	0.0	0.0	0.0	949.0
Non-current interest-bearing loans	**2,207.7**	**730.4**	**-399.0**	**-0.5**	**-7.3**	**2,207.7**
Non-current loan issue premiums and costs	-9.7	3.7	-3.1	0.0	0.4	-8.7
Non-current financial liabilities	**2,208.8**	**399.6**	**-402.1**	**-0.5**	**-6.9**	**2,199.0**
Derivatives, assets	-227.3	0.0	0.0	0.0	107.0	-120.3
Derivatives, liabilities	69.9	0.0	0.0	0.0	-29.0	40.9
Non-current derivatives	**-157.5**	**0.0**	**0.0**	**0.0**	**78.0**	**-79.5**
Current bank loans	70.1	16.6	-70.1	0.0	7.4	24.0
Other loans and similar liabilities - current	-0.0	-1.1	1.1	0.1	-0.1	0.0
Commercial paper - current	0.0	213.0	0.0	0.0	0.0	213.0
Securitised loans	200.0	0.0	-200.0	0.0	0.0	0.0
Current interest-bearing loans	**270.1**	**228.4**	**-269.0**	**0.1**	**7.3**	**237.0**

(In € million)	31/12/2022	Increase	Decrease	Change in scope	Other changes	31/12/2023
Non-current bank loans	1,265.2	394.7	-398.2	0.0	- 7.4	1,254.4
Other borrowings and similar non-current liabilities	4.3	1.2	-0.8	-0.5	0.1	4.3
Securitised loans	949.0	0.0	0.0	0.0	0.0	949.0
Non-current interest-bearing loans	**2,207.7**	**730.4**	**-399.0**	**-0.5**	**-7.3**	**2,207.7**
Non-current loan issue premiums and costs	-9.7	3.7	-3.1	0.0	0.4	-8.7
Non-current financial liabilities	**2,208.8**	**399.6**	**-402.1**	**-0.5**	**-6.9**	**2,199.0**
Derivatives, assets	-227.3	0.0	0.0	0.0	107.0	-120.3
Derivatives, liabilities	69.9	0.0	0.0	0.0	-29.0	40.9
Non-current derivatives	**-157.5**	**0.0**	**0.0**	**0.0**	**78.0**	**-79.5**
Current bank loans	70.1	16.6	-70.1	0.0	7.4	24.0
Other loans and similar liabilities - current	-0.0	-1.1	1.1	0.1	-0.1	0.0
Commercial paper - current	0.0	213.0	0.0	0.0	0.0	213.0
Securitised loans	200.0	0.0	-200.0	0.0	0.0	0.0
Current interest-bearing loans	**270.1**	**228.4**	**-269.0**	**0.1**	**7.3**	**237.0**
Accrued interest	17.5	22.9	-17.9	-0.1	0.1	22.4
Current loan issue premiums and costs	-3.7	0.4	0.0	0.0	-0.4	-3.6
Creditor banks	10.4	0.0	0.0	0.0	-10.4	0.1
Current financial liabilities	**294.3**	**251.7**	**-286.9**	**-0.0**	**- 3.3**	**255.8**
Derivatives, assets	-50.1	0.0	0.0	0.0	-7.2	-57.3
Derivatives, liabilities	30.2	0.0	0.0	0.0	1.5	31.7
Current derivatives	**-19.9**	**0.0**	**0.0**	**0.0**	**-5.7**	**-25.6**
TOTAL FINANCIAL LIABILITIES AND DERIVATIVES	**2,325.8**	**651.4**	**-689.0**	**-0.5**	**62.0**	**2,349.7**

Net financial debt is presented below:

(In € million)	Notes	31/12/2024	31/12/2023
Gross cash (a)	4.2.5.10.2	577.0	108.8
Debit balances and bank overdrafts from continuing operations (b)	4.2.5.12.2	-0.4	-0.1
Net cash and cash equivalents (c) = (a) - (b)		**576.6**	**108.7**
Of which available cash		**577.0**	**108.8**
Total interest-bearing loans	**4.2.5.12.2**	**2,765.4**	**2,444.7**
Accrued interest	4.2.5.12.2	32.5	22.4
Gross debt (d)		**2,797.9**	**2,467.1**
Amortisation of financing costs (e)		-17.8	-12.4
NET FINANCIAL DEBT (d) - (c) + (e)		**2,203.5**	**2,346.0**

4.2.5.12.3 Bank loans

The table below outlines the characteristics of the borrowings taken out by the Covivio Hotels group and the amount of the associated guarantees (principal amount over €100 million):

(In € million)	Secured debt	Appraisal value 31/12/2024	Outstanding debt 31/12/2024	Date of signature	Nominal Initial	Maturity
	£400 million (2018) – ROCKY		326	24/07/18	475	24/07/26
	€178 million (2020) - PARKINN AP BERLIN		173	30/12/19	178	30/12/29
	€150 million (2023) – OPCI B2 HI (B&B)		148	20/10/23	150	20/10/30
> €100 M		**1,587**	**647**			
< €100 M		**1,536**	**404**			
Total collateralised		**3,123**(1)	**1,051**			
	€599 million (2021) - Green Bond		599	27/07/21	599	27/07/29
	€500 million (2024) - Bond		500	23/05/24	500	23/05/33
	€350 million (2018) - Green Bond		350	24/09/18	350	24/09/25
	€150 million (2024) - Corporate		150	23/12/24	150	23/12/29
> €100 M			**1,599**			
< €100 M		**2,850**	**112**			
Total unencumbered		**2,850**	**1,711**			
	Other liabilities		4			
GRAND TOTAL		**5,973**	**2,765**			

(1) Value excluding duties of collateralised assets (mortgages or pledges of securities of companies holding them).

The borrowings are valued after their initial recognition at cost, amortised based on the effective interest rate. The average interest rate on debt of the consolidated debt of Covivio Hotels at 31 December 2024 was 2.33% (versus 2.43% at 31 December 2023).

Collateralised fixed assets represented 52.3% of total fixed assets. This collateral is provided for the same term as the underlying financing.

Breakdown of borrowings at their par value according to the time left to maturity and by interest-rate type:

(In € million)	Outstandings at 31/12/2024	Deadline <1 year	Outstanding as of 31/12/2025	Maturity from 2 to 5 years	Deadline > 5 years
Fixed-rate long-term financial liabilities	**1,532.8**	**350.7**	**1,182.1**	**682.1**	**500.0**
Bank borrowings and finance leases	79.9	0.0	79.9	79.9	0.0
Total Borrowings and bonds	**79.9**	**79.1**	**79.9**	**79.9**	**0.0**
Bonds	1,449.0	350.0	1,099.0	599.0	500.0
Total debts represented by securities	**1,449.0**	**350.0**	**1,099.0**	**599.0**	**500.0**
Other borrowings	3.9	0.7	3.3	0.0	0.0
Floating-rate financial debt	**1,232.6**	**157.1**	**1,075.5**	**888.1**	**187.5**
Bank borrowings and finance leases	1,154.6	79.1	1,075.5	888.1	187.5
Total Borrowings and bonds	**1,154.6**	**79.1**	**1,075.5**	**888.1**	**187.5**
Commercial paper	78.0	78.0	0.0		
Total debts represented by securities	**78.0**	**78.0**	**0.0**	**0.0**	**0.0**
TOTAL	**2,765.4**	**506.9**	**2,257.7**	**1,570.2**	**687.5**

4.2.5.12.4 Bonds

The characteristic features of bonds are as follows:

Features			
Issue date	24/09/2018	27/07/2021-02/11/2021	23/05/2024
Issue amount (in € thousand)	350	599	500
Partial repayment (in € thousand)	0	0	0
Nominal amount following partial redemption (in € thousand)	**350**	**599**	**500**
Nominal amount of a bond (in €)	100,000	100,000	100,000
Nominal amount of a bond after partial redemption (in €)	100,000	100,000	100,000
Number of units issued	3,500	5,990	5,000
Nominal rate	1.875%	1,000%	4.125%
Maturity	24/09/2025	27/07/2029	23/05/2033

The bond debt in the consolidated financial statements stood at €1,449 million at 31 December 2024.

The fair value of these bonds at 31 December 2024 was €1,398 million compared with €858.3 million at 31 December 2023, after the new €500 million bond issue in May 2024.

The difference between the net book value and the fair value of fixed-rate debt (valued at the risk-free rate, excluding loan spreads) was -€50.9 million at 31 December 2024. The impact of the loan spreads would be -€4.5 million.

4.2.5.12.5 Derivatives (current and non-current)

Derivative financial instruments consist mainly of rate hedging instruments put in place as part of the Group's interest rate hedging policy. These derivative instruments are recognised at their fair value and changes are recorded in the income statement, as they are not eligible for hedge accounting under IFRS 9.

(In € million)	31/12/2023 Net	Restructuring payments	P&L impact	Shareholders' equity impact	31/12/2024 Net
Financial instruments	105.1	2.0	-21.4	7.3	93.1
TOTAL	**105.1**	**2.0**	**- 21.4**	**7.3**	**93.1**
				Cash instruments – Liabilities	**63.8**
				Cash instruments – Assets	**156.7**

In accordance with IFRS 13, the fair values include the counterparty default risk (CDA/DVA) for -€4.5 million as at 31 December 2024 compared with -€3.6 million as at 31 December 2023.

The "Unrealised gains and losses relating to changes in fair value" line in the Statement of Cash Flows (-€29.8 million), which makes it possible to calculate cash flows from operating activities, incorporates the impact of changes in the value of cash instruments (€21.5 million) and the change in the value of Investment Properties (-€51.3 million).

The line Other flows on financing transactions of the Statement of Cash Flows (-€2.0 million) mentions the receipts of repayments of tenant guarantee deposits.

Breakdown of hedging instruments by maturity of notional values in euros:

(In € million)	31/12/2024	less than 1 year	1 to 5 years	more than 5 years
Fixed hedge				
Fixed rate receiver swap	1,043.3	0.0	543.3	500.0
Fixed rate payer swap	1,512.0	0.0	368.0	1,144.0
Optional hedge				
Purchase fixed rate payer swaption	0.0	0.0	0.0	
Sale fixed rate borrower swaption	0.0	0.0	0.0	
Cap purchase	91.8	26.5	16.0	49.3
Floor purchase	28.0	0.0	28.0	0.0
Floor sale	52.3	3.0	0.0	49.3

Breakdown of hedging instruments by maturity of notional values in pound sterling:

(In € million)	31/12/2024	less than 1 year	1 to 5 years	more than 5 years
Fixed hedge				
Fixed rate receiver swap	60.0	0.0	615.7	500.0
Fixed rate payer swap	580.0	0.0	1,067.5	1,144.0
Optional hedge				
Purchase fixed rate payer swaption	50.0	0.0	50.0	0.0
Sale fixed rate borrower swaption	50.0	0.0	50.0	0.0
Cap purchase	0.0	0.0	-50.0	50.0
Floor purchase	0.0	0.0	00	0.0
Floor sale	0.0	0.0	-50.0	50.0

Forward hedging instruments are not included in this table.

Hedging balance at 31 December 2024:

(In € million)	Outstandings at 31/12/2024 Fixed rate	Floating rate
Gross borrowings and financial debt	1,532.8	1,232.6
Creditor banks		0.0
Net financial liabilities before hedging	**1,532.8**	**1,232.6**
Fixed hedge: swaps	0.0	-1,095.7
Option hedge: caps	0.0	-63.8
Total hedges	**0.0**	**-1,159.5**
NET FINANCIAL LIABILITIES AFTER HEDGING	**1,532.8**	**73.5**

4.2.5.12.6 Lease liabilities

At 31 December 2024, the balance of rental liabilities amounted to €296.9 million in accordance with IFRS 16.

Interest expenses on these rental liabilities were -€15.7 million in respect of the fiscal year.

(In € million)	31/12/2023	Increase and indexation	Decrease	Other changes	Change in exchange rate	31/12/2024
Long-term rental liabilities	283.0	1.7	-0.0	-1.9	8.4	291.2
Short-term rental liabilities	5.8	3.2	-4.3	1.1	0.1	5.8
TOTAL RENTAL LIABILITIES	**288.8**	**4.9**	**-4.3**	**-0.8**	**8.4**	**296.9**

The increase in rental liabilities mainly relates to the indexation of leases (€4.9 million). The impact of the rise in the pound over the 2024 fiscal year is €8.4 million.

Maturities of rental liabilities:

(In € million)	At 31/12/2024	Less than 1 year	1 to 5 years	5 to 25 years	More than 25 years	Total Lt	Total
Hotels	248.3	5.1	15.4	47.1	180.7	243.2	248.3
Operating Properties	48.6	0.6	1.0	5.4	41.5	48.0	48.6
TOTAL RENTAL LIABILITIES	**296.9**	**5.8**	**16.4**	**52.5**	**222.2**	**291.2**	**296.9**

4.2.5.12.7 Banking covenants

The liabilities of the Covivio Hotels group have bank covenants attached, relating to the consolidated accounts of the borrower. If these covenants are breached, early debt repayment may be triggered. These covenants are drawn up in Group Share.

The most stringent LTV covenant was 60% as at 31 December 2024.

The most stringent ICR covenant was 200% as at 31 December 2024.

The bank covenants of the Covivio Hotels Group are fully complied with as of 31 December 2024 and stand at 35.0% for the LTV Group Share and 646% for the ICR Group Share.

No financing has an accelerated payment clause contingent on Covivio Hotels' rating, which is currently BBB+, stable outlook (Standard & Poor's rating).

Consolidated LTV	Scope	Covenant threshold	Ratio
€130 million (2019) – REF I	Covivio Hotels	≤ 60%	In compliance
€279 million (2017) – Roca	Covivio Hotels	< 60%	In compliance
€150 million (2024) - Constance	Covivio Hotels	< 60%	In compliance
£400 million (2018) – Rocky	Covivio Hotels	≤ 60%	In compliance

Consolidated ICR	Scope	Covenant threshold	Ratio
€130 million (2019) – REF I	Covivio Hotels	> 200%	In compliance
€279 million (2017) – Roca	Covivio Hotels	≥ 200%	In compliance
€150 million (2024) - Constance	Covivio Hotels	> 200%	In compliance
£400 million (2018) – Rocky	Covivio Hotels	≥ 200%	In compliance

Under the financing raised by Covivio Hotels and allocated to specific portfolios, these consolidated covenants usually go hand-in-hand with LTV "Scope" covenants relating to the portfolios funded. These LTV "Scope" covenants typically have less stringent thresholds than the consolidated covenants. Their purpose is mainly to supervise the use of financing by correlating it with the value of the underlying assets provided as collateral.

4.2.5.13 Provisions for risks and charges

4.2.5.13.1 Accounting principles related to provisions for risks and charges

Retirement commitments

The retirement commitments are accounted for 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 closing date. They are calculated according to the projected credit units method based on valuations made at each closing 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 plan or the change of an existing plan gives rise to the acquisition of rights after its implementation date, the past service costs are immediately recognised as expenses. 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.

4.2.5.13.2 Provisions table

(In € million)	31/12/2023	Change in scope	Charges	Reversal of provision Used	Reversal of provision Unused	31/12/2024
Other provisions for litigation	0.6	1.5	0.1	-0.1	0.0	2.2
Other current provisions	0.0	0.2	0.0	0.0	0.0	0.2
Provisions subtotal – current liabilities	**0.6**	**1.7**	**0.1**	**-0.1**	**0.0**	**2.4**
Provisions for retirement benefit	0.8	1.3	0.1	0.0	-0.1	2.2
Provisions for long-service awards	0.1	0.0	0.0	0.0	0.0	0.1
Other non-current provisions	3.8	0.4	0.6	0.0	0.0	4.8
Provisions subtotal – non-current liabilities	**4.7**	**1.7**	**0.8**	**0.0**	**-0.1**	**7.1**
TOTAL PROVISIONS	**5.3**	**3.5**	**0.9**	**-0.1**	**-0.1**	**9.5**

The other provisions mainly concern a dispute in connection with a claim for eviction compensation from a former tenant (€3 million), disputed by Covivio Hotels.

The €1.5 million increase in provisions for litigation is linked to the entry of one of the entities in the Vauban scope, which had provisioned this amount in connection with a dispute with former employees.

The €1.3 million increase in pension provisions is also linked to the entry of entities from the Vauban scope that have recorded provisions for retirement benefits.

4.2.5.14 Other current liabilities

(In € million)	31/12/2024	31/12/2023	Variation
Payables	72.4	48.4	24.0
Trade payables on fixed assets	10.8	7.1	3.7
Social debt	18.2	9.2	9.0
Tax liability	29.6	20.2	9.4
Advances and advanced payments received on orders in progress	23.0	12.5	10.5
Current accounts – liabilities	0.3	0.1	0.2
Security deposits	0.0	0.1	-0.0
Other liabilities	19.7	10.1	9.6
TOTAL	**174.0**	**107.6**	**38.7**

Trade payables concern the Operating Properties business for €54.8 million and the Hotel Lease Properties business for €17.5 million.

Trade payables for fixed assets mainly concern Hotel Lease properties and mainly France (€4.4 million) and Spain (€5.4 million).

The increase in tax and social security liabilities (+€18.4 million) is mainly related to the Vauban transaction. Social debts (€18.2 million) mainly concern the Operating Properties business (€17 million). Tax liabilities are mainly related to VAT (€11.8 million) and current tax (€8 million) which is divided between Hotel Lease properties (€5.5 million) and Operating Properties (€2.5 million).

The advances and down payments received include in particular the advances received on Operating Properties for €15 million.

Other debts (€19.7 million) mainly include debts related to the acquisitions of the business assets of the Vauban transaction (€13 million).

4.2.5.15 Recognition of financial assets and liabilities

(In € million)	Item concerned in the statement of financial position	31/12/2024 Net (in €k)	Amount given in the assessed Statement of Financial Position: Amortised cost	At fair value in other comprehensive income	Fair Value through profit or loss	Fair value (In € thousand)
Financial assets	Non-current financial assets	2.8	2.8			2.8
Loans and receivables	Non-current financial assets	73.2	73.2			73.2
Total	**Non-current financial assets**	**76.0**	**76.0**			**76.0**
Loans and receivables	Receivables	40.6	40.6			40.6
Assets at fair value	Derivatives at fair value	156.7			156.7	156.7
Assets at fair value	Cash equivalents	358.6			358.6	358.6
TOTAL FINANCIAL ASSETS		**631.8**	**116.6**	**0.0**	**515.3**	**631.8**
Liabilities at amortised cost	Financial payables	2,765.4	2,765.4			2,709.5(1)
Liabilities at fair value	Derivatives at fair value	63.8		0.0	63.8	63.8
Liabilities at amortised cost	Security Deposits (Long-term and Short-term)	9.4	9.4			9.4
Liabilities at amortised cost	Payables	83.1	83.1			83.1
TOTAL FINANCIAL LIABILITIES		**2,921.7**	**2,857.9**	**0.0**	**63.8**	**2,865.8**

(1) The difference between the net book value and the fair value of fixed-rate debt (valued at the risk-free rate, excluding loan spreads) was -€55.9 million. (-€50.9 million for borrowings detailed in 4.2.5.12.4 and -€5.0 million for the Group's other fixed-rate debt).
The impact of the loan spreads would be -€4.5 million.

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 based on an estimate that is not based on market transaction prices on similar instruments.

(In € million)	Level 1	Level 2	Level 3	Total
Derivatives at fair value through profit or loss and OCI		156.7		156.7
Cash equivalents		358.6		358.6
TOTAL FINANCIAL ASSETS	**0.0**	**515.3**	**0.0**	**515.3**
Derivatives at fair value through profit or loss and OCI		63.8		63.8
TOTAL FINANCIAL LIABILITIES	**0.0**	**63.8**	**0.0**	**63.8**

4.2.5.16 Accruals

(In € million)	31/12/2024	31/12/2023	Variation
Prepaid income and other accounts	12.2	17.7	-5.5
TOTAL ACCRUALS	**12.2**	**17.7**	**-5.5**

Prepaid income mainly relates to the recognition of prepayments on portfolio rents in the UK (€9.5 million). The -€5.5 million change is linked to the consumption (-€5.1 million) of work indemnities received on two assets in England.

4.2.6 Notes to the statement of net income

4.2.6.1 Accounting principles

Rents

According to the presentation of the income statement, rental income is treated as revenues. Service charges are now shown on a specific line of the statement of net income (management and administration revenues) below net rental income.

As a general rule, invoicing is quarterly. 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, rent waivers in exchange for additional rent to be received in future years) are spread on a straight-line basis over the lease term in accordance with IFRS 16.

Rental income for the period is comprised of rental income received during the period. For hotel real estate managed by the Accor Group, such receipts are calculated as a percentage of revenues for the fiscal year.

Revenues from hotels under management (Operating Properties)

Revenues from hotel and real estate assets under management correspond to the amount of sales of products and services related to ordinary activities. It breaks down into the provision of various hospitality services (accommodation, catering and other services).

All revenues from hotels under management are measured at the fair value of the counterparty received or to be received, net of discounts, rebates and reductions, VAT and other taxes.

4.2.6.2 Operating result

4.2.6.2.1 Rental income

Rents (In € thousand)	31/12/2024	31/12/2023	Variation (In € thousand)	Variation (in %)
Hotels - Lease properties	267.9	257.6	10.3	4.0%
Other activities (non-material)	2.2	6.4	-4.2	-65.2%
TOTAL RENTAL INCOME	**270.1**	**264.0**	**6.1**	**2.3%**

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. Variable rents represent €51.8 million of rental income.

The change in revenue from the Hotels business (+€6.1 million) is mainly due to:

- the increase in variable rents (+€6.2 million), the indexation of rents (+€6.7 million) is partially offset by disposals (-€6.4 million);
- the decrease in rents from other activities of -€4.2 million is related to the effect of disposals for -€5.3 million partially offset by the receipt of an indemnity of €1 million.

4.2.6.2.2 Real estate expenses

(In € million)	31/12/2024	31/12/2023	Variation (In € thousand)	Variation (in%)
Rental income	270.1	264.0	6.1	2.3%
Rebillable expenses	-12.8	-12.9	0.1	-0.9%
Income from rebilling of expenses	12.8	12.9	-0.1	-0.9%
Rental charges not recovered	-3.0	-3.1	0.1	-3.9%
Expenses on Buildings	-3.4	-3.0	-0.5	15.4%
Net bad debt expenses	-1.0	-0.5	-0.5	n.a
NET RENTAL INCOME	**262.7**	**257.4**	**5.3**	**2.1%**
Rate for real estate expenses	**-2.7%**	**-2.5%**		

Rental charges not recovered: These expenses mainly correspond to expenses on vacant premises. Rental charges not recovered are presented net of rebilling in the income statement. In accordance with IFRS 15, income from rebilling of rental charges is presented separately above when the Company acts as principal.

Expenses on Buildings essentially consist of Property Management fees to Covivio group subsidiaries in the amount of €3.1 million.

The change in net bad debt expenses is mainly related to the impairment of variable rental income on a divested entity in Spain.

4.2.6.2.3 Hotel operating EBITDA

(In € million)	31/12/2024	31/12/2023	Variation (in %)
Revenues from hotels under management	315.4	287.0	9.9%
Operating expenses of hotels under management	-232.8	-212.4	9.6%
EBITDA OF HOTELS UNDER MANAGEMENT	**82.6**	**74.6**	**10.6%**

Detailed results for this activity are presented in § 4.2.8.6.

The EBITDA of hotels under management increased by €7.9 million, notably due to the growth in revenue and in particular in connection with the Vauban transaction (+€10 million).

It does not include the corporate structure costs of this activity. The latter are presented in overheads.

4.2.6.2.4 Management and administrative income and structure costs

These consist of head office expenses and operating costs (including Operating Properties business), net of revenues from management and administration activities.

(In € million)	31/12/2024	31/12/2023	Change (in %)
Management and administration income	8.1	5.6	43.9%
Structure costs	-23.2	-24.9	-7.0%

Management and administration income mainly comprises asset management fees charged to equity affiliates or partners. They are up mainly due to the increase in variable rents over the period and disposals over the fiscal year.

Business expenses are mainly made up of building appraisal costs and asset management fees.

Overhead costs include:

- network costs for €7.4 million, including €5.8 million with Covivio;
- personnel expenses for €3.6 million.

Note that personnel expenses before allocation to Income from disposals totalled €4.3 million.

4.2.6.2.5 Depreciation of operating assets and net change in provisions

(In € million)	31/12/2024	31/12/2023	Change (in €k)
Depreciation of operating assets	-56.7	-48.2	-8.4
Net change in provisions	-0.8	7.8	-8.6

The increase in depreciation of assets in operation is mainly due to:

- additional depreciation of assets from the Vauban portfolio (-€4 million)
- the additional depreciation of a British asset related to the decrease in the appraisal value (-€7.5 million).

4.2.6.2.6 Other operating income and expenses

(In € million)	31/12/2024	31/12/2023	Change (in €k)
Other operating profits and expenses	15.5	16.0	-0.6

The "Other operating income and expenses" item mainly includes re-invoicing of construction lease tenants (€13.4 million). As the rental expense is cancelled by the application of IFRS 16, the income from re-invoicing to tenants/operators is not presented as expenses on buildings because this would lead to a net income on this item and distort the real estate expenses ratio.

4.2.6.3 Net income from disposals

During the financial year, the Covivio Hotels group sold assets for a total amount of €387.1 million, net of costs, including the disposals of two hotels in Spain, 19 Accor hotels (including 10 as part of the Vauban transaction), 5 hotels in Germany, 2 hotels in Poland, 1 hotel in Belgium and 2 shops:

(In € million)	31/12/2024	31/12/2023	Variation (In € thousand)	Variation (in%)
Income from asset disposals[1]	387.1	20.9	366.2	n.a
Disposal values of assets sold[2]	-374.5	-20.6	-353.9	n.a
Income from asset disposals	12.6	0.3	12.3	

(1) Selling price net of disposal costs.

(2) Corresponds to the appraisal values published as of 31 December 2024.

During the fiscal year, the Covivio Hotels Group generated sales for a total amount of €68.2 million, net of expenses, including Bardiomar for €67.4 million in September 2024:

(In € million)	31/12/2024	31/12/2023	Variation (In € thousand)	Variation (in%)
Income from disposal of securities	68.2	0.0	68.2	n.a
Disposal values of assets sold	-68.6	0.0	-68.5	n.a
Income from asset disposals	-0.4	0.0	-0.4	

The "gains or losses on disposals" line of the cash flow statement (-€12.2 million) includes the results of the disposal of assets and securities. Either an overall sale price of (+€455 million) and the total exit value of (-€442.8 million).

The line "Impact of changes in the scope" in the cash flow statement (-€156.6 million) mainly includes the sale price of consolidated shares (€68.2 million), the net cash acquired of €20.1 million, the investment in consolidated securities (-€241.3 million) and the impact of the acquisition of equity-accounted entities following the Vauban transaction for -€3.2 million.

4.2.6.4 Change in the fair value of properties

(In € million)	31/12/2024	31/12/2023
Hotels - Lease properties	56.7	-194.5
Other activities (non-material)	-5.4	-1.6
Operating Properties	0.0	-1.4
TOTAL CHANGE IN FAIR VALUE OF PROPERTIES	**51.3**	**-197.5**

The change in the fair value of properties is discussed in Section 4.2.5.1.2.

The change in value of -€1.4 million on Operating Properties compared with 2023 corresponds to the valuation of the fund held by Nouvelle Hôtel Plaza, which rents the hotel via a management lease to a third party outside the Group. This asset is now presented in hotel lease properties as of 1 January 2024.

4.2.6.5 Cost of net financial debt

(In € million)	31/12/2024	31/12/2023	Change (in €k)	Change (in %)
Interest income on cash transactions	14.2	4.6	9.5	2.1
Interest expense on financing operations	-98.1	-85.3	-12.8	0.2
Regular depreciation of loan issue costs	-4.0	-3.7	-0.3	0.1
Net expenses on hedges	30.6	21.4	9.2	0.4
COST OF NET FINANCIAL DEBT	**-57.3**	**-62.9**	**5.6**	**-0.1**
AVERAGE INTEREST RATE ON DEBT	**2.33%**	**2.43%**		

The cost of net financial debt decreased by €5.6 million mainly due to the decrease in average debt outstanding.

4.2.6.6 Net financial income

(In € million)	31/12/2024	31/12/2023	Change (in €k)	Change (in %)
Financial income related to the cost of debt	91.1	60.7	30.4	50.0%
Financial expenses related to the cost of debt	-148.5	-123.7	-24.8	20.0%
Cost of net financial debt	-57.3	-62.9	5.6	-8.9%
Interest charges on rental liabilities	-15.7	-15.3	-0.4	2.8%
Valuation of fv of financial instruments	-21.4	-67.0	45.5	
Changes in the fair value of financial instruments	-21.4	-67.0	45.5	
Exceptional depreciation of loan issue costs	-1.2	-0.4	-0.8	
Exceptional depreciation of loan issue costs	-1.2	-0.4	-0.8	
Discounting of liabilities and receivables	0.9	0.4	0.6	
Other financial income and expenses	0.9	0.4	0.6	
TOTAL NET FINANCIAL INCOME/(CHARGES)	**-94.8**	**-145.3**	**50.5**	**N. P**

The interest charge on rental liabilities relates to the application of IFRS 16. It mainly comprises long-term leases conferring *ad rem* rights in the United Kingdom. Against that, rental charges are no longer recognised in the income statement.

The change in interest rates generated a -€21.4 million change in financial instruments at 31 December 2024, of which -€7.3 million relates to the removal of the Cross Currency Swap.

The "Other calculated income and expenses" line in the Statement of Cash Flows for -€2.2 million primarily consists of the amortisation of borrowing costs (+€4.8 million in regular and +€0.3 million in non-recurring costs), and the reversal of the spreading of rent-free periods (-€2.9 million).

4.2.6.7 Current and deferred taxes

4.2.6.7.1 Accounting principles for current and deferred taxes

SIIC tax regime (French companies)

Opting for the SIIC tax regime in France 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 corporate income tax (CIT). 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.

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.

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 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.

There is no exit tax liability in Covivio Hotels' financial statements at 31 December 2024.

Ordinary law regime and deferred taxes

Deferred taxes result from temporary differences in taxation or deduction and are calculated using the liability method, and on all temporary differences in the company financial statements, or resulting from consolidation adjustments. The valuation of the deferred tax assets and liabilities must reflect the tax consequences that would result from the method by which the company seeks to recover or settle the book value of its assets and liabilities at the end of the fiscal year. Deferred taxes are applicable to Covivio Hotels group entities that are not eligible for the SIIC tax regime.

A net 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 applied.

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.

SOCIMI regime (Spanish companies)

The Spanish companies held by Covivio Hotels opted for the SOCIMI tax regime, effective on 1 January 2017. Opting for the SOCIMI regime 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 exempt, provided 80% of rental profits and 50% of asset disposal profits are distributed. These gains are determined by allocating the gains taxable in the period outside the SOCIMI regime on a straight-line basis over the whole period of ownership.

REIT regime (British companies)

Nine companies in the UK have opted for the REIT exemption regime from 1 January 2024. Opting for the SOCIMI regime does not trigger an exit tax upon taking the option.

The rental income from the leasing of assets held under the REIT regime are exempt, provided 90% of rental profits are distributed.

Capital gains on disposals are also exempt from tax.

4.2.6.7.2 Taxes and rates applied by geographic area

(In € million)	Taxes payable	Deferred tax liabilities	Total	Deferred tax rate
France	-0.3	-3.1	-3.4	25.83%
Belgium	-2.7	-2.2	-4.9	25.00%
Luxembourg	-0.9	0.4	-0.5	24.94%(1)
Netherlands	-1.6	-0.9	-2.5	25.80%
Portugal	-0.8	-0.6	-1.4	22.50%
Germany	-8.5	-2.3	-10.8	15.83%(2)
Spain	0.0	0.0	0.0	25.00%
United Kingdom	-1.3	-2.0	-3.3	25.00%
Ireland	-0.1	0.2	0.1	33.00%(3)
Poland	-0.6	-0.3	-0.8	19.00%(4)
Italy	-0.6	-2.0	-2.5	27.90%(5)
Hungary	-0.2	0.4	0.3	9.00%
Czech Republic	-0.6	0.0	-0.6	21.00%(6)
TOTAL	**-18.1**	**-12.3**	**-30.5**	

(-) corresponds to a tax expense; (+) corresponds to tax income

(1) Following the vote on the finance law, the corporate tax rate will decrease by 1% as of 1 January 2025. It will therefore fall from 24.94% to 23.87%.

(2) 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%.

(3) In Ireland, the tax rate is 12.5% for property companies, 25% on holdings and 33% on capital gains.

(4) Following disposals completed in 2024 and new commitments on disposals, the rate increased from 9% to 19% due to the crossing of thresholds.

(5) In Italy, the CIT in 2024 was 24%. To which is added a regional corporate tax rate (resident and non-resident) whose standard rate is 3.9%.

(6) The corporate tax rate in 2023 was 19%. The CIT rate will rise to 21% from 1 January 2024 for companies.

4.2.6.7.3 Deferred tax income and expense

(In € million)	31/12/2024	31/12/2023	Variation
France	-3.1	0.9	-4.0
Belgium	-2.2	2.2	-4.4
Luxembourg	0.4	2.1	-1.7
Netherlands	-0.9	0.8	-1.7
Portugal	-0.6	0.3	-0.9
Germany	-2.3	8.4	-10.7
Spain	0.0	-0.1	0.1
United Kingdom	-2.0	29.3	-31.3
Ireland	0.2	0.2	0.0
Poland	-0.3	0.0	-0.3
Italy	-2.0	1.5	-3.5
Czech Republic	0.0	0.0	0.0
Hungary	0.4	0.9	-0.4
TOTAL	**-12.3**	**46.4**	**-58.8**

(-) corresponds to a tax expense; (+) corresponds to tax income

Deferred tax expenses at 31 December 2024, amounting to -€12.3 million, are broken down between the Hotel business (-€7.8 million) and the Operating Properties business (-€4.6 million).

The change of -€58.8 million is mainly due to the increase in appraisal values on Operating Properties in 2024, as well as the reversal of deferred taxes on the portfolio in the UK for €32.3 million in connection with the subscription of 9 British companies to the REIT regime in 2023.

4.2.6.7.4 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 taxable segment

(In € million)	SIIC (France) SOCIMI (Spain)	France Common Law	Foreign Common Law	31/12/2024
Net income before tax, before net income/ (loss) of companies accounted by the equity method	**116.8**	**-0.9**	**136.2**	**252.1**
Recognised effective tax expense	0.0	-3.4	-27.0	-30.5

Table of tax proof 2024

(In € million)		31/12/2024
Net income before tax		**267.2**
Income (loss) of companies accounted for under the equity method		15.1
Goodwill		0.0
Net income before tax, before net income/(loss) of equity affiliates and before goodwill		**252.1**
of which SIIC/SIIQ/SOCIMI		116.8
of which companies subject to income tax		135.3
Theoretical tax at 25.825%	**(a)**	**-34.9**
Effect of differences in rate		-1.7
Effect of tax credits and IFA (tax due despite losses)		0.0
Effect of permanent differences		13.9
Allocation to tax losses without DTAs		-6.4
Tax losses for the period without DTAs		-1.3
Total tax effects for the fiscal year	**(b)**	**4.5**
Taxes not related to the fiscal year	**(c)**	**0.0**
Recognised effective tax expense	**(a) + (b) + (c)**	**-30.53**
Total effective tax rate		22.51%

4.2.7 Other information

4.2.7.1 Personnel expenses

In the statement of net income, personnel expenses for the period are included in the Structure costs items for €3.6 million. These are up by €0.5 million.

Personnel expenses are also present in the EBITDA of hotels under management for €93.6 million for the Operating Properties business. They were up by €8.5 million compared to 31 December 2023, due to changes in the scope of consolidation (takeover of hotel management) and more specifically the takeover of 46 hotels in operation as part of the Vauban transaction.

Personnel expenses are also included in the item expenses on sales for €0.7 million.

At 31 December 2024, the headcount of fully consolidated companies (excluding companies in the Operating Properties business line) was 23 people. This headcount is split between France (20 people), Spain (2 people) and Luxembourg (3 people).

The average headcount at 31 December 2024 for the Operating Properties business was 1,888 people, up mainly due to the operation of new hotels as part of the Vauban transaction compared to 1,346 at 31 December 2023.

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 Hotels 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 potential dilutive ordinary shares.

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 Hotels 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.

	31/12/2024	31/12/2023
Net income Group Share (in €k)	**224.6**	**-11.6**
Average number of undiluted shares	148,135,289	148,134,973
Total dilution impact	6,163	6,479
Average number of treasury shares	6,163	6,479
Average number of diluted shares	148,135,289	148,134,973
Basic net Group earnings per share - undiluted	**1.52**	**-0.08**
Group net earnings per share – diluted	**1.52**	**-0.08**

4.2.7.3 Off-balance sheet commitments

4.2.7.3.1 Commitments given (FC companies)

(In € million)	31/12/2024	31/12/2023
Commitments related to consolidated companies	**19.0**	**0.0**
Investment commitments	19.0	0.0
Commitments given in connection with the disposal of investments - Liability guarantees	0.0	0.0
Commitments related to financing	**1,050.9**	**1,241.2**
Financial guarantees given (CRD of pledged debt)	1,050.9	1,241.2
Commitments related to operating activities	**323.2**	**345.5**
Commitments given related to business development	**254.2**	**190.0**
Work still to be undertaken	5.5	24.7
Purchase commitments	0.0	0.0
Bank guarantees and other guarantees given	248.7	165.3
Commitments related to operating activities	**69.0**	**155.4**
Preliminary sale agreements given	69.0	155.4

Other commitments given:

Under its SIIC status, the Group has specific obligations, as set out in Section 4.2.6.8.1.

The Central Facility of the Sunparks Vielsam asset was the subject of a contribution to Foncière Vielsam Loisirs (in which Covivio Hotels holds 35.7% of the capital, but only 2.7% of the voting rights) with Covivio Hotels having the possibility of exercising a put option at the end of the 10th year.

4.2.7.3.2 Commitments received (FC companies)

(In € million)	31/12/2024	31/12/2023
Commitments related to consolidated companies	**0.0**	**0.0**
Commitments related to financing	**403.4**	**447.7**
Financial guarantees received (authorised lines of credit not used)	403.4	447.7
Commitments related to operating activities	2,820.7	2,584.5
Other contractual commitments received related to "rental income due" activities(1)	**2,456.0**	**2,127.7**
Guarantees received	290.2	276.7
Preliminary sale agreements received	69.0	155.4
Works commitments outstanding (fixed assets) = (1)+(2) of commitments given	5.5	24.7

(1) Other contractual commitments received related to "rental income due" activities.

(In € million)	Total
less than 1 year	190.0
between 1 and 5 years	722.3
more than 5 years	1,543.6
TOTAL	**2,456.0**

4.2.7.4 Related-party transactions

The information below corresponds to the main related parties, namely i) Covivio and its subsidiaries and ii) equity affiliates.

Details of related-party transactions (in € million):

Partner	Type of partner	Operating result	Net financial income	Balance sheet	Comments
Covivio Hotels Gestion	Manager	-3.1			Remuneration of Management
Covivio Property	Group service provider	-2.1			Board Property fees
Covivio	Group service provider	5.7			Network costs
Covivio SGP	Manager OPCI B2 INVEST HOTEL	-0.2			Consultancy services and management agreement
Covivio Immobilien GmbH	Group service provider	-1.5			Property fees and Network costs
Covivio Italy	Group service provider	-0.2			Property fees and Network costs
IRIS (OPCI + Holding), OPCI Campinvest, SCI Dahlia and Phoenix	Equity affiliates	7.1	3.1	64.1	Asset and property fees, Loans

4.2.7.5 Executive remuneration

4.2.7.5.1 Remuneration of executives and Directors

(In € thousand)	31/12/2024	31/12/2023
Directors	39	29
Directors' fees	**39**	**29**

As of 31 December 2024, €39 thousand had been paid in remuneration allocated to the members of the Supervisory Board and the Audit Committee.

4.2.7.5.2 Remuneration of the Manager and the General Partner

The Managing Partner, Covivio Hotels Gestion, received €1.0 million excluding taxes for its work in respect of 2024. The terms of this remuneration are governed by Article 11 of the Articles of Association of Covivio Hotels.

During the first half of 2024, €1.0 million in preferred dividends was paid to the limited partner, Covivio Hotels Gestion in respect of the 2024 fiscal year. This preferred dividend was recognised under operating expenses in accordance with IFRS, which specify that preferred dividends must be treated as management commissions.

4.2.7.6 Table of Statutory Auditors' fees

	KPMG				Ernst & Young et Autres				Others			
	Amount		%		Amount		%		Amount		%	
(In € thousand)	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Statutory Auditing, certification, review of company and consolidated financial statements	**456**	**179**	**29%**	**10%**	**662**	**756**	**42%**	**41%**	**451**	**907**	**29%**	**49%**
Issuer	160		51%	0%	153	161	49%	100%	0	170	0%	51%
Fully consolidated affiliates	296	179	30%	25%	463	545	47%	75%	234	516	24%	42%
Equity affiliates	0		0%	0%	46	50	17%	18%	217	221	83%	82%
Services other than certification of the financial statements	**12**	**0**	**5%**	**0%**	**222**	**183**	**95%**	**100%**	**14**	**42**	**6%**	**19%**
Issuer	10		7%	0%	126	173	93%	100%	0	32		16%
Fully consolidated affiliates	2		2%	0%	79	5	94%	100%	3	8		62%
Equity affiliates	0				17	5	61%	100%	11	2		29%
TOTAL	**468**	**179**	**26%**	**16%**	**884**	**939**	**49%**	**45%**	**465**	**949**	**26%**	**46%**

4.2.8 Segment reporting

4.2.8.1 Accounting principles relating to operating segments – IFRS 8

Covivio Hotels holds a wide range of real estate assets to collect rental income and benefit from appreciation in the assets held. Segment reporting has been structured by customer type and asset type.

As a result, the operating segments are as follows:

- Hotels: assets primarily leased to Accor, IHG, B&B, Motel One, NH, Pierre & Vacances and Club Med;
- Operating Properties: hotels operated by Covivio Hotels, either directly or through a management agreement with a hotel operator.

Non-material businesses (retail and corporate) have been consolidated in the hotel segment.

These segments are reported on separately and analysed regularly by Covivio Hotels group management in order to make decisions on the resources to allocate to the segment and to assess their performance.

The financial data presented for the segment reporting follows the same accounting rules as for the consolidated accounts.

4.2.8.2 Tangible and intangible fixed assets

	Hotels		Operating Properties		
31/12/2024 (In € million)	France	Rest of world	France	Rest of world	Total
Goodwill	0.0	0.0	251.1	73.9	325.0
Other intangible assets	0.0	0.0	0.5	0.3	0.9
Operating properties (carried at cost)	0.3	0.0	894.0	758.6	1,653.0
Other tangible assets	0.8	0.0	-5.3	15.3	10.7
TOTAL	**1.1**	**0.0**	**1,140.3**	**848.1**	**1,989.5**

	Hotels		Operating Properties		
31/12/2023 (In € million)	France	Rest of world	France	Rest of world	Total
Goodwill	0.0	0.0	41.0	76.4	117.4
Other intangible assets	0.0	0.0	0.1	0.1	0.2
Operating properties (carried at cost)	0.4	0.0	313.2	793.1	1,106.7
Other tangible assets	0.0	0.0	-12.1	15.1	3.0
TOTAL	**0.4**	**0.1**	**342.2**	**884.7**	**1,227.3**

Goodwill increased by €207.5 million as a result of the acquisition of the Vauban business assets for €210 million, reduced by the sale of a fund in Germany (-€2.5 million).

4.2.8.3 Investment properties/properties held for sale

31/12/2024 (In € million)	Hotels		Operating Properties		Total
	France	Rest of world	France	Rest of world	
Investment property (at fair value)	952.6	2,997.5	0.0	0.0	3,950.1
Assets available for sale	51.9	16.7	0.0	0.0	68.6
TOTAL	**1,004.5**	**3,014.2**	**0.0**	**0.0**	**4,018.7**

31/12/2023 (In € million)	Hotels		Operating Properties		Total
	France	Rest of world	France	Rest of world	
Investment property (at fair value)	1,649.3	2,988.9	17.1	0.0	4,655.2
Assets available for sale	58.5	96.9	0.0	0.0	155.5
Other assets held for sale	0.0	6.5	0.0	0.0	6.5
TOTAL	**1,707.8**	**3,092.3**	**17.1**	**0.0**	**4,817.2**

The €17.1 million on the France Operating Properties concerned the Hotel Plaza Nice fund. It was reclassified as an investment property in 2024 because we do not operate the hotel.

4.2.8.4 Current and non-current financial liabilities

31/12/2024 (In € million)	Hotels	Operating Properties	Total
Non-current financial liabilities	1,248.1	995.4	2,243.5
Long-term rental liabilities	243.4	47.8	291.2
Current financial liabilities	533.7	3.1	536.8
Short-term rental liabilities	5.2	0.6	5.8
TOTAL FINANCIAL LIABILITIES	**2,030.4**	**1,046.9**	**3,077.3**

31/12/2023 (In € million)	Hotels	Operating Properties	Total
Non-current financial liabilities	1,498.6	700.4	2,199.0
Long-term rental liabilities	238.3	44.7	283.0
Current financial liabilities	252.7	3.1	255.8
Short-term rental liabilities	5.1	0.7	5.8
TOTAL FINANCIAL LIABILITIES	**1,994.7**	**748.9**	**2,743.5**

In May 2024, a bond issue was subscribed for €500 million for a maturity of 9 years.

New drawdowns on NEU CP contracts were made for €78 million, maturing in 2025.

A partial redemption of £130 million was also made on 19 May 2024.

4.2.8.5 Income statement by operating segment

In accordance with IFRS 12, inter-segment transactions are presented separately in the segment income statement.

31/12/2024 (In € million)	Hotels	Operating Properties	Intercos Inter-sector	31/12/2024
Rents	270.1	0.0	0.0	270.1
Rental charges not recovered	-3.0	0.0	0.0	-3.0
Expenses on Buildings	-3.4	0.0	0.0	-3.4
Net bad debt expenses	-1.0	0.0	0.0	-1.0
Net Rental Income	**262.7**	**0.0**	**0.0**	**262.7**
EBITDA of hotels under management	**0.0**	**82.6**	**0.0**	**82.6**
Other activity income	**0.0**	**0.0**	**0.0**	**0.0**
Management and administration income	9.8	0.0	-1.7	8.1
Structure costs	-20.9	-3.9	1.7	-23.2
Net operating costs	**-11.1**	**-3.9**	**0.0**	**-15.1**
Depreciation of operating assets	-0.1	-56.6	0.0	-56.7
Net change in provisions	-0.4	-0.4	0.0	-0.8
Other operating profits and expenses	13.9	1.6	0.0	15.5
Operating result	**265.0**	**23.2**	**0.0**	**288.2**
Net income from properties in inventory	0.0	0.0	0.0	0.0
Income from asset disposals	**7.2**	**5.5**	**0.0**	**12.6**
Result of value adjustments	**51.3**	**0.0**	**0.0**	**51.3**
Income from the sale of securities	**1.4**	**-1.8**	**0.0**	**-0.4**
Income from changes in scope	**-3.7**	**-1.1**	**0.0**	**-4.9**
Operating income	**321.1**	**25.8**	**0.0**	**346.8**
Cost of net financial debt	-49.9	-7.4	0.0	-57.3
Interest charges on rental liabilities	-13.2	-2.5	0.0	-15.7
Value adjustment of derivative instruments	-21.4	0.0	0.0	-21.4
Exceptional depreciation of loan issue costs	-1.2	0.0	0.0	-1.2
Other financial income and expenses	0.9	0.0	0.0	0.9
Share of profit of companies accounted for using the equity method	15.8	-0.7	0.0	15.1
Net income before tax	**252.0**	**15.1**	**0.0**	**267.2**
Taxes	-20.4	-10.1	0.0	-30.5
Net income for the period	**231.7**	**5.0**	**0.0**	**236.7**
Net income of non-controlling interests	11.5	0.7	0.0	12.1
NET INCOME FOR THE PERIOD - GROUP SHARE	**220.2**	**4.4**	**0.0**	**224.6**

31/12/2023 (In € million)	Hotels	Operating Properties	Intercos Inter-sector	31/12/2023
Rents	265.8	0.0	-1.8	264.0
Rental charges not recovered	-3.4	0.0	0.3	-3.1
Expenses on Buildings	-3.0	0.0	0.0	-3.0
Net bad debt expenses	-0.5	0.0	0.0	-0.5
Net Rental Income	**258.9**	**0.0**	**-1.5**	**257.4**
EBITDA of hotels under management	**0.0**	**74.6**	**0.0**	**74.6**
Other activity income	**0.0**	**0.0**	**0.0**	**0.0**
Management and administration income	7.3	0.0	-1.6	5.6
Structure costs	-22.3	-5.7	3.1	-24.9
Net operating costs	**-15.1**	**-5.7**	**1.5**	**-19.3**
Depreciation of operating assets	-0.2	-48.1	0.0	-48.2
Net change in provisions	0.1	7.7	0.0	7.8
Other operating profits and expenses	12.9	3.2	0.0	16.0
Operating result	**256.6**	**31.7**	**0.0**	**288.4**
Net income from properties in inventory	0.0	0.0	0.0	0.0
Income from asset disposals	**0.3**	**0.0**	**0.0**	**0.3**
Result of value adjustments	**-196.1**	**-1.4**	**0.0**	**-197.5**
Income from the sale of securities	**0.0**	**0.0**	**0.0**	**0.0**
Income from changes in scope	**-1.0**	**-2.7**	**0.0**	**-3.8**
Operating income	**59.8**	**27.6**	**0.0**	**87.4**
Cost of net financial debt	-47.8	-15.1	0.0	-62.9
Interest charges on rental liabilities	-12.8	-2.5	0.0	-15.3
Value adjustment of derivative instruments	-67.0	0.0	0.0	-67.0
Exceptional depreciation of loan issue costs	-0.4	0.0	0.0	-0.4
Other financial income and expenses	0.3	0.1	0.0	0.4
Share of profit of companies accounted for using the equity method	-2.0	0.0	0.0	-2.0
NET INCOME BEFORE TAX	**-69.9**	**10.0**	**0.0**	**-59.9**
Taxes	34.1	0.4	0.0	34.6
Net income for the period	**-35.8**	**10.5**	**0.0**	**-25.3**
Net income of non-controlling interests	-14.9	1.1	0.0	-13.7
NET INCOME FOR THE PERIOD - GROUP SHARE	**-20.9**	**9.3**	**0.0**	**-11.6**

4.2.9 Post-closing events

None.

4.3 Statutory Auditors' report on the consolidated financial statements

Fiscal year ended 31 December 2024

To the General Meeting of Covivio Hotels,

Opinion

In compliance with the engagement entrusted to us by the General Meeting, we audited the accompanying consolidated financial statements of Covivio Hotels for the fiscal year ended 31 December 2024 as attached to the present report.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations for the past fiscal year as well as the financial position and of the assets, for the year then ended, of the Group comprising the persons and entities included in the scope of consolidation, in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion set out below reflects the content of our report to the Audit Committee.

Basis of Opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe the information we have collected to be sufficient and appropriate to form an opinion.

Our responsibilities under these standards are further described in the "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" section of this report.

Independence

We conducted our audit engagement in accordance with the independence rules set out in the French Commercial Code and in the French Code of Ethics for Statutory Auditors, for the period from 1 January 2024 to the date of this report, and in particular we did not provide any prohibited services referred to in Article 5 (1) of Regulation (EU) 537/2014.

Observations

Without calling into question the opinion expressed above, we draw your attention to Note 4.2.1.1 "Accounting framework" to the consolidated financial statements, which sets out the change in accounting method related to a change in presentation in relation to the cost of net financial debt.

Justification of Assessments – Key Audit Matters

Pursuant to the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgement, were the most significant for the audit of the consolidated financial statements for the fiscal year, as well as the responses we have provided to these risks.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed henceforth. We do not express any opinion on isolated elements of the consolidated financial statements.

Valuation of investment properties

Risk identified	How the matter was addressed
The fair value of investment properties, excluding properties held for sale, represented 55% of consolidated assets at 31 December 2024, *i.e.* €3,950 million. Under the option offered by IAS 40, investment properties are recognised at their fair value. Changes in fair value are recorded in the income statement in the line "Result of value adjustments". At 31 December 2024, the net amount of valuation adjustments of investment properties amounted to €51.3 million. Note 4.2.5.1.1 to the consolidated financial statements states that investment properties are subject to appraisals by independent real estate appraisers. 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 by independent appraisers on the basis of data provided by your group. The economic context creates uncertainty as to the estimates used by independent appraisers for appraisal values. These estimates include assumptions on discount rates, yield rates and rental data that depend on changes in the hotel market, which may be different in the future. We considered the valuation of investment properties to be a key audit matter due to the importance of this item in the consolidated statement of financial position and in the consolidated statement of net income, and given the degree of judgement relating to the determination of the main assumptions used.	Our procedures also involved: • reviewing the process used to appraise investment properties and the controls implemented by your Group; • assessing the competence and independence of the real estate appraisers by examining the application of the rotation rules and the forms of remuneration offered by your Group and by verifying that the appraisers are all members of AFREXIM (Association Française des Experts Immobiliers); • obtaining an understanding of your Group's written instructions to its professional real estate appraisers describing the nature of the services required as well as the scope and limitations of their work, with particular regard to the verification of the information provided by your Group; • checking, using sampling techniques, the pertinence of the information provided by the Finance Department to the real estate appraisers to determine the fair value of investment properties, such as leases, accounting data and the budget for investment expenditure; • assessing the valuation assumptions used by the real estate appraisers, in particular discount rates, yield rates and rental data, by comparing them with external data and published market studies; • interviewing certain professional real estate appraisers in the presence of the entities' Finance Departments and assessing, with the assistance of our valuation specialists, the consistency and relevancy of the valuation approach applied and of the main judgements made; • reconciling the real estate appraisal values with the values used in the consolidated financial statements; • assessing the appropriateness of the information provided in the notes to the annual financial statements.

Measuring the tangible fixed assets and goodwill relating to the "Operating Properties" segment

Risk identified	How the matter was addressed
Property, plant and equipment and goodwill amounted to €1,990 million at 31 December 2024, compared with a balance sheet total of €7,055 million. Tangible fixed assets comprise managed hotel real estate in the "Operating Properties" segment (occupied or managed by the teams of your Group – owner occupied buildings). Note 4.2.5.1.1 to the consolidated financial statements specifies that these fixed assets are carried at historical cost less accumulated depreciation and any potential impairment. 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. Tangible fixed assets and related goodwill undergo impairment testing at least once a year, in which the net book value is compared with the valuation of hotel real estate in the "Operating Properties" segment as provided by real estate appraisers. These estimates include assumptions on discount rates, capitalisation and hotel performance that depend on changes in the hotel market, which may be different in the future. The economic context creates uncertainty as to the estimates used by independent appraisers for appraisal values. These estimates include assumptions on discount rates, yield rates and rental data that depend on changes in the hotel market, which may be different in the future. We considered the valuation of tangible fixed assets and the related goodwill of the operating segment "Operating Properties" as a key audit matter due to the importance of this item in the consolidated statement of financial position, taking into account the degree of judgement relating to the determination of the main assumptions used.	Our procedures also involved: • obtaining an understanding of the valuation process for tangible fixed assets and the related goodwill as well as the controls implemented by your group; • assessing the competence and independence of the real estate appraisers by examining the application of the rotation rules and the forms of remuneration offered by your Group and by verifying that the appraisers are all members of AFREXIM (Association Française des Experts Immobiliers); • obtaining an understanding of your Group's written instructions to its professional real estate appraisers describing the nature of the services required, the scope and limitations of the applicable procedures with particular regard to the verification of the information provided by your Group; • analysing, on a sample basis, the information provided by the Finance Department to the real estate appraisers to determine the fair value of the "Operating Properties" segment, such as the hotel's latest performance and budget; • assessing the appropriateness of the valuation assumptions used by the real estate appraisers, in particular the discount and capitalisation rates, by comparing them with external data and published market studies; • interviewing certain professional real estate appraisers in the presence of the entities' Finance Departments and assessing, with the assistance of our valuation specialists, the consistency and relevancy of the valuation approach applied and of the main judgements made; • verifying, on a sample basis, that impairment allowances are recognised when appraisal values excluding charges are lower than the net book values of the tangible fixed assets plus the net book values of the goodwill; • recalculating, on a sample basis, the provisions and reversals of impairment recognised in your Group's consolidated financial statements; • assessing the appropriateness of the information provided in the notes to the annual financial statements.

Specific verification

In accordance with the professional standards applicable in France, we have also carried out the specific verifications required by law of the information relating to the Group in the management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other verifications or reporting envisaged by law and regulations

Format of the consolidated 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 single European electronic reporting format, we have also verified compliance with this format defined by the European Delegated Regulation 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 I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of management. 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 single European electronic reporting 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.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Covivio Hotels by your General Meeting of 15 April 2024 for KPMG S.A. and of 11 April 2013 for ERNST & YOUNG et Autres.

As at 31 December 2024, KPMG S.A. was in its first year of its engagement and ERNST & YOUNG et Autres in its twelfth year.

Prior to this, the firm Groupe PIA, which later became Conseil Audit & Synthèse (acquired by ERNST & YOUNG Audit in 2010), was 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 IFRS 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 evaluating the company's ability to continue as a going concern, disclosing, as applicable, matters relating to the going concern and using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations.

The Audit Committee is responsible for overseeing the process for preparing financial information and monitoring the effectiveness of the risk management and internal control systems, as well as, where applicable, the internal audit system, regarding the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were approved by the Management Board.

Statutory Auditors' responsibilities relating to the audit of the consolidated financial statements

Objectives and audit process

We are tasked with preparing a report on the consolidated financial statements. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements taken 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 where one exists. Misstatements can arise from fraud or error and are considered material if, individually or aggregated, they could reasonably be expected to influence the economic decisions of users as taken on the basis of these financial statements.

As indicated in Article L. 821-55 of the French Commercial Code, in auditing the financial statements we are not asked to guarantee the viability or quality of the company's management.

In the course of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises its professional judgement throughout the audit. We also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in accordance with those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the circumvention of internal control;
- obtain 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 internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- conclude on 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. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may call into question the company's ability to continue as a going concern. If the auditor concludes as to the existence of any material uncertainty, the attention of readers of the audit report is drawn to the information provided in that respect in the consolidated financial statements or, if such information is not provided or is not relevant, the auditor formulates a qualified audit opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the scope of consolidation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements as well as for the opinion on said financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee that in particular covers the scope of the audit work and the schedule of work undertaken, along with our findings. We also inform it, as applicable, of any material weaknesses we identified in the internal control system regarding the procedures relating to the preparation and processing of accounting and financial information.

The elements communicated in the report to the Audit Committee include the risks of material misstatement which, in our professional view, have presented the greatest significance for the audit of the accompanying consolidated financial statements and which as such constitute the key audit matters we are required to describe in this report.

We also provide the Audit Committee with the confirmation in writing provided for in Article 6 of Regulation (EU) 537-2014 regarding our independence, as per the applicable rules in France found in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where necessary, we discuss with the Audit Committee the threats to our independence and the safeguards applied to mitigate those threats.

Paris-La Défense, 19 March 2025

KPMG SA

Sandie TZINMANN

Partner

ERNST & YOUNG et Autres

Jean-Roch VARON

Partner

Pierre LEJEUNE

Partner

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4.4 Company financial statements as at 31 December 2024

4.4.1 Balance sheet

Assets

(In € thousand)	Note 4.5.	31/12/2024 Gross	Amortisation, depreciation and impairment	31/12/2024 Net	31/12/2023 Net
Intangible fixed assets		**-**	**-**	**-**	**-**
Tangible fixed assets in progress		-	-	-	-
Tangible fixed assets:	**4.5.3.1.1**	**435,820**	**162,642**	**273,177**	**371,531**
Land		87,239	3,884	83,355	116,900
Buildings		346,400	158,750	187,649	250,653
Technical facilities, industrial equipment and tools		-		-	-
Other tangible assets		23	8	15	15
Tangible fixed assets in progress		2,158	-	2,158	3,963
Advances and advanced payments		-	-	-	-
Financial assets:		**4,056,143**	**200,009**	**3,856,134**	**3,802,443**
Investments	4.5.3.1.2	2,212,353	200,009	2,012,343	2,097,331
Other securities	4.5.3.1.4	54	-	54	126
Receivables linked to investments & Loans	4.5.3.1.3	1,842,557	-	1,842,557	1,703,805
Other non-current financial assets		1,180	-	1,180	1,181
Total I – Fixed assets	**4.5.3.1**	**4,491,963**	**362,652**	**4,129,311**	**4,173,974**
Inventories and work in progress		**-**	**-**	**-**	**-**
Advances and advanced payments on orders		**-**	**-**	**-**	**-**
Operating receivables:	**4.5.3.2.1**	**98,931**	**7,323**	**91,609**	**64,497**
Trade receivables and related accounts	4.5.3.2.2	14,232	3,498	10,734	4,907
Current accounts		61,203	-	61,203	57,879
Other receivables		23,496	3,825	19,671	1,710
Marketable securities	**4.5.3.2.3**	**358,013**	**-**	**358,013**	**-**
Cash and cash equivalents		**86,362**	**-**	**86,362**	**13,254**
Prepaid expenses	**4.5.3.2.4**	**13,024**	**-**	**13,024**	**15,982**
Treasury instruments	**4.5.3.2.6**	**1,013**	**-**	**1,013**	**-**
Total II – Current assets	**4.5.3.2**	**557,343**	**7,323**	**550,020**	**93,732**
Deferred expenses (III)	4.5.3.2.4	9,353	-	9,353	5,735
Bond redemption premiums (IV)	4.5.3.2.4	4,236	-	4,236	2,246
Currency translation gains (V)	4.5.3.2.4	23,531	-	23,531	15,056
GRAND TOTAL (I + II + III + IV + V)		**5,086,425**	**369,974**	**4,716,451**	**4,290,743**

Liabilities

(In € thousand)	Note 4.5.	31/12/2024	31/12/2023
Shareholders' equity:		**2,078,946**	**2,252,086**
Capital [of which €592,566 thousand paid]		592,566	592,566
Issue premium, merger premium and additional paid-in capital		1,486,380	1,659,520
Reserves and retained earnings:		**59,267**	**59,261**
Legal reserve		59,257	59,257
Retained earnings		10	4
Net income for the fiscal year		286,693	20,439
Regulated provisions		7,572	8,403
Total I – Shareholders' equity	**4.5.3.3**	**2,432,477**	**2,340,189**
Other equity		**-**	**-**
Total I bis – Equity		**-**	**-**
Provisions for risks		30,252	17,086
Provisions for charges		580	111
Total II – Provisions for risks and charges	**4.5.3.4**	**30,832**	**17,198**
Debt			
Financial payables:		**2,206,883**	**1,912,282**
Other bonds	4.5.3.5.1	1,465,974	953,361
Loans and debt from credit institutions[1]	4.5.3.5.2	524,081	831,662
Other sundry loans and borrowings	4.5.3.5.3	216,828	127,260
Advances and advanced payments received		**-**	**-**
Operating payables:		**16,737**	**11,972**
Trade payables and related accounts		13,299	9,875
Tax and social debts	4.5.3.5.4	3,437	2,097
Other operating payables			
Sundry liabilities:		**14,629**	**6,932**
Debt on fixed assets and related accounts	4.5.3.5.5	4,262	6,426
Other liabilities	4.5.3.5.6	10,367	506
Pre-booked income		**-**	**600**
Treasury instruments	**4.5.3.5.7**	**55**	**80**
Total III – Current liabilities	**4.5.5.3.5**	**2,238,304**	**1,931,867**
Currency translation losses (IV)	**4.5.5.10**	**14,837**	**1,490**
GRAND TOTAL (I + I BIS + II + III + IV)		**4,716,451**	**4,290,743**
(1) Of which current bank borrowings and bank overdrafts.		22	0

4.4.2 Income statement

(In € thousand)	Note 4.5.	31/12/2024	31/12/2023	Change (in %)
Sales [Rental income]		67,672	65,957	
Net revenues	**4.5.4.1.1**	**67,672**	**65,957**	
Reversals of provisions, impairment and transferred expenses	4.5.4.1.2	8,693	1,999	
Other income		155	351	
Total I – Operating income		**76,520**	**68,307**	**12.02%**
Other purchases and external expenses		24,882	13,726	
Taxes and related payments		4,572	4,598	
Salaries and benefits		2,521	2,508	
Social security charges		1,097	1,099	
Depreciation, amortisation and provisions:				
On fixed assets: depreciation and amortisation charges		15,982	15,950	
On fixed assets: impairment charges		2,288	2,259	
On current assets: impairment charges		106	1,342	
Provisions for financial risks and charges		509	62	
Other expenses		2,189	2,429	
Total II – Operating expenses	**4.5.4.1.3**	**54,146**	**43,972**	**23.14%**
1. Operating income (I - II)	**4.5.4.1**	**22,373**	**24,335**	**-8.06%**
Share of income from joint operations				
Profits or loss transferred (III)		**0**	**0**	
Losses or profits transferred (IV)		**0**	**0**	
Financial income:				
From investments (dividends)	4.5.4.2.1	158,291	102,234	
From other marketable securities and fixed asset receivables		47,316	43,540	
Other interest and similar income		84,733	58,684	
Reversals of provisions, impairment and transferred expenses	4.5.4.2.2	53,778	2,300	
Positive exchange differences	4.5.4.2.3	781	9,703	
Net income from disposal of marketable securities		0	257	
Total V – Financial income		**344,899**	**216,718**	**59.15%**
Financial expenses:				
Impairment, amortisation and provisions	4.5.4.2.4	80,869	112,791	
Interest and similar expenses		140,209	115,957	
Negative exchange differences	4.5.4.2.3	6,804	217	
Net expenses from disposal of marketable securities		0	0	
Total VI – Financial expenses		**227,883**	**228,965**	**-0.47%**
2. Net financial income (V - VI)	**4.5.4.2**	**117,016**	**-12,246**	**-1,055.52%**
3. Income from operations before tax (I - II + III - IV + V - VI)		**139,389**	**12,088**	**1,053.10%**
Non-recurring income:				
On management transactions		0	4,208	
On capital transactions		314,214	9,783	
Reversals of provisions, impairment and transferred expenses		2,145	116	
Total VII – Non-recurring income	**4.5.4.3**	**316,359**	**14,108**	**2,142.46%**
Non-recurring expenses:				
On management transactions		0	69	
On capital transactions		167,804	4,415	
Impairment, amortisation and provisions		1,251	1,273	
Total VIII – Non-recurring expenses	**4.5.4.3**	**169,054**	**5,757**	**2,836.66%**
4. Non-recurring income (VII - VIII)	**4.5.4.3**	**147,304**	**8,351**	**1,663.92%**
Employee profit-sharing (IX)		0	0	
Corporate income tax (X)	4.5.4.4	0	0	
Total income (I + III + V + VII)		**737,777**	**299,133**	**146.64%**
Total expenses (II + IV + VI + VIII + IX + X)		**451,084**	**278,694**	**61.86%**
NET INCOME (+) OR LOSS (-)		**286,693**	**20,439**	**1,302.66%**

4.5 Notes to the company financial statements

4.5.1 Significant events during the fiscal year

In November 2024, Covivio and AccorInvest finalised the operation to consolidate the ownership of the premises and business assets of their hotels for a total exchange value of nearly €800 million. At the end of this transaction initiated at the end of 2023, the Covivio group acquires full ownership of 43 hotels located in France, Belgium and Germany and sells to AccorInvest 16 hotels located in the same countries.

This transaction resulted in the disposal of nine assets in the accounts of Covivio Hotels.

4.5.1.1 Acquisitions of real estate assets, works and developments

No real estate assets were acquired during 2024.

4.5.1.2 Disposals of real estate assets

Covivio Hotels disposed of the following assets during the period:

(In € thousand)	Net book value	Disposal price	Capital gains or losses	Market value at 31/12/2023
Ibis Paris La Fayette (Accor) - Vauban disposal	3,332	12,616	9,284	12,800
Mercure Lille Center Opéra (Accor) - Vauban disposal	3,616	12,950	9,334	12,000
Novotel Paris Gare Lyon (Accor) - Vauban disposal	21,622	86,608	64,986	85,520
Novotel Toulouse Centre Compans Caffarelli (Accor) – Vauban disposal	7,513	14,454	6,941	14,330
Novotel Atria Charenton H1549 (Accor) - Vauban disposal	6,268	22,206	15,938	20,800
Novotel Atria Rueil Malmaison (Accor) - Vauban disposal	9,381	20,066	10,685	18,380
Ibis Nice Centre H1396 (Accor) – Vauban disposal	2,730	7,803	5,074	7,200
Mercure La Grande Motte H1230 (Accor) – Vauban disposal	4,542	9,689	5,147	9,770
Novotel Bordeaux Centre H1023 (Accor) – Vauban disposal	3,214	12,549	9,334	12,930
Novotel Paris St Quentin (Accor)	5,503	11,019	5,517	12,530
Ibis Limoges Centre (Accor)	1,096	1,495	399	2,430
Ibis Strasbourg Pte Fce (Accor)	2,334	7,100	4,766	6,930
Ibis Blagnac (Accor)	5,401	7,000	1,599	8,520
Mercure Lyon Lumiere (Accor)	2,490	6,993	4,502	6,320
Novotel Nimes Atria (Accor)	4,786	9,200	4,414	8,800
Balma (Courtepaille)	1,373	1,350	-23	1,384
Rungis (Courtepaille)	1,477	2,100	623	2,100
Toulouse Fenouillet (Courtepaille)	1,006	1,551	545	1,584
TOTAL	**87,682**	**246,748**	**159,066**	**244,328**

4.5.1.3 Acquisitions of equity securities

During 2024, the Company acquired shares in Las Dalias, a company that owns a hotel in the Canary Islands.

Covivio Hotels is also the sole shareholder of Covivio Hotels Belgique since its creation last year.

4.5.1.4 Capital increase

N/A for the fiscal year.

4.5.1.5 Restructuring of hedging

As of 31 December 2020, certain derivative instruments, considered as isolated open positions (IOPs) until 31 December 2018, were reused for hedging purposes. The fair value of these instruments was therefore amortised to profit or loss over the term of residual life of the derivative. Covivio Hotels was not over-hedged at 31 December 2024.

4.5.1.6 Tax audit

No current tax audit of the company.

4.5.2 Accounting principles, rules and methods

Covivio Hotels is the parent company of the Covivio Hotels group, and draws up its consolidated financial statements according to IFRS. Its registered office is located at 10 rue de Madrid - 75008 Paris. It is registered in the Paris Trade and Companies Register under number 955 515 895. The consolidated financial statements are available from this address.

Covivio Hotels is fully consolidated by the company Covivio, located at 18, avenue François Mitterrand – CS 10449 – 57017 METZ Cedex 01. Covivio is registered in the Metz Trade and Companies Register under number 364 800 060. The consolidated financial statements are available from this address.

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 the French accounting standards authority (ANC) Regulation 2014-03 published by the Decree of 5 June 2014 and subsequent regulations 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 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.

The annual financial statements are presented in thousands of euros, rounded to the nearest thousand euros. Rounding differences may generate minor differences between statements.

4.5.2.1 Tangible fixed assets

The initial cost of properties in the portfolio comprises:

- their acquisition cost including costs and duties related to the purchase for properties acquired subsequent to the adoption of the SIIC tax regime;
- their production cost for buildings under renovation: work carried out is recognised as fixed assets in progress as and when invoices from suppliers are received and then transferred to construction upon receipt of the completion report.

Tangible fixed assets are depreciated using the straight-line method and according to their probable useful life.

Methodology used:

Hotel real estate

The list of components used is that recommended by the working group of the Fédération des Sociétés Immobilières et Foncières. The components used are as follows:

Breakdown of the buildings	Method	Term
Building structures	L	50 to 80 years
Facades and external joinery	L	30 years
General and technical facilities	L	20 years
Fittings	L	10 years

Courtepaille restaurants

The list of components used is that recommended by the working group of the Fédération des Sociétés Immobilières et Foncières. The components used are as follows:

Breakdown of the buildings	Method	Term
Building structures	L	50 years
Facades and external joinery	L	30 years
General and technical facilities	L	20 years
Exterior improvements	L	10 years
Interior fittings	L	10 years

The overall real estate 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.

Covivio Hotels also abides by the Listed Real Estate Investment Company (SIIC) Code of Ethics applicable to FSIF (French Federation of Real Estate and Property Management Companies) member companies, particularly in terms of real estate appraisals.

Valuation missions are carried out in accordance with the Code of Ethics for SIICs, the charter for Expert Appraisal in Real Estate Valuation and the recommendations of the COB/CNCC working group chaired by Mr Barthès de Ruyther, and internationally in accordance with the standards promoted by the International Valuation Standards Council (IVSC) as well as those of the 2014 Red Book of the Royal Institution of Chartered Surveyors (RICS).

The real estate portfolio held directly by the Company was appraised in full at 31 December 2024 by independent real estate experts who are members of RICS, including BNP Real Estate, BPCE, CBRE and Cushman.

4.5.2.2 Tangible fixed assets acquired under finance leases

When a finance lease option is exercised, the tax cost price of a property is determined by the addition of:

- the acquisition price of the property provided for in the lease;
- the reintegration to take place in the profits of the current fiscal year at the time the option is exercised;
- the acquisition price of the lease less capital cost allowances previously recognised.

When depreciation on a tax basis is higher than on an accounting basis, a capital cost allowance is made corresponding to the buildings and calculated over their useful life. Capital cost allowances recognised prior to the exercise of the option are reversed at the end of a fiscal year to the extent that the depreciation for impairment in the fiscal year exceeds the annual amount allowed for tax purposes.

When the building is disposed of, capital cost allowances previously used are reversed in the income statement.

4.5.2.3 Impairment of tangible and intangible fixed assets

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 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 charges), calculated on the basis of independent appraisals, and the net book value.

There is objective indication of impairment when the appraisal value is at least €150 thousand less than the net book value. Even if this difference is less than €150 thousand, an impairment loss will be recognised when the appraisal value has been less than the net book value for more than two consecutive years.

When impairment is recognised, it is monitored without any 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 "Depreciation and impairments".

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.

4.5.2.4 Financial assets

Financial assets are valued at acquisition cost or at their contribution value after deducting any provisions required to restore them to their value in use (if necessary). At the end of the fiscal year, the carrying value of investments is compared to their current value. The lowest of these is retained in the financials. The inventory 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.

The acquisition costs are incorporated in the cost price of financial assets and amortised over five years in the form of additional amortisation to benefit from tax incentives.

4.5.2.5 Doubtful trade receivables and impairments

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:

- no provisions are set aside for existing or vacated tenants whose receivables are less than three months overdue;
- 50% of the amount of the receivable for existing tenants whose receivables are between three and six months overdue;
- 100% of the total amount of the receivable for existing tenants whose receivables are more than six months overdue;
- 100% of the total amount of the receivable for departed tenants whose receivables are more than three months overdue.

Given the widespread use of support measures (almost non-existent before Covid), the company opted to spread rents over the term of the lease. This change in accounting method makes the financial statements easier to read. The spreading of rent exemptions involves recognising a receivable which is progressively settled until the end of the lease, allowing the company to report a constant rent over the period.

4.5.2.6 Receivables and debt denominated in foreign currencies

Receivables and debt in foreign currencies are converted and recognised in euros on the basis of the last known exchange rate.

At settlement, the difference between the rate originally used and the rate on the date of settlement constitutes a foreign exchange loss or gain that must be recognised in operating or financial income, depending on the nature of the transaction.

At the end of the fiscal year, receivables and debt are converted at the closing rate. These conversion differences are recorded in transitional accounts, pending subsequent adjustment:

- on the assets side of the balance sheet, when the difference corresponds to an unrealised loss;
- on the liabilities side of the balance sheet, when the difference corresponds to an unrealised gain.

Unrealised losses lead to the establishment of a provision for risk.

For a single transaction, unrealised losses and gains can be considered part of an overall foreign exchange position; the provision is therefore limited to the amount by which losses exceed gains.

Unrealised foreign exchange losses and gains on bank accounts are recognised directly in net financial income at the closing date.

	GBP	EUR
Opening rate	1	1.151930
Closing rate	1	1.206160

4.2.5.7 Derivatives

Covivio Hotels uses fixed or optional derivative financial instruments or a combination of fixed or optional financial instruments such as swaps, caps, floors or cross currency swaps to manage overall interest rate and foreign exchange risk.

The instruments used are considered simple, standard and liquid.

Financial instruments are recognised according to the intention with which the transactions are carried out.

If the instruments qualify as hedging transactions:

- the net effects (income and expenses) of derivatives qualifying as hedges are recognised in the income statement symmetrically with the net effects (income and expenses) of the hedged items, *i.e.* symmetrically with the recognition of the interest charge on the loans hedged for the hedging of the interest rate risk, and symmetrically with exchange rate effects for hedging foreign exchange risk;

- balances paid or received on entering into a swap contract are recognised in an accrual account on the asset or liability side of the balance sheet and are spread in profit or loss over the effective period during which the instrument is activated;
- the premiums paid on entering into an option contract (cap, floor, tunnel) are recognised as financial instruments on the asset side of the balance sheet and spread in profit or loss over the period covered by the option;
- when the forward financial instruments are cancelled or restructured with the initial counterparty and the hedged item(s) still exist, in order to ensure a symmetrical treatment with the hedged item, the gains and losses of the terminated derivatives (balances paid or received) are recorded in the balance sheet in the adjustment accounts for cash instruments provided for by French generally accepted accounting principles (PCG), pending recognition in profit or loss symmetrically with the hedged item. Gains and losses realised on cancelled hedging instruments are recognised in profit or loss over the remaining life of the hedged item, symmetrically with the method of accounting for the income and expense of the hedged item. For restructured transactions, new derivatives are recognised according to the principles mentioned in the second paragraph above;
- in order to centralise the management of interest rate and foreign exchange risks at the Covivio Hotels group level, Covivio Hotels contracts derivatives against the market and re-invoices its subsidiaries for the effects of the hedging on the basis of an agreement, enabling the effects of external hedging to be recognised symmetrically.

When the hedged item no longer qualifies (in part or in full) as a hedged item, for example when it no longer exists, and the hedging instrument is retained, it is treated (in whole or in part) as a derivative instrument in an isolated open position.

If the instruments do not qualify as hedging transactions and are in an isolated position:

- changes in value are recognised in the balance sheet with an offsetting entry in an accruals account;
- unrealised losses are provisioned, and
- when these instruments are renegotiated or broken, any balance is recognised directly in the income statement.

If an isolated open position transaction were to be reclassified as a hedging transaction:

- if the fair value of the instrument was negative at the reclassification date and a provision had been made on the basis of a revaluation asset, these two accounts are reversed against the revaluation differences. On the reclassification date, the fair value of the derivative is fixed in a cash instruments account and is amortized over the remaining life of the hedging instrument symmetrically with the hedged item;
- if the fair value of the instrument was positive at the date of reclassification, the revaluation portion is frozen in the balance sheet and is only recognised at maturity of the instrument. The fair value of the derivative is fixed in a cash instruments account and is amortised over the remaining life of the hedging instrument symmetrically with the hedged item.

The instruments in the portfolio at the reporting date are recorded under off-balance sheet financial commitments at the nominal value of the contracts.

4.5.2.8 Provisions for risks and charges

In accordance with Accounting Regulation Committee Regulation 2000-06 on liabilities, provisions are defined as liabilities whose term or amount is not fixed precisely, with a liability representing an obligation towards a third party for which it is likely or certain that an outflow of resources for the benefit of this third-party will be required, with no equivalent consideration expected in return.

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.

4.5.2.9 Borrowings, debt and bonds

Bank financing mainly consists of bank borrowings, two bond issues, a private placement 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.

4.2.5.10 Deferred expenses

Deferred expenses correspond to the issue cost of borrowings and are amortised over the loan period.

4.2.5.11 Bond redemption premium

These are amortised over the life of the bond.

4.2.5.12 Revenue

Retail portfolios are paid monthly in advance or in arrears.

For hotels, it is normally quarterly in advance, calculated on the basis of the previous year's revenues. An accounting adjustment is carried out at the end of the fiscal year to reflect revenues for the year.

Since 1 January 2020, rent-free periods are recognised in the parent company's financial statements and their settlement is smoothed over the residual lease term. The rent relief is therefore gradually extinguished until the end of the lease or when the asset is sold.

Since 1 January 2021, Accor invoicing has been carried out quarterly in advance on the basis of a budget sent by Accor and an adjustment is made at the end of each quarter on the basis of the actual results of the hotels.

Revenues for the period comprise rental income received during the period.

4.2.5.13 Income tax

Covivio Hotels has been subject to the SIIC regime since 1 January 2005. Accordingly, its real estate letting activity and its income from the disposal of assets are exempt from corporate income tax. Any other activities, however, remain subject to income tax.

The SIIC regime allows the exemption of:

- income from the leasing of assets;
- capital gains from the sale 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.

4.5.3 Explanations of balance sheet items

4.5.3.1 Fixed assets

Adjustment to gross values

			Increases			Decreases		
(In € thousand)	Note 4.5.	Amount at 31/12/2023	Acquisition and works	TUP	Transfers	Disposals and other subtractions	Transfers	Gross amount at 31/12/2024
Intangible fixed assets		-	-	-	-	-	-	-
Tangible fixed assets		**586,405**	**3,317**	-	-	**153,904**	-	**435,819**
• Land	4.5.3.1.1	119,942	-	-	-	32,702	-	87,239
• Buildings	4.5.3.1.1	462,479	1,809	-	3,313	121,201	-	346,400
• Other tangible assets		22	-	-	-	-	-	22
• Assets in progress	4.5.3.1.1	3,963	1,508	-	- 3,313	-	-	2,158
Financial Assets		**3,989,339**	**525,831**	-	-	**459,026**	-	**4,056,143**
• Equity investments	4.5.3.1.2	2,284,227	16,325	-		88,199	-	2,212,353
• Loans	4.5.3.1.3	1,703,805	508,852	-	-	370,100	-	1,842,557
• Long-term securities	4.5.3.1.4	126	655	-	-	727	-	54
• Other non-current financial assets		1,181	-1	-	-		-	1,180
TOTAL FIXED ASSETS		**4,575,744**	**529,148**	-	-	**612,930**	-	**4,491,962**

4.5.3.1.1 Tangible fixed assets

The change in tangible fixed assets is mainly due to:

The disposal of the following assets, disposed of at the gross values below:

(In € thousand)	Gross amounts sold
Ibis Paris La Fayette (Accor) - Vauban disposal	5,474
Mercure Lille Centre Opéra (Accor) - Vauban disposal	7,680
Novotel Paris Gare Lyon (Accor) - Vauban disposal	34,170
Novotel Toulouse Centre Compans Caffarelli (Accor) – Vauban disposal	12,255
Novotel Atria Charenton H1549 (Accor) - Vauban disposal	10,285
Novotel Atria Rueil Malmaison (Accor) - Vauban disposal	15,085
Ibis Nice Centre H1396 (Accor) – Vauban disposal	8,121
Mercure La Grande Motte H1230 (Accor) – Vauban disposal	7,861
Novotel Bordeaux Centre H1023 (Accor) – Vauban disposal	6,383
Novotel Paris St Quentin (Accor)	10,002
Ibis Limoges Centre (Accor)	2,270
Ibis Strasbourg Pte Fce (Accor)	4,068
Ibis Blagnac (Accor)	9,101
Mercure Lyon Lumiere (Accor)	4,890
Novotel Nimes Atria (Accor)	7,864
Balma (Courtepaille)	1,820
Rungis (Courtepaille)	2,117
Toulouse Fenouillet (Courtepaille)	1,448
TOTAL	**150,893**

The difference corresponds to works or scrapping.

4.5.3.1.2 Change in equity investments

The negative change in the gross value of equity investments is due to several transactions:

- disposal of Bardiomar SL equity securities (-€79 million);
- Iris Invest 2010 capital reduction (-€9 million);
- acquisition and then capital increase of Las Dalias (+€16 million).

Company	Value of securities (in €k)
AMOUNT AT 31 DECEMBER 2023	**2,284,227**
Acquisition of securities and other assets	
Covivio Hotels Belgique	62
Las Dalias Propco S. L	16,263
Total increase of securities following acquisition	**16,325**
Securities acquired following TUP (universal transfer of assets)	
Total increase in securities acquired following TUP	**-**
Disposal of securities	
Bardiomar Sl	79,224
Disposal of securities, total	**79,224**
Capital reduction	
Iris Invest 2010	8,974
of which dissolution	-
Total capital reduction	**8,974**
Elimination of shares in transferred subsidiaries	
Total decrease following Universal Transfer of Assets (TUP)	**-**
Disposal of securities and other assets	
Total capital reduction	**-**
AMOUNT AT 31 DECEMBER 2024	**2,212,353**

4.5.3.1.3 Breakdown of loans

The loans consist of:

Type of loan	(In € thousand)
Loans to subsidiaries	1,824,391
Accrued interest on loans	2,887
Accrued interest on swaps	15,279
TOTAL	**1,842,557**

The breakdown of loans to subsidiaries is as follows:

(In € thousand)	Outstanding principal due at 31/12/2024	Accrued interest at 31/12/2024	Outstanding principal due at 31/12/2023
Murdelux[1]	493,676	2	507,120
Investment FDM Rocatierra	199,289	-	208,281
Constance	185,669	1,709	77,092
SNC Foncière Otello	78,659	-	88,157
FDM M Lux	122,211	-	138,337
SCI Rosace	30,200	-	30,200
OPCI Oteli	18,699	427	31,138
LHM Holding Lux	28,960	337	28,960
SAS Kombon	18,178	289	19,181
Bardiomar	-	-	8,798
Ruhl Côte d'Azur	2,412	-	2,412
SCI Porte Dorée	3,447	-	3,447
SAS Iris Holding France	3,430	9	6,745
SNC Hotel 37 René Clair	3,000	-	3,000
B&B Invest Spain	5,962	-	5,962
Constance Lux 1 S.À.R.L	48,570	-	56,621
Constance Lux 2 S.À.R.L	116,501	34	79,299
Société Nouvelle de l'Hôtel Plaza	1,786	-	1,786
Rocky I	6,322	-	6,322
Rocky II	6,322	-	6,322
Rocky III	6,322	-	6,322
Rocky IV	6,322	-	6,322
Rocky V	6,322	-	6,322
Rocky VI	6,322	-	6,322
Rocky VII	6,322	-	6,322
Rocky VIII	6,322	-	6,322
Rocky IX	6,322	-	6,322
Rocky X	6,322	-	6,322
Rocky XI	6,322	-	6,322
Blythswood Square Hotel Glasgow	32,003	-	30,564
George Hotel Investments Ltd	14,979	-	14,305
Grand Central Hotel Company Ltd	14,099	-	13,465
Lagonda Palace Propco Ltd	30,647	-	29,269
Lagonda Russell Propco Ltd	132,992	-	127,013
Roxburghe Investments Propco Ltd	96,561	-	92,219
The St David's Hotel Cardiff Ltd	8,682	-	8,292
Las Dalias	64,240	79	-
TOTAL	**1,824,391**	**2,887**	**1,681,202**

(1) Change in loans with Murdelux:

(In € thousand)	Outstanding principal due at 31/12/2024	Outstanding principal due at 31/12/2023	Variation	Loan features/comments
Great Britain portfolio	**51,691**	**49,367**	**2,324**	**Loan in GBP - Remaining capital of £42,856 thousand**
Lagonda Leeds Holdco Ltd	9,634	9,200	433	Subscription date: 18/07/2018 - Term of 8 years - Interest rate: 3.018%
Lagonda York Holdco Ltd	24,827	23,711	1,116	Subscription date: 18/07/2018 - Term of 8 years - Interest rate: 3.018%
Wotton House Properties Holdco Ltd	17,230	16,455	775	Subscription date: 18/07/2018 - Term of 8 years - Interest rate: 3.018%
Belgium portfolio	**70,809**	**71,419**	**-610**	
Foncière No Bruxelles Grand Place	6,430	6,430	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière No Bruxelles Aéroport	6,320	6,320	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière No Bruges Centre	4,390	4,390	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière Gand Centre	4,780	4,780	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière IB Bruxelles Grand-Place	5,670	5,670	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière IB Bruxelles Aéroport	1,930	1,930	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière IB Bruges Centre	3,790	3,790	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière Antwerp Centre	2,350	2,350	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière Gand Opéra	2,680	2,680	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Foncière Bruxelles Expo Atomium	1,540	1,540	-	Subscription date: 01/04/2022 - Term of 5 years - Rate: 2.417%
Sunparks Oostduinkerke	4,554	4,554	-	Subscription date: 30/09/21 - Term of 5 years - Rate: 2.401%
Foncière Kempense Meren	26,375	26,375	-	Subscription date: 06/07/2022 - Term of 5 years - Rate: 1.934%
Jouron Sprl	-	610	-610	N/A
Luxembourg portfolio	**99,537**	**103,262**	**-3,725**	
B&B Invest Lux 1	5,465	5,465	-	Subscription date: 10/12/2020 - Term of 7 years - Rate: 2.39%
B&B Invest Lux 2	2,316	4,650	-2,334	Subscription date: 10/12/2020 - Term of 7 years - Rate: 2.4%
Bnb Invest Lux 3	2,979	4,370	-1,391	Subscription date: 10/12/2020 - Term of 7 years - Rate: 2.4%
Bnb Invest Lux 4	17,580	17,580	-	Subscription date: 01/01/2021 - Term of 7 years - Rate: 2.4%
Mo Lux 1	8,243	8,243	-	2 loans - between 10/12/2020 and 10/12/2027 - average rate: 2.37%
Ringer Sarl	17,000	17,000	-	Subscription date: 31/12/2021 - Term of 5 years - Rate: 3.99%
Bnb Invest Lux 5	6,581	6,581	-	Subscription date: 08/06/2022 - Term of 5 years - Rate: 1.96%
H Invest Lux S.A.R.L.	22,476	22,476	-	Subscription date: 31/12/2022 - Term of 5 years - Rate: 4.22%
H Invest Lux 2	16,897	16,897	-	2 loans - between 28/09/2017 and 31/12/2029 - average rate: 4.4365%
Netherlands portfolio	**43,707**	**43,707**	**-6,147**	
Hotel Amsterdam Centre B.V.	13,675	13,675	-	2 loans - between 07/06/2021 and 09/12/2027 - average rate: 3.166%
Hotel Amsterdam Noord Fdm B.V.	20,950	20,950	-	2 loans - between 27/12/2018 and 01/10/2029 - average rate: 3.847%

(In € thousand)	Outstanding principal due at 31/12/2024	Outstanding principal due at 31/12/2023	Variation	Loan features/comments
Hotel Amersfoort Fdm B.V.	9,082	9,082	-	4 loans - between 26/03/2019 and 01/10/2029 - average rate: 3.857%
Italy/Portugal portfolio	**129,360**	**129,360**	**-**	
Palazzo Naiadi Rome Propco S.R.L. – IT	67,607	67,607	-	Subscription date: 07/09/2020 - Term of 9 years - Rate: 2.28%
Palazzo Gaddi Florence Propco S.R.L. – IT	12,059	12,059	-	Subscription date: 07/09/2020 - Term of 9 years - Rate: 2.28%
Bellini Venice Propco S.R.L. – IT	12,271	12,271	-	Subscription date: 07/09/2020 - Term of 9 years - Rate: 2.28%
Dei Dogi Venice Propco S.R.L. – IT	13,387	13,387	-	Subscription date: 07/09/2020 - Term of 9 years - Rate: 2.28%
Portmurs - PT	24,037	24,037	-	Subscription date: 26/04/21 - Term of 5 years - Rate: 2.326%
Hungary/Poland/Czech Republic portfolio	**96,704**	**108,137**	**-11,433**	
New York Palace Propco – HU	67,872	67,872	-	2 loans - between 07/09/2020 and 09/12/2027 - average rate: 3.179%
Forsmint Investments Sp. Zoo - PL	5,618	5,618	-	Subscription date: 06/12/2019 - Term of 7 years - Rate: 2.716%
Cerstook Investments Sp. Zoo – PL	-	6,147	-6,147	N/A
Noxwood Investments Sp. Zoo – PL	5,969	5,969	-	Subscription date: 06/12/2019 - Term of 7 years - Rate: 2.712%
Redwen Investments Sp. Zoo – PL	-	5,287	-5,287	N/A
Sc Czech Aad S.R.O. – CZ	17,244	17,244	-	2 loans - between 07/09/2020 and 09/12/2027 - average rate: 3.205%
TOTAL	**491,808**	**505,253**	**-13,444**	

Loans to subsidiaries are not covered by a repayment schedule. They are repaid based on each borrower's free cash flow. Nevertheless, a final repayment date, ranging from January 2023 at the earliest to June 2050 at the latest, is stipulated in the agreement.

4.5.3.1.4 Breakdown of other long-term investments

Detail of treasury shares	Number of shares	(In € thousand)
Shares held by the company - liquidity agreement	2,793	54
Shares held by the company - external growth	-	-
Shares held by the company for allocation to employees	-	-

(In € thousand)	31/12/2023	Increase	Decrease	31/12/2024
Treasury shares	126	655	727	54
TOTAL	**126**	**655**	**727**	**54**

At 31 December 2024, the company held 2,793 treasury shares under the liquidity agreement, *i.e.* a total amount of €k 54.

Change in amortisation, depreciation and provisions

The table of depreciation, amortisation and impairment is presented below:

			Increases		Decreases		
(In € thousand)	Note 4.5.	31/12/2023	TUP	Charges	Disposals and other subtractions	TUP	31/12/2024
Impairment of intangible fixed assets		**-**		**-**	**-**	**-**	**-**
Depreciation and impairment of tangible fixed assets		**214,875**	**-**	**14,764**	**66,997**	**-**	**162,642**
• Buildings		210,035	-	12,476	65,803	-	156,708
• Other tangible assets		65	-	-	-	-	65
• Impairment/land and buildings	4.5.3.1.5	4,776	-	2,288	1,194	-	5,870
Impairment of financial assets		**186,895**	**-**	**53,251**	**40,137**	**-**	**200,009**
• Investments	4.5.3.1.6	186,895		53,251	40,137	-	200,009
• Loans		-	-	-	-	-	-
TOTAL		**401,771**	**-**	**68,015**	**107,134**	**-**	**362,652**

4.5.3.1.5 Breakdown of asset impairment

Each year, the book value of the assets is compared against their estimated market value. An independent appraisal, carried out every half-year, is used as a benchmark to determine if there is an indication of impairment:

(In € thousand)	31/12/2023	Charges	Reversals of provisions	31/12/2024
Les Ulis (Courtepaille)	429	50	7	472
La Charite Sur Loire (Courtepaille)	308	-	117	191
Lognes (Courtepaille)	273	-	273	-
Évreux (Courtepaille)	180	-	180	-
Créteil (Courtepaille)	350	-	107	243
Mareuil Les Meaux (Courtepaille)	78	292	1	368
Villemandeur (Courtepaille)	520	106	17	609
Tregueux (Courtepaille)	531	-	49	482
Appoigny (Courtepaille)	474	83	8	549
Linas (Courtepaille)	263	33	6	291
Moissy Cramayel (Courtepaille)	-	248	-	248
La Plaine St Denis (Courtepaille)	230	-	126	105
Heillecourt (Courtepaille)	62	75	1	136
Crèches Sur Saone (Courtepaille)	162	29	3	189
Artenay (Courtepaille)	290	11	9	292
Balma (Courtepaille)[1]	13	-	13	-
Reims (Courtepaille)	226	546	3	770
Brie Comte Robert (Courtepaille)	40	-	40	-
Rosny Sous Bois (Courtepaille)	347	-	235	112
Voreppe (Courtepaille)	-	160	-	160
Pierre Benite (Courtepaille)	-	219	-	219
Nemours (Courtepaille)	-	305	-	305
Chalon Sur Saone (Courtepaille)	-	131	-	131
TOTAL	**4,776**	**2,288**	**1,194**	**5,870**

(1) Reversals of assets sold in 2024

4.5.3.1.6 Breakdown of impairment of equity investments

Impairment of equity investments is recognised where the net asset value of subsidiaries is less than the value of the equity investments:

Impairment of equity investments

(In € thousand)	31/12/2023	Charges	Reversals of provisions	31/12/2024
Murdelux	-	48,375	-	48,375
Lhm Holding Lux S.À.R.L	777	1,268	-	2,045
Fdm M Lux S.À.R.L	107,863	2,296	-	110,160
Bardiomar Sl	817	-	817	-
Constance	43,441	-	11,997	31,444
Covivio Hôtels Gestion Immobilière	1	-	1	-
SAS Kombon	6,675	1,299	-	7,973
Rocky I	2,484	-	2,484	-
Rocky II	2,484	-	2,484	-
Rocky III	2,484	-	2,484	-
Rocky IV	2,484	-	2,484	-
Rocky V	2,484	-	2,484	-
Rocky VI	2,484	-	2,484	-
Rocky VII	2,484	-	2,484	-
Rocky VIII	2,484	-	2,484	-
Rocky IX	2,484	-	2,484	-
Rocky X	2,484	-	2,484	-
Rocky XI	2,484	-	2,484	-
Covivio Hotels Belgique	-	2	-	2
Las Dalias Propco S. L	-	11	-	11
TOTAL	**186,895**	**53,251**	**40,137**	**200,009**

Additional impairment due to negative net position

(In € thousand)	31/12/2023	Charges	Reversals of provisions	31/12/2024
Covivio Hôtels Gestion Immobilière	-	74	-	74
TOTAL	**-**	**74**	**-**	**74**

4.5.3.2 Current assets

4.5.3.2.1 Breakdown of receivables by maturity

The balance of receivables at 31 December 2024 of €14,232 thousand notably includes €4,168 thousand of doubtful receivables.

(In € thousand)	Gross amount at 31/12/2024	Less than 1 year	More than 1 year	Gross amount at 31/12/2023
Trade receivables and related accounts	**14,232**	**12,108**	**2,124**	**8,518**
Receivables	5,228	5,228	-	5,403
Rent exemption[1]	2,380	256	2,124	2,420
Invoices to be issued	6,580	6,580	-	562
Expenses that may be recovered from tenants	45	45	-	134
Current accounts	**61,203**	**61,203**	**-**	**57,953**
Other receivables	**23,496**	**14,040**	**9,457**	**5,535**
Miscellaneous receivables	2,245	2,245	-	291
VAT receivables	2,160	2,160	-	1,839
Tax receivables[2]	4,906	4,906	-	4,905
Advance on disposal of Bardiomar shares[3]				-1,500
Receivables on disposal of fixed assets	14,185	4,728	9,457	-
TOTAL	**98,931**	**87,351**	**11,580**	**72,006**

(1) Change of method since the 2020 fiscal year: for better visibility of the financial statements, given the widespread use of support measures for additional clauses or leases, the effects of rent-free periods are spread over the term of the lease.

As of 31 December 2024, the balance of receivables resulting from the spreading was €k 2,380 :

(In € thousand)	Historic recovery at 31/12/2023	2024 rent-free periods	Smoothing 2024	Rent-free periods on assets sold in 2024	Balance of rent-free periods at 31/12/2024
Hotel real estate	2,420	249	-289	-	2,380
TOTAL	**2,420**	**249**	**-289**	**-**	**2,380**

(2) Following the merger with Ingrid Hotels on 31 October 2022, Covivio Hotels took over receivables on the Italian treasury of €8,816 thousand, of which €5,809 thousand are subject to litigation. At 31 December 2024, the outstanding receivable amounted to €4,905 thousand, including a dispute over €3,825 thousand.

(3) Advance payment on the disposal of Bardiomar financial securities. The entity was effectively sold in 2024, so the interim dividend was settled.

4.5.3.2.2 Impairment of trade receivables

Impairment of trade receivables amounted to €3,498 thousand as of 31 December 2024, and relates to retail assets:

(In € thousand)	Impairment 31/12/2023	TUP	Provision for the year	Reversals for the fiscal year	Impairment 31/12/2024
Retail portfolio	3,611		106	219	3,498
TOTAL	**3,611**	**-**	**106**	**219**	**3,498**

4.5.3.2.3 Marketable securities

At 31 December 2024, marketable securities consisted of term deposits for €350 million and accrued interest not yet due for €8 million.

4.5.3.2.4 Accruals - Assets and other asset items

(In € thousand)	31/12/2024	31/12/2023
Prepaid operating expenses	220	149
of which letting	-	-
of which external and other expenses	220	149
Prepaid financial expenses:	12,803	15,833
of which agent commissions	258	929
of which renegotiation of equalisation payments	12,545	14,904
Total prepaid expenses	**13,024**	**15,982**
Total deferred expenses of which loan issue costs	**9,353**	**5,735**
Bond redemption premiums		
of which €350 million bond and €500 million Green Bond 2024[1]	4,236	2,246
Total Bond redemption premiums	**4,236**	**2,246**
Currency translation gains[2]		
Increase in liabilities	23,409	10,531
Decrease in receivables	122	4,525
Total currency translation gains	**23,531**	**15,056**
TOTAL	**50,143**	**39,019**

(1) The redemption premium amortised over the term of the €350 million bond, *i.e.* over seven years, up to 24 September 2025. An additional bond issue was subscribed in May 2024 for €500 million. Expenses will be deferred until 2033.

(2) At the end of the fiscal year, receivables and debt are converted at the closing rate. These conversion differences are recorded in transitional accounts, pending subsequent adjustment. The currency translation gains increasing the debt are mainly calculated on the £270 million loan (2024 repayment of €130 million).

4.5.3.2.5 Provisions for financial risks and charges

As mentioned in paragraph 4.5.2.7, when an instrument traded as an isolated open position generates an unrealised loss, a provision is recognised in financial income for the unrealised loss.

4.5.3.2.6 Treasury instruments, assets

This item presents both:

- premiums paid when contracting optional hedging instruments;
- the fair values of instruments in isolated open positions that correspond to an unrealised loss.

Premiums and balances relating to instruments designated as hedges are amortised through the income statement over the life of the instrument (see § 4.5.2.7).

Changes in the fair value of the instruments are recognised in the adjustment account and are subject to a provision for risk and financial expense (see § 4.5.3.2.4).

4.5.3.2.7 Income receivable

(In € thousand)	31/12/2024	31/12/2023
Other financial assets (accrued interest on loans)	18,166	22,603
Trade receivables and related accounts (invoice not yet submitted)	6,580	562
Other receivables	45	134
Accrued interest receivable	431	259
TOTAL	**25,222**	**23,558**

4.5.3.3 Equity

At 31 December 2024, the share capital comprised 148,141,452 shares, all of the same class, with a par value of €4 each, totalling €592,565,808. At the closing date, the Company held 2,793 shares.

		Increase			Decrease		
(In € thousand)	31/12/2023	Increase during the year	Capital increase	Change in accounting method	Other changes during the year	Appropriation of net income/ Dividend distribution	31/12/2024
Share capital	592,566	-		-	-	-	592,566
Share premium account	1,270,294	-		-	-	-	1,270,294
Merger premiums	327,638	-		-	-	-173,140	154,498
Additional paid-in capital	61,588	-		-	-	-	61,588
Legal reserve	59,257	-		-	-	-	59,257
Other reserves	-						-
Retained earnings	4			-	-	6	10
Net income for the fiscal year	20,439	286,693		-	-	-20,439	286,693
Regulated provisions	8,403	1,155		-	-1,986	-	7,572
SHAREHOLDERS' EQUITY	**2,340,189**	**287,848**	**-**	**-**	**-1,986**	**-193,574**	**2,432,477**

Appropriation of earnings for the prior fiscal year:

The Ordinary Combined General Meeting on 15 April 2024 allocated prior year income as described below and paid an ordinary dividend of €1.30 per share.

(In € thousand)	Amount
Net income for the fiscal year ended 31 December 2023	20,439
Share premium account	-
Retained earnings	4
Part of the merger premium distributed	173,140
TOTAL TO BE ALLOCATED	**193,584**
Legal reserve	-
Share premium account	-
Dividends paid[1]	193,574
Merger premiums	-
Share premium account	-
Retained earnings - dividends on treasury shares	10
TOTAL ALLOCATED	**193,584**

(1) The €193,584 thousand in dividends paid out breaks down as follows:

- €1,000 thousand in preferred dividends paid to Covivio Hotel Gestion;
- €192,584 thousand in dividends paid in cash;
- €10 thousand in dividends on treasury shares, recognised as Retained earnings.

Regulated provisions:

These are capital cost allowances used on assets for which a finance lease option was exercised for €1,842 thousand.

The remaining €5,729 thousand concern the capital cost allowances on acquisition costs for the securities of OPCI Oteli and SAS Kombon.

These acquisition costs were included in the cost price of financial assets for an amount of €5,729 thousand and amortised over five years in the form of accelerated depreciation. The whole was amortised as of 31 December 2024.

4.5.3.4 Provisions for risks and charges

(In € thousand)	Note 4.5	31/12/2023	Increase		Decrease			31/12/2024
			TUP	Charges	Reversals of provisions (amount used)	Reversals of provisions (amount not used)	Change in accounting method	
Provisions for risks	**4.5.3.4.1**	**17,086**	**-**	**26,923**	**-**	**13,758**	**-**	**30,252**
Provision for foreign exchange losses		13,566	-	26,883	-	13,566		26,883
Provisions for free share contributions		167	-	40	-	129		78
Provisions for disputes		3,353	-		-	63		3,290
Provisions for charges		**111**	**-**	**469**	**-**	**-**		**580**
End-of-career benefits	4.5.3.4.2	63	-	11	-	-	-	74
Long service award		48	-	5	-	-	-	53
Departure		-	-	453	-	-		453
TOTAL		**17,198**	**-**	**27,392**	**-**	**13,758**		**30,832**

4.5.3.4.1 Provisions for risks

On 25 July 2018, through the intermediary of its subsidiary Murdelux, Covivio Hotels acquired a portfolio of hotel real estate situated in the United Kingdom. To finance this transaction, Covivio Hotels took out a bank loan in the amount of £400,000 thousand and transferred the funds to its subsidiary Murdelux as an intra-group loan. This debt was partially repaid in 2019 for €189,180 thousand (or £169,181 thousand).

On 6 December 2023, a debt restructuring was carried out. Murdelux partially repaid its debt in the amount of €294,510 thousand (£252,463 thousand). In return, Covivio Hotels issued new intra-group loans in GBP to the British subsidiaries in the amount of £273,565 thousand.

During 2024, a repayment of £130 million was made on the initial debt of £400 million. Covivio Hotels therefore has a £270,000 thousand bank debt denominated in GBP and £338,509 thousand in receivables related to GBP-denominated investments. The exchange rate effects of these financial debts and receivables as well as current account debts led to the recognition of a €8,693 thousand provision for translation losses.

The provision for foreign exchange risk is calculated on the basis of the overall foreign exchange position, *i.e.* by adding up unrealised gains and unrealized losses. Since the transactions (loans and borrowings) have sufficiently similar terms and are in the same currency (GBP), unrealised losses and gains are considered as contributing to an overall foreign exchange position, so the amount of the provision is limited to the excess of losses over gains.

An additional provision for foreign exchange losses of €18,190 thousand was recognised. It was calculated on the basis of the risk generated by the Cross Currency Swap.

4.5.3.4.2 End-of-career benefits

From the 2013 fiscal year, Covivio Hotels has applied the recommendation of the French Accounting Standards Authority (*Autorité des Normes Comptables*) No. 2013-02 of November 2013 on the valuation and recognition of end-of-career commitments and similar benefits, updated in November 2021 following the IFRC IC 2021 decision on the allocation of post-employment benefits over periods of service. This recommendation allows the measurement of the provision for post-employment benefits in accordance with IAS 19R.

Regarding the recognition of these retirement commitments, Covivio Hotels opted for the immediate and full recognition in profit or loss of the result of the recognition of actuarial gains and losses.

Main assumptions used for end-of-career benefits and long-service awards:

Parameters	31/12/2024	31/12/2023
Discount rate	3.360%	3.370%
Annual inflation	–	–
Annual wage growth		
Managers	2%	2%
Non-managers	2%	2%
Payroll tax rate (end-of-career benefits only)	50.07%	49.44%
Mortality rate	TGF05/TGH05	TGF05/TGH05
Turnover	9.90% (20 years)	11% (20 years)
	9.90% (30 years)	11% (30 years)
	9.90% (40 years)	11% (40 years)
	0% (50 years)	0% (50 years)
Reason for retirement	At the initiative of the employee	At the initiative of the employee

4.5.3.5 Debt

(In € thousand)	Note 4.5.	31/12/2024	Amount due in less than 1 year	Amount due in 1 to 5 years	Amount due in over 5 years	31/12/2023
Non-convertible bonds	4.5.3.5.1	1,465,974	366,974	599,000	500,000	953,361
Loans and debts with credit institutions	4.5.3.5.2	524,081	198,418	325,663	-	831,662
Other sundry loans and borrowings	4.5.3.5.3	216,828	216,828	-	-	127,260
Advances and advanced payments		-	-	-	-	-
Trade payables and related accounts		13,299	13,299	-	-	4,254
Tax and social debts	4.5.3.5.4	3,437	3,437	-	-	2,097
Debt on fixed assets and related accounts	4.5.3.5.5	4,262	4,262	-	-	6,426
Other liabilities	4.5.3.5.6	10,367	10,367	-	-	481
Pre-booked income		-	-	-	-	600
Treasury instruments	4.5.3.5.7	55	55	-	-	105
TOTAL		**2,238,304**	**813,641**	**924,663**	**500,000**	**1,926,245**

4.5.3.5.1 Non-convertible bonds

Bonds:

The features of these bonds are as follows:

Issue date	23/05/2024
Amount of the issue (in €M)	500
Partial redemption	0
Par value following partial redemption	500
Nominal rate	2.719%
Maturity	23/05/2033

The balance of the bond amounts to €512,601 thousand, corresponding to accrued interest for €12,601 thousand and outstanding capital of €500,000 thousand.

Issue date	27/07/2021 and 02/11/2021
Amount of the issue (in €M)	599
Partial redemption	0
Par value following partial redemption	599
Nominal rate	1.000%
Maturity	27/07/2029

The balance of the bond amounts to €601,593 thousand, corresponding to accrued interest for €2,593 thousand and outstanding capital of €599,000 thousand.

Issue date	24/09/2018
Amount of the issue (in €M)	350
Partial redemption	0
Par value following partial redemption	350
Nominal rate	1.875%
Maturity	24/09/2025

The balance of this bond is €351,780 thousand, corresponding to accrued interest for €1,780 thousand and outstanding capital of €350,000 thousand.

4.5.3.5.2 Borrowings and debts from credit institutions

New commercial paper was subscribed during the year. The amount was €78 million at 31 December 2024.

The table of changes in bank debt is set out below:

(In € thousand)	31/12/2023	Increase	Decrease	31/12/2024
Loans and debt from credit institutions[1]	818,286	2,427,213	2,732,731	512,768
Accrued interest	13,376	11,291	13,376	11,291
Bank overdrafts	–	22	–	22
TOTAL	**831,662**	**2,438,526**	**2,746,107**	**524,081**

(1) Including an increase of €14,642 thousand related to the foreign exchange effect on the debt of £270 million.

4.5.3.5.3 Other sundry loans and borrowings

Other sundry loans and borrowings consist of current accounts in credit for €216,764 thousand:

(In € thousand)	31/12/2024	31/12/2023
Ruhl Côte d'Azur	1,157	776
Foncière Otello	25,236	5,066
Hotel 37 Pl René Clair	2,021	1,349
Murdelux S.À.R.L	75,072	35,525
SCI Rosace	7,400	4,519
SCI Hotel Porte Dorée	1,269	582
B&B Invest Spain	1,471	1,137
Ste Lilloise Invest. Hotelier	4,285	2,734
Investment Fdm Rocaterria	34,409	20,867
Bardiomar Sl	–	12,778
Trade Center Hotel	7,506	5,796
Constance	–	–
George Hotel Investments Holdco Ltd	–	241
Grand Central Hotel Company Holdco	–	112
Lagonda York Holdco Ltd	330	327
Roxburghe Investments Holdco Ltd	–	5,129
The St David's Hotel Cardiff Holdco	–	–
Wotton House Properties Holdco Ltd	337	330
Blythswood Square Hotel Glasgow	7,520	3,399
George Hotel Investments Ltd	2,587	591
Grand Central Hotel Company Ltd	4,287	1,978
Lagonda Leeds Propco Ltd	296	3,844
Lagonda Palace Propco Ltd	10,622	6,316
Lagonda Russell Propco Ltd	–	–
Lagonda York Propco Ltd	3,776	1,834
Oxford Spiers Hotel Ltd	4,405	1,773
Oxford Thames Ltd	5,972	4,462
Roxburghe Investments Propco Ltd	–	–
The St David's Hotel Cardiff Ltd	5,281	3,444
Wotton House Properties Ltd	1,113	1,321
Pal. Gaddi Florence Propco Srl	–	–
Slih Ghb	914	1,028
Sarl Loire	4	
Covivio Hôtels Gestion Immobilière	1,848	
Exhotel	7,646	
TOTAL	**216,764**	**127,259**

4.5.3.5.4 Tax and social security liabilities

Tax and social security liabilities comprise:

(In € thousand)	31/12/2024	31/12/2023
VAT	2,333	1,049
Social security charges/wages	365	347
Personnel - accrued expenses	438	388
Government - Tax payable	300	314
TOTAL	**3,437**	**2,097**

4.5.3.5.5 Debt on fixed assets

Fixed asset liabilities comprise:

(In € thousand)	31/12/2024	31/12/2023
Holdback	82	120
Trade payables on fixed assets	59	529
Acquisition of Immobilière Verdun	4,121	5,778
TOTAL	**4,262**	**6,426**

4.5.3.5.6 Other liabilities

(In € thousand)	31/12/2024	31/12/2023
Trade payables[1]	1,977	257
Credit notes to be issued (settlement of Accor variable rents)	623	250
Other miscellaneous liabilities - group	7,362	-
Other liabilities	405	-
TOTAL	**10,367**	**506**

(1) Including €1,173 thousand in Group trade payables.

(In € thousand)	31/12/2024
SAS Nice M	220
Société Nouvelle de l'Hôtel Plaza	953
TOTAL	**1,173**

4.5.3.5.7 Treasury instruments, liabilities

This item presents the fair values of instruments in isolated open positions that correspond to an unrealised gain.

4.5.3.5.8 Banking covenants

Consolidated LTV	Scope	Covenant threshold	Ratio
€130 million (2013) – REF I	Covivio Hotels	≤ 60%	In compliance
€279 million (2017) – Roca	Covivio Hotels	< 60%	In compliance
£400 million (2018) – Rocky	Covivio Hotels	≤ 60%	In compliance

LTV	Scope	Covenant threshold	Ratio
€150 million (2023) - Refinanc B&B	Covivio Hotels	< 60%	In compliance

Consolidated ICR	Scope	Covenant threshold	Ratio
€130 million (2019) – REF I	Covivio Hotels	> 200%	In compliance
€279 million (2017) – Roca	Covivio Hotels	≥ 200%	In compliance
£400 million (2018) – Rocky	Covivio Hotels	≥ 200%	In compliance

ICR	Scope	Covenant threshold	Ratio
€150 million (2023) - Refinanc B&B	Covivio Hotels	≥ 200%	In compliance

At 31 December 2023, the company was in compliance with all its ICR and LTV guaranteed corporate credit banking covenants: LTV < 60%, ICR > 200%.

4.5.3.5.9 Accrued expense accounts

(In € thousand)	31/12/2024	31/12/2023
Accrued interest on borrowings	28,258	17,709
Invoices not received	13,117	10,518
Other payables (credit notes to be issued)	623	250
Tax and social debts	653	619
Accrued interest on current bank overdrafts	7	28
TOTAL	**42,657**	**29,123**

4.5.3.5.10 Accruals, liabilities

At the end of the fiscal year, receivables and debt are converted at the closing rate. These conversion differences are recorded in transitional accounts, pending subsequent adjustment.

(In € thousand)	31/12/2024	31/12/2023
Currency translation losses		
Decrease in liabilities	23	414
Increase in receivables	14,814	1,075
TOTAL	**14,837**	**1,490**

4.5.4 Notes to the income statement

In 2024, net income amounted to a positive €286,693 thousand, compared with a profit of €20,439 thousand in 2023.

4.5.4.1 Operating income

4.5.4.1.1 Revenue

(In € thousand)	31/12/2024	31/12/2023
Rental income[1]	**41,777**	**43,547**
Rental income from the Hotels segment	41,088	40,924
Rental income from retail premises	1,031	2,890
Rent-free periods	-302	-843
Spreading of rent-free periods	-40	577
Provision of services[2]	**25,895**	**22,410**
TOTAL	**67,672**	**65,957**

(1) No rent-free periods were granted in 2024.

(2) Service provisions include the rebilling of taxes to tenants and of network costs to subsidiaries.

4.5.4.1.2 Reversals of provisions and transferred operating expenses

Reversal of provisions and transferred operating expenses include:

(In € thousand)	31/12/2024	31/12/2023
Reversals of provisions for operating risks and charges	**348**	**440**
Reversals of impairment on tangible fixed assets	**1,098**	**1,099**
Transferred charges	**7,247**	**460**
Loan issue costs[1]	7,219	282
Insurance repayment	17	116
Operating expenses	6	57
Personnel expenses	5	5
TOTAL	**8,693**	**1,999**

(1) The transferred expenses item is impacted by the transfer to deferred expenses of loan issuance costs relating to financing set up over the fiscal year and initially recognised as external expenses.

4.5.4.1.3 Operating expenses

(In € thousand)	31/12/2024	31/12/2023
Other purchases and external expenses	24,882	13,726
Taxes and related payments	4,572	4,598
Wages	2,521	2,508
Social security charges	1,097	1,099
Depreciation, amortisation, impairment and provisions(1)	18,885	19,612
Other operating expenses(2)	2,189	2,429
TOTAL OPERATING EXPENSES	**54,146**	**43,972**

(1) Breakdown of depreciation, amortisation impairment and provisions:

(In € thousand)	31/12/2024	31/12/2023
Depreciation and amortisation of operating properties and intangible fixed assets	-	-
Depreciation of rental assets	12,380	13,414
Depreciation of merger deficits	-	-
Depreciation of furniture and equipment	-	-
Depreciation of deferred expenses	3,601	2,536
Sub-total for depreciation and amortisation	**15,982**	**15,950**
Provisions for trade receivables	106	1,342
Provisions for fixed assets	2,288	2,259
Provisions for risks and charges	509	62
Sub-total provisions for impairment and provisions	**2,903**	**3,662**
TOTAL	**18,885**	**19,612**

(2) Breakdown of other operating expenses:

The increase in this item is mainly due to the increase in impairment of assets recorded during the year.

(In € thousand)	31/12/2024	31/12/2023
Directors' fees	39	29
Statutory remuneration	2,070	1,933
Exchange loss on operating expenses	6	86
Losses on bad debts	-	378
Miscellaneous expenses	75	4
Termination compensation	-	-
TOTAL	**2,189**	**2,429**

4.5.4.2 Financial result

(In € thousand)	Note 4.5.	31/12/2024	31/12/2023
Financial income from investments		**158,291**	**102,234**
Dividends received from subsidiaries and equity investments	4.5.4.2.1	158,291	102,234
Loans and similar income		**47,316**	**43,540**
Income from loans to subsidiaries		47,316	43,540
Income from other loans		-	-
Other interest and similar income		**84,733**	**58,941**
Interest on group current accounts		2,686	2,647
Income from swaps		72,401	55,304
Other income		9,645	734
Merger premiums		-	257
Default interest		-	-
Reversals of provisions and transferred expenses	**4.5.4.2.2**	**53,778**	**2,300**
Reversals of provisions for financial contingencies and charges		13,640	1,780
Reversals of provisions on financial assets		40,137	520
Positive exchange differences		**781**	**9,703**
Exchange gain	4.5.4.2.3	781	9,703
Net income from disposal of marketable securities		**-**	**-**
Total financial income		**344,899**	**216,718**
Provisions for financial risks and charges		**80,869**	**112,791**
Bond redemption premium		735	550
Provisions for financial risks		26,883	13,640
Provisions on financial assets	4.5.4.2.4	53,251	98,601
Interest and similar expenses		**140,209**	**115,957**
Interest on borrowings		112,744	99,443
Interest on group current accounts		9,007	4,711
Restructuring payments hedging		3,348	5,364
Amortisation of instruments		5,340	4,562
Bank interest and financing operations		9,771	1,877
Negative exchange differences		**6,804**	**217**
Exchange loss	4.5.4.2.3	6,804	217
Net expenses from disposal of marketable securities		**-**	**-**
Other financial expenses		**-**	**-**
Total financial expenses		**227,883**	**228,965**
NET FINANCIAL INCOME		**117,016**	**-12,246**

4.5.4.2.1 Breakdown of dividends

Dividends received from subsidiaries are as follows:

Distribution companies (In € thousand)	Dividends received in 2024	Dividends received in 2023
Murdelux	35,937	39,622
OPCI B2 Hotel Invest	7,251	5,955
FDM Rocatierra	24,957	8,091
Trade Center Hôtel	7,223	5,352
Bardiomar	16,437	4,834
Ruhl Côte d'Azur	6,711	6,209
Oteli	2,910	359
OPCI Iris Invest 2010	635	185
SNC Foncière Otello	13,929	8,728
SCI René Clair	1,374	1,086
OPCI Camp Invest	1,313	4,001
SNC Covivio Hôtel Gestion Immobilière	-	343
Kombon	1,097	271
B&B Invest Spain	248	180
FDM M Lux	33,790	15,450
LHM Holding Lux	1,872	990
SCI Hotel Porte Dorée	703	577
Portmurs	-	-
SCI Rosace	1,903	-
TOTAL	**158,291**	**102,234**

4.5.4.2.2 Breakdown of reversals of provisions and transfers of financial expenses

(In € thousand)	31/12/2024	31/12/2023
Transferred financial expenses	**-**	**-**
Interest on borrowings	-	-
Reversal of provision	**53,778**	**2,300**
Provision for foreign exchange losses[1]	13,640	1,780
Provision for over-hedging	-	-
Provision for impairment of securities	40,137	520
TOTAL	**53,778**	**2,300**

(1) The unrealised loss on currency translation differences in 2023 gave rise to a provision for foreign exchange losses of €13,640 thousand, entirely reversed in 2024.

4.5.4.2.3 Positive and negative exchange rate differences

Foreign exchange gains and losses in 2024 mainly concern the early repayment of the GBP debt for £130 million, generating a loss of €6.3 million.

Other items mainly concern revaluations of banks in foreign currencies.

4.5.4.2.4 Provisions for financial assets

Charges to provision on equity investments

Securities are impaired when the net remeasured position of subsidiaries is less than the net book values of the securities:

(In € thousand)	31/12/2024	31/12/2023
FDM M Lux	2,296	20,385
SCI Rosace	-	-
Société Immobilière Verdun	-	-
Covivio Hôtels Gestion Immobilière	-	1
Lhm Holding Lux S.À.R.L	1,268	777
Constance	-	49,921
SAS Kombon	1,299	6,675
Rocky I	-	2,484
Rocky II	-	2,484
Rocky III	-	2,484
Rocky IV	-	2,484
Rocky V	-	2,484
Rocky VI	-	2,484
Rocky VII	-	2,484
Rocky VIII	-	2,484
Rocky IX	-	2,484
Rocky X	-	2,484
Rocky XI	-	2,484
Murdelux	48,375	-
Covivio Hotels Belgique	2	-
Las Dalias Propco	11	-
TOTAL	**53,251**	**105,080**

Other allocations to financial provisions

In addition during the fiscal year, the following were recognised:

- the amortisation of the redemption premium amounting to €735 thousand
- the provision for foreign exchange losses in the amount of €26,883 thousand.

4.5.4.3 Exceptional result

Income (in €k)	31/12/2024	31/12/2023	Expenses (in €k)	31/12/2024	31/12/2023
Non-recurring income on management transactions	**-**	**4,208**	**Non-recurring expenses on management transactions**	**-**	**731**
			Market penalties	-	69
Miscellaneous income	-	4,208	Miscellaneous expenses	-	662
Income on capital transactions	**314,214**	**9,783**	**Expenses on capital transactions**	**167,804**	**3,753**
Non-recurring income on disposal of buildings[1]	246,748	9,000	Book value of buildings sold [1]	87,682	3,266
			NBV of component outputs	419	450
Income from disposal of securities	67,437	-	Book value of securities sold	79,224	-
Miscellaneous non-recurring income	29	783	Non-recurring expenses	479	37
Reversals of provisions	**2,145**	**116**	**Depreciation and provisions**	**1,251**	**1,273**
Reversals of accelerated depreciation[2]	1,986	54	Accelerated depreciation [3]	1,155	1,210
Reversal of impairment	63	-	Depreciation and amortisation charges	96	62
Reversal of depreciation	96	62			
Non-recurring income	**316,359**	**14,108**	**Non-recurring expenses**	**169,054**	**5,757**
NON-RECURRING INCOME	**147,304**	**8,351**			

(1) For the breakdown of disposals of assets, see Section 4.5.1.2 "Disposals of real estate assets".

(2) Reversals of exceptional depreciation are explained by the reversal of assets sold during 2024.

(3) Capital cost allowances concern assets purchased under finance leases for which options were exercised (€584 thousand) and acquisition costs for the securities of OPCI Oteli (€387 thousand) and SAS Kombon (€184 thousand).

4.5.4.4 Income tax

None.

4.5.4.5 Increases and reductions in future tax liabilities

Tax loss carry forwards amounted to €138,624 thousand at 31 December 2024.

4.5.5 Off-balance sheet commitments

4.5.5.1 Commitments given

Commitments given (In € million)	Deadline	31/12/2024	31/12/2023
Commitments related to consolidated companies		**0.0**	**0.0**
Investment commitments[1]		0.0	0.0
Commitments given for specific transactions		0.0	0.0
Commitments related to financing		**401.2**	**506.4**
Financial guarantees given (CRD of pledged debt)		401.2	506.4
Commitments related to operating activities (A + B + C)		**206.5**	**155.2**
A- Commitments given related to business development		**160.2**	**87.5**
Work commitments outstanding on assets under development[2]		0.0	0.0
Purchase commitments		0.0	0.0
Bank guarantees and other guarantees given		160.2	87.5
B- Commitments related to the implementation of operating contracts		**0.0**	**9.2**
Other contractual commitments given related to "Lease payments due"		0.0	0.0
Work commitments outstanding on investment properties[3]		0.0	9.2
C- Commitments related to asset disposals		**46.3**	**58.5**
Preliminary sale agreements given		46.3	58.5

(1) Investment commitments after deduction of advanced payments.

(2) Commitments relating to work on assets under development.

(3) Commitments relating to work on investment properties.

As of 31/12/2024, there are no longer any commitments given relating to works for Accor hotels.

4.5.5.1.1 Financial instruments

Interest rate risk

Covivio Hotels is exposed to the risk related to changes in interest rates on its variable-rate loans, which are used to finance the investment policy and maintain financial liquidity. The aim of the Company's interest rate risk management policy is to limit the impact of a change in interest rates on income and cash flows and to keep the overall cost of the loan as low as possible. To achieve these objectives, Covivio Hotels uses derivatives (mainly swaps and collars) to hedge interest rate risk.

Variable-rate borrowings or those made variable by swaps taken out by Covivio Hotels are hedged by interest rate swap contracts. Income and expenses relating to these transactions are recognised on a pro rata basis in the income statement.

The net fair value of these financial instruments amounts to €93 million and is not provisioned in the financial statements as they are qualified as hedges.

Exchange rate risk

Covivio Hotels is exposed to foreign exchange risk on its transactions in foreign currencies, exclusively the GBP. Covivio Hotels finances the activity of its subsidiaries in the United Kingdom in GBP via subordinated loans and refinances itself vis-à-vis the market directly in GBP through bank borrowings and EUR cross-currency swaps.

At 31 December 2024, internal loans to subsidiaries in the United Kingdom amounted to £316 million.

The external borrowing amounts to £270 million and the total notional borrower costs are £250 million.

Commitments on interest rate and foreign exchange forward financial instruments are presented as follows:

- for outright transactions, the amounts are recorded at the nominal value of the contracts; and
- for conditional transactions, the amounts are recorded at the nominal value of the underlying instrument.

The table below summarises the major features of these swap contracts in euros:

End date	Ref	Bank	Rate type	Notional (in €k)	Fair value (in €k)
24/09/2025	FR borrower swap	CM-CIC	0.6210%	150,000	-1,968
24/09/2025	FR borrower swap	LCL	0.6210%	100,000	-1,312
24/09/2025	FR borrower swap	NATIXIS	0.6210%	100,000	-1,312
15/01/2029	FR lender swap	CIC-EST	0.8920%	100,000	4,818
15/01/2030	FR lender swap	NATIXIS	0.6070%	100,000	7,460
15/01/2030	FR lender swap	CACIB	0.6950%	100,000	7,036
15/01/2030	FR lender swap	CIC-EST	0,6950%	50,000	4,217
15/04/2030	FR lender swap	CIC-EST	0.4050%	200,000	24,249
15/01/2032	FR lender swap	CIC-EST	0.7380%	100,000	9,705
15/07/2031	FR lender swap	NATIXIS	-0.1775%	150,000	21,911
27/07/2029	FR borrower swap	NATIXIS	-0,1775%	260,000	-26,893
15/01/2032	FR lender swap	SOCIÉTÉ GÉNÉRALE	0.9040%	100,000	8,611
15/01/2032	FR lender swap	CIC-EST	0.9040%	70,000	5,585
17/01/2033	FR lender swap	SOCIÉTÉ GÉNÉRALE	0.9180%	100,000	9,839
15/01/2032	FR lender swap	LCL	0.9190%	100 000	8,513
23/05/2033	FR lender swap	CIC-EST	2.6770%	75,000	2,116
23/05/2033	FR lender swap	CIC-EST	2.6770%	75,000	2,116
23/05/2033	FR lender swap	NATIXIS	2.5350%	350,000	5,838
TOTAL				**2,280,000**	**90,531**

The table below summarises the major features of these swap contracts in pounds sterling:

End date	Ref	Bank	Rate type	Notional (in £k)	Fair value (in €k)
30/06/2026	FR lender swap	SOCIÉTÉ GÉNÉRALE	1.4550%	100,000	5,115
30/06/2026	FR lender swap	SOCIÉTÉ GÉNÉRALE	1.4170%	90,000	4,663
30/06/2026	FR lender swap	NATIXIS	1.3500%	100,000	5,297
30/06/2026	FR lender swap	NATIXIS	1.2120%	90,000	4,983
30/06/2026	FR lender swap	CIC-EST	1.4680%	100,000	5,093
30/06/2026	FR lender swap	SANTANDER	1.4670%	100,000	5,084
30/06/2026	FR lender swap	SOCIÉTÉ GÉNÉRALE	4.5990%	60,000	326
15/07/2032	FR lender swap	SOCIÉTÉ GÉNÉRALE	SONIA capi	50,000	1,944
15/07/2032	FR lender swap	NATIXIS	SONIA capi	50,000	1,972
TOTAL				**740,000**	**34,477**

4.5.5.1.2 Caps and floors

As part of its interest rate management policy, Covivio Hotels contracts caps and floors.

During 2024 a cap/floor tunnel (purchase of a cap and sale of a floor) in GBP for £50 million was carried out, with a start date of 15/07/2026.

4.5.5.1.3 Cross-Currency Swaps

As part of its risk and interest rate management policy, Covivio Hotels contracts cross-currency swap instruments. At the end of 2024, Covivio Hotels held a set of cross currency swaps in GBP at variable rates (borrowers) and EUR at fixed rates (lenders) for GBP 250 million.

The table below summarises the major features of these cross-currency swap contracts:

End date	Ref	Bank	Rate type	Notional (in €K/£K)	Fair value (in €K)
30/06/2026	FR lender CCS	CIC-EST	2.3000%	85,616/75,000	-7,753
30/06/2026	FR lender CCS	NATIXIS	2.3000%	56,427/50,000	-5,544
30/06/2026	FR lender CCS	CIC-EST	2.3000%	141,300/125,000	-13,806
TOTAL				**283,343/250,000**	**-27,103**

4.5.5.2 Commitments received

4.5.5.2.1 Commitments related to operating activities and financing

Commitments received (In € million)	Deadline	31/12/2024	31/12/2023
Commitments related to consolidated companies		**0.0**	**0.0**
Commitments related to financing		**401.4**	**447.7**
Financial guarantees received (authorised lines of credit not used)		401.4	447.7
Commitments related to operating activities		**211.4**	**194.1**
Other contractual commitments received related to "rental income due" activities		139.2	86.9
Assets received in pledge, mortgage or collateral, as well as guarantees received		25.9	39.5
Other contractual commitments received related to business activities		0.0	0.0
Preliminary sale agreements received = Preliminary sale agreements given		46.3	58.5
Works committed outstanding (fixed assets) = (2) + (3) of commitments given		0.0	9.2
Acquisition commitments (fixed assets)		0.0	0.0

4.5.6 Miscellaneous information

4.5.6.1 Average headcount during the fiscal year and headcount at the end of the fiscal year

	2024	2023
Managers	19	18
Supervisors	0	0
Total excluding apprentices	**19**	**18**
Apprentices	1	1
TOTAL	**20**	**19**

The company's headcount at 31 December 2024 was 20 people, of which 19 on permanent contracts.

The Company's average headcount in 2024 was 18.08.

4.5.6.2 Remuneration of corporate officers

4.5.6.2.1 Directors' fees

The Directors' fees paid over the fiscal year by Covivio Hotels amounted to €39 thousand.

4.5.6.2.2 Remuneration of the Manager and the limited partner

The Managing Partner, Covivio Hotels Gestion, received €2.1 million excluding taxes for its work in respect of 2024. The terms of this remuneration are governed by Article 11 of the Articles of Association of Covivio Hotels.

In 2024, Covivio Hotels paid €1 million in preferred dividends to the limited partner, Covivio Hotels Gestion, in respect of fiscal year 2023.

4.5.6.3 Information on transactions between related parties

All related-party transactions are concluded under normal market conditions or are immaterial.

The term related parties as used here is defined in Article R. 123-199-1 of the French Commercial Code. In particular, it covers all entities consolidated by Covivio Hotels, regardless of the consolidation method used. It also covers:

- persons or close family members of persons exercising joint control, significant influence, or who are key executives of Covivio Hotels;
- controlled or 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

The table below includes all related-party transactions for the fiscal year ended 31 December 2024, including transactions with wholly-owned subsidiaries.

Items	Amount
Advances and advanced payments on fixed assets	0
Investments	2,212,353
Investment-related receivables	0
Loans	1,827,278
Trade receivables and related accounts	65,806
Other receivables	1,908
Other sundry long-term loans and borrowings	0
Other sundry short-term loans and borrowings	0
Advances and advanced payments received on orders in progress	0
Trade payables and related accounts	223,594
Debt on fixed assets and related accounts	0
Other liabilities	7,362
Income from investments	158,289
Other financial income	50,004
Financial expenses	-9,005

4.5.6.5 Subsidiaries and equity investments

Subsidiaries and equity investments as of 31 December 2024 (Article L. 233-15 of the French Commercial Code).

Companies or groups of companies (In € thousand)	Capital	Equity other than capital	Capital interest (%)	Book value of securities held	
				Gross	Net
I. Detailed information					
A. Subsidiaries (at least 50% of the capital held by the company)					
Real estate activities					
a) Rental					
SNC Foncière Otello	1	47,969	99.92%	33,071	33,071
SNC Hôtel René Clair	6,761	4,764	100.00%	9,833	9,833
B&B Invest Spain	41	4,399	100.00%	4,089	4,089
Investment Rocatierra FDM	11,104	118,271	100.00%	111,004	111,004
Trade Center Hôtel	12,020	23,861	100.00%	96,585	96,585
SCI Porte Dorée	1,864	8,235	100.00%	14,751	14,751
Ruhl Côte d'Azur	1	12,587	100.00%	29,584	29,584
Las Dalias Propco	3	0	100.00%	16,263	16,252
b) Holding					
SARL Loire	2	11	100.00%	86	86
Murdelux	29,731	402,522	100.00%	754,126	705,750
Covivio Hôtels Gestion Immobilière	1	346	99.90%	1	1
OPCI B2 Hôtel Invest	255,233	2,190	50.20%	128,142	128,142
FDM M Lux	12	119,502	100.00%	390,045	279,886
SCI Rosace	1,000	5,659	100.00%	13,323	13,323
Constance	16,229	99,652	100.00%	157,335	125,891
LHM Holding Lux	12	4,389	100.00%	20,973	18,928
Rocky 1	2,576	22,861	100.00%	25,755	25,755
Rocky 2	2,576	22,861	100.00%	25,755	25,755
Rocky 3	2,576	22,861	100.00%	25,755	25,755
Rocky 4	2,576	22,861	100.00%	25,755	25,755
Rocky 5	2,576	22,862	100.00%	25,755	25,755
Rocky 6	2,576	22,862	100.00%	25,755	25,755
Rocky 7	2,576	22,862	100.00%	25,755	25,755
Rocky 8	2,576	22,862	100.00%	25,755	25,755
Rocky 9	2,576	22,862	100.00%	25,755	25,755
Rocky 10	2,576	22,862	100.00%	25,755	25,755
Rocky 11	2,576	22,862	100.00%	25,755	25,755
Covivio Hotels Belgique	62	0	100.00%	62	60
B. Investment (10% to 50% of capital held by the company)					
Real estate activities					
a) Rental					
SCI Dahlia	6,038	41,728	20.00%	12,076	12,076
Oteli	125,242	106,579	31.15%	67,890	67,890
Kombon	4,594	31,315	33.33%	31,999	24,026
b) Holding					
Iris Holding France	9,582	22,977	19.90%	6,588	6,588
Iris Invest 2010	65,771	48,424	19.90%	13,650	13,650
Camp Invest	88,299	14,724	19.90%	17,572	17,572
II. Overall information					
A. Subsidiaries not included in paragraph 1					
a) French subsidiaries (total)					
b) Foreign subsidiaries (total)					
B. Investments not included in paragraph 1					
a) In French companies (total)					
b) In Foreign companies (total)					
III. Overall information on securities					
A. Subsidiaries I+II					
a) French subsidiaries (total)	309,428	432,891		669,434	637,990
b) Foreign subsidiaries (total)	52,985	672,944		1,393,146	1,232,553
B. Equity investments I+II					
a) In French companies	299,526	265,747		149,773	141,800
b) In Foreign companies	0	0		-	-

Loans and advances granted by the company and not repaid	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	Observations
78,659		17,572	29,000	13,929	
3,000		151	91	1,374	
5,962		883	334	248	
199,289		29,638	30,225	24,957	
-		6,655	5,744	7,223	
3,447		2,315	777	703	
2,412		7,555	6,712	6,711	
64,240		175	73	-	
-		–	-1	-	
493,676		815	33,318	35,937	
-		8,515	421	-	
-		–	14,783	7,251	
122,211		–	29,319	33,790	
30,200		4,820	1,659	1,903	
185,669		–	2,072	-	
28,960		–	1,861	1,872	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
6,322		–	2,167	-	
-		–	-2	-	
-		9,790	7,517	-	
18,699		10,105	17,625	2,910	
18,178		7,620	369	1,097	
3,430		288	14,713	-	
-		–	45,895	635	
-		–	14,707	1,313	
372,925	0	40,928	79,351	31,872	
914,337	0	38,166	100,872	104,026	
40,308	0	27,803	100,826	5,956	
-	0	-	0	-	

4.5.7 Post-closing events

None.

4.6 Statutory Auditors' report on the annual financial statements

Fiscal year ended 31 December 2024

To the General Meeting of Covivio Hotels,

Opinion

In compliance with the engagement entrusted to us by the General Meeting, we audited the accompanying annual financial statements of Covivio Hotels for the fiscal year ended 31 December 2024 as attached to the present report.

In our opinion, the accompanying annual financial statements give a true and fair view of the results of its operations for the past fiscal year and of the assets and liabilities and financial position of the company at the end of the fiscal year, in accordance with French accounting standards.

The opinion set out below reflects the content of our report to the Audit Committee.

Basis of Opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe the information we have collected to be sufficient and appropriate to form an opinion.

Our responsibilities by virtue of those professional standards are set out in the latter part of the present report under the heading "Responsibilities of the Statutory Auditors for the audit of the annual financial statements".

Independence

We conducted our audit engagement in accordance with the independence rules set out in the French Commercial Code and in the French Code of Ethics for Statutory Auditors, for the period from 1 January 2024 to the date of this report, and in particular we did not provide any prohibited services referred to in Article 5 (1) of Regulation (EU) 537/2014.

Justification of Assessments – Key Audit Matters

Pursuant to the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgement, were the most important for the audit of the annual financial statements for the year, as well as the responses we have provided to these risks.

These assessments were made as part of our audit of the annual financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report. We do not express any opinion on isolated elements of the annual financial statements.

Valuation of equity investments, related receivables and provisions for any contingencies relating thereto

Risk identified	How the matter was addressed

At 31 December 2024, the company's equity investments and related receivables were included in its statement of financial position at a net book value of €3,856 million or 81.7% of the total assets. As stated in note 4.5.2.4 "Financial assets" to the annual financial statements, 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.
At the end of the fiscal year, the carrying value of investments is compared to their current value. The lowest of these is retained in the financials. The inventory value of the securities corresponds to their value in use for the company.
As stated in note 4.5.2.8 "Provisions for risks and charges" to the annual financial statements, provisions may also be recognised in the amount of any negative revalued equity associated with subsidiaries for which any associated assets have already been impaired.
Given the amount 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 reviewed the process for determining the value in use of equity investments. Our procedures also involved:
	• assessing the appropriateness of the valuation methods used by your company and the assumptions underlying the determination of the value in use of the equity investments;
	• examining, on a sample basis, the elements used to estimate the values in use and in particular that:
	  • the shareholders' equity presented is consistent with the financial statements of the valued entities that have been subject to an audit or analytical procedures, where applicable,
	  • the adjustments made to this shareholders' equity to calculate the net asset value, mainly related to unrealised capital gains on real estate assets, on the basis of appraised values. Our audit approach to the appraisal values of real estate assets is described in the key audit point "Valuation of real estate assets";
	• analysing the impairment losses recognised on equity investments and related receivables by reconciling the net asset value with the net book value;
	• assessing the need to recognise a provision for risk to cover the net revalued position of subsidiaries when this is negative and when all of the subsidiary's assets have been impaired;
	• assessing the appropriateness of the information provided in the notes to the annual financial statements.

Valuation of real estate assets

Risk identified	How the matter was addressed
At 31 December 2024, real estate assets represented a net value of €273 million, out of a total balance sheet of €4,716 million. They mainly consist of buildings owned by your company. Real estate assets are recognised at acquisition cost or production cost and are depreciated on a straight-line basis. As indicated in Note 4.5.2.3 "Impairment of tangible and intangible fixed assets" to the financial statements, at each closing date, the Company assesses the existence of indications that an asset has been materially impaired, in which case an impairment for loss of value may be recognised in profit or loss. These potential impairment losses are determined by a comparison between the market value (excluding charges), 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 professional real estate appraisers based on the data communicated by the company. Given the weight of the company's real estate assets and the sensitivity of their valuation to the main applicable assumptions requiring the exercise of judgement, we considered their valuation as a key audit matter.	Our procedures also involved: • obtaining an understanding of your company's process for valuing its real estate assets and the controls implemented; • assessing the competence and independence of the real estate appraisers by examining the application of the rotation rules and the forms of remuneration offered by your company; • obtaining an understanding of your Group's written instructions to its professional real estate appraisers 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 your Group; • analysing, on a sample basis, the information provided by the Finance Department to the real estate experts, such as leases, accounting data and the capital expenditure budget used as a basis for determining the market value of real estate assets; • assessing the valuation assumptions used by the real estate appraisers, in particular discount rates, yield rates and rental data, by comparing them with external data and published market studies; • interviewing certain professional real estate appraisers in the presence of the entities' Finance Departments and assessing, with the assistance of our valuation specialists, the consistency and relevancy of the valuation approach applied and of the main judgements made; • assessing, on a sample basis, the recognition of an impairment loss when the appraisal value excluding transfer taxes is less than at least €150 thousand of the net book value for more than two consecutive years and the application of the criteria presented in Note 4.5.2.3 of the notes to the annual financial statements; • recalculating, on a sample basis, the impairment allowances and reversals recorded in your company's annual financial statements; • assessing the appropriateness of the information provided in the notes to the annual financial statements.

Specific verification

We have also performed, in accordance with professional standards applicable in France, the other specific verifications required by French law and regulations.

Information given in the management report and in the other documents on the financial position and the annual financial statements sent 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 manager's management report and in the other documents on the financial position and the annual financial statements sent to shareholders.

We confirm the true and fair nature and the consistency with the annual financial statements of the information on payment terms in Article D. 441 of the French Commercial Code.

Information on corporate governance

We confirm the existence, in the Supervisory Board's corporate governance report, of the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

As regards the information on the remuneration and other benefits paid or allocated to corporate officers, and on any guarantees provided in their favour, required by Article L. 22-10-9 of the French Commercial Code, we verified its agreement with the company's financial statements or underlying data and, if necessary, with the elements gathered by your company from other companies it controls, included in the scope of consolidation. Based on this work, we confirm the accuracy and fair presentation of that information.

As regards the information on matters liable, in the view of your company, to have an impact in the event of any public offer for the purchase or exchange of the company's securities and required under Article L. 22-10-11 of the French Commercial Code, we verified its agreement with the applicable source documents communicated to us. Based on this work, we have no matters to report in respect of this information.

Other information

As required by law, we verified that the requisite information on purchases of shares and controlling interests and the identity of the company's shareholders, and their voting rights, have been communicated to you in the management report.

Other verifications or reporting envisaged by law and regulations

Format of the annual 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 single European electronic reporting format, we have also verified compliance with this format defined by the European Delegated Regulation 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 I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of management.

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 single European electronic reporting 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.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Covivio Hotels by your General Meeting of 15 April 2024 for KPMG S.A. and of 11 April 2013 for ERNST & YOUNG et Autres.

As at 31 December 2024, KPMG S.A. was in its first year of its engagement and ERNST & YOUNG et Autres in its twelfth year.

Prior to this, the firm Groupe PIA, which later became Conseil Audit & Synthèse (acquired by ERNST & YOUNG Audit in 2010), was Statutory Auditor from 2007 to 2012.

Responsibilities of management and those charged with governance in relation to the annual financial statements

The management is responsible for the preparation of annual financial statements presenting a true and fair view in accordance with French accounting standards and for the implementation of the system of internal control it deems necessary for the preparation of annual financial statements free from material misstatement whether resulting from fraud or error.

In preparing the annual financial statements, management is responsible for evaluating the company's ability to continue as a going concern, disclosing, as applicable, matters relating to the going concern and using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations.

The Audit Committee is responsible for overseeing the process for preparing financial information and monitoring the effectiveness of the risk management and internal control systems, as well as, where applicable, the internal audit system, regarding the procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements were approved by the Management Board.

Responsibilities of the Statutory Auditors for the audit of the annual financial statements

Objectives and audit process

We are required to prepare a report on the company's annual financial statements. Our purpose is to obtain reasonable assurance about whether the annual financial statements, taken 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 where one exists. Misstatements can arise from fraud or error and are considered material if, individually or aggregated, they could reasonably be expected to influence the economic decisions of users as taken on the basis of these financial statements.

As indicated in Article L. 821-55 of the French Commercial Code, in auditing the financial statements we are not asked to guarantee the viability or quality of the company's management.

In the course of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises its professional judgement throughout the audit. We also:

- identify and assess the risks of material misstatement in the annual financial statements, whether due to fraud or error, design and perform audit procedures in accordance with those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the circumvention of internal control;
- obtain 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 internal control;
- assess the appropriateness of the company's accounting methods, the reasonableness of management's estimates and the adequacy of the related additional disclosures provided in the annual financial statements;
- conclude on 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. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may call into question the company's ability to continue as a going concern. If the auditor concludes as to the existence of any material uncertainty, the attention of readers of the audit report is drawn to the information provided in that respect in the annual financial statements or, if such information is not provided or is not relevant, the auditor formulates a qualified audit opinion or a disclaimer of opinion;
- assess the overall presentation of the annual financial statements and judge whether the annual financial 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 that in particular covers the scope of the audit work and the schedule of work undertaken, along with our findings. We also inform it, as applicable, of any material weaknesses we identified in the internal control system regarding the procedures relating to the preparation and processing of accounting and financial information.

The elements communicated in the report to the Audit Committee equally include the risks of material misstatement which, in our professional view, have presented the greatest significance for the audit of the annual financial statements for the fiscal year and which as such constitute key audit matters we are required to describe in this report.

We also provide the Audit Committee with the confirmation in writing provided for in Article 6 of Regulation (EU) 537/2014 regarding our independence, as per the applicable rules in France found in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where necessary, we discuss with the Audit Committee the threats to our independence and the safeguards applied to mitigate those threats.

Paris-La Défense, 19 March 2025

KPMG SA

Sandie TZINMANN

Partner

ERNST & YOUNG et Autres

Jean-Roch VARON

Partner

Pierre LEJEUNE

Partner

4.7 Statutory Auditors' special report on regulated agreements

General Meeting to approve the financial statements for the fiscal year ending 31 December 2024

To the General Meeting of Covivio Hotels SCA,

As Statutory Auditors of your company, we hereby present our report on the regulated agreements.

Our role is to inform you, based on the information that was disclosed to us, of the characteristics, essential terms and conditions and reasons justifying the interest for the company of the agreements of which we were informed or that we discovered during our assignment, without having to express an opinion on their usefulness or merit nor to look for the existence of other agreements. It is your role, under the terms of Article R. 226-2 of the French Commercial Code, to assess the interest attached to the signature of these agreements for the purpose of their approval.

Moreover, it is our role, if applicable, to provide you with the information stipulated in Article R. 226-2 of the French Commercial Code on the execution, during the fiscal year just ended, of the agreements already approved by the General Meeting.

We carried out the work we deemed necessary in the light of the professional standards of the *Compagnie Nationale des Commissaires aux Comptes* applicable to this responsibility. This work consisted of verifying the consistency of the information provided to us with the basic documents from which it was extracted.

1. Agreements submitted for approval by the General Meeting

Agreements authorised and concluded during the past financial year

Pursuant to Article L. 226-10 of the French Commercial Code, we have been informed of the following agreements entered into during the past financial year which were subject to the prior authorisation of the Supervisory Board.

1.1 Memorandum of understanding signed on 20 June 2024 between (i) AccorInvest and its subsidiaries Société de Participations Hôtelières and Hotelinvest Development Holding GmbH, on the one hand, and on the other hand, (ii) the Company, Oteli France, Jouron Srl, Foncière Iris, Iris Investor Holding, Iris Verwaltungs GmbH, Foncière Otello, Holdco Phoenix, Holdco Iris Dahlia, Constance and Constance Lux 2, authorised by the Supervisory Board of 13 May 2024

Persons concerned

Predica, represented by Mr. CHABAS, is a member of the Supervisory Board of the Company and Mr. CHABAS is a director of the Luxembourg company AccorInvest Group SA.

Sogecap, represented by Mr. BRIAND is a member of the Supervisory Board of the Company and a director of Oteli France and Holdco Phoenix.

Caisse des Dépôts et Consignations, represented by Mr. TAVERNE is a member of the Supervisory Board of the Company and Mr. TAVERNE is a director of Oteli France and Holdco Phoenix.

In addition, Mr. MILLET is (i) representative of Covivio Hotels Gestion, Manager of the Company, (ii) Director of Iris Invest 2010, (iii) Chief Executive Officer of Iris Holding France, (iv) Director of Oteli France, (v) representative of Covivio Hotels Gestion Immobilière, sole director of the Belgian company Jouron SRL and (vi) Chairman of Constance, itself Chairman of Holdco Iris Dahlia and Holdco Phoenix.

Nature, purpose and terms

The purpose of the Vauban Memorandum of Understanding is to allow the completion, subject to conditions precedent, of a strategic transaction for the Covivio Hotels group in the form of an exchange of assets (sale of real estate assets and simultaneous acquisition of real estate funds) with the AccorInvest group (the "Vauban transaction").

The Vauban Memorandum of Understanding provides that:

- the Company and certain companies that it directly or indirectly wholly owns will sell to the AccorInvest group 10 real estate assets and acquire 24 business assets from the AccorInvest group; and
- companies in which the Company is associated with partners will thus be required to sell six real estate assets to the AccorInvest group and acquire 19 business assets from the AccorInvest group.

Reasons justifying the interest of the agreement

The signing of the Vauban Memorandum of Understanding is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.2 Amendment to the Vauban Memorandum of Understanding signed on 22 November 2024 between (i) AccorInvest and its subsidiaries Société de Participations Hôtelières and Hotelinvest Development Holding GmbH, on the one hand, and on the other (ii) the Company, Oteli France, Jouron Srl, Foncière Iris, Iris Investor Holding, Iris Verwaltungs GmbH, Foncière Otello, Holdco Phoenix, Holdco Iris Dahlia, Constance and Constance Lux 2, authorised by the Supervisory Board on 14 November 2024

Persons concerned

The persons concerned are the same persons as those identified for the conclusion of the Vauban Memorandum of Understanding.

Nature, purpose and terms

The Amendment to the Vauban Memorandum of Understanding provides for terms and conditions for the transfer of specific employees for two business assets acquired, via an acquisition of shares in the companies concerned, from the AccorInvest group as part of the Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the Amendment to the Vauban Memorandum of Understanding comes as part of the Vauban Transaction, which aims to improve the liquidity of assets, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.3 Holdco Phoenix shareholders' agreement signed on 26 November 2024 between the Company, Constance (a wholly-owned subsidiary of the Company), Caisse des Dépôts et Consignations, Sogecap and Orientex Holdings (a wholly-owned subsidiary of Sogecap), authorised by the Supervisory Board on 13 May 2024

Persons concerned

Sogecap, represented by Mr. BRIAND, and Caisse des Dépôts et Consignations, represented by Mr. TAVERNE, are members of the Supervisory Board of the Company and parties to the JV Holdco Phoenix Agreement.

Nature, purpose and terms

The Holdco Phoenix JV Agreement is entered into for a period of 10 years and will be automatically renewable at its expiry for successive periods of one year unless terminated by one of the parties subject to a six-month notice period.

The Holdco Phoenix JV Agreement defines in particular:

- the governance rules of JV Holdco Phoenix (and its subsidiary), the distribution policy;
- fees related to the performance of service contracts;
- the terms of transfer of hotel properties and shares of JV Holdco Phoenix (and its subsidiary).

Reasons justifying the interest of the agreement

The signing of the Holdco Phoenix JV agreement is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.4 Shareholders' agreement relating to Holdco Iris Dahlia signed on 26 November 2024 between Constance (a wholly-owned subsidiary of the Company) and Predica, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Predica, represented by Mr. CHABAS, is a member of the Supervisory Board of the Company in which it has a stake of over 10%, and is a direct party to the JV Holdco Iris Dahlia Agreement.

Nature, purpose and main terms of the agreement

The Holdco Iris Dahlia JV Agreement is entered into for a period of 10 years and will be renewable by tacit agreement at its end for successive periods of three years unless terminated by one of the parties subject to a six-month notice period.

The Holdco Iris Dahlia JV Agreement defines in particular:

- the governance rules of the Holdco Iris Dahlia JV (and its subsidiaries), the distribution policy;
- fees related to the performance of service contracts;
- the terms of transfer of hotel assets and shares of Holdco Iris Dahlia JV (and its subsidiaries).

Reasons justifying the interest of the agreement

The signing of the Holdco Iris Dahlia JV agreement is part of the Vauban transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.5 Amendment no. 1 to the shareholders' agreement of 1 July 2019 relating to Oteli France, entered into on 26 November 2024 between Caisse des Dépôts et Consignations, SASU Fonae, Sogecap, Orientex Holdings, the Company, Covivio SGP, Covivio Hotels Gestion Immobilière and Oteli France, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Caisse des Dépôts et Consignations, represented by Mr. TAVERNE, and Sogecap, represented by Mr. BRIAND, are members of the Supervisory Board of the Company and are directly party to the Amendment to the Oteli France shareholders' agreement.

The directors of Oteli France are Messrs TAVERNE and MILLET, and the company Sogecap, represented by Mr. BRIAND.

Mr. MILLET is the General Manager of Covivio Hotels Gestion Immobilière.

Nature, purpose and terms

The purpose of the Oteli France Amendment is to align the terms of the initial agreement with the Holdco Phoenix JV Agreement (as defined above).

The Oteli France Amendment defines in particular:

- the management and governance arrangements for Oteli France (and its subsidiaries), the distribution policy;
- fees related to the performance of service contracts;
- the methods of transferring real estate assets and shares of Oteli France (and its subsidiaries).

Reasons justifying the interest of the agreement

The signing of the Amendment to the Oteli France shareholders' agreement is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.6 Amendment no. 1 to the shareholders' agreement of 1 July 2019 relating to Kombon SAS entered into on 26 November 2024 between Caisse des Dépôts et Consignations, Sogecap, Covivio Hotels Gestion Immobilière and Kombon SAS authorised by the Supervisory Board meeting of 14 November 2024

Persons concerned

Caisse des Dépôts et Consignations, represented by Mr. TAVERNE, and Sogecap, represented by Mr. BRIAND, are members of the Supervisory Board of the Company and are directly party to the Kombon SAS Amendment.

Kombon SAS also has the following as directors: Messrs TAVERNE, BRIAND and MILLET.

Mr. MILLET is the Manager of Covivio Hotels Gestion Immobilière.

Nature, purpose and terms

The purpose of the Kombon SAS Amendment is to align the terms of the initial agreement with the Holdco Phoenix JV Agreement (as defined above).

The Kombon SAS Amendment defines in particular:

- the rules of governance of Kombon SAS, the distribution policy;
- fees related to the performance of service contracts;
- the terms and conditions for the transfer of real estate assets and shares in Kombon SAS.

Reasons justifying the interest of the agreement

The signing of the Kombon SAS Amendment is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.7 Amendment no. 1 to the shareholders' agreement of 1 July 2019 relating to Jouron entered into on 26 November 2024 between Caisse des Dépôts et Consignations, Simplon Belgium, Sogecap, the Company, Murdelux, Covivio Hotels Gestion Immobilière and Jouron authorised by the Supervisory Board of 13 May 2024

Persons concerned

Caisse des Dépôts et Consignations, represented by Mr. TAVERNE, and Sogecap, represented by Mr. BRIAND, are members of the Supervisory Board of the Company and are directly party to the Jouron Amendment.

Mr. MILLET is the Manager of Covivio Hotels Gestion Immobilière.

Nature, purpose and main terms of the agreement

The purpose of the Jouron Amendment is to make all the changes relating to the Vauban Operation and to align the terms of the initial pact with the Holdco Phoenix JV Pact (as defined above).

The Jouron Amendment defines in particular:

- the rules of governance of Jouron SRL (and its subsidiaries), the distribution policy;
- fees related to the performance of service contracts;
- the terms and conditions for the transfer of real estate and hotel assets and shares of Jouron SRL (and its subsidiaries).

Reasons justifying the interest of the agreement

The signing of the Jouron Amendment comes as part of the Vauban transaction, which aims to improve the liquidity of assets, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.8 Amendment no. 1 to the shareholders' agreement relating to Iris Invest 2010 and Iris Holding France dated 6 December 2010 (the "Iris Invest 2010 Amendment") entered into on 26 November 2024 between the Company and Predica, Iris Invest 2010 and Iris Holding France, approved by the Supervisory Board on 13 May 2024

Persons concerned

Predica, represented by Mr. CHABAS, is a member of the Supervisory Board of the Company, in which it has a stake of over 10% and is a direct party to the Iris Invest 2010 Amendment.

The directors of Iris Invest 2010 are Messrs MILLET and CHABAS.

Nature, purpose and terms

The purpose of the 2010 Iris Invest Amendment is to align the terms of the initial agreement with the Holdco Iris Dahlia JV Agreement (as defined above).

Its main methods are as follows:

- the governance rules of Iris Invest 2010 and Iris Holding France (and their subsidiaries), the distribution policy;
- fees related to the performance of service contracts;
- the terms and conditions for the transfer of real estate assets and shares in Iris Invest 2010 and Iris Holding France (and their subsidiaries).

Reasons justifying the interest of the agreement

The signing of the "Iris Invest 2010 Amendment" comes as part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.9 Amendment no. 1 to the shareholders' agreement of 29 November 2011 entered into on 26 November 2024 between the Company, Predica and SCI Holding Dahlia, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Predica, represented by Mr. CHABAS is a member of the Supervisory Board of the Company in which it has a stake of over 10% and is a direct party to the SCI Dahlia Amendment.

Mr Chabas is the Manager of SCI Dahlia.

Nature, purpose and terms

The purpose of the SCI Dahlia Amendment is to align the terms of the initial agreement with the Holdco Iris Dahlia JV Agreement (as defined above).

The SCI Dahlia Amendment defines in particular:

- the rules of governance of SCI Dahlia, the distribution policy;
- fees related to the performance of service contracts;
- the terms and conditions for the transfer of real estate assets and shares in SCI Dahlia.

Reasons justifying the interest of the agreement

The signing of the SCI Dahlia Amendment is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.10 Contracts for the sale of real estate assets located in France directly sold by the Company entered into on 29 November 2024 between the Company and, where applicable, (i) SCI HÔTEL LILLE CENTRE, (ii) SCI HÔTEL PARIS LAFAYETTE, (iii) SCI HÔTEL TOULOUSE COMPANS, (iv) SCI HÔTEL BORDEAUX JUIN, (v) SCI HÔTEL NICE CENTRE, (vi) SCI HÔTEL PORTE DE CHARENTON, (vii) SCI HÔTEL RUEIL MALMAISON, (viii) SCI HÔTEL PARIS GARE DE LYON or (ix) SCI HÔTEL PORT LA GRANDE MOTTE authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

Each Transferee is a direct or indirect subsidiary of the AccorInvest group.

Nature, purpose and terms

The purpose of the France 1 Asset Disposal Agreements is to regulate the terms and conditions of the sale of certain of its real estate assets by the Company to subsidiaries (direct or indirect) of the AccorInvest group, on the occasion of the completion of Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the France 1 Real Estate Assets Disposal Agreements is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.11 Contracts for the sale of real estate assets located in France not sold by the Company entered into on 29 November 2024 between the companies FONCIERE IRIS and, where applicable, SCI HÔTEL PARIS CDG or SCI HÔTEL BORDEAUX LATEULADE to which the Company is not a party but is indirectly affected by their conclusion, authorised by the Supervisory Board meeting of 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica represented by Mr. CHABAS is a member of the Company's Supervisory Board.

Iris Invest 2010 holds more than 10% of Foncière Iris, and the Company and Predica each hold more than 10% of the share capital of Iris Invest 2010.

SCI Hôtel Paris CDG and SCI Hôtel Bordeaux Lateulade are direct or indirect subsidiaries of AccorInvest.

Mr. MILLET is (i) Chairman of Foncière Iris and (ii) Manager of Covivio Hôtels Gestion, which is itself Chairman of the Company.

Nature, purpose and terms

The purpose of the France 2 Property Sale Agreements is to set out the terms and conditions for the sale of certain of its real estate assets by Foncière Iris to subsidiaries (direct or indirect) of the AccorInvest group, on the occasion of the completion of Operation Vauban.

Reasons justifying the interest of the agreement

The signing of the France 2 Real Estate Assets Disposal Agreements is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.12 Agreement for the disposal of real estate assets located in France not sold by the Company entered into on 29 November 2024 between the companies OTELI FRANCE and, where applicable, SCI HÔTEL LYON LA PART-DIEU or SCI HÔTEL NANTES CENTRE to which the Company is not a party but is indirectly interested in their conclusion, approved by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

Caisse des Dépôts et Consignations, represented by Mr. TAVERNE, and Sogecap, represented by Mr. BRIAND, are members of the Company's Supervisory Board, and the directors of Oteli France are Messrs TAVERNE and MILLET, and the company Sogecap, represented by Mr. BRIAND.

SCI Hôtel Lyon La Part-Dieu and SCI Hôtel Nantes Centre are direct or indirect subsidiaries of the AccorInvest group.

The Company holds more than 10% of the share capital of Oteli France.

Mr. MILLET is (i) Chairman of the Board of Directors of Oteli France and (ii) Manager of Covivio Hotels Gestion, which is itself Chairman of the Company.

Nature, purpose and terms

The purpose of the France 3 Real Estate Asset Sale Agreements is to regulate the terms and conditions of the sale of certain of its real estate assets by Oteli France to subsidiaries (direct or indirect) of the AccorInvest group, on the occasion of the completion of Operation Vauban.

Reasons justifying the interest of the agreement

The signing of the France 3 Real Estate Assets Disposal Agreements is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.13 Agreement for the disposal of a real estate asset located in France not sold by the Company, entered into on 29 November 2024 between FONCIÈRE OTELLO and SCI HÔTEL STRASBOURG CENTRE, to which the Company is not a party but is indirectly interested in its conclusion, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

The Company holds more than 10% of the share capital of Foncière Otello and is its Manager. SCI Hôtel Strasbourg Centre is a direct or indirect subsidiary of the AccorInvest group.

Nature, purpose and terms

The purpose of the France 4 Real Estate Asset Disposal Agreement is to set out the terms and conditions for the sale of a real estate asset by Foncière Otelo to a subsidiary (direct or indirect) of the AccorInvest group, on the occasion of the Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the France 4 Real Estate Asset Disposal Agreement is part of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.14 Agreement for the disposal of a real estate asset located outside France entered into on 29 November 2024 between IRIS INVESTOR HOLDING, IRIS VERWALTUNGS GmbH and HOTELINVEST DEVELOPMENT HOLDING GmbH, in the presence of the Company and AccorInvest, authorised by the Supervisory Board of 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

The Company and Predica each hold more than 10% of the share capital of Iris Holding France, which holds more than 10% of Iris Investor Holding and Iris Verwaltungs GmbH.

Mr. MILLET is (i) Chief Executive Officer of Iris Holding France and (ii) Manager of Covivio Hotels Gestion, which is itself Chairman of the Company.

Nature, purpose and terms

The purpose of the Agreement for the Disposal of Real Estate Assets Outside France 1 is to set out the terms and conditions for the disposal of shares in Iris Berlin GmbH (holding a real estate asset located outside France) by Iris Investor Holding and Iris Verwaltungs GmbH to a (direct or indirect) subsidiary of the AccorInvest group, on the occasion of the completion of the Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the Contract for the Disposal of Real Estate Assets Outside France 1 is part of the completion of the Vauban Transaction, which aims to improve the liquidity of assets, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.15 Agreement for the disposal of a real estate asset located outside France entered into on 29 November 2024 between JOURON SRL and SOCIÉTÉ DE PARTICIPATIONS HÔTELIÈRES, to which the Company is not a party but is indirectly interested in its conclusion, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

The Company holds more than 10% of the share capital of Jouron SRL.

Mr MILLET is (i) Manager of Covivio Hotels Gestion Immobilière, itself a Director of Jouron SRL and (ii) Manager of Covivio Hotels Gestion, itself Chairman of the Company.

Nature, purpose and terms

The purpose of the Agreement for the Disposal of Real Estate Assets Outside France 2 is to regulate the terms and conditions of the sale of the shares in Société Foncière Bruxelles Sainte-Catherine (holding a real estate asset located outside France and which will hold the long-term lease of a hotel) by Jouron SRL to a subsidiary (direct or indirect) of the AccorInvest group, on the occasion of the completion of the Vauban transaction.

Reasons justifying the interest of the agreement

The signing of the Contract for the Disposal of Real Estate Assets Outside France 2 is part of the completion of the Vauban Transaction, which aims to improve the liquidity of the assets, enhance the value of the Company's portfolio and strengthen the partnership with AccorInvest.

1.16 Share sale agreements signed on 29 November 2024 between HOLDCO IRIS Dahlia and SOCIÉTÉ DE PARTICIPATIONS HÔTELIÈRES, in the presence of the Company and AccorInvest, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

The Company and Predica each hold more than 10% of the share capital of Holdco Iris Dahlia.

Mr. MILLET is (i) Chairman of Constance, itself representative of Holdco Iris Dahlia and (ii) Manager of Covivio Hotels Gestion, itself Chairman of the Company.

Nature, purpose and terms

The purpose of the Share Disposal Agreements 1 is to regulate the terms and conditions for the acquisition of shares in Montreuilloise, Iris Opco Belgium, Ctid, Blitz 24-220 GmbH (renamed Iris Bochum OpCo GmbH) and Blitz 24-207 GmbH (renamed Iris Essen OpCo GmbH) by Holdco Iris Dahlia from a (direct or indirect) subsidiary of the AccorInvest group, on the occasion of the completion of the Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the Securities Disposal Agreements 1 took place as part of the completion of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with AccorInvest.

1.17 Share disposal agreement entered into on 29 November 2024 between HOLDCO PHOENIX and SOCIÉTÉ DE PARTICIPATIONS HÔTELIÈRES, in the presence of the Company and AccorInvest, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

The Company holds more than 10% of the share capital of Holdco Phoenix.

Mr. MILLET is (i) Chairman of Constance, itself the representative of Holdco Phoenix and (ii) Manager of Covivio Hotels Gestion, itself Chairman of the Company.

Sogecap, represented by Mr. BRIAND, and Caisse des Dépôts et Consignations, represented by Mr. TAVERNE, are members of the Company's Supervisory Board, and Messrs BRIAND and TAVERNE are directors of Holdco Phoenix.

Nature, purpose and terms

The purpose of the Securities Disposal Agreement 2 is to set out the terms and conditions for the acquisition of the shares of SAS du Mont du Centre by Holdco Phoenix from a (direct or indirect) subsidiary of the AccorInvest group, on the occasion of the completion of the Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the Securities Disposal Agreement 2 comes as part of the completion of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.18 Share disposal agreement entered into on 29 November 2024 between JOURON SRL and SOCIÉTÉ DE PARTICIPATIONS HÔTELIÈRES, in the presence of AccorInvest, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. Chabas is a member of the Company's Supervisory Board.

The Company holds more than 10% of the share capital of Jouron SRL.

Mr. Millet is (i) Manager of Covivio Hotels Gestion Immobilière, itself a Director of Jouron SRL and (ii) Manager of Covivio Hotels Gestion, itself Chairman of the Company.

Nature, purpose and terms

The purpose of the Securities Disposal Agreement 3 is to set out the terms and conditions for the acquisition of the shares of Phoenix Opco Belgium by Jouron SRL from a (direct or indirect) subsidiary of the AccorInvest group, on the occasion of the completion of Operation Vauban.

Reasons justifying the interest of the agreement

The signing of the Securities Disposal Agreement 3 is part of the completion of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.19 Share disposal agreement signed on 29 November 2024 between CONSTANCE LUX 2 and SOCIÉTÉ DE PARTICIPATIONS HÔTELIÈRES, in the presence of AccorInvest, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA, and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

The Company indirectly holds more than 10% of the share capital of Constance Lux 2.

Nature, purpose and terms

The purpose of the Securities Disposal Agreement 4 is to set out the terms and conditions for the acquisition of the shares of Phoenix Opco Belgium by Constance Lux 2 from a (direct or indirect) subsidiary of the AccorInvest group, on the occasion of the completion of the Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the Securities Disposal Agreement 4 comes as part of the completion of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

1.20 Share disposal agreement entered into on 29 November 2024 between CONSTANCE and SOCIÉTÉ DE PARTICIPATIONS HÔTELIÈRES, in the presence of the Company and AccorInvest, authorised by the Supervisory Board on 13 May 2024

Persons concerned

Crédit Agricole Assurances Group is a shareholder of the Luxembourg company AccorInvest Group SA and holds more than 10% of the Company's share capital.

Mr. CHABAS is a member of the Board of Directors of the Luxembourg company AccorInvest Group SA and Predica, represented by Mr. CHABAS is a member of the Company's Supervisory Board.

The Company holds more than 10% of the share capital of Constance.

Mr. MILLET is Chairman of Constance and Manager of Covivio Hotels Gestion, which is itself Chairman of the Company.

Nature, purpose and terms

The purpose of the Securities Disposal Agreement 5 is to set out the terms and conditions for the acquisition of the shares of Phoenix Opco Belgium by Constance from a (direct or indirect) subsidiary of the AccorInvest group, on the occasion of the completion of the Vauban Transaction.

Reasons justifying the interest of the agreement

The signing of the Securities Disposal Agreement 5 comes as part of the completion of the Vauban Transaction, which aims to improve asset liquidity, enhance the value of the Company's portfolio and strengthen the partnership with the AccorInvest group.

2. Agreements already approved by the General Meeting

Agreements approved in previous financial years whose performance continued during the past financial year

Pursuant to Article R. 226-2 of the French Commercial Code, we have been informed of the execution of the following agreements, already approved by the General Meeting during previous fiscal years, continued during the past fiscal year.

2.1 Framework agreement signed on 15 March 2022 between AccorInvest, of the first part, Financière B&B Hotels, of the second part, and Covivio Hotels, Foncière Otello, SCI Dahlia, Iris Invest 2010, Iris Holding France, Foncière Iris, Foncière Liège, Oteli France and CBI Orient in their capacity as lessors of the third part.

Persons concerned

Predica, represented by Mr. CHABAS, is a member of the Supervisory Board of Covivio Hotels, and is also (i) director of the Luxembourg company AccorInvest Group SA and of Iris Invest 2010, (ii) Manager of SCI Dahlia and (iii) Chairman of Iris Holding France,

Sogecap, represented by Mr. BRIAND, is a member of the Supervisory Board of Covivio Hotels and is also a director of Oteli France, and

Mr. Arnaud Taverne, permanent representative of Caisse des Dépôts et Consignations, itself a member of the Supervisory Board of Covivio Hotels, is a director of Oteli France.

Nature, purpose and terms

This memorandum of understanding provides for the following transactions, subject to certain conditions precedent:

- the conclusion with B&B Hotels of new fixed-rent leases for a firm period of twelve years relating to the assets in which the business assets of the hotels concerned are operated;
- prior to the conclusion of the new leases with B&B Hotels, the existing leases entered into with AccorInvest will be terminated. All leases were in variable rent on hotel revenue;
- Financière B&B Hotels will jointly guarantee the tenants for the signing of the new leases; then

the sale by AccorInvest (and/or its affiliated entities) of the hotel business in these assets to Financière B&B Hotels (and/or its affiliated entities).

2.2 Agreement providing for the payment by Covivio Alexanderplatz SAS to BRE/GH II Berlin II Investor GmbH of compensation of €26.5 million

Persons concerned

Covivio Alexanderplatz SAS, subsidiary of Covivio holding over 10% of the share capital and member of the Supervisory Board of Covivio Hotels.

Nature, purpose and terms

This agreement was signed on 26 April 2019 and provides for the payment by Covivio Alexanderplatz SAS, to BRE/GH II Berlin II Investor GmbH of compensation of €26.5 million for the full demolition of certain retail units and the partial demolition of Primark with payment taking place within 30 days from the start of demolition.

2.3 Shareholders' agreement signed on 6 November 2012 between Covivio Hotels, the Crédit Agricole Group and its affiliates and ACM VIE and its affiliates relating to B2 HOTEL INVEST

Persons concerned

Predica and ACM Vie, shareholders holding more than 10% of the share capital and member of the Supervisory Board of Covivio Hotels.

Nature, purpose and terms

The shareholders' agreement governs the relations between the shareholders within B2 Hotel Invest and Foncière B2 Hotel Invest and notably includes:

- a prohibition on the transfer of OPCI securities until the end of the fourth anniversary of the agreement signature date;
- a right to first refusal of shareholders in the assumption that one of them wishes to dispose of their investment after the expiry of the lock-up period;
- a tag-along right, a right of expulsion and a rendez-vous clause;
- the setting of the terms and conditions of the exit price.

2.4 Shareholders' agreement signed on 24 May 2011 between Covivio Hotels, Predica, Pacifica, Imefa Cent Deux and Imefa Cent Vingt-Huit relating to the Pei project

Persons concerned

Predica, shareholder holding more than 10% of the share capital and member of the Supervisory Board of Covivio Hotels.

Nature, purpose and terms

The shareholders' agreement governs the relations between the shareholders within Camp Invest and Campeli, and notably includes:

- a ban on the transfer of the Camp Invest OPCI securities until the end of the fifth anniversary of the completion of the transaction;
- a right to first refusal of shareholders in the assumption that one of them wishes to dispose of their investment after the expiry of the lock-up period;
- a tag-along right and a right of expulsion;
- the setting of the terms and conditions of the exit price.

The Statutory Auditors,

Paris-La Défense, 19 March 2025

KPMG SA	**ERNST & YOUNG et Autres**	
Sandie TZINMANN	Jean-Roch VARON	Pierre LEJEUNE
Partner	Partner	Partner

4.8 Presentation of the agenda and draft resolutions for the Combined General Meeting of 15 April 2025

4.8.1 Agenda

Ordinary resolutions

- Approval of the parent company's financial statements for the year ended 31 December 2024.
- Approval of the consolidated financial statements for the year ended 31 December 2024.
- Appropriation of net income - Dividend distribution.
- Option for the payment of the dividend in shares.
- Approval of the special report by the Statutory Auditors prepared in accordance with Article L. 225-40 of the French Commercial Code and the regulated agreements referred to in Article L. 226-10 of the French Commercial Code mentioned therein.
- Approval of the information mentioned in Article L. 22-10-9 I. of the French Commercial Code relating to all remuneration of corporate officers for the fiscal year ended 31 December 2024.
- Approval of fixed, variable and exceptional components of the overall remuneration and benefits in kind paid during the fiscal year ended 31 December 2024 or allocated for the same fiscal year to Mr Christophe Kullmann, as Chairman of the Supervisory Board.
- Approval of fixed, variable and exceptional components of the overall remuneration and benefits in kind paid during the fiscal year ended 31 December 2024 or allocated for the same fiscal year to the company Covivio Hotels Gestion as Manager.
- Approval of the remuneration policy applicable to the Manager.
- Approval of the remuneration policy applicable to members of the Supervisory Board.
- Renewal of the term of office of Technical SAS as a member of the Supervisory Board.
- Renewal of the term of office of Cardif Assurance Vie as a member of the Supervisory Board.
- Renewal of the term of office of the Predica SA as a member of the Supervisory Board.
- Renewal of the term of office of Covivio as a member of the Supervisory Board.
- Renewal of the appointment of Statutory Auditor of Ernst & Young et Autres.
- Appointment of Ernst & Young et Autres as Statutory Auditors in charge of certifying sustainability information.
- Appointment of KPMG SA as Statutory Auditor in charge of certifying sustainability information.
- Authorisation to be granted to the Manager for the purposes of the company's purchase of its own shares.

Extraordinary resolutions

- Delegation of authority to the Manager to increase the company's share capital through the capitalisation of reserves, profits or premiums.
- Authorisation to be granted to the Manager to reduce the company's share capital through the cancellation of shares.
- Delegation of authority to the Manager to issue shares and/or securities giving access to the company's equity (or to the equity of companies in which the Company directly or indirectly owns more than half of the equity), maintaining the shareholders' preferential subscription rights.
- Delegation of authority to the Manager to issue shares and/or securities giving access to the Company's equity (or to the equity of companies in which the Company directly or indirectly owns more than half of the equity), with cancellation of shareholders' preferential subscription rights and with an optional priority period, by way of a public offering other than the one mentioned in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code.
- Delegation of authority to the Manager to issue Company shares and/or securities giving access to the Company's equity (or to the equity of companies in which the Company directly or indirectly owns more than half of the equity), with cancellation of shareholders' preferential subscription rights, for the benefit of qualified investors or a limited circle of investors in the context of an offer referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code.
- Delegation of authority to the Manager in the event of a capital increase with or without a preferential subscription right, to increase the number of shares to be issued.
- Delegation of authority to the Manager to issue shares and/or securities convertible into equity, in order to compensate the contributions in kind granted to the company, consisting of capital securities or securities convertible into equity.
- Delegation of authority to the Manager to issue shares and/or securities giving access to the Company's share capital, in consideration for securities contributed to any public exchange offer initiated by the Company.
- Delegation of authority to the Manager to carry out capital increases reserved for company employees who are members of a savings plan, with waiver of shareholders' preferential subscription right.
- Amendment of Article 13 (Supervisory Board Meetings) of the Company's Articles of Association.
- Powers for formal recording requirements.

4.8.2 Text of the draft resolutions

Ordinary resolutions

RESOLUTION 1

Approval of the parent company's financial statements for the year ended 31 December 2024

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the parent company's financial statements for the fiscal year ending 31 December 2024 and the report of the Manager, the report of the Supervisory Board and the report by the Statutory Auditors on the annual financial statements, approves in full the reports of the Manager, the Supervisory Board and the parent company's financial statements for the fiscal year ending 31 December 2024, which include the balance sheet, income statement and notes, as presented, and showing a profit of €286,692,984.94.

The General Meeting consequently approves the transactions posted to these financial statements or summarised in these reports.

The General Meeting notes that there were no expenditure and expenses covered by Article 39-4 of the French General Tax Code, and observes that there is no corporate income tax payable in this respect.

RESOLUTION 2

Approval of the consolidated financial statements for the year ended 31 December 2024

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board and the report by the Statutory Auditors on the consolidated financial statements, approves the consolidated financial statements for the fiscal year ending 31 December 2024, which include the balance sheet, consolidated income statement and notes, as presented, as well as the transactions posted to these financial statements and summarised in these reports.

The General Meeting approves the consolidated net income of the Group as at 31 December 2024, which amounts to €224,585 thousand.

RESOLUTION 3

Appropriation of net income - Dividend distribution

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having noted that profit for the fiscal year amounting to €286,692,984.94, increased by the retained earnings of €10,111.40, brings the distributable profit to €286,703,096.34, decides, on a proposal by the Manager, to allocate the distributable profit as follows:

- payment of the preferential dividend of €1,000,000 to the limited partner in respect of the fiscal year;
- payment of €222,212,178 in dividends;
- €63,490,918.34 to retained earnings;

Each share will thus receive a dividend of €1.50.

In accordance with the law, shares held by the company on the dividend payment date do not hold any dividend rights. The General Meeting resolves that the amount corresponding to treasury shares on the dividend payment date, as well as the amount the shareholders may have waived, will be allocated to the "Retained earnings" account.

The dividend will be paid on 19 May 2025.

Based on the total number of shares that made up the share capital at 31 December 2024, *i.e.* 148,141,452 shares, and subject to the potential application of the provisions of Article 9 of the company's Articles of Association to the Shareholders subject to Withholding, a total dividend of €222,212,178 will be distributed, excluding the preferential dividend. This dividend only carries entitlement to the 40% rebate in the event that the global annual election has expressly and irrevocably been made for the income tax scale option in accordance with the provisions of Article 200 A 2 of the French General Tax Code, and only for the portion of this dividend deducted, where applicable, from earnings liable for corporate income tax. In accordance with Article 158 3, 3° b bis of the French General Tax Code, this rebate is not applicable to profits exempt from corporate income tax under the SIIC regime, pursuant to Article 208 C of the French General Tax Code.

Dividends drawn against the company's profits exempt from corporate income tax pursuant to Article 208 C of the French General Tax Code, excluding the preferential dividend and not eligible for the 40% rebate total €222,212,178. The dividend drawn against profits subject to corporate income tax amounts to €0.

In accordance with the law, the General Meeting confirms that the dividends distributed for the previous three fiscal years were as follows:

Fiscal year	Number of shares	Dividend paid per share	Amount of dividend eligible for the 40% rebate	Amount of dividend not eligible for the 40% rebate
2023	148,141,452	€1.30	€0 or €0.7536 if the income tax scale option is chosen	€1.30 or €0.5463 if the income tax scale option is chosen
2022	148,141,452	€1.25	€0 or €0.6999 if the income tax scale option is chosen	€1.25 or €0.5501 if the income tax scale option is chosen
2021	148,141,452	€0.65	€0 or €0.3414 if the income tax scale option is chosen	€0.65 or €0.3086 if the income tax scale option is chosen

RESOLUTION 4

Option for payment of the dividend in shares

The Shareholders' Meeting, ruling under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having noted that the share capital is fully paid up and having reviewed the Manager's report, resolves, in accordance with the provisions of Articles L. 232-18 to L. 232-20 of the French Commercial Code and Article 25 of the Articles of Association, to offer each shareholder an option between payment of the dividend entirely in cash or entirely in new shares. This option would relate to the entire dividend per share distributed under the third resolution above.

Consequently, the General Meeting resolves:

- that the issue price of the new shares tendered as payment of the dividend is set at 90% of the average price quoted at the close of the twenty trading sessions preceding the date of this meeting, less the net amount of the dividend per share subject to the third resolution, and rounded up to the nearest euro cent;
- that shareholders requesting payment of the dividend in new shares may exercise their option from 28 April 2025 to 13 May 2025 inclusive, by sending their request to the financial intermediaries authorised to pay the dividend or, for shareholders registered in the pure registered accounts, with the Company's agent, CIC Market Solutions. After the expiry of this period, the dividend will be paid in cash, with settlement taking place on 19 May 2025, the date on which the settlement-delivery of the shares will also take place for those who have opted for payment in shares of the entire dividend. The new shares issued as payment of the dividend will carry dividend rights and will therefore give entitlement, from their issue, to all distributions decided by the Company as of this date; and
- that if the amount of the dividends for which the option is exercised does not correspond to a whole number of shares, the shareholders will be able to obtain the next lower whole number of shares plus a cash adjustment.

The General Meeting grants complete authority to the Manager, who 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:

- determine the issue price of the shares issued under the conditions set out above and carry out all necessary transactions related to the exercise of the option for the payment of the dividend in shares;
- record the number of shares issued and the completion of the capital increase resulting from the issue of shares following the exercise of the option for the payment of the dividend in shares;
- charge the costs of said capital increase to the amount of the related issue premium, and deduct from this amount the necessary sums corresponding to 10% of the nominal amount of the issue in order to fund the legal reserve;
- amend the Articles of Association accordingly;
- performing all required formalities for the rights, shares and other securities issued to be listed on a regulated market in France or abroad, providing financial services of the securities in question and ensure the exercise of their attached rights; and
- carrying out advertising formalities and, more generally, do whatever is necessary and useful.

RESOLUTION 5

Approval of the special report by the Statutory Auditors prepared in accordance with Article L. 225-40 of the French Commercial Code and the regulated agreements referred to in Article L. 226-10 of the French Commercial Code mentioned therein

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the special report by the Statutory Auditors on the regulated agreements referred to in Article L. 226-10 of the French Commercial Code, approves said report and said agreements concluded or executed during the fiscal year ended 31 December 2024.

RESOLUTION 6

Approval of the information covered by Article L. 22-10-9 I. of the French Commercial Code relating to all remuneration of corporate officers for the fiscal year ended 31 December 2024

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the Supervisory Board's report on corporate governance prepared in accordance with Article L. 22-10-78 of the French Commercial Code, approves, in accordance with Article L. 22-10-77 I. of the French Commercial Code, the information referred to in Article L. 22-10-9 I. of the Code on all remuneration paid to corporate officers in respect of the fiscal year ended 31 December 2024, and appearing in Section 5.2.4.2 of the company's Universal Registration Document for 2024.

RESOLUTION 7

Approval of fixed, variable and exceptional components of the overall remuneration and benefits in kind paid during the fiscal year ended 31 December 2024 or allocated for the same fiscal year to Mr Christophe Kullmann, as Chairman of the Supervisory Board

The Shareholders' Meeting, ruling under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the Supervisory Board's report on corporate governance prepared in accordance with Article L. 22-10-78 of the French Commercial Code, duly notes, pursuant to Article L. 22-10-77 II. of the French Commercial Code, that Mr. Christophe Kullmann, in his capacity as Chairman of the Supervisory Board, does not receive any fixed, variable or exceptional items or benefits of any kind paid during the financial year ended 31 December 2024 or granted in respect of the same financial year, as specified in said report, and appearing in paragraph 5.2.4.3.1 of the Company's universal registration document for the 2024 financial year.

RESOLUTION 8

Approval of fixed, variable and exceptional components of the overall remuneration and benefits in kind paid during the fiscal year ended 31 December 2024 or allocated for the same fiscal year to the company Covivio Hotels Gestion as Manager

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the Supervisory Board's report on corporate governance prepared in accordance with Article L. 22-10-78 of the French Commercial Code, approves, in application of Article L. 22-10-77 II. of the French Commercial Code, the fixed, variable and exceptional remuneration making up overall remuneration and benefits in kind paid during the fiscal year ended 31 December 2024 or allocated for the same fiscal year to Covivio Hotels Gestion in its role as Manager, as described in said report and described in Section 5.2.4.3.2 of the company's Universal Registration Document for the 2024 fiscal year.

RESOLUTION 9

Approval of the remuneration policy applicable to the Manager

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the Supervisory Board's report on corporate governance prepared in accordance with Article L. 22-10-78 of the French Commercial Code specifically describing the components of the remuneration policy for corporate officers, approves, in application of Article L. 22-10-76 II. of the French Commercial Code, the remuneration policy applicable to the Manager presented therein and described in Section 5.2.4.1.1 of the company's Universal Registration Document for the 2024 fiscal year.

RESOLUTION 10

Approval of the remuneration policy applicable to members of the Supervisory Board

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the Supervisory Board's report on corporate governance prepared in accordance with Article L. 22-10-78 of the French Commercial Code specifically describing the components of the remuneration policy for corporate officers, approves, in application of Article L. 22-10-76 II. of the French Commercial Code, the remuneration policy applicable to the members of the Supervisory Board presented therein and described in Section 5.2.4.1.2 of the company's Universal Registration Document for the 2024 fiscal year.

RESOLUTION 11

Renewal of the term of office of Technical SAS as a member of the Supervisory Board

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Manager, and having noted that the term of office of Technical SAS as a member of the Supervisory Board is due to expire at this General Meeting, resolves to renew, as of this day, its term of office as a member of the company's Supervisory Board for a period of three years expiring at the end of the Ordinary General Meeting called in 2028 to approve the financial statements for the fiscal year ending 31 December 2027.

RESOLUTION 12

Renewal of the term of office of Cardif Assurance Vie as a member of the Supervisory Board

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Manager, and having noted that the term of office of Cardif Assurance Vie as a member of the Supervisory Board is due to expire at this General Meeting, resolves to renew, as of this day, its term of office as a member of the company's Supervisory Board for a period of three years expiring at the end of the Ordinary General Meeting called in 2028 to approve the financial statements for the fiscal year ending 31 December 2027.

RESOLUTION 13

Renewal of the term of office of the company Predica SA as a member of the Supervisory Board

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Manager, and having noted that the term of office of Predica SA as a member of the Supervisory Board is due to expire at this General Meeting, resolves to renew, as of this day, its term of office as a member of the company's Supervisory Board for a period of three years expiring at the end of the Ordinary General Meeting called in 2028 to approve the financial statements for the fiscal year ending 31 December 2027.

RESOLUTION 14

Renewal of the term of office of Covivio as a member of the Supervisory Board

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Manager, and having noted that the term of office of Covivio as a member of the Supervisory Board is due to expire at this General Meeting, resolves to renew, as of this day, its term of office as a member of the company's Supervisory Board for a period of three years expiring at the end of the Ordinary General Meeting called in 2028 to approve the financial statements for the fiscal year ending 31 December 2027.

RESOLUTION 15

Renewal of the appointment of Statutory Auditor of Ernst & Young et Autres

The Shareholders' Meeting, ruling under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the Manager's report, and having noted that the term of office as Statutory Auditor of Ernst & Young et Autres expires at this Shareholders' Meeting, resolves to renew, with effect from this date, the term of office as Statutory Auditor of Ernst & Young et Autres, for a period of six (6) fiscal years expiring at the end of the General Meeting of Shareholders called in 2031 to approve the financial statements for the year ended 31 December 2030.

RESOLUTION 16

Renewal of the appointment of Ernst & Young et Autres as Statutory Auditors in charge of certifying sustainability information

The Shareholders' Meeting, ruling under the quorum and majority conditions required for Ordinary Shareholders' Meetings, having reviewed the Manager's report, and having noted that the appointment of Ernst & Young et Autres as Statutory Auditor in charge of certifying the sustainability information expires at this Annual General Meeting, resolves to renew, as of today, the appointment of Ernst & Young et Autres as Statutory Auditors in charge of certifying information on sustainability, for a period of six (6) financial years expiring at the end of the General Shareholders' Meeting called in 2031 to approve the financial statements for the year ended 31 December 2030.

RESOLUTION 17

Appointment of KPMG SA as Statutory Auditor in charge of certifying sustainability information

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the Manager's report, resolves to appoint, as of this date, KPMG SA, a French limited company whose registered office is located at Tour Eqho, 2 avenue Gambetta, 92066 Paris, registered with the Nanterre Trade and Companies Register under number 775 726 417, as Statutory Auditor in charge of certifying sustainability information, for a period of six (6) fiscal years expiring at the end of the Shareholders' Meeting called in 2031 to approve the financial statements for the fiscal year ended 31 December 2030.

RESOLUTION 18

Authorisation to be granted to the Manager for the purposes of the company's purchase of its own shares

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, having reviewed the report of the Manager and in accordance with the provisions of Articles L. 225-210 *et seq.* and L. 22-10-62 *et seq.* of the French Commercial Code, European Regulation 596/2014 of the European Parliament and of the Council of 16 April 2014, Articles 241-1 to 241-7 of the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers – AMF) and accepted market practices by the French Financial Markets Authority:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- authorises the Manager, which may further delegate such authority under the conditions provided for by legal and regulatory provisions, to purchase its own shares or have them be purchased, on one or more occasions and at the times 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 programme does not exceed 10% of the shares making up the company's equity (at any time whatsoever, and this percentage applies to adjusted capital based on transactions that affect it after this meeting). It is stipulated that (i) a maximum of 5% of the shares comprising the company's equity may be held with a view to subsequent payment or exchange as part of a merger, demerger or contribution in kind, and (ii) for shares acquired as part of a liquidity agreement, the number of shares counting toward the abovementioned limit of 10% of the company's equity shall be 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 its own shares must not exceed thirty-five euros (€35) per share (excluding acquisition costs). In case of capital transactions, specifically through the incorporation of reserves and/or the splitting or reverse splitting 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. Accordingly, in the event of a change in the par value of the share, a capital increase through the incorporation of reserves, the splitting or reverse splitting of shares, the distribution of reserves or any other assets, the amortisation of the share capital or any other transaction affecting shareholders' equity, the General Meeting delegates to the Manager the authority to adjust the aforementioned maximum purchase price in order to take into consideration the effect of these transactions on the share value.

The maximum amount of funds reserved for the share buyback program will be two hundred million euros (€200,000,000).

In compliance with the applicable legal and regulatory provisions, these purchase, sale, exchange or transfer transactions may be carried out by any means, including by trading on a regulated market, on a multilateral trading facility, with systematic or over-the-counter internalisers, in particular by acquisition or sale 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 an investment services provider, under the conditions authorised by the competent market authorities and at the times that the Manager of the company 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 force, unless a third party files a public offering for the shares of the company in which case they cannot take place 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:

- remit the shares during the exercise of rights attached to 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 engage in any hedging transaction in relation to the issuance of such securities, under the conditions stipulated by the market authorities and at such times as the Manager or the individual acting on behalf of the Manager deems fit;
- keep the shares and remit them later as payment or in exchange in the context of potential transactions for external growth, merger, demerger or contribution in kind;
- 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 income per share), subject to this General Meeting adopting Resolution 20 below;
- 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 with complete independence, under the conditions and in accordance with the methods set by regulation and recognised market practice and consistent with a Code of Ethics recognised by the French Financial Markets Authority;

- also with a view to any other practice that could be recognised by the law or the French Financial Markets Authority or any other purpose to be authorised by the law or regulations in effect in future. In such a case, the company would inform its shareholders by sending out a notice.

This authorisation is given for eighteen (18) months as from the date of this General Meeting.

The General Meeting grants complete authority to the Manager, who 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 stock 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 any documents, specifically for information purposes;
- to allocate or reallocate the shares acquired for the various purposes in question, under the applicable legal and regulatory conditions; and
- to prepare any statements and execute any recording requirements of the French Financial Markets Authority or any other public authority and, in general, to take all necessary measures.

The General Meeting notes that the Manager must account for any use made of this authorisation in the report required by Article L. 225-100 of the French Commercial Code, in accordance with Article L. 225-211 of the French Commercial Code on referral from Article L. 226-1 of the French Commercial Code.

Extraordinary resolutions

RESOLUTION 19

Delegation of authority to the Manager to increase the company's share capital through the capitalisation of reserves, profits or premiums

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Manager:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- hereby fully authorises the Manager, 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, who 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 they deem fit, 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;
- resolves, notwithstanding the foregoing, that the Manager may not, without prior authorisation by the General Meeting, make use of this delegation of authority as from the filing by a third party of a draft public offer for the shares of the company, until the end of the offer period;
- resolves that the maximum nominal amount of the capital increases performed under this delegation, immediately and/or in the future, may not exceed a total of fifty-nine million euros (€59,000,000), plus, if applicable, the par value of the additional shares to be issued in order to protect the rights of the holders of securities giving access to the share capital, as required by legal, regulatory and contractual stipulations; it is specified that this amount has been set independently and separately from the caps on capital increases as a result of share or securities issues authorised by Resolutions 21 to 27;
- 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 awarded to the holders of the rights as provided for under the legislative and regulatory provisions applicable; and
- resolves that the Manager, who 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 operations 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 operations on the company's equity;

  (iv) setting the terms and conditions under which the rights of holders of securities giving access to the company's equity will be maintained, as relevant, in accordance with the legal and regulatory provisions in force and the contractual provisions in force;

  (v) performing, either on its own or through an agent, all acts and formalities to make definitive 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.

RESOLUTION 20

Authorisation to be granted to the Manager 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 report of the Manager and the special report of the Statutory Auditors, and in accordance with the provisions of Article L. 22-10-62 of the French Commercial Code:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;

- authorises the Manager, who 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 the times he or she deems fit, the 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 Manager 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 the legal reserve, up to a maximum of 10% of the realised capital reduction.

The General Meeting grants all authority to the Manager, who 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, set the conditions and confirm its fulfilment and undertake the corresponding amendment of the company's Articles of Association, to carry out any formalities, procedures and make any declarations to any public bodies and, in general, to do all that is necessary.

RESOLUTION 21

Delegation of authority to the Manager to issue shares and/or securities giving access to the company's equity (or to the equity of companies in which the Company directly or indirectly owns more than half of the equity), maintaining the shareholders' preferential subscription rights

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report of the Manager and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129 *et seq.*, in particular Articles L. 225-129-2, L. 225-132 to L. 225-134 and the provisions of Articles L. 228-91 *et seq.* of the French Commercial Code:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- delegates to the Manager, who 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 he or she deems fit, on the issuance, in France or abroad, in euros or in foreign currency, either free of charge or against payment, of company shares and/or securities (including new or existing stock warrants) giving access by any means to the company's equity either immediately or in the future, with maintenance of shareholders' preferential subscription rights; it is specified that this delegation may allow the issue of transferable securities under the conditions provided for in Article L. 228-93 of the French Commercial Code;
- resolves, notwithstanding the foregoing, that the Manager may not, without prior authorisation by the General Meeting, make use of this delegation of authority as from the filing by a third party of a draft public offer for the shares of the company, until the end of the offer period;
- resolves that the maximum nominal amount of the capital increases performed by the company under this delegation, immediately or in the future, may not exceed a total of two hundred and ninety-six million euros (€296,000,000), plus, where applicable, the par value of any additional shares to be issued to protect the rights of the holders of securities giving access to the company's equity as required by applicable legal, regulatory and contractual stipulations; it is specified that this amount has been set independently and separately from the caps on capital increases as a result of issues of shares and/or other securities authorised by Resolutions 19 and 22 to 27;
- resolves furthermore that the nominal amount of all debt securities giving access to the company's share capital, immediately or in the future, liable to be issued under this delegation, may not exceed a total of one billion euros (€1,000,000,000) or the equivalent of this amount on the date of the issuance decision, in the event of issuance in foreign currency or in a unit of account set by reference to several currencies; it is specified that the nominal amount of all debt securities giving access to the company's share capital, immediately or in the future, liable to be issued under this delegation and Resolutions 22 to 26, may not exceed a total amount of one billion euros (€1,000,000,000), the overall cap for all debt securities issuances. This amount is independent of the amount of the debt securities for which issuance is decided or authorised by the Manager in accordance with Article L. 228-40 of the French Commercial Code.

Shares or securities providing access to the company's 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 Manager may establish, for shareholders, a subscription right on a reducible basis for the shares or securities issued, which will be exercised 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 securities as defined above, the Manager may use all or some of the options below, in the order he or she 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 Manager 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 securities giving access to the company's equity and may be issued under this delegation, automatic waiver by the shareholders of their preferential subscription rights to shares in connection with such securities.

The General Meeting resolves that company stock warrants may be issued by subscription offer, as well as by free allocations to owners of existing shares, and that, in the event of a free allocation of stock warrants, the Manager 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 complete authority to the Manager, who 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:

- 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 payment for the shares or other securities issued and, if applicable, the conditions for their redemption or exchange;
- suspending, if applicable, the exercise of the share allocation rights attached to the 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 securities providing access to the company's equity will be maintained, as relevant, in accordance with the legal and regulatory provisions in force and the conditions of any contractual provisions providing for other adjustments;
- charging any amounts against the share premium as required, in particular the fees occasioned by the issue, and deducting from this the required 10% of the nominal value of each issue for the legal reserve after each increase;
- performing all required formalities for the rights, shares and other securities issued to be listed on a regulated market in France or abroad, providing financial services of the securities in question and ensure the exercise of their attached rights;
- deciding, in the event of an issue of transferable securities representing debt securities providing access to the company's 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 give entitlement to company shares 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 carried out under this delegation, and amending the company's Articles of Association accordingly.

RESOLUTION 22

Delegation of authority to the Manager to issue Company shares and/or securities giving access to the Company's equity (or to the equity of companies in which the Company directly or indirectly owns more than half of the equity), with cancellation of shareholders' preferential subscription rights and with a mandatory priority period, by way of a public offering other than that mentioned in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code.

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report of the Manager and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129 *et seq.*, in particular Articles L. 225-129-2, L. 225-135, L. 225-136 and the provisions of Articles L. 22-10-51, L. 22-10-52 and L. 228-91 *et seq.* of the French Commercial Code:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- delegates to the Manager, with the option of sub delegation, the authority to decide, on one or more occasions, in the proportions and at the times it deems appropriate for a period of twenty-six (26) months from the date of this General Meeting, on the issuance, by public offering other than that referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, in France or abroad, in euros or foreign currency, with waiver of shareholders' preferential subscription rights, company shares and/or any securities giving access by any means, immediately or in the future, to the company's share capital. In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to equity securities to be issued by any company in which the company directly or indirectly owns more than half of the share capital;
- resolves, notwithstanding the foregoing, that the Manager may not, without prior authorisation by the General Meeting, make use of this delegation of authority as from the filing by a third party of a draft public offer for the shares of the company, until the end of the offer period;
- resolves that the maximum nominal amount of the company's capital increases that may be carried out, immediately and/or in the future, under this delegation may not exceed one hundred and eighteen million euros (€118,000,000). Added to this cap, as necessary, will be the additional par value of the shares or other equity securities 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 securities representing receivables providing access to the share capital. This cap is set independently and separately from the caps for capital increases resulting from the issue of shares and/or securities authorised by Resolutions 19, 21, and 23 to 27; and
- resolves that the nominal amount of all debt securities giving immediate and/or deferred access to the company's share capital, liable to be issued under this delegation, may not exceed a total of one billion euros (€1,000,000,000), the overall cap for all issues of debt securities in this delegation and in Resolutions 21 and 23 to 26, or the counter-value of this amount, on the date of the issue decision, in the case of issuance 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 issuance is decided or authorised by the Manager 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 giving access by any means to preference shares either immediately or in the future.

Shares or securities providing access to the company's equity may be subscribed for either in cash or by offsetting receivables against the company.

The General Meeting resolves:

- to waive the shareholders' preferential subscription rights to the shares and/or securities issued under this delegation;
- to provide shareholders with a mandatory priority period of at least three (3) trading days, in accordance with Articles L. 22-10-51 and R. 225-131 of the French Commercial Code, on all share issues carried out under this resolution; and
- to delegate to the Manager the right to grant such a priority period for issues of securities other than shares carried out under this resolution. A priority subscription period that does not lead to the creation of negotiable rights must be exercised in proportion to the portion of equity owned by each shareholder and could potentially be topped up by a subscription on a reducible basis, in the understanding that unsubscribed shares will be sold to public investors in France or, where applicable, abroad;
- to delegate to the Manager, in accordance with Article L. 22-10-52 of the French Commercial Code, the power to freely set the issue price of the equity securities that may be issued under this delegation of authority, within the following limits:
  - **(i)** the issue price of the shares will be set in accordance with the provisions of the laws and regulations in force at the time of use of this delegation, less a discount freely determined by the Manager up to a maximum limit of 10%, and must be at least equal to the lowest price (at the option of the Manager) between (x) the weighted average of the prices of the last twenty trading sessions preceding the beginning of the public offering, (y) the weighted average of the prices of the last three trading days preceding the start of the public offering or (z) the closing price preceding the start of the public offering,
  - **(ii)** the issue price of securities providing access to the company's share capital (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 issuance of these securities, will be at least equal to the minimum subscription price defined in (i) of the previous paragraph, after a possible adjustment of that amount to cover any difference in dividend eligibility dates.

If subscriptions have not absorbed the entire issue of shares or other securities as defined above, the Manager may use all or some of the options below, as it deems fit, and in the order he or she 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 this authorisation implies automatic waiver by shareholders, in favour of the holders of any securities issued under this delegation giving access to the company's equity, of their preferential subscription rights to shares in connection with such securities.

The General Meeting grants complete authority to the Manager, who 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:

- 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 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 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, if applicable, the conditions for their redemption or exchange;
- suspending, as applicable, exercise of the rights attached to the securities for a period of no longer than three (3) months under the limits stipulated by the applicable legal and regulatory provisions;
- setting the conditions to ensure the preservation of the rights of holders of securities or other instruments giving access to the company's equity, in accordance with applicable legal and regulatory provisions and, as necessary, the applicable contractual provisions providing for other adjustments;
- charging any amounts against the share premium as required, in particular the fees occasioned by the issue, and deducting from this the required 10% of the nominal value of each issue for the legal reserve after each increase;
- performing all required formalities for the rights, shares and other securities issued to be listed on a regulated market in France or abroad, providing financial services for the securities in question and ensuring the exercise of their attached rights;
- deciding, in the event of an issue of transferable securities representing debt securities providing access to the company's equity, subject to the conditions defined by law, whether or not they are subordinated (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), the conditions for amortisation based on market conditions, and the conditions under which these securities will give entitlement to company shares 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 carried out under this delegation, and amending the company's Articles of Association accordingly.

RESOLUTION 23

Delegation of authority to the Manager to issue Company shares and/or securities giving access to the Company's equity (or to the equity of companies in which the Company directly or indirectly owns more than half of the equity), with cancellation of shareholders' preferential subscription rights, for the benefit of qualified investors or a limited circle of investors in the context of an offer referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code.

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report of the Manager and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129, L. 225-129-2 to L. 225-129-6, L. 225-135, L. 225-136, L. 228-91 to L. 228-93, L. 22-10-49, L. 22-10-51 and L. 22-10-52 of the French Commercial Code and the provisions of paragraph 1 of Article L. 411-2 of the Monetary and Financia Code:

- delegates to the Manager, with the option of sub delegation, the authority to decide, on one or more occasions, in the proportions and at the times it deems appropriate for a period of twenty-six (26) months from the date of this General Meeting, on the issuance, by public offering as referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, in France or abroad, in euros or foreign currency, with waiver of shareholders' preferential subscription rights, company shares and/or any securities giving access by any means, immediately or in the future, to the company's share capital. In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to equity securities to be issued by any company in which the company directly or indirectly owns more than half of the share capital;

- resolves, notwithstanding the foregoing, that the Manager may not, without prior authorisation by the General Meeting, make use of this delegation of authority as from the filing by a third party of a draft public offer for the shares of the company, until the end of the offer period;

- resolves that the maximum nominal amount of the company's capital increases that may be carried out, immediately and/or in the future, under this delegation may not exceed fifty-nine million euros (€59,000,000). This cap is set independently and separately from the caps for capital increases resulting from the issue of shares and/or securities authorised by Resolutions 19, 21, 22, 24 to 27; and

Added to this cap, as necessary, will be the additional par value of the shares or other equity securities 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 securities representing receivables providing access to the share capital.

- resolves that the nominal amount of all debt securities giving immediate or deferred access to the company's share capital, liable to be issued under this delegation, may not exceed a total of one billion euros (€1,000,000,000), the overall cap for all issues of debt securities in this delegation and in Resolutions 21, 22 and 24 to 26, or the counter-value of this amount, on the date of the issue decision, in the case of issuance 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 issuance is decided or authorised by the Manager in accordance with Article L. 228-40 of the French Commercial Code.

This delegation of authority expressly excludes the issue of preference shares or marketable securities giving access by any means to preference shares either immediately or in the future.

Shares or securities providing access to the company's equity may be subscribed for either in cash or by offsetting receivables against the company.

The General Meeting decides to waive the shareholders' preferential subscription rights to the shares and/or securities issued under this delegation. The issues that may be carried out pursuant to this delegation will be exclusively addressed to (i) persons providing the portfolio management investment service on behalf of third parties, (ii) to qualified investors and/or (iii) to a restricted circle of investors within the meaning of Article D. 411-4 of the French Monetary and Financial Code provided that these investors are acting on their own behalf.

In accordance with Article L. 22-10-52 of the French Commercial Code, the General Meeting resolves to delegate to the Manager the power to freely set the issue price of the equity securities that may be issued under this delegation of authority, within the following limits:

- the issue price of the shares will be set in accordance with the provisions of the laws and regulations in force at the time of use of this delegation, less a discount freely determined by the Manager up to a maximum limit of 10%, and must be at least equal to the lowest price (at the option of the Manager) between (x) the weighted average of the prices of the last twenty trading sessions preceding the beginning of the public offering, (y) the weighted average of the prices of the last three trading days preceding the start of the public offering or (z) the closing price preceding the start of the public offering;

- the issue price of securities providing access to the company's share capital (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 issuance of these securities, will be at least equal to the price set by the Manager defined in the previous paragraph, after a possible adjustment of that amount to cover any difference in dividend eligibility dates.

If subscriptions have not absorbed the entire issue of shares or other securities as defined above, the Manager may use all or some of the options below, as it deems fit, and in the order he or she 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;

- offer all or part of the unsubscribed securities to the public.

The General Meeting acknowledges that this authorisation implies automatic waiver by shareholders, in favour of the holders of any securities issued under this delegation giving access to the company's equity, of their preferential subscription rights to shares in connection with such securities.

The General Meeting grants complete authority to the Manager, who 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 determine the list of beneficiaries of the private placements carried out pursuant to this delegation and the number of securities to be allocated to each of them as well as their terms and conditions, and in particular their issue price and, if applicable, the amount of the premium;
- 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 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 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, if applicable, the conditions for their redemption or exchange;
- suspending, as applicable, exercise of the rights attached to the securities for a period of no longer than three (3) months under the limits stipulated by the applicable legal and regulatory provisions;
- setting the conditions to ensure the preservation of the rights of holders of securities or other instruments giving access to the company's equity, in accordance with applicable legal and regulatory provisions and, as necessary, the applicable contractual provisions providing for other adjustments;
- if applicable, decide to grant a guarantee or sureties on the securities to be issued, as well as on the debt securities to which these securities would give entitlement, and determine the nature and characteristics thereof;
- charging any amounts against the share premium as required, in particular the fees occasioned by the issue, and deducting from this the 10% of the nominal value of each issue for the reserve after each increase;
- performing all required formalities for the rights, shares and other securities issued to be listed on a regulated market in France or abroad, providing financial services for the securities in question and ensuring the exercise of their attached rights;
- deciding, in the event of an issue of transferable securities representing debt securities providing access to the company's equity, subject to the conditions defined by law, whether or not they are subordinated (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), the conditions for amortisation based on market conditions, and the conditions under which these securities will give entitlement to company shares and the other conditions for issue (including the act of granting guarantees or security interests) 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 carried out under this delegation, and amending the company's Articles of Association accordingly.

RESOLUTION 24

Delegation of authority to the Manager in the event of a capital increase with or without a preferential subscription right, to increase the number of shares to be issued

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report of the Manager and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-135-1 and R. 225-118 of the French Commercial Code:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- authorises the Manager, with the option of subdelegation under the conditions set by legal and regulatory provisions, to decide to increase the number of shares in the Company and/or securities giving access, immediately and/or in the future, to the share capital of the Company to be issued for each issue with or without preferential subscription rights decided pursuant to Resolutions 21 to 23, at the same price as that used for the initial issue, within the deadlines and limits provided for by the regulations applicable on the date of issue (for information purposes as of today, within thirty days of the closing of the subscription and up to a limit of 15% of the initial issue);
- resolves that the nominal amount of the Company's capital increases that may be carried out, immediately and/or in the future, under this resolution will be deducted from the nominal amount of the cap stipulated in the resolution under which the initial issue is decided;
- resolves, notwithstanding the foregoing, that the Manager may not, without prior authorisation by the General Meeting, make use of this authorisation as from the filing by a third party of a draft public offer for the shares of the company, until the end of the offer period;

The General Meeting sets the period of validity of this authorisation at twenty-six (26) months from the date of this General Meeting.

RESOLUTION 25

Delegation of authority to the Manager to issue shares and/or securities convertible into equity, in order to compensate the contributions in kind granted to the company, consisting of capital securities or securities convertible into equity

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having reviewed the report of the Manager and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129 *et seq.* of the French Commercial Code, and in particular Article L. 225-147, and Article L. 22-10-53 of said Code:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- delegates to the Manager, who 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 asset transfer auditors mentioned in paragraphs 1 and 2 of Article L. 225-147 of the French Commercial Code, the issue of shares and/or securities giving access by any means to the company's new or existing shares or equity securities, immediately or in the future, 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 securities giving access to equity, when the provisions of Article L. 22-10-54 of the French Commercial Code do not apply;
- resolves, notwithstanding the foregoing, that the Manager may not, without prior authorisation by the General Meeting, make use of this delegation of authority as from the filing by a third party of a draft public offer for the shares of the company, until the end of the offer period;
- resolves that the maximum nominal amount of the capital increases liable to be performed by the company under this delegation, immediately or in the future, may not exceed 20% of the company's share capital (as at the date of the Manager's use of this delegation); it is specified that this amount is set independently and separately from the caps on capital increases as a result of issues of shares and/or other marketable securities authorised by Resolutions 19, 21 to 24, 26 and 27
- resolves that the nominal amount of all debt securities giving immediate or deferred access to the company's share capital, liable to be issued under this delegation, may not exceed a total of one billion euros (€1,000,000,000), the overall cap for all issues of debt securities in this delegation and in Resolutions 21 to 24 and 26 or the counter-value of this amount, on the date of the issue decision, in the case of issuance 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 issuance is decided or authorised by the Manager in accordance with Article L. 228-40 of the French Commercial Code;
- acknowledges, in accordance with the provisions of Article L. 225-132 of the French Commercial Code, the absence of preferential subscription rights of shareholders to these shares and securities issued under this delegation, as their purpose is solely to compensate contributions in kind; and
- acknowledges that the authorisation implies automatic waiver by shareholders, in favour of the holders of any securities issued under this delegation giving access to the company's equity, of their preferential subscription rights to shares in connection with such securities.

The General Meeting grants complete authority to the Manager, who 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:

- ruling on the report of the contribution auditors regarding capital contributions;
- defining the terms, conditions and details of the operation, 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;
- 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 securities giving immediate or future access to a proportion of the company's equity, evaluating the contributions and any special benefits that may be granted, and reducing the value 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 under an "Additional paid-in capital" account, which will cover the rights of all shareholders, in the liabilities section of the balance sheet;
- at their sole initiative, charging the fees for any issuance to the amount of the "Additional paid-in capital" and deducting from this the required 10% of the nominal value of each issue for the legal reserve after each increase; and
- in general, taking any measure that may be required, entering into any agreements (in particular to ensure the successful outcome of the issue), 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 increase(s) resulting from any issue carried out under this delegation, amending the company's Articles of Association accordingly, requesting the listing on a regulated market in France or abroad of all rights, shares or other securities issued under this delegation and ensuring the financial servicing of the securities in question and exercise of the corresponding rights.

RESOLUTION 26

Delegation of authority to the Manager to issue shares and/or securities giving access to the Company's share capital, as remuneration for securities contributed to any 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 report of the Manager and the special report of the Statutory Auditors, 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, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- delegates to the Manager, who 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 they deem fit, the issue of company shares and/or securities giving access by any means to the company's equity, immediately or in the future, to compensate securities contributed to 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 for trading on a regulated market pursuant to Article L. 22-10-54 of the French Commercial Code;
- resolves, notwithstanding the foregoing, that the Manager may not, without prior authorisation by the General Meeting, make use of this delegation of authority as from the filing by a third party of a draft public offer for the shares of the company, until the end of the offer period;
- notes, in accordance with the provisions of Article L. 225-132 of the French Commercial Code, the absence of preferential subscription rights for shareholders to the shares and/or securities issued under this delegation, which have exclusively intended to remunerate securities contributed to a public exchange offer initiated by the Company;
- acknowledges that the authorisation implies automatic waiver by shareholders, in favour of the holders of any securities issued under this delegation giving access to the company's equity, of their preferential subscription rights to shares in connection with such securities;
- resolves that the maximum nominal amount of increases in the company's share capital made immediately or in the future under this delegation may not exceed fifty-nine million euros (€59,000,000); it is specified that this amount is set independently and separately from the caps on capital increases as a result of issues of shares and/or other marketable securities authorised by Resolutions 19, 21 to 25 and 27; and
- resolves that the nominal amount of all debt securities giving immediate or deferred access to the company's share capital, liable to be issued under this delegation, may not exceed a total of one billion euros (€1,000,000,000), the overall cap for all issues of debt securities in this delegation and in Resolutions 21 to 25, or the counter-value of this amount, on the date of the issue decision, in the case of issuance 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 issuance is decided or authorised by the Manager in accordance with Article L. 228-40 of the French Commercial Code.

The General Meeting grants complete authority to the Manager, who 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:

- defining the terms, conditions and details of the operation, 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 tendered to the exchange offer;
- 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 securities granting access, now or in future, to company shares to be issued;
- taking all required measures to protect the rights of holders of securities or other instruments providing access to the share capital, in accordance with applicable legal and regulatory provisions and any contractual provisions providing for other adjustments;
- recording the difference between the issue price of the new shares and their par value under an "Additional paid-in capital" account, which will cover the rights of all shareholders, in the liabilities section of the balance sheet;
- at their sole initiative, charging the fees for any issuance to the amount of the "Additional paid-in capital" and deducting from this the required 10% of the nominal value of each issue for the legal reserve after each increase;
- performing all required formalities for the rights, shares and other securities issued to be listed on a regulated market in France or abroad, providing financial services of the securities in question and ensure 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 carried out under this delegation, and amending the company's Articles of Association accordingly.

RESOLUTION 27

Delegation of authority to the Manager to carry out capital increases reserved for company employees who are members of a 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 report of the Manager and the special report of the Statutory Auditors, to enable a capital increase to take place, reserved for employees belonging to a company or group 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, L. 225-129-2, L. 225-129-6, L. 225-138 *et seq.* of the French Commercial Code, and L. 3332-18 *et seq.* of the French Labour Code:

- terminates, with immediate effect, for the unused portion, the delegation granted by the Combined General Meeting of 15 April 2024;
- delegates to the Manager, who 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 they deem fit, on the issuance of company shares and/or securities giving access to the company's equity, not to exceed a maximum nominal amount of five hundred thousand euros (€500,000), reserved for members of a company or group savings plan belonging to the company or companies and economic interest groupings linked to the company under the conditions provided for in Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code; it being specified that this amount is set independently and separately from the caps on capital increases resulting from issues of shares or securities authorised under Resolutions 19 and 21 to 26;
- resolves to cancel, in favour of said members, the shareholders' preferential subscription rights to the Company's shares or securities giving access to the Company's equity, issued pursuant to this delegation;
- resolves, in accordance with the provisions of Articles L. 3332-18 to L. 3332-24 of the French Labour Code, that the discount offered may not exceed 30% of the average of the last listed price of the Company's share during the twenty trading days preceding the date of the decision setting the opening date for subscriptions, and 40% of the same average when the lock-up period provided for by the plan is greater than or equal to ten years; however, the General Meeting expressly authorises the Manager to eliminate or reduce the aforementioned discount, if it deems it appropriate, in order to take into account, inter alia, the legal, accounting, tax and social regimes applicable locally. The Manager may also replace all or part of the discount through the allocation of shares or other securities pursuant to the following provisions; and
- resolves that the Manager may decide the free allocation of shares or other securities giving access to the company's equity, on the understanding that the total benefit resulting from this allocation in respect of the additional contribution or, where applicable, discount from the subscription price, may not exceed the legal and regulatory limits, and that shareholders waive all rights in respect of the shares or other securities giving access to the company's equity that may be issued pursuant to this Resolution.

The General Meeting grants complete authority to the Manager, who 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:

- 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;
- providing, as needed, for the establishment of a new company or 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, setting 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 operations 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 operation involving shareholders' equity;
- as required, charging the fees incurred by the share capital increases to the amount of the related premiums and deducting from this the required 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 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 make definitive 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.

RESOLUTION 28

Amendment of Article 13 (Meetings of the Supervisory Board) of the Company's Articles of Association

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report of the Manager:

- resolves to amend Article 13 (Meetings of the Supervisory Board) of the Articles of Association in order to:
  - **(i)** adapt the provisions relating to the participation of members of the Supervisory Board in meetings of the Supervisory Board by means of telecommunication to the provisions of the new Article L. 22-10-3-1 of the French Commercial Code created by Law no. 2024-537 of 13 June 2024 aimed at increasing the financing of companies and the attractiveness of France (the "Attractiveness Act"),
  - **(ii)** define, in accordance with the provisions of Article L. 226-4 paragraph 5 of the French Commercial Code in its new version resulting from the Attractiveness Act, the conditions and procedures for the written consultation of the Supervisory Board, and
  - **(iii)** provide for the possibility for Board members to vote by post in accordance with the provisions of Article L. 226-4 paragraph 5 of the French Commercial Code in its new version resulting from the Attractiveness Act.

As a result, Article 13 of the Company's Articles of Association now reads as follows:

"Article 13 - Meetings of the Supervisory Board

(1) *The Supervisory Board appoints a Chairman from among its members; it also chooses a secretary, who may be from among its members or from outside them.*

(2) *Meetings of the Supervisory Board are chaired by the Chairman. If the Chairman is absent, the Board shall appoint a Chairman for the meeting.*

(3) *The Supervisory Board meets, at the registered office or at any other place indicated in the notice, as often as required by the interests of the company and, in any case, at least four times per year, in particular to hear the report by the management on the company's businesses. Except in an emergency, the members of the Supervisory Board must be called to a meeting at least one week prior to the date of the Board meeting.*

The meetings may be convened by the Chairman of the Supervisory Board, as well as by at least half of its members, or by each of the Managers and general partners of the company.

The Manager or managers must be called to the meeting at which they attend on a purely consultative basis.

For the deliberations to be valid, at least half the members must be present.

A member of the Supervisory Board may also vote by post at a meeting of the Supervisory Board using a voting form, under the conditions provided for by the applicable regulatory provisions and the Supervisory Board's internal rules.

Deliberations are adopted by a majority of the members present or represented and who are entitled to vote. Any member of the Supervisory Board may be represented by another member of the Board on presentation of an express authorisation bearing in mind that a member of the Board may represent several members. In the case of a tied vote, the Chairman shall have the casting vote.

The meetings and deliberations of the Supervisory Board may take place by means of telecommunication. Board members who participate in the meeting by a means of telecommunication that enables them to be identified are deemed to be present for the calculation of the quorum and majority, under the conditions of Article R. 22-10-17-1 of the French Commercial Code. The Supervisory Board's rules of procedure may state that certain decisions cannot be taken at a meeting held under these conditions.

At the initiative of the Chairman of the Supervisory Board, the Supervisory Board may take decisions by consulting the members of the Board in writing. In this case, the Chairman of the Board shall communicate by any means, including by electronic means, to the members of the Board, the agenda items submitted for consultation, the text of the proposed draft resolutions, as well as any other document or information necessary for their decision-making, indicating the procedures for participating in the written consultation and the deadline for responding to it. This period is determined and assessed by the Chairman according to the purpose of the consultation, the urgency or the time required for consideration by the members of the Board, and may, if necessary, be extended by the Chairman. Any member of the Board may, within three days of sending the consultation, object to the written consultation. In the event of opposition, the Chairman immediately informs the other members of the Board and convenes a meeting of the Supervisory Board. The members of the Board shall communicate their vote to the Chairman of the Board by any written means, including by electronic means. Each member of the Board may ask any question necessary or send any comments to the Chairman of the Board, within a timeframe compatible with that of the written consultation. If they fail to respond to the written consultation within the time limit set, the members of the Board are deemed to be absent and not to have taken part in the decision, unless the time limit granted by the Chairman is extended. The Supervisory Board may validly deliberate only if at least half of its members have cast their vote in the written consultation. Decisions are taken by a majority of the members who took part in the written consultation. In the event of a tied vote, the Chairman of the Supervisory Board has the casting vote. The Chairman of the Board consolidates the votes of the members of the Board and informs the members of the Board of the result of the vote. Decisions taken by written consultation are recorded in minutes and kept under the same conditions as the decisions adopted at Supervisory Board meetings.

The Statutory Auditors are called to the meetings of the Supervisory Board which examines the annual or interim financial statements.

The Board's deliberations are recorded in minutes of meetings prepared in accordance with the law."

RESOLUTION 29

Powers for formal recording requirements

The General Meeting, ruling under the quorum and majority conditions required by law, grants complete authority to the bearer of an original, a copy or an extract of these minutes recording its resolutions, in order to fulfil all legal or administrative requirements and to undertake any filings or notifications required by current law.

4.9 Statutory Auditors' report on the capital reduction

Shareholders' Meeting of 15 April 2025

Resolution 20

To the General Meeting of Covivio Hotels,

In our capacity as Statutory Auditors of your company and in compliance with Article L. 22-10-62 of the French Commercial Code in respect of the reduction in capital by the cancellation of repurchased shares, we hereby report on our assessment of the terms and conditions of the proposed reduction in capital.

Your General Manager requests that it be authorised, for a period of eighteen months starting on the date of the present General Meeting, to proceed with the cancellation of shares the company was authorised to repurchase, representing an amount not exceeding 10% of its total share capital, per twenty-four month period, in compliance with the Article mentioned above.

We carried out the work we deemed necessary in the light of the professional standards of the *Compagnie Nationale des Commissaires aux Comptes* applicable to this responsibility. The procedures consisted in verifying that the terms and conditions for the proposed reduction in capital, which should not compromise equality among the shareholders, are fair.

We have no matters to report on the terms and conditions of the proposed reduction in capital.

Paris-La Défense, 19 March 2025

The Statutory Auditors

KPMG SA

Sandie TZINMANN

Partner

ERNST & YOUNG et Autres

Jean-Roch VARON

Partner

Pierre LEJEUNE

Partner

4.10 Statutory Auditors' report on the issue of shares and other securities with or without waiver of shareholders' preferential subscription right

Combined Shareholders' Meeting of 15 April 2025

Resolutions 21, 22, 23, 24, 25 and 26

To the General Meeting of Covivio Hotels,

In our capacity as Statutory Auditors of your company and pursuant to the mission provided for by Articles L. 22892 and L. 225135 et seq. of the French Commercial Code, we hereby report to you on the proposals for delegation of authority to the Manager of various issues of shares and/or securities, transactions on which you are asked to vote.

Your Manager proposes, on the basis of his report:

- to delegate to it, for a period of twenty-six months, the authority to decide on the following transactions and to set the final conditions of these issues and proposes, where applicable, to cancel your preferential subscription right:
  - issue with preferential subscription rights (twenty-first resolution) of Company shares and/or securities (including new or existing share subscription warrants) giving access by any means, immediately or in the future, to the Company's share capital, issued free of charge or against payment; it being specified that this delegation may allow the issue of securities under the conditions provided for by Article L. 228-93 of the French Commercial Code;
  - issue with cancellation of preferential subscription rights by way of a public offering other than that referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, up to a limit of one hundred and eighteen million euros (€118,000,000) representing approximately 20% of the share capital (twenty-second resolution) of the Company's shares and/or any securities giving access by any means, immediately or in the future, to the Company's share capital, it being specified that this delegation may allow the issue of securities under the conditions provided for by Article L. 228-93 of the French Commercial Code;
  - issue with cancellation of preferential subscription rights by way of a public offering referred to in paragraph 1 of Article L. 4112 of the French Monetary and Financial Code, up to a limit of €59,000,000, representing approximately 10% of the share capital, (twenty-third resolution) of Company shares and/or any securities giving access by any means, immediately or in the future, to the Company's share capital, it being specified that this delegation of authority may allow the issue of securities under the conditions provided for by Article L. 228-93 of the French Commercial Code; issue, in the event of a public exchange offer initiated by your company (twenty-sixth resolution), of Company shares or any other securities giving access by any means, immediately or in the future, to the Company's share capital;
- to delegate to it, for a period of twenty-six months, the powers necessary to issue Company shares and/or any securities giving access by any means, immediately or in the future, to shares or other equity securities of the Company, existing or to be issued, in consideration of contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital (twenty-fifth resolution), representing up to 20% of the share capital.
- The total nominal amount of capital increases that may be carried out immediately or in the future may not exceed:
  - €296,000,000 in respect of the twenty-first resolution;
  - €118,000,000 in respect of the twenty-second resolution;
  - €59,000,000 in respect of the twenty-third and twenty-sixth resolutions.

The total nominal amount of the securities representing debt securities giving access to the Company's capital immediately and/or in the future, that may be issued pursuant to the twenty-first, twenty-second, twenty-third, twenty-fifth and twenty-sixth resolutions may not exceed the total amount of one billion euros (€1,000,000,000), the overall cap for all issues of debt securities.

These ceilings take into account the additional number of shares to be created as part of the implementation of the delegations referred to in the twenty-first, twenty-second and twenty-third resolutions, under the conditions provided for in Article L. 2251351 of the French Code of commerce, if you adopt the twentieth-fourth resolution.

The General Manager is responsible for preparing a report in accordance with Articles R. 225113 *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 for waiver of shareholders' preferential right of subscription, and on certain other information concerning these transactions, provided in that report.

We carried out the work we deemed necessary in the light of the professional standards of the *Compagnie Nationale des Commissaires aux Comptes* applicable to this responsibility. Our procedures consisted in verifying the content of the report of the General Manager on these transactions and the bases of determination of the issue price for equity securities to be issued.

Subject to later 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 General Manager under the twenty-second and twenty-third resolutions.

In addition, as this report does not specify the methods used to determine the issue price of the equity securities to be issued as part of the implementation of the twenty-first, twenty-fifth and twenty-sixth resolutions, we cannot give our opinion on the choice of the elements used to calculate this issue price.

As the final conditions under which the issues will be carried out have not been set, we do not express an opinion on them and, consequently, on the proposal, contained in the twenty-second and twenty-third resolutions, to waive the preferential subscription right.

In accordance with Article R. 225116 of the French Commercial Code, we will prepare an additional report on those matters in the event of any actual use by your General Manager of the proposed delegations of authority for the issue of securities that are equity securities conferring access to other equity securities or providing rights of allocation of debt securities, in the event of the issue of securities providing access to equity securities to be issued, or the issue of shares with waiver of preferential subscription right.

Paris-La Défense, 19 March 2025

The Statutory Auditors

KPMG SA

Sandie TZINMANN

Partner

ERNST & YOUNG et Autres

Jean-Roch VARON

Partner

Pierre LEJEUNE

Partner

4.11 Statutory Auditors' report on the issue of ordinary shares or other transferable securities reserved for the benefit of subscribers to a corporate savings plan

Shareholders' Meeting of 15 April 2025

Resolution 27

To the General Meeting of Covivio Hotels,

In our capacity as Statutory Auditors of your company and pursuant to the mission provided for by Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code, we hereby present to you our report on the proposed delegation to the General Management of authority to decide on the issue of shares and/or securities, with waiver of preferential subscription rights, reserved for employees who are members of a company or group savings plan of your company and of companies and economic interest groupings related to it under the conditions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code, an operation on which you are asked to vote. The maximum nominal amount of the capital increase that may result from this issue is €500,000.

This operation 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, your General Manager proposes that you authorise it, for a period of twenty-six months, to decide on an issue of securities, subject to waiver of your existing preferential subscription right. The General Manager would also be empowered to decide on the final terms and conditions applicable to any such issue of securities.

The General Manager is responsible for preparing 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 for waiver of shareholders' preferential right of subscription, and on certain other information related to the issue of securities provided in that report.

We carried out the work we deemed necessary in the light of the professional standards of the Compagnie Nationale des Commissaires aux Comptes applicable to this responsibility. Our procedures consisted in verifying the content of the report of the General Manager on this operation and the bases of determination of the issue price for equity securities to be issued.

Subject to later 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 General Manager.

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 for waiver of shareholders' preferential right of subscription.

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 General Manager of the proposed delegation of authority for the issue of shares or other equity securities providing access to the company's equity or other securities providing access to equity securities to be issued subsequently.

Paris-La Défense, 19 March 2025

The Statutory Auditors

KPMG SA	**ERNST & YOUNG et Autres**	
Sandie TZINMANN	Jean-Roch VARON	Pierre LEJEUNE
Partner	Partner	Partner



Anantara Plaza Nice
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12.7 years of lease duration.

5

Control of the company

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5.1 Report by the Supervisory Board to the Combined General Meeting of 15 April 2025

Ladies and Gentlemen,

In accordance with the law and the Articles of Association of the company, the Supervisory Board is required to present a report to the General Meeting on its audit mission with respect to the accuracy and consistency of the financial statements and the main accounting documents of the company.

Since its establishment, the Supervisory Board has been regularly informed by the General Manager of the progress of the business and activity of the company and its Group, and was able, within the framework of the audit mission, to make the verifications that it deemed necessary.

The Manager has presented to you the financial statements and activity report of the company for fiscal year 2024.

5.1.1 Main highlights of the year

The European hotel sector benefited from a good momentum in 2024, with the continued increase in RevPAR, by 4% on average, supported by the increase in prices and a slight increase in occupancy rates. Southern Europe contributed to this performance and in particular Spain, with a +13% increase in RevPAR. Germany continued to catch up, posting a +7% increase. France recorded more moderate results (+2%), with the wait-and-see attitude of tourists during the preparatory phase of the Olympic Games having partly offset the good performance of the summer.

Hotel investment in Europe in 2024 was up by 34%, at €19.5 billion and now represents 9.5% of total real estate investment volumes.

Major consolidation transaction with AccorInvest

In this context, Covivio Hotels had a particularly active year in 2024. At the end of November, the Group signed the transaction to consolidate the ownership of operating and property companies of hotels held jointly with AccorInvest, for a total exchange value of nearly €800 million.

Until the end of November 2024, Covivio Hotels held the property companies of 54 hotels, let to the AccorInvest group as variable rent based on revenue, under long-term leases. AccorInvest owned the operating companies assets for these hotels and signed long-term management contracts with the Accor Group.

Covivio Hotels was also, indirectly, owner and asset manager for a further 60 hotels let to AccorInvest and held via two joint ventures, established in 2010 and 2014 respectively: one is 80% held by Crédit Agricole Assurances and 20% by Covivio Hotels, while the other is shared between Caisse des Dépôts et Consignations, Société Générale Assurances and Covivio Hotels.

The transaction involves the acquisition by Covivio Hotels (and its partners for the two joint ventures) of 43 operating companies [1] – thereby enabling them to be consolidated as properties owned and operated by Covivio Hotels – in exchange for the transfer to AccorInvest of 16 other hotel property companies, subsequently owned by AccorInvest.

These consolidation transactions for Covivio Hotels and the two joint-ventures represent a total of €393 million [2] for the hotel property companies sold by Covivio Hotels and its partners, equivalent to that of the operating companies owned and operated by the companies whose shares were acquired.

The deal enables Covivio Hotels to strengthen its presence in the hotel sector in major tourist areas with considerable potential for value creation through repositioning and management optimisation.

Of the 43 hotels concerned, 14 are directly managed by the Covivio Hotels operational platform: WiZiU. Covivio Hotels also relies on two other players: Atypio and Sohoma, which will operate 12 and 10 establishments respectively, *via* management contracts. Five hotels are still operated by Accor.

The Covivio Hotels hotel portfolio is now 62% lease assets, mainly fixed, and 38% operating properties assets. This transaction strengthens Covivio Hotels' transition from a real estate investor approach to an asset manager and hotel operator approach. Today, the Group supports nearly twenty brands in Europe, with an increasingly diversified model (assets under lease or assets in operating properties).

Acquisition of a 4-star hotel in the Canary Islands, Spain's leading tourist destination

Covivio Hotels also acquired for nearly €81 million including transfer taxes, a hotel located in Tenerife, in the Canary Islands, Spain's leading tourist destination with 69.7 million overnight stays in 2023 (20% of the national total), and the only leisure destination in Europe without seasonality. The temperate climate of the island allows the hotel to be open all year round, with an average occupancy rate of between 85% and 90%.

The establishment consists of 429 rooms, a restaurant, 3 bars, 3 swimming pools, a gym, squash and volleyball courts, as well as 2 meeting rooms that can accommodate up to 140 people. Renovated in 2021, it has a solid environmental performance, with a carbon footprint of 18.9 $kgCO2_e/m^2$/year in 2023, in line with CRREM [3] objectives.

(1) Through the acquisition of shares in hotel operating companies.
(2) Duties included, at 100%.
(3) CRREM: Carbon Risk Real Estate Monitor.

With a stabilised yield of around 6.75%, the hotel is leased on the basis of a firm triple net lease until 2041 with Iberostar, Spain's number 5 hotel operator which the Spanish Fluxa family has owned for 60 years.

This first significant acquisition in Southern Europe marks Covivio Hotels' desire to strengthen its presence in the main tourist destinations in Southern Europe (Spain, Italy and Portugal).

Four hotel renovations completed during the year: strong revenue growth

In 2024, Covivio Hotels renovated two hotels in Lille and one hotel in Bruges, as well as a hotel leased to Melia in Malaga. These projects represent 458 keys, works worth a total of €28.5 million and a yield of more than 15%. Covivio Hotels has set up the new Novotel concept in Bruges, after having created 12 additional rooms and renovated the lobby and service areas. In Lille, two deliveries took place during the year: the Hilton Lille (replacing Crowne Plaza) after a complete renovation of the rooms, and the Grand Hôtel Bellevue located in the heart of the Grand Place de Lille, after the creation of five rooms and a rooftop bar.

€455 million of disposals at margins higher than 2023 values

At the same time Covivio Hotels signed new disposal commitments totalling €455 million in Group share (€606 million at 100%): 43 properties in France for €333 million, including 31 Accor-branded hotels, six hotels in Germany (€71 million), four in Poland (€34 million), one in Spain (€17 million) and one in Belgium (€9 million).

The commitments were signed at a margin of around +4% over end-2023 appraisal values, reflecting strong investor appetite for the hotel industry.

Portfolio up by +1.5%, driven by higher revenues and hotel renovation

At the end of December 2024, Covivio Hotels held a portfolio worth €5,818 million (€6,439 million at 100%), characterised by:

- high-quality locations: the average grade given for "location" by customers on Booking.com is 8.9/10;
- a diversified portfolio, in terms of countries (12 countries), segments (66% of economy and mid-range hotels and 34% of high-end hotels) and partner operators (17 including leaders in Europe such as Accor, Marriott, IHG, NH and B&B);
- long-term leases of 11 years firm on average.

At like-for-like scope, the hotel portfolio was up +1.5% over a year. The growth mainly concerns hotels in France (+2%) and in Southern Europe (+4.8% in Italy, +3.4% in Spain), driven by the increase in revenues and asset management.

The hotel portfolio has an average yield excluding transfer taxes of 6.4% (+50 bps over one year), of which 6% on the lease portfolio and 7% on the operating properties portfolio.

Successful refinancing, increased debt maturity and strengthened liquidity

Three new financings for an amount of €880 million were arranged in 2024, making it possible to refinance future maturities. In particular, in May 2024 Covivio Hotels carried out a €500 million Green Bond issue with a nine-year maturity and a 148-bps margin spread over the mid-swap rate. The fixed rate of the issue was largely swapped for a floating rate in order to leverage the Group's hedging position.

The net debt of Covivio Hotels decreased to €2,119 million in Group share compared to €2,260 million at 31 December 2023, for a rate of 2.33% at the end of December and an average maturity up by 1.2 years, to 4.8 years. Covivio Hotels had a strengthened debt coverage ratio of 95% at the end of December 2024 (compared with 89% at the end of 2023), with a high hedging maturity of 5.6 years.

At 31 December 2024, the Loan To Value (LTV) stood at 32.5%, down -1.9 points compared to 2023. The interest coverage ratio (ICR) was 6.09x, an improvement compared to the end of 2023 (5.38x). The net debt/EBITDA ratio stood at 7.6x compared to 8.5x at the end of 2023.

Covivio Hotels had €891 million liquidity (including undrawn credit lines) as of 31 December 2024.

As part of its annual review, S&P Global Ratings confirmed Covivio Hotels' BBB+ stable outlook rating, in line with the overall Covivio rating. This confirmation recognises the solidity of the company's operational and financial profile. S&P also upgraded Covivio Hotels' standalone rating from BB+ to BBB-.

5.1.2 Overview of activity and results for the fiscal year

Revenue growth: +7.2% like-for-like

The good results of the hotel market and our hotels over the year resulted in revenue growth of +4.1% on a current basis and +7.2% on a like-for-like basis, to €334.6 million compared to €317.3 million as of 31 December 2023.

Hotel lease properties (76% of hotels revenue)

- Variable-rent hotels (22% of hotel revenue): the portfolio is mainly let to AccorInvest, in France and Belgium, and also includes the variable-rent portion of the minimum guaranteed rent leased assets located in Spain, Italy, and the UK. The 31.2% like-for-like year-on-year increase was driven by the excellent performance from hotels in Southern Europe.
- Fixed-rent hotels (54% of hotel revenue): rents up +4.3% like-for-like, mainly due to rental indexation (+5.6% in France, +3.8% in Germany, and +3.6% in Spain).

The occupancy rate remained at 100% across the leased hotel portfolio.

Hotel operating properties (24% of hotel revenue)

Most of these hotels are located in Germany and France. Like-for-like EBITDA for operating properties rose +4.9% year-on-year, mainly driven by good hotel performances in Berlin and Nice. Revenues from operating hotels include the EBITDA for the month of December of the assets taken over as part of the consolidation operation with AccorInvest (+€5 million).

Growth in recurring net income of +8% in 2024

Recurring net income (EPRA Earnings) was €258.1 million at the end of December 2024, up +8.1% from €238.8 million in 2023, boosted by revenue growth. EPRA Earnings per share amounted to €1.74, also up +8.1% from €1.61 the previous year.

The EPRA NTA (net tangible assets) NAV stood at €3,815 million, compared with €3,550 million at the end of 2023. On a per-share basis, it was €25.8, up +7.5% compared with the end of 2023.

The EPRA NDV NAV, which takes account of the fair value adjustment of interest rate hedges and fixed-rate debt, rose to €3,690 million, from €3,512 million at end-December 2023, up +5.1%. It stands at €24.9/share.

Dividend

At the 15 April 2025 General Meeting, Covivio Hotels will propose a dividend of €1.50 per share, up +15% (€1.30 per share in 2023), putting the pay-out ratio at 86%. In order to support its development, Covivio Hotels will offer its shareholders the possibility of opting for the payment of this dividend in shares [(1)]. This payment option aims to give Covivio Hotels additional resources to accelerate its development in Europe.

5.1.3 2025 outlook

As a leader in hotel real estate in the main European markets, Covivio Hotels intends to continue its development and Asset Management to extract the potential of its existing portfolio.

The Supervisory Board has no specific comments to make on the management report of the General Manager and the 2024 results and invites you to approve the financial statements for the 2024 fiscal year, the proposed allocation of net income and the various resolutions that are being presented to you.

Pursuant to Article 14 of the Articles of Association, the Supervisory Board approves all delegations of authority given to the General Manager with respect to capital increases and reductions.

Finally, we would like to thank the General Manager and teams for the work accomplished over the past year.

Supervisory Board

(1) Subject to approval by the Shareholders' Meeting of 15 April 2025.

5.2 Report by the Supervisory Board on corporate governance

To the shareholders,

This report, prepared by the Supervisory Board in accordance with Article L. 22-10-78 of the French Commercial Code and attached to the General Manager's report, reports to the shareholders, in accordance with the provisions of Articles L. 22-10-8 to L. 22-10-11 and L. 225-37-4 of the French Commercial Code, the composition of the Supervisory Board, conditions for the preparation and organisation of its work, information relating to the remuneration policy and the overall and individual remuneration of corporate officers for the 2024 fiscal year, and items likely to affect any public offering.

This report also discusses the powers of the General Management and its limitations, information on the terms of office held and functions exercised by the corporate officers, the procedure for evaluating existing agreements, procedures for the participation of shareholders at General Meetings, regulated agreements made between a corporate officer or a shareholder holding more than 10% of voting rights of the company and a company subject to its control in the meaning of Article L. 233-3 of the French Commercial Code and a summary of financial delegations in effect for capital increases.

Finally, it presents the diversity policy applied to the members of the Supervisory Board, the objectives of that policy, the terms of its implementation and the results obtained. This description is further supplemented by information on how the company seeks a balanced representation of women and men in the management bodies of the company.

This report was prepared on the basis of the Supervisory Board's deliberations with the assistance of the Corporate M&A Legal Department and the Secretary General, which, for their preparations, referred to the work of the High Commission on corporate governance and various recommendations of the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF).

This report was approved by the Supervisory Board at its Meeting on 18 February 2025. It was made public at the time of its publication on the company's website and was certified by the Statutory Auditors in the report on the annual financial statements (see section 4.6).

Preamble: governance principles

1. Adherence to the Afep-Medef Code

The Supervisory Board of Covivio Hotels has adopted the Afep-Medef Code as the reference framework for the corporate governance of listed companies. This decision was published by Covivio Hotels on 30 December 2008. Therefore, the company refers to the Afep-Medef Code in its updated version from December 2022, which can be consulted on the HCGE website at: https://hcge.fr/le-code-Afep-Medef.

Covivio Hotels continuously analyses the best practices of corporate governance contained in the December 2022 revision of the Afep-Medef Code and strives to follow its recommendations.

Covivio Hotels' corporate governance policy reflects the principles and recommendations of the Afep-Medef Code, insofar as they are compatible with the organisation, functioning and position of the company. Covivio Hotels has endeavoured to align itself with the governance objectives defined by this Code and to comply with it, particularly with regard to the assessment of the Board's work and attention to the risks of conflicts of interest. However, certain provisions of the Code have not yet been fully implemented by the company. In accordance with the provisions of Article L. 22-10-10 paragraph 4, of the French Commercial Code and of Article 28.1 of the Afep-Medef Code relating to the "comply or explain" rule, the exceptions to the implementation of the Code are described in the table, below:

Afep-Medef Code	Covivio Hotels Practices
Independent Directors to represent at least one third of the Supervisory Board's members	The proportion of independent members on the Supervisory Board at 31 December 2024 was 23%. The current shareholder structure, with a main shareholder holding 52.52% of the company's equity and five institutional shareholders holding between 5% and 16.5%, bound by a shareholders' agreement concluded on 21 November 2019 which specifies a distribution of seats within the Supervisory Board in proportion to their investment in the company's equity and a free float below 3%, justifies a rate of independence below the recommendation of the Afep-Medef Code.
Independent Directors to represent at least two thirds of the Audit Committee	The independence rate of the Audit Committee is 25%. While this threshold is insufficient with regard to the recommendations of the Afep-Medef Code, the choice of members of the Audit Committee is primarily dictated by their financial and/or accounting expertise. All members of the Audit Committee therefore have the expertise recommended by the Afep-Medef Code.
Absence of an Appointments and Remuneration Committee and a succession plan	Since Covivio Hotels is a subsidiary controlled by Covivio, which defines and implements an overall remuneration policy for the Group, the Supervisory Board did not consider it useful, at the company level, to set up an Appointments Committee or Remuneration Committee.
Holding of at least one Board or Committee meeting each year without the presence of executive corporate officers	In accordance with the provisions of Article 13 3 of the company's Articles of Association, the Manager is invited to meetings, which he attends in a purely advisory capacity, to answer questions from the Supervisory Board and enable it to exercise its continuous control of the company. No Board Meetings were held in the absence of the Manager in 2024, as members of the Supervisory Board expressed no wish to hold such a meeting during the fiscal year. However, the conditions for a free discussion without the presence of the executive officers were created in such a way that it could easily take place if the need arose.

The Covivio Hotels corporate governance process is also based on the company's Articles of Association supplemented by the provisions of the Internal Regulations of the Supervisory Board (including, in the notes, the guide on the prevention of insider dealing), it being specified that the Internal Regulations of the Board are regularly reviewed to adapt them to changes in governance rules and practices. They were amended by the Supervisory Board at the following meetings:

- 14 November 2024: compliance with law No. 2024-537 "Attractiveness law" and with EU Directive 2022/2464 of the European Parliament and of the Council of 14 December 2022 regarding the publication of information on sustainability by companies.

The complete version of the Articles of Association and the updated Internal Regulations of the Supervisory Board are on the company's website at the following address: https://www.covivio-hotels.fr/conseil-de-surveillance.

2. Balance of powers

A partnership limited by shares is a partnership with two categories of partners:

- one or more General Partners, indefinitely responsible for corporate liabilities on their own assets
- Limited Partners (shareholders) who are in the same situation as the shareholders of a public limited company: their shares are tradable under the same conditions and their liability is limited to the amount of their contribution. They are represented by a Supervisory Board.

Governance in a limited partnership by shares (*Société en commandite par actions* - SCA) is organised around the principle of a separation of powers. Executive powers are exercised by the management and oversight powers by the Supervisory Board.

The partnership limited by shares is managed by one or more General Managers, individuals or legal entities, chosen from among the General Partners or from non-partner third parties.

Given the existence of two categories of partners, collective decisions require a double consultation: that of the Limited Partners, meeting in General Meeting, and that of the General Partners. However, the Limited Partners alone appoint members of the Supervisory Board, and the General Partners, if they are also Limited Partners, do not take part in the vote.

In limited partnership by shares, management is assumed by the General Manager, not a collegiate body, Management Board or Board of Directors. As a result, developments relating to the collective nature of decisions of the Board of Directors and the separation of functions of Chairman of the Board of Directors and Chief Executive Officer cannot be transposed to limited partnership by shares.

In a partnership limited by shares, the financial statements are closed by the management and not by the Supervisory Board.

5.2.1 Management bodies

5.2.1.1 Composition of management

The company is managed and administered by one or more Managers.

The management of the company has been exercised since 30 November 2004 by a single Manager: Covivio Hotels Gestion.

The term of office of Manager of Covivio Hotels Gestion was renewed, in the decisions of the Supervisory Board, on 9 February 2010, 9 February 2016 and 18 February 2022, for successive periods of six years, the last one expiring at the end of the Supervisory Board meeting on the Management's report on the company's activities for the fiscal year ending 31 December 2027.

In accordance with the provisions of Article L. 225-37-4 1 of the French Commercial Code and 12.1 of Appendix 1 of delegated Regulation (EU) 2019/980 dated 14 March 2019, we communicate below the list of all offices and functions exercised in all companies by each of the company Managers during the 2024 fiscal year and during the last five fiscal years, as well as the biography of the Chairman of Covivio Hotels Gestion:

Covivio Hotels Gestion

10, rue de Madrid - 75008 Paris

Paris Trade and Companies Register 450 140 298

Number of Covivio shares held at 31 December 2024: 0

Office held with Covivio Hotels:

Managing partner

Date of appointment: GM of 30 November 2004

Date of renewal: Supervisory Board meetings of 9 February 2010, 9 February 2016 and 18 February 2022

Date of expiry of term: Supervisory Board meeting tasked with hearing the management report on the activities of the company in the fiscal year ending 31 December 2027

Offices held within the Covivio group:

Managing partner: Covivio Hotels (SCA), public company

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

None.



Tugdual Millet-Taunay

Main position:

Chief Executive Officer of Covivio Hotels

Born 18 May 1977 in Nancy (54)

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 0

Biography

A graduate of ESCP Europe, Tugdual Millet began his career as Portfolio Manager at a vehicle owned by Morgan Stanley and Covivio in 2002. From 2004 to 2008, he worked at Covivio as Financial Analyst then Head of Corporate Development and Finance. After two years as Head of Finance - France Offices, he became Chief Financial Officer of Covivio in 2010, before taking over as Chief Executive Officer of Covivio Hotels in 2021.

Office held with Covivio Hotels:

Chairman of Covivio Hotels Gestion

Managing Partner of Covivio Hotels

Date of appointment: 21 June 2021

Date of renewal: Supervisory Board meetings of 9 February 2010, 9 February 2016 and 18 February 2022

Date of expiry of term: Supervisory Board meeting tasked with hearing the management report on the activities of the company in the fiscal year ending 31 December 2027

Offices held within the Covivio group:

Chairman of Covivio Hotels Gestion, Managing partner: Covivio Hotels (SCA), public company

Chairman of the Board of Directors: B2 Hôtel Invest (SPPICAV)

Chairman: Covivio Hotels Gestion (SAS), Foncière B2 Hôtel Invest SAS, Foncière B3 Hôtel Invest SAS, Foncière B4 Hôtel Invest SAS

Chairman of Covivio Hotels Gestion, Managing Partner of Covivio Hotels, General Manager: Foncière Otello (SNC), Hôtel 37 place René Clair (SNC), SCI Hôtel Porte Dorée, SCI Ruhl Côte d'Azur

Chairman of Covivio Hotels Gestion, Managing Partner of Covivio Hotels, Chairman: ROCKY I, ROCKY II, ROCKY III, ROCKY IV, ROCKY V, ROCKY VI, ROCKY VII, ROCKY VIII, ROCKY IX, ROCKY X, ROCKY XI

General Manager: Loire (SARL), Covivio Hotels Gestion Immobilière (SNC), SCI Rosace

Director of British limited companies: Lagonda York Opco Limited, Wotton House Properties Opco Limited, Lagonda Leeds Opco Limited, Rocky Covivio Limited

Co-Manager of Irish public limited companies: Kilmainham Property Holdings Limited, Honeypool Limited, Thornmont Limited

Co-Manager of Polish companies: Sardobal Investments Spółka, Redwen Investments Spółka, Noxwood Investments Spółka, Cerstook Investments Spółka, Forsmint Investments Spółka

Director of Belgian public limited companies: Iris Trefonds, Sunparks Trefonds, Ulysse Trefonds SA,

Chief Executive Officer of German companies: Iris Berlin GmbH, Iris Essen Bochum GmbH, Iris Frankfurt GmbH, Iris General Partner GmbH, Iris Investor Holding GmbH, Iris Nürnberg GmbH, Iris Stuttgart GmbH, BRE/GH II Berlin I Investor GmbH, BRE/GH II Berlin II Investor GmbH, BRE/GH II Berlin III Investor GmbH, BRE/GH II Dresden I Investor GmbH, BRE/GH II Dresden II Investor GmbH, BRE/GH II Dresden III Investor GmbH, BRE/GH II Dresden IV Investor GmbH, BRE/GH II Dresden V Investor GmbH, BRE/GH II Erfurt I Investor GmbH, BRE/GH II Leipzig I Investor GmbH, BRE/GH II Leipzig II Investor GmbH

Terms of office expired within the last five fiscal years:

Director: OFFICE CB 21 (SPPICAV) (until 2021), RÉPUBLIQUE (SA) (until 2022)

Manager: Foncière Manon (SARL) (until 2021), Batisica S.à.r.l (SARL under Luxembourg law) (until 2021), Covivio Lux S.à.r.l (SARL under Luxembourg law) (until 2021), INGRID FRANCE (SARL) (until 2022)

Committee member: SAS Samoëns Partnership Committee (until 2022)

Chairman of Covivio Hotels Gestion, Managing Partner of Covivio Hotels, Chairman: Sté Immobilière Verdun (SAS) (until 2023), SAS SAMOËNS (until 2022)

Manager of Covivio Hotels Gestion Immobilière, Director of the Belgian companies: Foncière IGK SA (until 16/12/2024), Foncière Gand Cathédral SA (until 16/12/2024), Foncière Bruxelles Sainte Catherine SA (until 16/12/2024)

Director of Belgian public limited companies: Ulysse Belgique (until 16/12/2024), Foncière Vielsalm (until 17/12/2024), Foncière Kempense Meren (until 17/12/2024), Foncière No Bruxelles Grand-Place (until 17/12/2024), Foncière IB Bruges Centre (until 17/12/2024), Foncière IB Bruxelles Aéroport (until 17/12/2024), Foncière IB Bruxelles Grand-Place (until 17/12/2024), Foncière Gand Opéra (until 17/12/2024), Foncière Gand Centre (until 17/12/2024), Foncière Bruxelles Expo Atomium (until 17/12/2024), Foncière Antwerp Centre (until 16/12/2024), Foncière No Bruxelles Aéroport (until 17/12/2024), Tulipe Holding Belgique (until 16/12/2024), Narcisse Holding Belgique (until 16/12/2024), Foncière Brugge Station (until 17/12/2024), Foncière Bruxelles Sud (until 17/12/2024), Foncière Louvain Centre (until 17/12/2024)) Foncière Liège (until 17/12/2024), Foncière Bruxelles Aéroport (until 17/12/2024), Foncière Bruxelles Tour Noire (until 17/12/2024), Foncière Louvain (until 17/12/2024), Foncière Malines (until 2023), Foncière Bruxelles Gare Centrale (until 17/12/2024) Foncière Namur (until 2023), Sunparks Oostduinkerke (until 17/12/2024), Foncière No Bruges Centre (until 17/12/2024)

Managers of Spanish companies: Bardiomar SL (until 26/09/2024)

General Manager of Covivio Hotels Gestion Immobilière, Sole General Manager: JOURON SPR (Belgian company) (until 22/11/2024)

Tugdual Millet-Taunay

Main position:
Chief Executive Officer of Covivio Hotels

Born 18 May 1977 in Nancy (54)
French national
Business address: 10 rue de Madrid 75008 Paris
Number of shares held at 31 December 2024: 0

Managers of Spanish companies: Investment FDM Rocatierra SL, Trade Center Hôtel SL, B&B Invest Espagne SL, Las Dalias Propco SL (since 17/12/2024)

Member of the Board of Directors of Italian companies: Roco Italy HoldCo Srl, Bellini Venice PropCo Srl, Dei Dogi Venice PropCo Srl, Palazzo Gaddi Florence PropCo Srl, Palazzo Naiadi Rome PropCo Srl

Director: Covivio Foundation (the corporate foundation)

Offices held in companies in which the Covivio group holds a minority stake but exercises operational control:

Chairman of the Board of Directors: OTELI France (SPPICAV incorporated as a SAS), KOMBON SAS, Holdco Phoenix (SAS) (since 29/11/2024)

Director: IRIS INVEST 2010 SPPICAV, Camp Invest SPPICAV

Chairman: FONCIÈRE IRIS (SAS), SABLES D'OLONNE (SAS), CAMPELI (SAS)

Chairman of Constance, Chairman: Holdco Phoenix (SAS) (since 25/04/2024), Holdco Iris Dahlia (SAS) (since 25/04/2024)

Chief Executive Officer (CEO): IRIS Holding France (SAS)

General Manager of Covivio Hotels Gestion Immobilière, Chairman: CBI ORIENT SAS, CBI EXPRESS SAS, KOMBON SAS

Member of the following committees: Strategic Committee of IRIS Holding France SAS, Management Board of SCI Dahlia, Strategic Committee of Holdco Iris Dahlia (since 29/11/2024)

Offices held outside the Group:

None.

5.2.1.2 Powers of the Manager and its limitations

Powers of the General Manager

The Manager assumes the management of the company and as such is vested with the broadest powers to act in all circumstances on behalf of the company.

As such, his responsibilities include:

- defining and implementing Group strategy;
- directing Group activities;
- preparing and implementing internal control and risk management procedures;
- preparing the parent company and consolidated financial statements;
- defining the financial reporting policy;
- calling General Meetings and setting their agenda;
- writing the management report for the General Meeting.

He may delegate part of the powers belonging to it to one or more persons, employed or not by the company and with or without a contractual relationship to it. Such delegation does not affect his duties and responsibilities with respect to the exercise of such powers.

He also chairs the various General Meetings of the company and implements the authorisations and delegations of authority conferred upon it by the General Meeting.

The General Manager is a limited partner and therefore jointly and severally responsible for the company's liabilities. This situation, arising from the corporate form of the company as a partnership limited by shares, offers shareholders a guarantee of diligence in the company's administration and management.

The management is overseen by a Supervisory Board representing the limited partners.

Limitations of the powers of the General Manager

The General Manager acts within the limits of the corporate purpose and subject to the powers expressly granted by law or by the Articles of Association to the Shareholder Meetings and the Supervisory Board.

In accordance with Article 14 of the Articles of Association, prior authorisation of the Supervisory Board, acting with a 3/5 majority, is required for the following transactions:

i) subscription to bank borrowings;

ii) purchase of buildings or equity investments;

iii) divestments;

iv) granting of any guarantee, comfort letter or pledge.

it being understood that the transactions mentioned in paragraphs (i) to (iv) are subject to such prior authorisation only where their amount exceeds €10 million.

Where their amount does not exceed €50 million, the Supervisory Board may authorise it in a single deed signed by the members of the Supervisory Board ruling by a 3/5 majority.

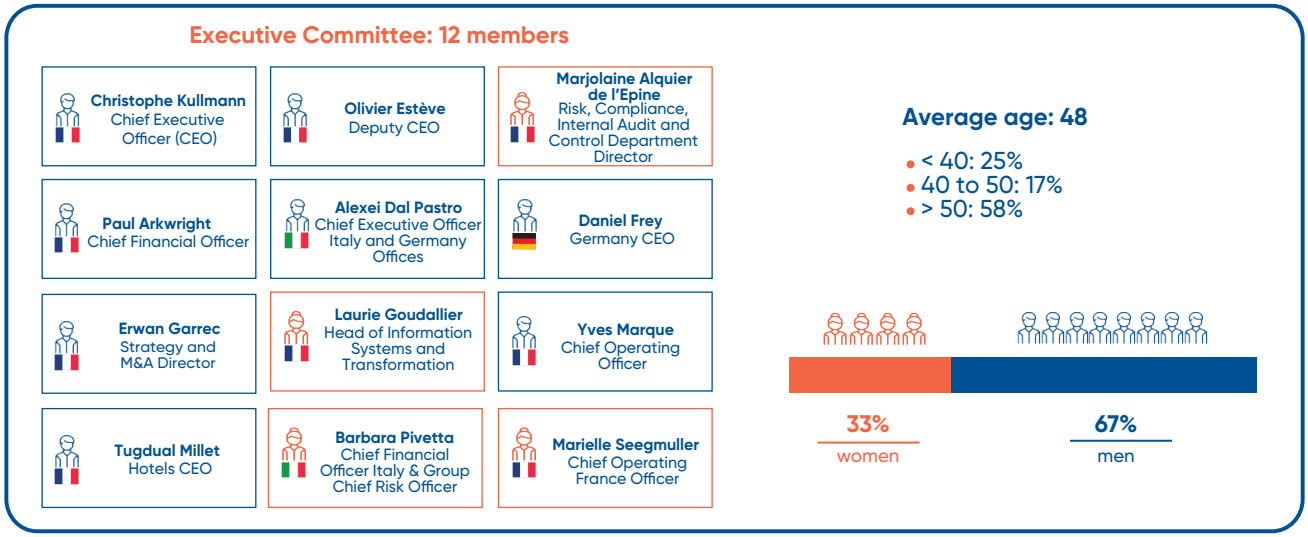
5.2.1.3 Manager's investment in share capital

The General Manager, Covivio Hotels Gestion, is not a shareholder of the company.

5.2.1.4 Role of Covivio's Executive Committee and Management Committees in General Management

General Management is structured around various committees set up within Covivio, including the Executive Committee at European level.

The Executive Committee, 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 from all of the Group's "country" and "product" activities, as well as corporate functions, it is in charge of implementing the strategy defined by Covivio's Board of Directors, and of monitoring transnational and cross-functional projects, and the coordination of 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 concerning its asset rotation policy, monitoring of subsidiaries and holdings, and financial policy. It also addresses issues of 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 set by the Covivio Board of Directors 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, and portfolio) and (iii) corporate matters.

The diversity of these governing bodies, both in terms of gender balance and in terms of nationality, age, experience and skills, enables the company to best support the Group's strategic challenges in the various markets where the Group operates.

5.2.1.5 Diversity policy within governing bodies

The fight against discrimination and the promotion of diversity are strong commitments for Covivio, implemented via a policy of non-discrimination and diversity, particularly with regard to the 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 favouring innovation, performance and quality of life within the company. The Human Resources Department is committed to diversifying the talent profiles that support the Group's growth. Covivio also encourages more women in management and guarantees women employment conditions equivalent to those of men, in particular by establishing pay gap analyses within the same business line, in conjunction with employee representative bodies, and by correcting, if necessary, any discrepancy not justified by objective evidence.

The distribution of the female workforce in France is slightly up: 58.7% at the end of 2024, compared to 57.8% at the end of 2023. In managerial functions, the company has achieved gender equality: 50% of managers were women on 31 December 2024, against 49.4% at the end of 2023.

At the end of 2024, the proportion of women on Covivio's Executive Committee was 33%. The share in the Italy Management Committee was stable at 50%. In France it fell slightly to 46%, following a promotion, and in Germany, it reached 25% at the end of 2024. The share of women in the 10% of positions with the highest responsibility is 44%.

Covivio's General Management promotes an environment conducive to gender parity at all levels of the Group, in particular via the following actions:

- improve gender balance in recruitment;
- ensure equal opportunities in career paths, including women only mentoring programmes;
- guarantee equal pay for men and women in the same job, for the same level of skills, responsibilities and results;
- guarantee equality in terms of professional development and salary in the event of a career break in the context of parental, maternity or adoption leave.

In 2017, Covivio launched the ex-aequo programme with the objective of fostering the promotion of women within the Group. It consists of two main components:

- actions to raise awareness among all employees about gender equality through surveys and information meetings;
- a mentoring programme designed to support and guide women who wish to receive guidance on their professional career and benefit from the support of a mentor who is a member of the European Management team.

In November 2023, the Appointments and Remunerations Committee proposed to Covivio's Board of Directors, which accepted, that one of the performance targets for free shares granted to executive corporate officers should be linked to the number of women in management every other year, alternating with employee engagement. Accordingly, the Board set a quantified target for women in management based on a composite index comprising:

- the proportion of women in the Executive Committee;
- the proportion of women on the Country Management Committees;
- the proportion of women managers;
- the annual equality index.

In addition, upon the proposal of General Management, and after review by the Covivio Appointments and Remunerations Committee, the Board of Directors of Covivio set, at its meeting of 16 December 2020, the target of gradually increasing the number of women on the Executive Committee to 40% or more by 2023. To date, this target has not been achieved: the proportion of women on the Executive Committee is 33%. However, the target of 40% is maintained. Similarly, the Board has set the objective of increasing the average proportion of women in the three national Management Committees (France, Germany and Italy), to 40% by 2023. This objective has been achieved, with an average of 40% at the end of 2024.

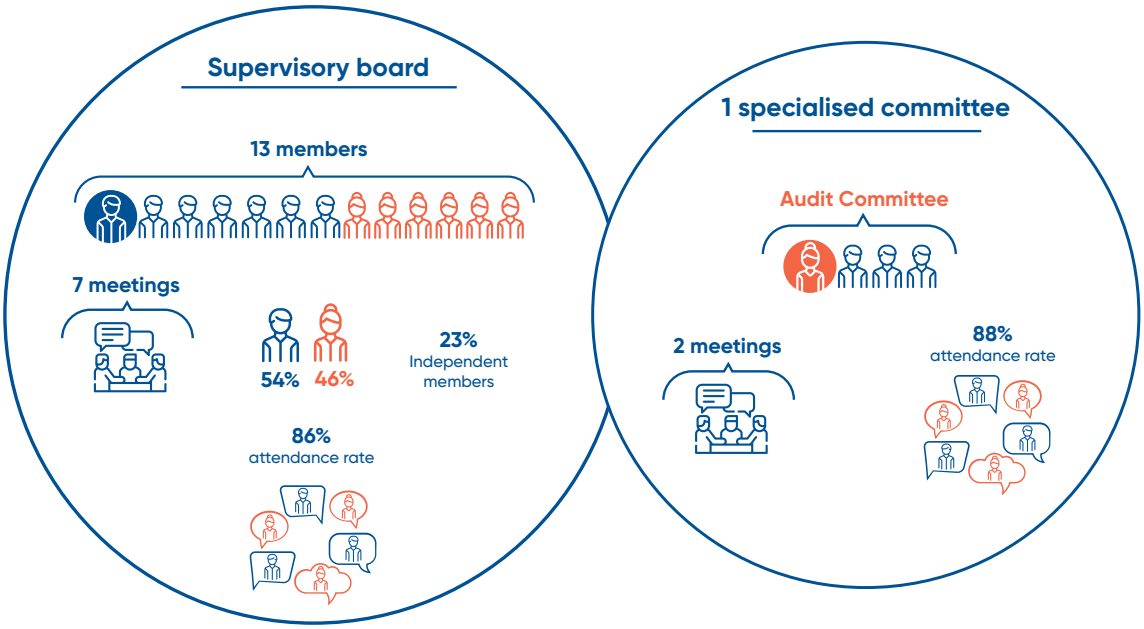
Finally, to promote balanced representation of men and women in General Management and in application of the provisions of Article L. 225-53 of the French Commercial Code, the Internal Regulations of Covivio's Board of Directors guarantee that there is always one person of each sex among the candidates throughout the selection process for Deputy CEOs.

5.2.2 Supervisory Board

5.2.2.1 Composition of the Supervisory Board in 2024

The Articles of Association state that the Supervisory Board shall be comprised of at least three members appointed by the Ordinary General Meeting of Shareholders (see current composition below) and chosen exclusively from among shareholders who are not partners or the General Manager. The Supervisory Board elects a Chairman from among its members and chooses a Secretary, who may or may not be a member of the Supervisory Board.

As at 31 December 2024, the Supervisory Board had 13 members.



Member's first name and surname or company name	Nationality	Gender	Age	Date of first appointment: Legal entity	Date of first appointment: Permanent representative/ natural person	Date of last renewal	Date of expiry of term of office
Christophe Kullmann		M	59	/	30/11/2004	15/04/2024	2027
Olivier Estève		M	60	/	06/04/2011	15/04/2024	2027
Najat Aasqui		F	43	/	07/05/2020	18/04/2023	2026
Covivio Participations represented by Roxane Maillard		F	36	18/11/2015	18/11/2024	18/04/2023	2026
Covivio represented by Céline Leonardi		F	43	30/11/2004	10/02/2023	07/04/2022	2025
Foncière Margaux represented by Marielle Seegmuller[1]		F	52	13/07/2018	07/04/2017[1]	18/04/2023	2026
Predica, represented by Emmanuel Chabas		M	48	30/11/2004	17/02/2016	07/04/2022	2025
ACM Vie, represented by François Morrisson		M	59	30/11/2004	22/03/2011	15/04/2024	2027
Technical SAS, represented by Yves Marque		M	57	13/05/2024	13/05/2024	/	2025
Cardif Assurance Vie represented by Nathalie Robin		F	62	19/02/2008	19/02/2008	07/04/2022	2025
Sogecap represented by Yann Briand		M	50	06/04/2018	06/04/2018	15/04/2024	2027
Caisse des Dépôts et Consignations, represented by Arnaud Taverne		M	51	06/04/2018	06/04/2018	15/04/2024	2027
Adriana Saitta		F	54	/	15/07/2020	15/04/2024	2027
Percentage of independent: 23%			**Average age: 52**				**Average seniority**
Percentage of women: 46							

(1) Marielle Seegmuller was the permanent representative of GFR Kléber which resigned on 30 May 2018.

Seniority on the Board								
Legal entity	Permanent representative/ legal person	Indepen-dence	Main position	Board committees	Attendance at meetings of the Supervisory Board	Attendance at meetings of the Audit Committee	Number of directorships in listed companies outside the Covivio group	Number of shares held at 31/12/2024
/	20.2 years	NO	Chief Executive Officer of Covivio	/	100%	/	0	2,779
/	13.8 years	NO	Deputy CEO of Covivio	Member of the Audit Committee (until 14/11/2024)	100%	100%	0	842
/	4.8 years	NO	Head of listed equities at Crédit Agricole Assurances	/	71%	/	2	6
9.2 years	0.3 years	NO	Director of the Tertiary Development division of Covivio	/	57%	/	0	1
20.2 years	2 years	NO	Head of Marketing Covivio	/	57%	/	0	77,808,591
6.6 years	7.8 years	NO	Covivio Head of Operations France	/	71%	/	0	1
20.2 years	9 years	NO	Head of Amundi Immobilier funds	Member of the Audit Committee	86%	50%	3	21,266,436
20.2 years	13.8 years	NO	Senior Equity Manager ACM	/	100%	/	0	11,473,544
0.7 years	0.7 years	NO	Chief Operating Officer of Covivio	Member of the Audit Committee (from 14/11/2024)	100%	/	0	1
17 years	17 years	NO	Head of Real Estate BNP Paribas Cardif	Chairwoman of the Audit Committee	100%	100%	2	14,790,438
6.8 years	6.8 years	YES	Head of Real Estate Sogecap	/	100%	/	2	7,639,782
6.8 years	6.8 years	YES	Chief Executive Officer (CEO) of CDC Real estate investment	Member of the Audit Committee	86%	100%	1	7,985,188
/	4.6 years	YES	Head of Payments at La Banque Postale	/	86%	/	1	10
12 years	**8.3 years**			**Average attendance rate**	**86%**	**88%**		

5.2.2.1.1 Changes in the composition of the Supervisory Board in 2024

Changes made to the composition of the governance bodies during 2024

Governance body	Date	Departure	Appointment	Renewal
General Meeting	15 April 2024			Adriana Saitta Christophe Kullmann Olivier Estève Caisse des Dépôts et Consignations, represented by Arnaud Taverne Sogecap represented by Yann Briand ACM Vie, represented by François Morrisson
	19 April 2024	Generali Vie, represented by Sébastien Pezet		
Supervisory Board	13 May 2024		Technical SAS represented by Yves Marque	
	18 November 2024	Joséphine Lelong-Chaussier	Roxane Maillard	

	Number of members		Percentage of independent		Percentage of women		Average age	
Body	2023	2024	2023	2024	2023	2024	2023	2024
Supervisory Board	13	13	23%	23	46%	46	50	52
Audit Committee	4	4	25%	25	25%	25	54	54

5.2.2.1.2 Change in the composition of the Supervisory Board proposed for the fiscal year 2025

Since 4 February 2025, Predica has been represented on the Supervisory Board by Matthieu Arlot, replacing Emmanuel Chabas. The Supervisory Board meeting of 18 February 2025 also decided to appoint Matthieu Arlot as member of the Audit Committee to replace Emmanuel Chabas, who resigned.

Matthieu Arlot

Main position:

Head of real estate asset management

Born on 23 October 1980 in Versailles

French national

Business address: 16/18, boulevard de Vaugirard 75015 Paris

Number of shares held at 4 February 2025: 0

Biography

Matthieu Arlot holds a master's degree in finance from IAE in Paris and began his career at PREDICA in 2001. Having worked in various positions in the Finance Department and then the Investment Department, he joined the real estate department in 2015 to supervise part of the portfolio held in partnership (funds, club deals, etc.). He then took over responsibility for the Asset Management of unlisted real estate assets in 2020, a team of 8 employees and an investment portfolio of approximately 5 million m² and €17 billion in realisable value.

Offices held with Covivio Hotels:

Permanent representative of Predica, member of the Supervisory Board

Member of the Audit Committee

Date of appointment: 4 February 2025

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

Director: B2 HÔTEL INVEST (SPPICAV)

Member of the following partnership committees: SCI 6 Rue Fructidor, SCI Euromarseille 1, SCI Euromarseille 2, SCI Lenovilla

Offices held outside the Group:

Director: OPCI Eco Campus, OPCI Massy Bureaux, Meteore Italie, société a responsilita limitata (Italy); Meteore Alcalá Sociedad Unipersonal (Spain), Central Sicaf, GHD Opco Hotel SAS, Alta Blue SAS, OPCI GHD

Chairman: Iris Holding France

Chairman of the Board of Directors: Camp Invest (SPPICAV), Iris Invest 2010 (SPPICAV)

Chairman of the following Committees: Strategic Committee of Iris Holding France (SAS) and Holdco Iris Dahlia (SAS), Management Board of SCI Dahlia

Member of the following committees: SAS Ville du Bois Strategy Committee, France Assureurs Real Estate Committee, KPI12 Ginkgo Strategy Committee

Representative of SCI Imefa 102 - Director: OPCI Messidor, OPCI CAA Commerces 2

Manager: SCI Holding Dahlia, Diapre UN SARL, Sci Dahlia, L2A SA, L2B SA

Member of the Supervisory Board: Unipierre Assurance OPCI, Covivio Immobilien SE

Representative of Predica on the Supervisory Board: Ofelia SAS

Permanent representative of Predica on the Supervisory Board: SAS Preim Healthcare

Member and Chairman of the Management Committee: SCI Campus Rimbaud Saint Denis, SCI Campus Medicis Saint Denis

Co-Manager: SCI Carpe Diem, SCI Bois Colombe Europe Avenue, CAA Stern GmBH

Member of the Partners Committee representing Predica: SCI Paul Cezanne, SCI Grenelle

Member of the Partners Committee representing OPCI Predica Bureaux: SAS Cloud, SAS Champs

Representative of Predica: Defense SB3

Terms of office expired within the last five fiscal years:

Director: SA Hypersud (until 2022)

Chief Executive Officer (CEO): Iris Holding France (until 24/10/2024),

Member of the Partnership Committee: SCI Federimmo (ended in 2022)

At the next General Meeting of 15 April 2025, the following proposals will be proposed to shareholders:

- to renew, for a period of three years, the terms of office of the following members of the Supervisory Board, which expire in 2025:
  - Technical SAS represented by Yves Marque;
  - Cardif Assurance Vie represented by Nathalie Robin;
  - Predica represented by Matthieu Arlot;
  - Covivio represented by Marielle Seegmuller.

Impacts of changes in the composition of the Supervisory Board subject to the approval by the Combined General Meeting of 15 April 2025 of the above-mentioned renewals of terms of office of Supervisory Board members.



5.2.2.1.3 Profile, experience and expertise of non-executive corporate officers (information as of 31 December 2024)

The renewal of the terms of office of members of the Board which expired in 2025 has enabled the Board to maintain, with its 13 members, the requisite balance of skills and expertise for the proper governance of the company. The members of the Board collectively have the skills necessary for the proper running of the Supervisory Board:

Skills/Experience	KULLMANN Christophe	AASQUI Najat	ACM VIE - MORRISSON François	CAISSE DES DEPOTS ET CONSIGNATION - TAVERNE Arnaud	CARDIF ASSURANCE VIE - ROBIN Nathalie	COVIVIO - LEONARDI Céline	COVIVIO PARTICIPATIONS - MAILLARD Roxane	ESTEVE Olivier	Margaux FONCIERE - SEEGMULLER Marielle	TECHNICAL SAS - MARQUE Yves	PREDICA - PREVOYANCE DIALOGUE DU CREDIT AGRICOLE - CHABAS Emmanuel	SAITTA Adriana	SOGECAP - BRIAND Yann
Real estate and hotels	✓	✓		✓	✓	✓	✓		✓		✓	✓	
Banking and Finance	✓	✓	✓	✓	✓				✓	✓	✓	✓	✓
Environment and CSR	✓				✓	✓		✓	✓	✓			✓
Strategy and M&A	✓	✓	✓	✓		✓		✓	✓	✓		✓	✓
Experience of listed companies	✓	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓
International experience	✓		✓						✓		✓		✓

In accordance with the provisions of Article L. 225-37-4 1° of the French Commercial Code and 12.1 of Appendix 1 of delegated Regulation (EU) 2019/980 dated 14 March 2019, we communicate below the list of all offices and functions exercised in all companies by each of the corporate officers of the company during the 2024 fiscal year and during the last five fiscal years, as well as the biography of each of them:



Christophe Kullmann

Main position:

Chief Executive Officer of Covivio

Born on 15 October 1965 in Metz (57000)

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 2,779

Biography

Christophe Kullmann has spent his whole career in the real estate industry. He was in charge of the Finance Department at Immobilière Batibail, a publicly traded real estate development company, 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.

A founding member of the Palladio Foundation with Covivio, he is also Honorary Chairman of the Fédération des Entreprises Immobilières (formerly FSIF).

Offices held with Covivio Hotels:

Chairman of the Supervisory Board

Date of appointment: GM of 30 November 2004

Date of renewal: GMs of 15 April 2008, 4 April 2011, 16 April 2014, 7 April 2017, 6 April 2018, 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Chief Executive Officer (CEO) and Director: Covivio (SA), public company

Chairman of the Supervisory Board: Covivio Hotels (SCA), public company, Covivio Immobilien SE (European company incorporated under German law)

Legal representative of Covivio, Chairman: Technical (SASU), 6, rue Fructidor (SAS), Federation des Assurances Covivio (since 05/02/2024)

Legal representative of Covivio, Manager: SCI Latécoère, SCI Latécoère 2, SCI Lenovilla, SCI Meudon Saulnier, SCI du 15, rue des Cuirassiers, SCI du 9, rue des Cuirassiers, SCI N2 Batignolles, SCCV Bobigny Le 9e Art, Chartres Avenue de Sully (SCCV), SCI Meudon June, Telimob Paris SNC (since 11/05/2024), Telimob Nord SNC (since 11/05/2024), Telimob Rhone Alpes SNC (since 11/05/2024), Telimob Sud Ouest SNC (since 11/05/2024)

Legal representative of Covivio, Co-Manager: SNC Cœur d'Orly Promotion, Fontenay-sous-Bois Rabelais (SCCV), SCCV Rueil Lesseps (since 12/07/2024)

Offices held outside the Group:

Honorary Chairman: Fédération des Entreprises Immobilières (FEI-professional association)

Director: IEIF (Institut de l'Épargne Immobilière et Foncière) (think tank)

Representative of Covivio, member of the Executive Committee: Fondation Palladio

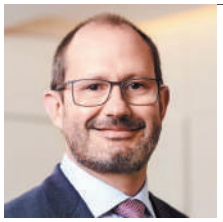
Terms of office expired within the last five fiscal years:

Chairman of the Board of Directors: Foncière Développement Logements - FDL (SA) (until 2022)

Legal representative of Covivio, Manager: Telimob PACA SNC (from 11/05/2024 to 01/10/2024), SCI Le Ponant 1986 (until 2023), SCI Esplanade Belvédère II (until 2022), SCI 11 Place de l'Europe (until 2022), SCI du 288 rue Duguesclin (until 2021),

Legal representative of Covivio, Co-Manager: Chartres Avenue de Sully (SCCV) (ended in 2020)

Chairman of the Fellowships Committee: Fondation Palladio (until 2023)



Olivier Estève

Main position:

Deputy CEO of Covivio

Born on 18 September 1964 in Algiers – Algeria

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 842

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 he served as Director of Development in the SCREG Bâtiment subsidiary, he joined Covivio in September 2002.

After having been Real Estate Director, he now oversees all of Covivio's Development activities, and the Wellio Marketing, UX Design and development. Olivier Estève has been Deputy CEO of Covivio since 2011.

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: Supervisory Board meeting of 6 April 2011

Date of renewal: GMs of 16 April 2014, 7 April 2017, 6 April 2018, 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Deputy CEO: Covivio (SA), public company

Chairman: Covivio 2 (SAS), Société du Parc Trinité d'Estienne d'Orves (SAS), Hotel N2 (SASU)

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Vice-Chairman of the Supervisory Board: Covivio Immobilien SE (European company incorporated under German law)

Chairman of the Board of Directors: Central Societa Di Investimento Per Azioni a Capitale Fisso (Central SICAF S.p.A) (Italian share-based company)

General Manager: SNC Boulogne Jean Bouveri, SNC Jean Jacques Bosc, SCI Terre Neuves, SCI Rue de la Louisiane, Covivio Ravinelle (SARL), Covivio 4 (EURL), Covivio 7 (EURL), BGA Transaction (SARL), Foncière Margaux (SARL), SARL du 106-110, rue des Troènes, Imefa 127 (SCI), SCI Atlantis, SNC Palmer Plage, SCI Dual Center, Latepromo (SNC), Covivio Participations (EURL), SCI Avenue de la Marne, Omega B (SARL), SCI Rueil B2, Wellio SNC, SNC Bordeaux Lac, SNC Gambetta Le Raincy, SCI du 21, rue Jean Goujon, SNC Villouvette Saint Germain, SNC Normandie Niemen Bobigny, SCI Cité Numérique, SCI Danton Malakoff, SNC Meudon Bellevue, SNC Valence Victor Hugo, SNC Nantes Talensac, SNC Marignane St Pierre, Fructipromo, SNC André Lavignolle, SNC Saint Germain Hennemont, SNC Antony Avenue De Gaulle, SNC Aix en Provence Cezanne, Covivio Alexanderplatz S.à.r.l (Luxembourg share-based company)

Co-Manager: SCI EuroMarseille 1, SCI EuroMarseille 2, EuroMarseille Invest (EURL),

Terms of office expired within the last five fiscal years:

Member of the Audit Committee: Covivio Hotels (SCA), public company (until 14/11/2024)

Chairman and Chief Executive Officer, and Director: République (SA) (ended in 2022)

Permanent representative of Covivio, Director: Foncière Développement Logements - FDL (SA) (ended in 2022)

Legal representative of République, Manager: Gespar (SC) (ended in 2022), Parking de la Comédie (SNC) (ended in 2022), Parking de la Gare Charles de Gaulle (SNC) (ended in 2022)

Legal representative of Fédération, General Manager: Federimmo (SCI) (ended in 2022)

Legal representative of République, Chairman: Société du Parc Trinité d'Estienne d'Orves (ended in 2021)

Legal representative of Covivio 2, Manager: SNC Cœur d'Orly Commerces (ended in 2019)

Legal representative of Covivio, Manager: Telimob PACA SNC (from 11/05/2024 to 01/10/2024), SCI Le Ponant 1986 (until 29/12/2023), SCI Esplanade Belvédère II (until 2022), SCI 11 place de l'Europe (until 2022), SCI du 288, rue Duguesclin (until 2021),

Manager: SNC Sucy Parc (until 30/09/2024), SCI Charenton (until 29/06/2024), Telimob Paris SARL (until 11/05/2024), Silexpromo (SNC) (until 2023), SCI Pompidou Metz (until 2023), Orly Promo (SNC) (until 2023), SCI Factor E (until 2023), SCI La Marina Frejus (until 2023), Fédération (EURL) (until 2022), Covivio Développement (SNC) (until 2020), Lenopromo (SNC) (until 2022), Promomurs (SNC) (until 2022), SNC Le Clos Chanteloup (until 2022), SNC Gauguin St-Ouen-l'Aumône (until 2022), SNC Le Printemps Sartrouville (until 2022), SNC Tours Coty (until 2022), SARL du 2, rue Saint Charles (until 2021), SNC Sully Chartres (until 2021),

Legal representative of Foncière Margaux, Manager: SCI du 1, rue de Châteaudun (until 29/12/2023), SCI du 1630 Avenue de la Croix Rouge (until 2022) SCI du 2, rue de l'Ill (until 2021), SCI du 35/37, rue Louis Guérin (until 2020), SCI du 8 rue M. Paul (until 2020),

Legal representative of Telimob Paris SARL, Manager: Telimob Ouest SNC (until 2022), Telimob Est SNC (until 2021), Telimob Nord SNC (until 11/05/2024), Telimob Paca SNC (until 11/05/2024), Telimob Paris SNC (until 11/05/2024), Telimob Rhone Alpes SNC (until 11/05/2024), Telimob Sud Ouest SNC (until 11/05/2024)

Legal Representative of SCI Euromarseille 1, Manager: SCI EuroMarseille BH (ended in 2021)

Legal representative of Covivio, Co-Manager: Chartres Avenue de Sully (SCCV) (ended in 2020)

Olivier Estève

Main position:

Deputy CEO of Covivio

Born on 18 September 1964 in Algiers – Algeria

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 842

Offices held within the Covivio group:

Legal representative of Foncière Margaux, Manager: SCI du 3, place A. Chaussy, SCI du 10 bis et 11 à 13, allée des Tanneurs, SCI du 20, avenue Victor Hugo, SCI du 32, avenue P. Grenier, SCI du 40, rue Jean-Jacques Rousseau, SCI du 125, avenue du Brancolar

Legal representative of SCI EuroMarseille 1, Manager: SCI EuroMarseille BI

Legal Representative of SCI Euromarseille 2, Manager: SCI EuroMarseille PK, SCI EuroMarseille H

Legal representative of Covivio 2, Manager: SCI Cœur d'Orly Bureaux

Legal representative of Covivio, Manager: SCI Meudon Juin, SCI Lenovilla, SCI Latécoère, SCI Latécoère 2, SCI Meudon Saulnier, SCI du 15, rue des Cuirassiers, SNC du 9, rue des Cuirassiers, SCI N2 Batignolles, SCCV Bobigny Le 9e Art, Chartres Avenue de Sully (SCCV), Telimob Paris SNC (since 11/05/2024), Telimob Nord SNC (since 11/05/2024), Telimob Rhone Alpes SNC (since 11/05/2024), Telimob Sud Ouest SNC (since 11/05/2024)

Legal representative of Covivio, Chairman: Technical (SAS), 6, rue Fructidor (SAS), Federation des Assurances Covivio (SAS) (since 05/02/2024)

Legal representative of Covivio, Co-Manager: Fontenay-sous-Bois Rabelais (SCCV), SNC Cœur d'Orly Promotion, SCCV Rueil Lesseps (since 12/07/2024)

Committee Member: SCI N2 Batignolles, Hotel N2, SCI Latecoere, SCI Lenovilla, SCI Latecoere 2, SCI du 9 rue des Cuirassiers, SCI du 15 rue des Cuirassiers, SNC N2 Promotion, SCI euromarseille 1, SCI Euromarseille 2

Offices held outside the Group:

Chairman: Le club de l'immobilier (Association) (since 17/01/2024)



Najat Aasqui

Main position:

Head of listed equities at Crédit Agricole Assurances

Born on 30 January 1982 in Lille

French national

Business address: 16/18, boulevard de Vaugirard 75015 Paris

Number of shares held as of 31 December 2024: six (including one lent)

Biography

Najat Aasqui holds a DESS postgraduate degree in Banking and Finance (Paris X) and a master's degree in Economics (Lillel). She joined Crédit Agricole Assurances in 2017 as investment manager (private equity and listed shares). Since 2019, she has been Head of Listed Equity Portfolios at CAA. Najat previously held several positions in corporate banking, particularly in acquisition finance at Crédit Agricole group.

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 7 May 2020

Date of renewal: GM of 18 April 2023

Date of expiry of the term of office: GM of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Offices held within the Covivio group:

None.

Offices held outside the Group:

Permanent representative of Predica: Member of the Supervisory Board of Altarea COGEDIM, Member of the Supervisory Board of ARGAN (listed SA), Member of the Supervisory Board of Aéroport de Lyon

Member of the Audit Committee of ARGAN (listed SA)

Member of the Appointments and Remunerations Committee ARGAN (listed SA)

Terms of office expired within the last five fiscal years:

Permanent representative of Predica: Member of the Board of Directors of SFL (ended in 2021), Board Member of Edison Renewables SPA

Covivio

18, avenue François Mitterrand
57000 Metz

Metz Trade and Companies Register 364 800 060

Number of shares held at 31 December 2024: 77,808,591

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 30 November 2004

Date of renewal: GMs of 15 April 2008, 4 April 2011, 16 April 2014, 7 April 2017, 5 April 2019 and 7 April 2022

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Chairman: Technical (SAS), 6, rue Fructidor, Federation des Assurances Covivio (SAS)

Manager: SCI Meudon Juin, SCI Lenovilla, SCI Latécoère, SCI Latécoère 2, SCI Meudon Saulnier, SCI du 15, rue des Cuirassiers, SCI du 9, rue des Cuirassiers, SCI N2 Batignolles, SCCV Bobigny Le 9e Art, Chartres Avenue de Sully, Telimob Paris SNC, Telimob Nord SNC, Telimob Rhone Alpes SNC, Telimob Sud Ouest SNC

Co-Manager: SNC Cœur d'Orly Promotions, Fontenay-sous-Bois Rabelais (SCCV), SCCV Rueil Lesseps

Offices held outside the Group:

Member of the Executive Committee: Fondation Palladio (foundation)

Terms of office expired within the last five fiscal years:

Manager: Telimob Paca SNC (from 11/05/2024 to 01/10/2024), SCI Le Ponant 1986 (until 29/12/2023), SCI 11, place de l'Europe (until 2022), SCI Esplanade Belvédère II (until 2022), SCI du 288, rue Dugueslin (until 2021),

Co-Manager: Chartes Avenue de Sully (SCCV) (until 2020)

Director: Foncière Développement Logements - FDL (SA) (ended in 2022), République (SA) (ended in 2022)



Céline Leonardi

Main position:

Head of Marketing Covivio

Born on 3 March 1982 in Aubagne

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 0

Biography

A graduate in notarial law, Céline Leonardi joined Covivio in 2009 after three years in the property law and real estate law divisions of the Cheuvreux firm.

She is currently Director of Office Letting and Director of the Wellio business after having previously held the positions of Executive Officer and Marketing Manager.

Office held with Covivio Hotels:

Permanent representative of Covivio, Member of the Supervisory Board

Date of appointment: 10 February 2023

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

None.

Covivio Participations

10, rue de Madrid - 75008 Paris

Paris Trade and Companies Register 813 753 613

Number of shares held at 31 December 2024: 1

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: Supervisory Board meeting of 18 November 2015

Date of renewal: GMs of 7 April 2017, 7 May 2020 and 18 April 2023

Date of expiry of the term of office: GM of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

None.



Roxane Maillard

Main position exercised:

Director of the Tertiary Development Department at Covivio

Born on 17 July 1988 in L'Haÿ-les-Roses (94)

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 0

Biography

Holder of an engineering degree from the École Spéciale des Travaux Publics du Bâtiment et de l'Industrie (ESTP), Roxane Maillard joined Covivio's Development Department in 2011 where she worked as Director of Real Estate Projects for nearly 10 years. Since 2020, she has been Director of the Tertiary Development Division, in charge of leading teams for major hotel, office and residential construction and redevelopment projects.

Offices held with Covivio Hotels:

Permanent representative of Covivio Participations, member of the Supervisory Board

Date of appointment: 18 November 2024

Renewal date: /

Date of expiry of the term of office: GM of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Offices held within the Covivio group:

Permanent representative of Covivio Participations, member of the Supervisory Board: Covivio Hotels (SCA), public company

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

None.

Foncière Margaux

10, rue de Madrid - 75008 Paris

Paris Trade and Companies Register 439 434 309

Number of shares held at 31 December 2024: 1

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: Supervisory Board meeting of 13 July 2018

Date of renewal: GMs of 7 May 2020 and 18 April 2023

Date of expiry of the term of office: GM of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Manager: SCI du 3, place A. Chaussy, SCI du 10 bis 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

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

Manager: SCI du 1, rue de Châteaudun (until 2023), SCI du 1630, avenue de la Croix Rouge (until 2022), SCI du 2, rue de l'Ill (until 2021), SCI du 8, rue M. Paul (until 2020), SCI du 35/37 Rue Louis Guérin (until 2020),



Marielle Seegmuller

Main position:

Head of Operations of Covivio

Born on 17 October 1972 in Saint-Brieuc

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 0

Biography

A graduate of Neoma Business School and of the HEC Executive MBA programme, Marielle Seegmuller also holds a DESCF/DECF accounting qualification.

With more than 20 years of experience in the real estate sector, Marielle Seegmuller worked at GE Real Estate from 1997, where she was in charge of various activities in France and in Europe (Investments, Business Development, Arbitrage, etc.), then head of department for the French entity.

Since September 2016, Marielle Seegmuller has occupied the position of Director of Operations at Covivio. In this capacity, she manages the Asset Management, Client Relations, Real Estate Engineering and Real Estate Legal activities in France. She is also in charge of managing the Wellio pro-working sites in France.

Marielle Seegmuller is a member of *Cercle des Femmes de l'Immobilier*.

Offices held with Covivio Hotels:

Permanent representative of Foncière MARGAUX, member of the Supervisory Board

Date of appointment: 7 April 2017

Date of renewal: GMs of 7 May 2020 and 18 April 2023

Date of expiry of the term of office: GM of 2026 approving the annual financial statements for the fiscal year ended 31 December 2025

Offices held within the Covivio group:

Permanent representative of Foncière MARGAUX, member of the Supervisory Board: Covivio Hotels (SCA), public company

Chairman of the Board of Directors: Office CB 21 SPPICAV

Manager: Covivio Property SNC

Committee Member: 6 Rue Fructidor (SAS), SCI Du 15 Rue Des Cuirassiers, SCI Du 9 Rue Des Cuirassiers, SCI Latécoère, SCI Latécoère 2, SCI Euromarseille 1, SCI Euromarseille 2, SCI N2 Batignolles, Hotel N2, SCI Coeur d'Orly Bureaux

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

Chief Executive Officer and Director: Foncière Développement Logements - FDL SA (until 2022)

Legal representative of Foncière Développement Logements - FDL, Manager: Société Civile Immobilière du 26/28, rue Jacques Dulud à Neuilly-sur-Seine (SCI) (until 2021), IMEFA Quatre Vingt Quinze SCI (ended in 2020),

Member of the Partnership Committee: Federimmo (SCI) (ended in 2022), SCI 11 Place De L'europe (ended in 2022)

Predica

16/18, boulevard de Vaugirard 75015 Paris

Paris Trade and Companies Register 334 028 123

Number of shares held at 31 December 2024: 21,266,436

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 30 November 2004

Date of renewal: GMs of 15 April 2008, 4 April 2011, 16 April 2014, 7 April 2017, 5 April 2019 and 7 April 2022

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Director: Covivio (SA), public company, B2 Hôtel Invest OPPCI

Offices held outside the Group:

Director: AEW Immocommercial (OPCI), Fonds Nouvel Investissement 1 SICAV, Fonds Nouvel Investissement 2 SICAV, Aéroport de Paris SA (public company), Gecina (SA, public company), Messidor OPCI, Frey (SA, public company), Clariane (SE, public company), CAA Commerces 2 OPCI, Carmila (public company), OPCI Logistis SPPICAV, Previseo Obsèques SA, Lesica, Semmaris, Fonds Stratégique de Participations SICAV, Française des Jeux (public company), Fonds immobilier Ardian Luxembourg, Défense CB3 SAS, Prédi-Rungis, Fondis, Icade Health Care Europe,

Member of the Supervisory Board: Altarea (SCA, public company), Argan SA (public company), Patrimoine et Commerce SCA (public company), Effi Invest II SCA, Effi Invest III SCA, Ofélia SAS, Willow, Unipierre Assurances SCPI, CA Grands Crus SAS, Sopresa SA, Interfimo SA, PREIM Healthcare,

Co-Manager: Predicare (SARL)

Non-voting member: Siparex Associés SA

Chairman: Predica Bureaux (OPCI)

Terms of office expired within the last five fiscal years:

Director: La Medicale de France SA (until 2022), CAAM Mone Cash SICAV (until 2022),

Non-voting member: Tivanna France Holding SAS (ended in 2022)



Emmanuel Chabas

Main position:

Head of Amundi Immobilier funds

Born on 8 December 1976 in Boulogne-Billancourt (92100)

French national

Business address: 91 boulevard Pasteur 75015

Number of shares held at 31 December 2024: 0

Biography

Emmanuel Chabas is a graduate of ESSEC and holds a Company Director certificate (Sciences Po/IFA). He began his career in management control and internal audit within the BNP PARIBAS Group in 2001. He then joined BNP Paribas Cardif in 2006 as head of real estate acquisitions. Since September 2015 and November 2024, he has occupied the position of Head of Real Estate Investment at Crédit Agricole Assurances. Since November 2024, he has been Head of Funds at Amundi Immobilier.

Offices held with Covivio Hotels:

Permanent representative of Predica, member of the Supervisory Board

Member of the Audit Committee

Date of appointment: 17 February 2016

Date of renewal: GMs of 7 April 2017, 5 April 2019 and 7 April 2022

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

None.

Offices held outside the Group:

Member of the Board of Directors and the Appointments and Remuneration Committee: Icade SA (until February 2025)

Member of the Supervisory Board and Audit Committee: Patrimoine et Commerce (until February 2025)

Member of the Board of Directors and the Audit Committee: AccorInvest Group SA (Luxembourg company)

Non-voting member on the Supervisory Board: Argan (until 30/01/2025)

Director: Carmila SA (until February 2025)

Terms of office expired within the last five fiscal years:

Permanent representative of Predica, Director: B2 Hôtel Invest (OPPCI), OPCI CAA Commerces 2, OPCI Predica Bureaux, SCI Frey Retail Villebon

Permanent representative of Predica, member of the Supervisory Board: Covivio Hotels (SCA, public company)

Member of the Audit Committee: Covivio Hotels (SCA, listed company), SCPI Unipierre Assurance, PREIM Healthcare

Member of the Supervisory Board: Covivio Immobilien SE (European company incorporated under German law)

Member of the Partnership Committee: SCI Latécoère, SCI Latécoère 2, SCI 11, place de l'Europe

Permanent Representative of Cardif Assurance Vie, Director: Meteore Italy Srf (until 2022), Météore Alcala, Météore Greece SA

Manager: Lux Leudelange SARL (Luxembourg company)

Chairman and Chief Executive Officer: SA Foncière Hypersud

Representative of Predica: SCI Distripole Porte de France, SAS Fonds Euroffice

Chairman of the Board of Directors: Camp Invest OPPCI, Iris Invest 2010 OPPCI, SAS Commerces 1, SAS Commerces 2, OPCI Messidor, OPCI Eco Campus, OPCI Predica Commerces, OPCI Massy Bureaux

Permanent representative of Predica and Spirica: SCI Académie Montrouge

Representative of SCI Imefa 34, Director: OPCI Predica Habitation

Member of the Advisory Board: OPCI ALTA COMMERCES EUROPE

Representative of Predica: SCI Tour Merle, SAS Defense CB3

Member of the Strategic Committee: Heart of La Défense

Member of the Oversight Committee: Icade Santé SAS

Representative of Predica, member: Ardian Fund Advisory Committee

Co-Manager: CAA Stern GmbH (Austrian company)

Emmanuel Chabas

Main position:

Head of Amundi Immobilier funds

Born on 8 December 1976 in Boulogne-Billancourt (92100)

French national

Business address: 91 boulevard Pasteur 75015

Number of shares held at 31 December 2024: 0

Manager: SCI, 11 place de l'Europe, L2A SA (Luxembourg company), L2B SA (Luxembourg company), SCI AEV CA, SCI AEV CA 2, SCI Dahlia, SCI DS Campus, SCI New Vélizy, SCI Federimmo, SCI Imefa 1, SCI Imefa 2, SCI Imefa 3, SCI Imefa 4, SCI Imefa 5, SCI Imefa 6, SCI Imefa 8, SCI Imefa 9, SCI Imefa 10, SCI Imefa 11, SCI Imefa 12, SCI Imefa 13, SCI Imefa 16, SCI Imefa 17, SCI Imefa 18, SCI Imefa 20, SCI Imefa 22, SCI Imefa 25, SCI Imefa 32, SCI Imefa 33, SCI Imefa 34, SCI Imefa 35, SCI Imefa 36, SCI Imefa 37, SCI Imefa 38, SCI Imefa 39, SCI Imefa 42, SCI Imefa 43, SCI Imefa 44, SCI Imefa 45, SCI Imefa 47, SCI Imefa 48, SCI Imefa 49, SCI Imefa 50, SCI Imefa 51, SCI Imefa 52, SCI Imefa 53, SCI Imefa 54, SCI Imefa 57, SCI Imefa 58, SCI Imefa 60, SCI Imefa 61, SCI Imefa 62, SCI Imefa 63, SCI Imefa 64, SCI Imefa 66, SCI Imefa 67, SCI Imefa 68, SCI Imefa 69, SCI Imefa 72, SCI Imefa 73, SCI Imefa 74, SCI Imefa 76, SCI Imefa 77, SCI Imefa 78, SCI Imefa 79, SCI Imefa 80, SCI Imefa 81, SCI Imefa 82, SCI Imefa 83, SCI Imefa 84, SCI Imefa 85, SCI Imefa 89, SCI Imefa 91, SCI Imefa 92, SCI Imefa 96, SCI 100, SCI Imefa 101, SCI Imefa 102, SCI Imefa 103, SCI Imefa 104, SCI Imefa 105, SCI Imefa 107, SCI Imefa 108, SCI Imefa 109, SCI Imefa 110, SCI Imefa 112, SCI Imefa 113, SCI Imefa 115, SCI Imefa 116, SCI Imefa 117, SCI Imefa 118, SCI Imefa 120, SCI Imefa 121, SCI Imefa 122, SCI Imefa 123, SCI Imefa 126, SCI Imefa 128, SCI Imefa 129, SCI Imefa 131, SCI Imefa 132, SCI Imefa 140, SCI Imefa 148, SCI Imefa 149, SCI Imefa 150, SCI Imefa 155, SCI Lyon Tony Garnier (formerly Imefa 156), SCI Villeurbanne-La Soie Îlot H (formerly Imefa 157), SCI Imefa 158, SCI Imefa 159, SCI Imefa 161, SCI Imefa 162, SCI Imefa 163, SCI Imefa 164, SCI Imefa 165, SCI HDP Bureaux (formerly Imefa 166), SCI HDP Hôtel (formerly Imefa 167), SCI HDP la Halle (formerly Imefa 168), SCI Imefa 169, SCI Imefa 170, SCI Imefa 171, SCI Imefa 172, SCI Imefa 173, SCI Imefa 174, SCI Imefa 175, SCI Imefa 176, SCI Imefa 177, SCI Imefa 178, SCI Imefa 179, SCI Imefa 180, SCI Imefa 181, SCI Imefa 182, SCI Imefa 183, SCI Imefa 184, SCI Imefa 185, SCI Imefa 186, SCI Imefa 187, SCI Imefa 188, SCI Imefa 189, SCI Imefa 190, SCI Imefa 192, SCI Imefa 193, SCI Imefa 194, SCI Imefa 195, SCI Imefa 196, SCI Spirica Boisseau, SCI Imefa 198, SCI Imefa 199, SCI Imefa 201, SCI Imefa 202, SCI Imefa 203, SCI Imefa 204, SCI Imefa 205, SCI Imefa 206, SCI Imefa 207, SCI Imefa 208, SCI Imefa 209, SCI Imefa 210, SCI Imefa 211, SCI Imefa 212, SCI Fédérale Péreire Victoire, SCI Federlog, SCI Feder Londres, SCI Fédérale Villiers, SCI Grenier Vellefaux, SCI Médibureaux, SCI Medic Habitation, SCI Vicq d'Azir-Vellefaux, SCI Vicq Neuilly, SCI Féderpierre, SCI 1-3, place Valhubert, SCI Village Victor Hugo

Manager of Féderpierre, Manager: SCI Longchamp Montevideo, SCI Féderpierre Michal, SCI Féderpierre Caulaincourt, SCI Féderpierre Université, SCI Féderpierre Capucines

Manager of Vicq d'Azir Vellefaux, Manager: SCI Vicq Neuilly

Chairman: Iris Holding France SAS, SAS Holding EuroMarseille, SAS Resico, SAS CA Résidence Seniors, SAS 59-61 Rue Lafayette, SAS 81-91 Rue Falguière

Member of the Real Estate Committee: FFA

Director and member of the Remuneration Committee: SICAF Central (Italian company)

Director: OPCI Lapillus 1, SAS Cristal, Alta Blue OPCI Icade Healthcare Europe

Chairman of the Partnership Committee: SCI Dahlia, Iris Holding France SAS, SCI Holding Dahlia

ACM Vie SA

4, rue Frédéric-Guillaume Raiffeisen 67000 Strasbourg

Strasbourg Trade and Companies Register 332 377 597

Number of shares held at 31 December 2024: 11,473,544

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 30 November 2004

Date of renewal: GMs of 15 April 2008, 4 April 2011, 16 April 2014, 7 April 2017, 6 April 2018, 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Director: Covivio (SA), public company

Member of the Supervisory Board: Covivio Hotels (SCA), public company

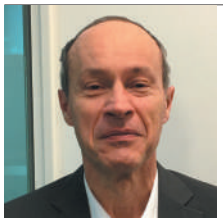
Offices held outside the Group:

Director: Serenis Assurances SA, ACM GIE, ACM Services SA, Foncière Masséna SA, Agrupació ACMI de Seguros y Reaseguros SA, GACM Seguros Generales, Compañía de Seguros y Reasuraguros SAU, GACM Spain 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 within the last five fiscal years:

None.



François Morrisson

Main position:

Senior Equity Manager in the Finance Department of ACM

Born on 22 June 1965 in Levallois-Perret (92300) - France

French national

Address: 42 rue des Mathurins 75008 Paris

Number of shares held at 31 December 2024: 0

Biography

François Morrisson holds a DESS in finance from Université Paris-IX, Dauphine and a Charted Financial Analyst diploma. Since 2001, he has been equity manager for Assurances du Crédit Mutuel. Previously, François Morrisson served as a bond manager at Invesco (1997-2000) and Crédit Lyonnais (1994-1996).

Offices held with Covivio Hotels:

Permanent representative of ACM Vie, member of the Supervisory Board

Date of appointment: Supervisory Board meeting of 6 April 2011

Date of renewal: GMs of 16 April 2014, 7 April 2017, 6 April 2018, 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Permanent Representative of ACM Vie, member of the Supervisory Board: Covivio Hotels (SCA), public company

Offices held outside the Group:

Permanent representative of ACM Vie, member of the Supervisory Board: Ardian Holding

Terms of office expired within the last five fiscal years:

Director: Eurosic SA, public company, B2 Hôtel Invest SPPICAV (until 2021)

Technical SAS

10, rue de Madrid - 75008 Paris
Paris Trade and Companies Register 451 322 937

Number of shares held at 31 December 2024: 1

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: Supervisory Board meeting of 13 May 2024

Renewal date: /

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

None.



Yves Marque

Main position:

Chief Operating Officer of COVIVIO

Born on 28 June 1967 in Dax (40)

French national

Business address: 10 rue de Madrid 75008 Paris

Number of shares held at 31 December 2024: 0

Biography

Yves Marque is a graduate of the École des Hautes Etudes Commerciales (HEC) in 1989. He was an auditor at Arthur Andersen, before moving to the United States for the Economic Expansion Post at the French Embassy in Boston. From 1992 to 2007, he worked for the GAGNERAUD group, a construction and industrial services group (revenue of €700 million, 3,200 employees), where he successively held the positions of Management Controller, then Administrative and Financial Manager of the Industrial Maintenance Division, before becoming head of the Group Human Resources Department. Yves Marque joined Covivio in October 2007 as Human Resources Director. Since February 2010, he has been Chief Operating Officer.

Offices held with Covivio Hotels:

Permanent representative of Technical SAS, member of the Supervisory Board

Date of appointment: Supervisory Board meeting of 13 May 2024

Renewal date: /

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

Permanent representative of Technical SAS, member of the Supervisory Board: Covivio Hotels (SCA), public company

Member of the Supervisory Board: Covivio Immobilien SE (European company incorporated under German law)

Director: Office CB21 (SPPICAV Professionnelle)

Offices held outside the Group:

None.

Terms of office expired within the last five fiscal years:

Director: B2 Hotel Invest (SPPICAV Professionnelle) (until 2021)

Manager: Covivio Proptech (until 16/05/2024)

Permanent representative of Covivio, Director: République (SA) (until 2022)

Cardif Assurance Vie

1, boulevard Haussmann
75009 Paris
Paris Trade and Companies Register 732 028 154

Number of shares held at 31 December 2024: 14,790,438

Offices held with Covivio Hotels:

Member of the Supervisory Board

Chairman of the Audit Committee

Date of appointment: Supervisory Board meeting of 19 February 2008

Date of renewal: GMs of 4 April 2011, 16 April 2014, 7 April 2017, 5 April 2019 and 7 April 2022

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Chairman of the Audit Committee: Covivio Hotels (SCA), public company

Offices held outside the Group:

Director: Praemia Healthcare SA (formerly Icade Santé SA), AEW Immocommercial SPPICAV, BNP Paribas Diversipierre SPPICAV, Carmila SA, public company, Frey SA, public company, Powerhouse Habitat SAS, Cardif El Djazair (joint stock company incorporated in Algeria), Assu-Vie Société Française d'Assurance sur la Vie SA, IHE Healthcare Europe SPPICAV SAS (formerly Icade Healthcare Europe SPPICAV SAS)

Member of the Supervisory Board: Opéra Rendement SCPI, Primonial, Capimmo SCI, Dauchez SA, CFH SAS, Placement Ciloger 3 SCPI, FLI SCI, Accès Valeur Pierre SCPI, Clariane & Partenaires Immobilier 1 SCI formerly Korian & Partenaires Immobilier 1 SCI, Clariane & Partenaires Immobilier 2 SCI formerly Korian & Partenaires Immobilier 2 SAS

Member of the Supervisory Committee: PREIM Healthcare SAS, PWH Sppicav SAS, Hemisphere Holding SCI, Certivia 2 SICAV

Member of the Investment Committee: Frey SA, public company

Member of the Audit Committee: Frey SA, public company

Member of the Audit and Risk Committee: PRAEMIA Healthcare SA,

Member of the CSR Committee: Carmila SA, public company

Manager: SCI Cardif Logements, SCI BNP Paribas Pierre I, SCI BNP Paribas Pierre II, SC Cardimmo, SC Corosa, SCI Défense Étoile, SCI Défense Vendôme, SCI Étoile du Nord, SCI rue Moussorgski, SCI Odyssée, SCI Paris Cours de Vincennes, SCI Pantin Les Moulins, SCI Reuil Caudron, SCI Rueil Ariane, SCI Valeur Pierre Épargne, SCI 68/70, rue de Lagny Montreuil, , SCI Saint Denis Jade, SCI Saint Denis Landy, SCI Fontenay Plaisance, SCI Nantes Carnot, SCI Citylight Boulogne, SCI Saint Denis Mitterrand, SCI Paris Batignolles, SNC Les Résidences, SCI Turennes, SCI Bouleragny, SCI Vendôme Athènes, SECAR (Société Civile pour l'Étude et l'Aménagement du Centre d'Affaires Régional de Rungis), SCI Paris Grande Armée, SCI Bordeaux Armagnac, SCI Neuilly 131 CDG

Chairman: SAS FONDEV (formerly FDI Poncelet)

Terms of office expired within the last five fiscal years:

Member of the Supervisory Board: France Investipierre SCPI (ended in 2020), BNP Paribas REIM France SA (until 2024)

Member of the Supervisory Board: Plein Air Property Fund SPPICAV (ended in 2020)

Member of the Oversight Committee: Icade Santé SAS (ended in 2021)

Director: Shopping Property Fund 1 SPPICAV (ended in 2022), Health Property Fund 1 SPPICAV (ended in 2023)

Member of the Steering Committee: Forey (Frey public company)

Manager: SCI Bobigny Jean Rostand (ended in 2024), SCI Nanterre Guilleraies (ended in 2024), SCI Villeurbanne Stalingrad (ended in 2024), SCI Le Mans Gare (ended in 2024),



Nathalie Robin

Main position:

Head of Real Estate BNP Paribas Cardif

Born on 19 November 1962 in Paris (75012)

French national

Business address: 8, rue du Port 92728 Nanterre Cedex

Number of shares held at 31 December 2024: 0

Biography

Nathalie Robin holds a DESS in Real Estate Law and has been the Head of Real Estate of BNP Paribas Cardif (following the merger of BNP and Paribas) since 2001. Previously, she was Head of Real Estate of Natio Vie (BNP Group) from 1989 to 2001.

Offices held with Covivio Hotels:

Permanent Representative of Cardif Assurance Vie, member of the Supervisory Board

Chairman of the Audit Committee

Date of appointment: Supervisory Board meeting of 19 February 2008

Date of renewal: GMs of 4 April 2011, 16 April 2014, 7 April 2017, 5 April 2019 and 7 April 2022

Date of expiry of the term of office: GM of 2025 approving the annual financial statements for the fiscal year ended 31 December 2024

Offices held within the Covivio group:

Permanent representative of Cardif Assurance Vie, member of the Supervisory Board: Covivio Hotels (SCA), public company

Member of the Supervisory Board: Covivio Immobilien SE (European company incorporated under German law)

Chairwoman of the Audit Committee: Covivio Hotels (SCA), public company

Offices held outside the Group:

Permanent representative of Cardif Assurance Vie, Director: AEW Immocommercial SPPICAV, Powerhouse Habitat SAS, Carmila SA, BNP Paribas Diversipierre SPPICAV, Frey SA, public company

Permanent representative of Cardif Assurance Vie, member of the Supervisory Board: Opéra Rendement SCPI, Dauchez SA, CFH SAS, Placement Ciloger 3 SCPI, FLI SCI, Clariane & Partenaires Immobilier 1 SCI formerly Korian & Partenaires Immobilier 1 SCI, Clariane & Partenaires Immobilier 2 SAS formerly Korian & Partenaires Immobilier 2 SAS

Permanent representative of Cardif Assurance Vie, member of Supervisory Board: PREIM Healthcare SAS, PWH SPPICAV SAS, Hemisphere Holding SCI, Certivia 2 SICAV

Permanent representative of Cardif Assurance Vie, member of the Investment Committee: Frey SA, public company

Permanent representative of Cardif Assurance Vie, member of the Audit Committee: Frey SA, public company

Permanent representative of Cardimmo, Director: High Street Retail SAS SPPICAV

Chairwoman of the Strategy and Investment Committee: Carmila

Member of the Investment Committee: Batipart Participations SAS

Member of the Advisory Board: Fonds de Logement Intermédiaire II (FL III) SAS SPPICAV, Hestia Holding SAS SPPICAV

Member of the Board of Partners: Société Civile pour l'Étude et l'Aménagement du Centre d'Affaires Régional de Rungis (SECAR)

Member of the Fund Committee: Hab'initio SLP

Permanent representative of Cardif Assurance Vie, Member of the CSR Committee: Carmila SA, public company

Terms of office expired within the last five fiscal years:

Permanent representative of Cardif Assurance Vie, member of the Supervisory Board: France Investipierre SCPI

Permanent representative of Cardif Assurance Vie, member of the Supervisory Committee: Icade Santé SAS

Permanent representative of Cardif Assurance Vie, member of the Supervisory Board: Plein Air Property Fund SPPICAV

Permanent representative of Cardif Assurance Vie, Member of the Steering Committee: Forey (Frey public company)

Permanent Representative of Cardif Assurance Vie, member of the Supervisory Board: Access Valeur Pierre SCPI (ended in 2022)

Permanent Representative of Cardif Assurance Vie, Director: Icade Healthcare Europe SPPICAV SAS (until 2023)

Permanent Representative of Cardif Assurance Vie, member of the Supervisory Board: Primonial Capimmo SCI (until 2023), BNP Paribas REIM France SA (until 2024)



Adriana Saitta

Main position:
Head of Payments at La Banque Postale

Born 9 June 1970 in Rome

Italian national

Business address: 5 Avenue Bosquet 75007 Paris

Number of shares held at 31 December 2024: 10

Biography

Adrianna Saitta is a Business Administration graduate from Bocconi University and has an MBA from Insead Fontainebleau. She began her career at McKinsey & Company, where she worked for nine years in banking and financial services. During this period, she attended several leading Italian and European Financial Institutions and became a member of the European leadership Group for Banking and Securities Practice.

Adriana joined Banca Intesa in 2003, where she first served as Head of Consumers' Banking in the Italian Retail Banking Division and then as Head of Retail Banking in the Foreign Banking Division. She is the founder and Chairwoman of Intesa Sanpaolo Card d.o.o, and sits on several Boards of Directors of Intesa Sanpaolo Group in Eastern Europe.

Since 2015, she has been Chief Executive Officer of Intesa Sanpaolo in Paris and joined the Board of Directors of Beni Stabili, Covivio group, in 2016. From April 2019 to 2022 she was also a member of the Board of Directors and Executive Committee of Intesa Sanpaolo Luxembourg.

In October 2023, she joined La Banque Postale as Head of Payments.

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: Supervisory Board meeting of 15 July 2020

Date of renewal: GMs of 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Offices held outside the Group:

Member of the Board of Directors: Transactis

Vice-Chairwoman of the Visa France Client Council: Visa France

Independent member of the Board of Directors: Idex Biometrics

Terms of office expired within the last five fiscal years:

Independent advisor: Beni Stabili

Independent advisor: Intesa Sanpaolo Luxembourg

Sogecap

Tour D2 17 bis, place des Reflets 92919 Paris-La Défense 2

Nanterre Trade and Companies Register 086 380 730

Number of shares held at 31 December 2024: 7,639,782

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 6 April 2018

Date of renewal: GMs of 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA), public company

Offices held outside the Group:

Director: Sogelife (an unlisted Luxembourg company), SA Carmila (public company), SA BG1 (Luxembourg company), SA Frey (public company), SPICCAV Oteli France, Fonds Stratégique de Participations, Praemia Healthcare, Icade Healthcare Europe, Powerhouse Habitat, PWH, PREIM Healthcare, Selectirente, Raise Immobilier, Raise Immobilier Impact, FI Wh Holdco Assu, Carte blanche partenaires Assu

Chairman: SAS SGI Holding SIS, Orientex Holding SAS

Manager SCI: Sogevimmo, Pierre Patrimoine, Sogepierre, SGI Immo 1, SGI Healthcare, SGI Immo 3, SGA Immo 5, SGA 48-56 Desmoulins, SGI 1-5 Astorg, SGI 10-16 Ville-l'Évêque, SGI Caen, SGI Villette, SGI Visitation, SGI Kosmo, 89 Grande Armée, Massy 30, avenue Carnot, 83-85 Grande Armée, SGA Infrastructures

Terms of office expired within the last five fiscal years:

Director: UIB Assurance, SA Oradea Vie, Carmila SAS, SA la Marocaine Vie (Moroccan company),

Manager SCI: Château Mazeyres Pomerol



Yann Briand

Main position:

Head of Real Estate Sogecap

Born on 31 May 1974 in Carhaix-Plouguer (29)

French national

Business address: 17 bis, place des Reflets 92919 Paris-La Défense 2

Number of shares held at 31 December 2024: 0

Biography

Yann Briand holds a master's degree in Space Management and Development and Local Authorities (Paris IV) and a postgraduate degree in Commercial Real Estate (Paris I). Since 1999, he has worked for Arthur Andersen, General Electric, Catella and Société Générale in investment, appraisal and real estate consulting. Since 2014, he has been Head of Real Estate of Sogecap in charge of investment and Asset Management activities.

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 6 April 2018

Date of renewal: GMs of 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Permanent representative of Sogecap, member of the Supervisory Board: Covivio Hotels (SCA), public company

Permanent representative of SOGECAP, Director: OTELI France

Director: KOMBON SAS, Holdco Phoenix SAS

Offices held outside the Group:

Permanent representative of Sogecap, Director: BG1 SA, Carmila (public company), Frey (public company), Praemia Healthcare, Icade Healthcare Europe, Powerhouse habitat, PWH, PREIM Healthcare, Raise Immobilier Impact, Raise Immobilier

Permanent representative of Sogecap, member of the Audit Committee: Carmila (public company)

Permanent representative of Sogecap, member of the Appointments and Remuneration Committee and member of the Investment Committee: Frey (public company)

Other directorship: Sogecap Real Estate

Terms of office expired within the last five fiscal years:

Carmila SAS, SGA Resiparis

Caisse des Dépôts et Consignations

56, rue de Lille 75007 Paris

Special status establishment created by the budget law of 28 April 1816, codified in Articles L. 518-24 and R. 518-1 to R. 518-42 of the French Monetary and Financial Code

SIRENE register 180 020 026

Number of shares held at 31 December 2024: 7,985,188

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 6 April 2018

Date of renewal: GMs of 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Member of the Supervisory Board: Covivio Hotels (SCA)

Offices held outside the Group:

Director: La Compagnie des Alpes (public company), Icade (public company), EMEIS (public company), NAMR (public company)

Terms of office expired within the last five fiscal years:

Director: CNP Assurances (public company), Veolia Environnement (public company)



Arnaud Taverne

Main position:

Chief Executive Officer (CEO) of CDC

Investissement Immobilier

Born on 18 May 1973 in Paris

French national

Business address: 56, rue de Lille 75007 Paris

Number of shares held at 31 December 2024: 0

Biography

Arnaud Taverne is a graduate of Université Paris IX Dauphine with a master's in Banking, Finance and Insurance (License, master 1 and master 2) and a master 2 (DEA) in International Economics and Finance. He began his career at PWC in 1997 (Senior Banking and Insurance Auditor) before joining Arthur Andersen in 2000 (Restructuring Transaction Advisory Services Paris, Senior Manager). In 2006, he joined the Financial Department of Veolia Transport as Head of Acquisitions.

He joined the Financial Department of the Caisse des Dépôts Group at the end of 2007 within the own-account real estate department and took over the General Management of CDC Investissement Immobilier in July 2014, an Asset Management company 100% owned by the CDC.

Offices held with Covivio Hotels:

Member of the Supervisory Board

Date of appointment: GM of 6 April 2018

Date of renewal: GMs of 8 April 2021 and 15 April 2024

Date of expiry of the term of office: GM of 2027 approving the annual financial statements for the fiscal year ended 31 December 2026

Offices held within the Covivio group:

Permanent representative of Caisse des Dépôts et Consignations, member of the Supervisory Board: Covivio Hotels (SCA), public company

Director: OPCI OTELI France, KOMBON (SAS), Holdco Phoenix (SAS), Covivio Berlin Prime

Offices held outside the Group:

Permanent representative of the CDC, member of the Board of Directors: OPCI AEW Immo commercial

Member of the Board of Directors: AIH France SA, Compagnie des Alpes (public company), Immobilière de la Laine SA (foreign company), AIH Monceau Marquis (foreign company)

Terms of office expired within the last five fiscal years:

Permanent representative of the CDC, member of the Board of Directors: OPCI River Ouest, Le Marquis SA

Permanent Representative of SASU Logistis 2, member of the Supervisory Board: OPCI Foncière Franklin

Member of the Board of Directors: Oteli Europe SARL

5.2.2.1.4 Shareholdings of members of the Supervisory Board

The participation in the capital of the members of the Supervisory Board is presented in the management report in section 1.6.7.

5.2.2.2 Methods of organisation and operation of the Supervisory Board

5.2.2.2.1 Missions of the Supervisory Board

The Supervisory Board assumes permanent control over the management of the company as described in Articles L. 226-9 *et seq.* of the French Commercial Code.

It prepares a report for the Ordinary Annual General Meeting, which approves the company's financial statements, as well as at the time of any increase or reduction in the share capital proposed to the shareholders.

In addition to the operations already listed in the Internal Regulations that specifically require the Board's prior authorisation, any significant operation requires prior authorisation by the Supervisory Board. They are detailed in section 5.2.1.2, concerning the limitation of the powers of the General Manager.

Furthermore, up to a limit of a certain annual amount it will determine, it may authorise the Manager to give guarantees in the company's name. Furthermore, it reviews the appointment or reappointment of the Chairman of the Audit Committee.

The Supervisory Board's prior agreement is also required for the appointment or renewal of any Manager with the exception of the appointment of the first Manager.

Accordingly, the Supervisory Board has a maximum of twenty (20) days from the notification it received from the limited partners on the appointment or renewal project, to give or to refuse its consent.

In the event that, on two successive occasions within a period of two months, the Supervisory Board refuses this consent for two successive candidates, even though the company is without a Manager and the management is temporarily carried out by the limited partners, consent may be given by the Ordinary General Meeting of the shareholders ruling in the majority, called by the limited partner or partners submitting one of these two candidates only.

In the case where the consent of the Supervisory Board or the General Meeting is not obtained pursuant to the foregoing sections, the general partner or partners shall appoint a third person. If the Supervisory Board does not give its consent to this new person, his or her appointment shall be submitted to the Ordinary General Meeting, which may only refuse its consent on a two-thirds majority of the shareholders present or represented.

If a disposal of significant assets is contemplated, the Board and the General Manager assess the strategic interest of the transaction and ensure that the process is conducted in accordance with the corporate interest. To that end, the Board may establish an ad hoc Committee. In addition, any significant transaction outside the announced strategy of the company must be approved by the Board.

It decides on the approval of related-party 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.

Moreover, the Supervisory Board strives to promote the value creation by the company over the long-term by considering the social and environmental issues of its activities.

In connection with the strategy that it has defined, it regularly reviews opportunities and financial, legal, operational, social and environmental and other risks and the measures taken as a result. It ensures, where appropriate, the establishment of procedures to prevent and detect corruption and the peddling of influence. It also ensures that the General Manager implements a policy of non-discrimination and diversity in terms of balanced representation of women and men on the governing bodies.

The Supervisory Board is also responsible for:

- examining and validating the commitments and guidelines of the Group's policy in terms of environmental, societal and social responsibility and governance (hereinafter "CSR"), in general, to ensure the preparation and communication of any information required by current CSR legislation;
- more generally, ensuring that CSR issues are taken into account in the Group's strategy and its implementation;
- examining any draft climate resolution submitted to the vote of the General Meeting;
- examining the Group's policies, guidelines and charters on CSR issues and ensuring their effectiveness;
- assessing and reporting on the performance and impact of the Group's CSR activity.

In this respect, the Supervisory Board of 16 November 2023 examined the Group's CSR policy, which is part of a European policy for all Covivio group's activities and which has been the subject of a certain number of studies, including: a mapping of CSR risks, an analysis of the carbon trajectory and the preparation of the energy performance statement carried out at the European level.

In addition, the Supervisory Board meeting of 18 April 2024 examined the energy consumption and certifications of all assets in the portfolio. Lastly, the Supervisory Board meeting of 14 November 2024 studied the new European standard for non-financial reporting resulting from the transposition of the European directive known as the CSRD.

In addition, a CSR Committee in Covivio was created in July 2021, to support the work of Covivio's Board of Directors on matters of environmental, social, employment and governance responsibility and make sure relevant CSR issues are addressed in the Group strategy, which includes Covivio Hotels is part, and in its implementation within the Group.

The Supervisory Board, at its meeting of 18 February 2025, also approved the Supervisory Board's report on corporate governance, which sets out the diversity policy applied to the members of the Board and the company's management.

5.2.2.2.2 Agreements submitted to the Supervisory Board

5.2.2.2.2.1 Agreements referred to in Article L. 225-37-4 of the French Commercial Code

In accordance with Article L. 225-37-4 2° of the French Commercial Code, we inform you that agreements made during the 2024 fiscal year, directly or by any intermediary, between firstly, one of the corporate officers or one of the shareholders holding more than 10% of voting rights in the company, and secondly a company controlled by the company according to the meaning of Article L. 233-3 of the French Commercial Code, with the exception of agreements covering routine operations and concluded under normal conditions, are as follows.

- Holdco Phoenix shareholders' agreement signed on 26 November 2024 between the Company, Constance (a wholly-owned subsidiary of the Company), Caisse des Dépôts et Consignations, Sogecap and Orientex Holdings (a wholly-owned subsidiary of Sogecap);
- Shareholders' agreement relating to Holdco Iris Dahlia entered into on 26 November 2024 between Constance (a wholly-owned subsidiary of the Company) and Predica;
- Amendment no. 1 to the shareholders' agreement dated 1 July 2019 relating to Oteli France, entered into on 26 November 2024, between Caisse des Dépôts et Consignations, SASU Fonae, Sogecap, Orientex Holdings, the company, Covivio SGP, Covivio Hotels Gestion Immobilière and Oteli France;
- Amendment no. 1 to the shareholders' agreement dated 1 July 2019 relating to Kombon SAS entered into on 26 November 2024 between Caisse des Dépôts et Consignations, Sogecap, the company, Covivio Hotels Gestion Immobilière and Kombon SAS;
- Amendment no. 1 to the shareholders' agreement dated 1 July 2019 relating to Jouron, entered into on 26 November 2024, between Caisse des Dépôts et Consignations, Simplon Belgique SAS, Sogecap, the company, Murdelux, Covivio Hotels Gestion Immobilière and Jouron;
- Amendment no. 1 to the shareholders' agreement dated 6 December 2010 relating to Projet Iris, entered into on 26 November 2024, between the company and Predica;
- Amendment no. 1 to the shareholders' agreement dated 29 November 2011 relating to the Dahlia project, entered into on 26 November 2024, between the company, Predica and SCI Holding Dahlia.

5.2.2.2.2.2 Procedure for the assessment of routine agreements concluded under normal conditions

Pursuant to Article L. 22-10-12 of the French Commercial Code, the Supervisory Board, at its meeting of 15 November 2019, set up an annual review procedure for ordinary agreements entered into under normal conditions, excluding agreements entered into with companies in which Covivio Hotels directly or indirectly holds the entire share capital, by a Committee set up within the company.

The procedure specifies the establishment of an internal Committee that will meet annually and which is charged to:

- conduct a review of the determining criteria for routine agreements concluded under normal conditions defined in the Covivio group's internal charter of related-party agreement in order to make sure that they are always appropriate and in line with market practice;
- specifically, analyse the normal character of the financial conditions;
- submit agreements that no longer fulfil the said criteria for the authorisation of the Board.

The list of all agreements reviewed by the Committee and the results of the assessment made, and, where applicable, proposals to revise the criteria for these agreements, are presented each year to the Supervisory Board, which meets to examine the annual financial statements.

Thus:

- if the Assessment Committee considers that an agreement signed between two companies of the Covivio Hotels group has the character of a regulated agreement, it becomes subject to the procedure for the control of regulated agreements covered by Article L. 226-10 of the French Commercial Code
- if the Assessment Committee identifies any uncertainty concerning the qualification of an agreement, it submits it for the assessment of the Supervisory Board, it being understood that persons directly or indirectly interested in the agreement do not participate in its assessment.

Following the establishment of this procedure, the Supervisory Board updated the internal charter of the Covivio group on regulated agreements published on the company's website, to include these provisions.

Applying the procedure, the Supervisory Board meeting on 18 February 2025 was informed of the list of all routine agreements concluded under normal conditions in force within the Covivio Hotels group which were reviewed by the Committee, and the results of the assessment carried out by it concluding that all these agreements were indeed routine in character and made under normal conditions.

5.2.2.2.3 Rules on the composition of the Supervisory Board

5.2.2.2.3.1 General rules on the composition of the Supervisory Board and the appointment of Board members

Chairman

The Supervisory Board appoints a Chairman from among its members, who must be a natural person.

The Board sets the term of office of the Chairman, which may not exceed that of his or her term as a member of the Supervisory Board. Meetings of the Supervisory Board are chaired by the Chairman. If the Chairman is absent, the Board shall appoint a Chairman for the meeting.

Secretary of the Supervisory Board

The Supervisory Board also chooses a Secretary, who may be chosen either from among the members of the Board or from outside. The Secretary ensures compliance with the Board's rules of procedure and prepares the minutes of its meetings.

Employee representatives

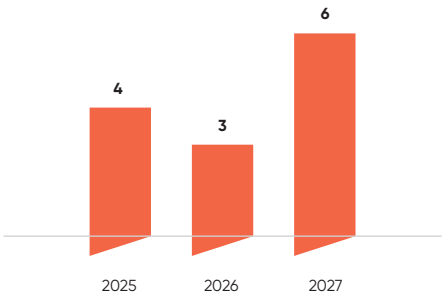
The Supervisory Board does not include any member representing employees: this lack of representation on the Board is due to the fact that Covivio Hotels does not fall within the scope of application of Article L. 226-5-1 of the French Commercial Code within the scope of Article L. 225-79-2 of the French Commercial Code.

5.2.2.2.3.2 Duration and staggering of terms of office

The term of office of the members of the Supervisory Board is no more than three years in accordance with Article 12 of the company's Articles of Association, so that shareholders can decide with sufficient frequency on their election and thus comply with the recommendations of the Afep-Medef Code.

At the Combined General Meeting of 7 April 2017 called to approve the simultaneous renewal of ten terms of office of members of the Supervisory Board, the shareholders approved the renewal of all members of the Supervisory Board, for terms of office ranging from one to three years to allow for a smooth staggering of terms of office.

Staggering of terms of office coming to an end



5.2.2.2.3.3 Recruitment procedure

When new members of the Board are recruited, the General Manager draws up a map of existing skills and defines the additional skills sought in the future Supervisory Board member. In addition to the technical skills sought, candidates must have good experience of participating in Management Committees or Executive Committees, be available and have the ability to both bring a constructive point of view to the discussions and contribute to the summary and decision-making. The shortlisted candidates, if necessary with the help of a specialised firm, are met by the Chairman of the Board and the General Manager and then presented to the Supervisory Board, which chooses the candidate to be put to the vote of the General Meeting of shareholders.

Declaration of corporate officers in application of points 12.1 and 12.2 of Appendix 1 of delegated Regulation (EU) 2019/980 dated 14 March 2019

The current corporate officers of the company have informed the company that:

- they have not been convicted of fraud during at least the last five years;
- none of them have been associated with a bankruptcy, sequestration, liquidation or a company entering receivership over at least the last five years;
- no third-party claim and/or official public sanction has been pronounced against them by the statutory or regulatory authorities, including designated professional bodies over the last five years [(1)];
- they have not been deprived by a court of the right to serve as a member of an administrative, management or supervisory body, or to participate in the management or conduct of a company's business during at least the last five years;
- they have no family links with a corporate officer of the company;
- they have no knowledge of any potential conflict of interest between their duties to the company and their private interests and/or other duties.

5.2.2.2.4 Diversity policy of the Supervisory Board

5.2.2.2.4.1 Principles

The Supervisory Board strives to bring together diversified skills that can contribute real estate and hotel expertise and have sufficient financial expertise to make informed and independent decisions on financial statements and compliance with accounting standards. Close attention is also paid to the quality and complementarity of the career paths of the Supervisory Board's members.

In its current configuration, the Board has a good balance of skills and expertise needed for the proper administration of the company.

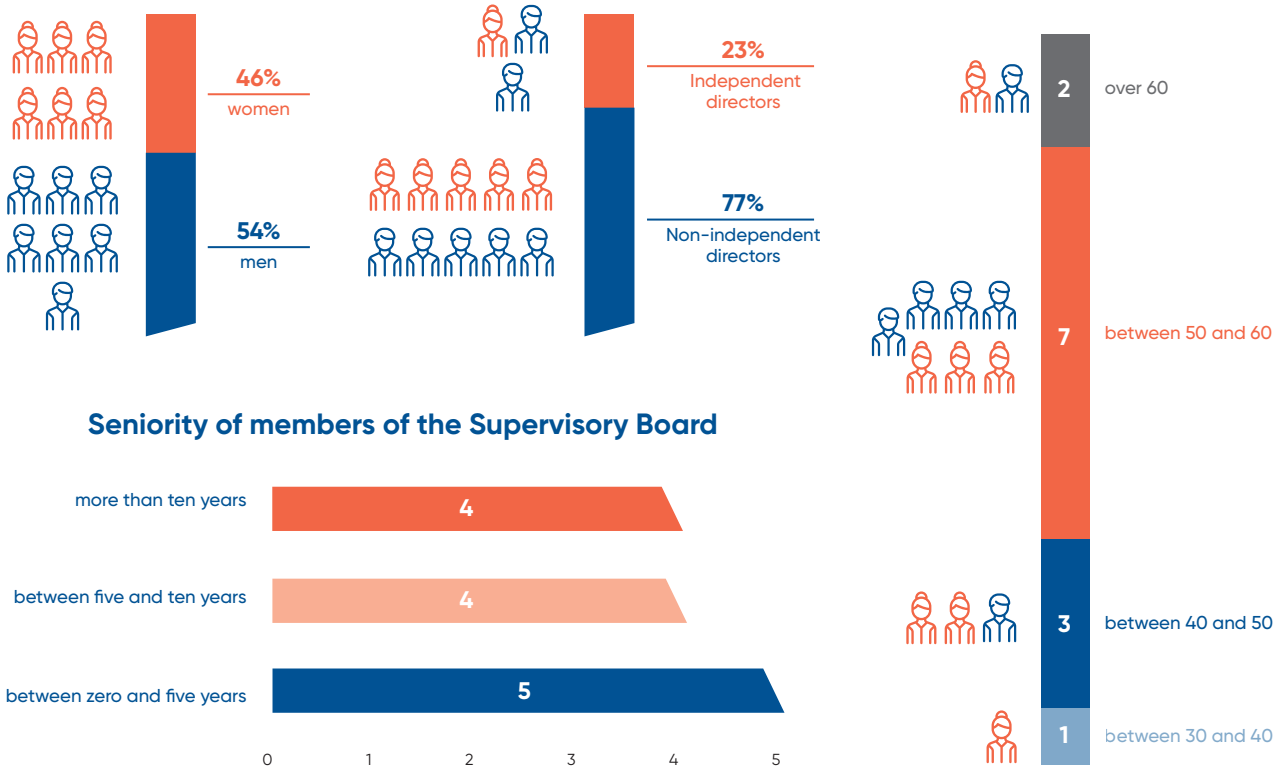
The Supervisory Board pays particular attention to its composition, to ensure that it promotes diversity. This diversity is essential for the Board because it is a source of dynamism and performance, thus ensuring the quality of the Board's debates and decisions. In particular, it ensures that the diversity of the backgrounds and expertise of its members allows for a rapid and in-depth understanding of the company's activities and challenges in order to optimise the proper responsibilities and duties.

(1) Cardif Assurance Vie declared that it was sanctioned on 29 April 2021 by the ACPR following an inspection carried out in 2018-2019 on the system in place from 2016 to 2018, for the fight against money laundering and the financing of terrorism, as well as asset freezing: the criticisms of Cardif Assurance Vie notably related to the consequences of the implementation of its transaction oversight tool (UGO), whose pre-testing failed to identify some anomalies, and to the asset freezing system. Cardif Assurance Vie was not found responsible for any cases of money laundering or terrorist financing. All shortcomings were remedied, sometimes even before the start of the ACPR's inspection. In addition, the Taiwan branch of Cardif Assurance Vie was subject to a financial penalty of TWN $9 million (€261 thousand) and a severe reprimand, published on 18 January 2024, in the context of local regulations on governance and internal control, following an inspection in June 2022.

To achieve this, the Supervisory Board has put in place a policy for the composition of governance bodies:

Criteria	Targeted objectives	Implementation and results achieved during the fiscal year 2024
Representation of women and men	❑ Seeking a balanced representation of men and women on the Board and in accordance with the provisions of Article L. 22-10-74 of the French Commercial Code → the proportion of women has changed significantly since 2015 to gradually reach 40% at the end of the Combined General Meeting of 7 April 2017.	The percentage of women on the Supervisory Board is 46%, higher than the legal minimum.The Audit Committee is chaired by a woman. The Combined General Meeting of 15 April 2025 will be called upon to renew the terms of office of female members in office in order to maintain the representation of women.
Duration and staggering of terms of office	❑ Securing the continuity of the Board, through the regular staggering of terms of office of Board members limited to three years	❑ The terms of office of the members of the Board, set by the Articles of Association, allow shareholders to vote with sufficient frequency. ❑ The terms of office have been staggered since 2017, allowing shareholders to vote on several appointments or reappointments each year
Skills and experience	❑ Combining the skills required to implement the company's strategy and its development objectives ❑ Promoting a diversity of skills and experience	❑ The Supervisory Board ensures that the skills of its members are varied, complementary and balanced, thus enabling an in-depth understanding of the Company's development challenges and informed, independent and high-quality decision-making ❑ The Board strengthened its international skills with the appointment of Adriana Saitta ❑ These powers are detailed in section 5.2.2.1.3. and in the biographies of the members of the Board, which also describe their experience and expertise
Age and seniority	❑ Seeking a balance between ages, bearing in mind that the Articles of Association require that no more than one third of Supervisory Board members can be over 75 ❑ Seeking a balanced distribution of seniority on the Board	❑ The members of the Board are between 36 and 62 years old ❑ The average age is 52 ❑ The Board believes that its composition is balanced between members who have already been in office for several years and have an historical and in-depth knowledge of the Group and more recent members who bring new experience that can serve the interests of the Group, particularly its development
Nationalities	❑ Favouring the recruitment of profiles from a diversity of geographical origins which enhance knowledge of the Company's main markets (Board members of foreign nationality or international culture and/or with international experience in the Company's strategic markets)	❑ The Board benefited from the arrival in 2020 of a new member of Italian nationality ❑ The majority of members have international experience

The Supervisory Board ensures that any change in its composition and, to the extent possible, in that of its Committee, complies with this policy.



In view of the factors set out above and in view of the diversity policy implemented by the company, the Supervisory Board considers that its composition in the 2024 fiscal year is appropriate.

5.2.2.2.4.2 Independence

Each year, the Supervisory Board devotes one item on its agenda to assessing the independence of its members according to the independence criteria applied by the company. In its assessment of the independence of each Board member, the Supervisory Board first considers the criteria set by the Afep-Medef Code, which are key to its analysis and detailed below:

Criterion 1	**Employee 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 that the company consolidates; • employee, executive corporate officer or Director of the parent company or of a company consolidated by that parent company.
Criterion 2	**Cross-holdings of office** He or she is not an executive officer of a company in which the company directly or indirectly holds a Directorship or in which an employee appointed as a Director or executive corporate officer of the company (currently or within the past five years) holds a Directorship.
Criterion 3	**Significant business relationships** He or she is not a significant customer, supplier, commercial banker, investment banker or advisor: • of the company or its group; • or for whom the company or its group represents a significant part of activity. Assessment of the significant or otherwise nature of the relationship between the company or its group is discussed by the Board and the quantitative or qualitative criteria supporting this assessment (length, economic dependence, exclusivity, etc.) detailed in the annual report.
Criterion 4	**Family links** He or she has no close family ties with 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 exceeding 12 years** He or she has not been a Director of the company for more than 12 years. The status as independent Director will no longer prevail on the 12-year anniversary date.
Criterion 7	**Status of non-executive corporate officer** A non-executive corporate officer may not be considered independent if he or she receives variable remuneration in cash or shares or any other remuneration related to the performance of the company or the Group.
Criterion 8	**Status of significant shareholder** Directors representing significant shareholders in the company or its parent company may be considered independent if these shareholders do not participate in the company's control. Nevertheless, when more than 10% of the company's equity or voting rights are held, the Board, acting upon a report from the Appointments and Remunerations Committee, systematically examines the qualification as independent, taking into account the composition of the company's equity and potential conflicts of interest.

Secondly, in accordance with Article 10.4 of the Afep-Medef Code, beyond merely noting of whether or not these criteria are met, the Board analyses, on a case-by-case basis, whether or not the member of the Board meets the general definition contained in the Afep-Medef Code, which states that a member of the Board is independent if he or she does not maintain any relationships of any kind whatsoever with the company, its group or its management that could compromise the exercise of his or her freedom of judgement. Accordingly, "independent Board member" means not only "non-executive Member of the Supervisory Board", that is to say, a Board member who not only does not exercise a management function in the company or its group, but also lacks a special interest relationship (significant shareholder, employee, other) with them.

More specifically, it seeks to establish whether a member of the Board who could be presumed to be independent under the Afep-Medef Code does not maintain other relationships (professional or personal) that may hinder his or her freedom of analysis and decision. Conversely, the Board also seeks to establish whether or not a member of the Board, although presumably non-independent with respect to one of the criteria established by the Code, could be considered free from constraints, since in this case the criterion in question generates no loss of independence with regard to the particular situation of the company. This case-by-case analysis is particularly justified by the specific nature of the real estate sector, which focuses on an identified number of players and is led by well-known individuals.

At its meeting on 18 February 2025, the Supervisory Board conducted an annual review of the independence criteria for each member of the Supervisory Board in relation to the criteria set by the Afep-Medef Code. Taking into account the recommendations of the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF) and the High Committee on corporate governance, the Board also assessed, where appropriate, the material or non-material nature of the business relationships between the members of the Supervisory Board 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 Board member 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 member in question concerned in the contracting company (length of the term of office 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 Board member or contract-related remuneration paid to the Board member, etc.). • Term and continuity of the business relationship.
Quantitative criterion	• Share of the company's revenues in the business relationship with the entities to which the Board member is related.

Following this review, the Supervisory Board decided to maintain in 2025 the independence classification of Adriana Saitta, Sogecap represented by Yann Briand and Caisse des Dépôts et Consignations, represented by Arnaud Taverne, in view of the following findings:

- Adriana Saitta, has been a member of the Supervisory Board since 15 July 2020. She has never had a business relationship with the company and does not represent any shareholder. She was a Director at Beni Stabili, a company consolidated by Covivio and eventually absorbed on 31 December 2018, but has never held any executive position with Covivio Hotels or any of its Group companies or its management. This non-executive position, held more than five years ago, enabled her to have a good knowledge of the Group. She therefore meets all of the aforementioned Afep-Medef criteria;
- SOGECAP, represented by Yann Briand, has been a member of the Supervisory Board since 6 April 2018. The situation of SOGECAP, whether or not the existing business relationship between the company and the Société Générale group is significant, was analysed. Following this analysis, it was concluded by the Supervisory Board that the business relationship between the Covivio Hotels group and the insurance company is not considered significant for either party, in accordance with the qualitative and quantitative criteria defined above. It was noted that in 2024, the volume of business with this bank, which is one of the investment banks and is also a partner of the Covivio Hotels group, represented a low share of the Group's bank debt, having an extremely low volume in relation to the other banks with which the Group works. Consequently, the Supervisory Board holds that this business relationship is not significant for any of the parties and that SOGECAP meets all of the Afep-Medef criteria mentioned above and remains eligible for qualification as an independent member;
- the Caisse des Dépôts et Consignations, represented by Arnaud Taverne, has been a member of the Supervisory Board since 6 April 2018. The situation of Caisse des Dépôts et Consignations, in particular the significance of the existing business relationship between the company and Caisse des Dépôts et Consignations was analysed. Following this analysis, it was concluded by the Supervisory Board that the business relationship that Covivio Hotels has with Caisse des Dépôts et Consignations is not considered material for either party in accordance with the qualitative and quantitative criteria defined above. It was noted that in 2024, the volume of business with this establishment, which is one of the partners of the Covivio Hotels group, represented a small share of the Group's investments, having an extremely low volume compared to the other investments and partnerships with which the Group works. Consequently, the Supervisory Board holds that this business relationship is not significant for any of the parties and that Caisse des Dépôts et Consignations meets all of the Afep-Medef criteria mentioned above and remains eligible for qualification as an independent member.

In line with AMF Recommendation 2012-02, as revised on 3 December 2019, the table below shows the situation of the independent members of the Supervisory Board and their qualification (or lack thereof) as independent in light of the independence criteria defined by the Afep-Medef Code:

	Criterion 1 Employee officer within the previous five years	Criterion 2 Cross-holdings of office	Criterion 3 Significant business relationships	Criterion 4 Family links	Criterion 5 Statutory Auditors	Criterion 6 Term of office exceeding 12 years	Criterion 7 Status of non-executive corporate officer	Criterion 8 Status of significant shareholder	Qualification chosen by the Supervisory Board
Cardif Assurance Vie represented by Nathalie Robin	√	√	√	√	√	X	N/A	X	Non-independent
Adriana Saitta	√	√	√	√	√	√	N/A	√	Independent
Sogecap represented by Yann Briand	√	√	√	√	√	√	N/A	√	Independent
Caisse des Dépôts et Consignations, represented by Arnaud Taverne	√	√	√	√	√	√	N/A	√	Independent
Christophe Kullmann	X	X	√	√	√	X	X	X	Non-independent
Olivier Estève	X	X	√	√	√	X	N/A	X	Non-independent
Covivio represented by Céline Leonardi	X	√	√	√	√	X	N/A	X	Non-independent
Covivio Participations represented by Roxane Maillard	X	√	√	√	√	√	N/A	√	Non-independent
Foncière Margaux represented by Marielle Seegmuller	X	√	√	√	√	√	N/A	√	Non-independent
Najat Aasqui	√	√	X	√	√	√	N/A	√	Non-independent
Predica represented by Matthieu Arlot*	X	√	X	√	√	X	N/A	X	Non-independent
ACM Vie, represented by François Morrisson	X	√	X	√	√	X	N/A	√	Non-independent
Technical represented by Yves Marque	X	√	√	√	√	√	N/A	√	Non-independent

√ represents an independence criterion that has been met. X represents an independence criterion that has not been met.
Criteria 1 to 8 refer to the criteria set out in the Afep-Medef Code defined above.
* Since 4 February 2025

With 23% of the members of the Supervisory Board qualifying as independent, the company does not comply with the recommendations of the Afep-Medef Code, the explanations of which are given in Section 1.

5.2.2.2.4.3 Representation of women

Gender diversity and equality are factors for increasing efficiency and economic and social performance. They are central to the concerns of Covivio Hotels. The Supervisory Board is therefore committed to ensuring balanced representation in its membership.

Since women make up 46% of the Supervisory Board, the company meets the legal obligation introduced in 2017.

It is proposed that the Combined General Meeting renew the terms of office of members of the Supervisory Board of Cardif Assurance Vie represented by Nathalie Robin and Covivio represented by Céline Leonardi. The proportion of women will thus be unchanged at 46% of members, significantly higher than the legal minimum.

5.2.2.2.4.4 Nationalities

Since 15 July 2020, the Board has included a member of the Supervisory Board who is an Italian national, thus extending the diversity within the Board and broadening its perspective on issues examined during the meeting. This appointment responded to the desire expressed by members of the Supervisory Board to diversify the composition and strengthen international experience on the Board.

5.2.2.2.4.5 Training

During the year, the company continued the integration process for new members in order to give them a better understanding of the company and its sector. Thus, members who were not familiar with the sector of activity or the company have had the opportunity to meet several times with the General Manager and can also, if they deem necessary, take additional training on the specificities of the company, its business lines and its sector of activity.

In addition, strategic seminars are organised on a regular basis. The purpose of these seminars is to find out about the Group's activities in the field and to visit the assets in the portfolio. They are also an opportunity for Board members to meet and discuss with the Group's executives and employees.

The last edition of the Board's strategic seminar took place over two days in Nice during the Supervisory Board meeting on 14 November 2024 at the Hotel Méridien, an emblematic hotel in the company's portfolio. This seminar explored the economic and financial environment in which the company operates, and helped better understand the Méridien, Mercure Nice and Anantara hotel assets. It also provided an opportunity to take stock of the Company's stock market performance.

5.2.2.2.5 Rules of operation and organisation of the Supervisory Board

5.2.2.2.5.1 Procedure to prevent conflicts of interest

The Internal Regulations of the Supervisory Board set forth, in Article 1.6.5, a procedure to prevent (even potential) conflicts of interest, in the context of the presentation of projects submitted to the Board.

Prior to submitting projects to the Board, if there are serious reasons to believe that a member of the Board 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 projects 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 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 project that he or she believes, in good faith, is likely to interest and be considered by the company.

Any member of the Board 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 meeting during the discussion of the corresponding agenda items.

In the event that, in spite of these precautions, the members of the Board who are the recipients of the Board's projects should consider, on reading then, that they are in a situation of conflict of interest, they shall have to mention it to the Chief Operating Officer as soon as possible before the governance meeting. As such, they will not be able to attend the Board meeting during the discussion of the agenda items subject to the conflict of interest. The Chairman of the Board shall also be notified.

In the event of a conflict of interest occurring during the review of a project, the member in question shall, as soon as he or she becomes aware of it, notify the Chairman. He or she will no longer attend the Board meetings devoted to a discussion of the agenda items relating to that project, and more generally, shall be under a strict duty of confidentiality.

If a conflict of interest situation ceases to exist, the Board member may once again participate in the deliberations of the Board upon receipt by the Chairman of notification that the conflict of interest no longer exists from the member in question.

Any decision by the Board regarding conflicts of interest will be recorded in the Board minutes.

5.2.2.2.5.2 Ethical guidelines for the members of the Supervisory Board

The provisions relating to the rules of ethics and duties of the members of the Supervisory Board are set out in Article 1.6 of the company's Internal Regulations. This article lays down, in particular, the rules that are binding on members in relation to the declaration and management of conflicts of interest through their duty of loyalty. A copy of the company's Internal Regulations is available to shareholders at the company's registered office and on its website (https://www.covivio-hotels.fr/gouvernance/conseil-de-surveillance/).

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. In particular, each member of the Board ensures that he or she complies with the laws in force regarding multiple mandates.
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.
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, including any purchase, disposal, subscription, conversion, borrowing, lending or exchange transactions that he or she has made on company securities, as well as on any related financial instruments. This declaration must be made within three trading days after the execution of such transactions, where the total amount of the transactions made during the calendar year is greater than €20,000. Furthermore, any agreement governed by the provisions of Article L. 226-10 of the French Commercial Code is 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 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 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 corporate officer, or any company of the same group and the company or any company in its group. This applies in particular where, for any transaction being considered or undertaken by the company, a member of the Board or a company of which a Board member 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 relevant Board member (or the relevant permanent representative of the legal entity who is a member of the Board) must refrain from participating in the discussions and deliberations of the Board or any Committee relating to the transaction, 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.
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 Audit Committee 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 member of the Supervisory Board (it being recalled that no distinction is made between the member of the Supervisory Board that is a natural person and the permanent representative [proxy] of the legal entity member of the Supervisory Board), as well as any person called to attend the meetings of the Board and the Committee, will be bound to professional secrecy, beyond the simple obligation of discretion provided for by Article L. 225-37 of the French Commercial Code, and must strictly preserve its confidentiality even after the termination of their duties. However, each permanent representative is authorised to communicate to the legal entity that appointed them, through their executive corporate officer, the information they have collected and which is strictly necessary for the performance of their duties as a member of the Supervisory Board. The latter is then authorised to disclose this information, in a limited manner, to other persons within the legal entity that are members of the Supervisory Board, provided that all necessary measures are taken to ensure that these persons comply with strict confidentiality and the rules governing the communication and use of privileged information. This strict confidentiality obligation, which applies in principle whether or not the Chairman has explicitly indicated the confidential nature of the information, covers the content of the discussions and deliberations of the Board and the Committee as well as all of the information and documents that are presented therein, or that are communicated to them in the preparation of their work, or of which they may have been made aware in the course of their duties.
Duty to abstain from trading in securities	Each member of the Board must refrain from trading in the company's shares in accordance with the rules on insider trading and from trading in the shares of companies over which he or she has, by virtue of his or her duties, inside information in accordance with the principles set out in the insider trading guide appended to the Internal Regulations.

5.2.2.2.5.3 Evaluation of the Supervisory Board's work

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, which also involves a review of its Audit Committee.

In accordance with the provisions of the Afep-Medef Code, the Board holds an annual discussion on its working methods and the working methods of its Audit Committee 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 Supervisory Board's 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 Board member's actual contribution to the Board's work.

In accordance with the recommendations of the Afep-Medef Code, the company carried out a formal assessment at the end of the 2022 fiscal year. This assessment was carried out on the basis of a questionnaire sent to each member of the Supervisory Board and the Audit Committee and focused on the following topics:

- operating procedures of the Supervisory Board and its Audit Committee;
- composition of the Supervisory Board and the Audit Committee;
- areas of expertise represented on the Board;
- relations with the company's management.

The results of this evaluation were presented to and discussed by the Supervisory Board on 17 February 2023. The overall analysis of this assessment made it possible to highlight the good quality of the discussions within the Supervisory Board and the Audit Committee and to underline the good relations with the management and between members of the Board, and to underline the relevance of holding strategic seminars and off-site consulting.

Conclusions of the internal assessment carried out in 2022
Participation rate: 91%

Strengths highlighted	❑ Overall, a very positive assessment of the functioning of the Board and the Committee ❑ A good understanding of the Group and its strategy ❑ Highlighted quality of discussions ❑ Good relations with Management and between Board members ❑ Relevance of strategic seminars and outsourced advice ❑ Effectiveness of the Audit Committee: composition, organisation and quality of work

Areas for improvement proposed by Supervisory Board members

- ❑ Board composition: strengthening the Board's skills with an international profile specialising in the hotel industry
- ❑ Content of discussions: give more time to CSR topics and to monitoring Covivio Hotels' competitors
- ❑ Remuneration of Board members: lower remuneration than other real estate companies
- ❑ Desire to organise a meeting of the members of the Supervisory Board without the presence of Management

The year 2025 will be used to continue the current good momentum and make further progress on the suggested areas for improvement

5.2.2.2.5.4 Organisation of the Supervisory Board

- Governance timetable

The provisional governance timetable for year N+1 is sent to the members and the Statutory Auditors during the meeting of the Supervisory Board called to review the half-year financial statements.

- Meetings

The Supervisory Board meets as often as the interests of the company require and at least four times per year, once per quarter, and the General Manager provides the Supervisory Board with the following information, taking into account, where appropriate, the activities of the company and its subsidiaries on a consolidated basis:

- at the Supervisory Board meeting held during the second quarter of the fiscal year, the draft consolidated balance sheet, consolidated income statement, draft statement of consolidated financial flows, and report by the Statutory Auditors on the consolidated financial statements;
- at the Supervisory Board meeting held in the fourth quarter of each fiscal year, an annual consolidated budget as well as the company's annual cash flow projections and the consolidated cash flow of the company and its subsidiaries;
- at each of the quarterly meetings, a business report, comprising all the elements determined by the Supervisory Board, and a description of major events that occurred during the previous quarter.

More generally, the Manager should provide the Supervisory Board with the same documents as those given to the Statutory Auditors as well as any document or information that the Supervisory Board may reasonably request.

- Form of notice of the meeting

Except in an emergency, the members of the Board must be called to a meeting at least one week prior to the date of the Board meeting. Meetings of the Supervisory Board are held at the company's registered office or any other location indicated in the notice of meeting.

- Other attendees

The representatives of the Manager, Chief Operating Officer and Deputy Chief Executive Officer attend Board meetings as guests.

The Statutory Auditors are called to the meetings at which the annual and half-yearly, parent company or consolidated financial statements are reviewed together with the members of the Supervisory Board.

Depending on the items on the agenda, the Chairman may deem it useful to invite employees or outside consultants to attend.

- Information for members of the Supervisory Board

The company provides the 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 must include all relevant items concerning the company, including press releases issued by the company, as well as the major press articles and financial analysis reports concerning it.

At each Board meeting, the Chairman informs the members of the main facts and significant events affecting the company's business since the previous Board meeting. In addition, files containing the necessary information and documents are prepared before each meeting and delivered with reasonable advance notice to the members attending the Board meeting to enable them to fulfil their mission (including all documents relating to the transactions to be examined by the Board and that allow it to assess their importance). Each participant may be sent all documents he or she considers useful.

Finally, the Board is also regularly informed through the Audit Committee of the Group's financial position, cash position and commitments.

On 18 December 2018, the Supervisory Board decided to use a digital platform that made governance files available in a secure and virtual manner starting in 2019, thus ensuring the historical management of the Supervisory Board's and Audit Committee's documentation (records, minutes, Internal Regulations, governance calendar, etc.) in complete confidentiality.

- Deliberations of the Supervisory Board

The Supervisory Board validly deliberates only if at least one half of its members are present. In compliance with the applicable laws and regulations, the meetings of the Supervisory Board may be held via any means of telecommunication enabling members to be identified, allowed under the law or regulations under the conditions defined by the Internal Regulations adopted by the Supervisory Board.

Decisions are adopted by a majority of the members present or represented. In the event of a tied vote, the meeting's Chairman has the casting vote.

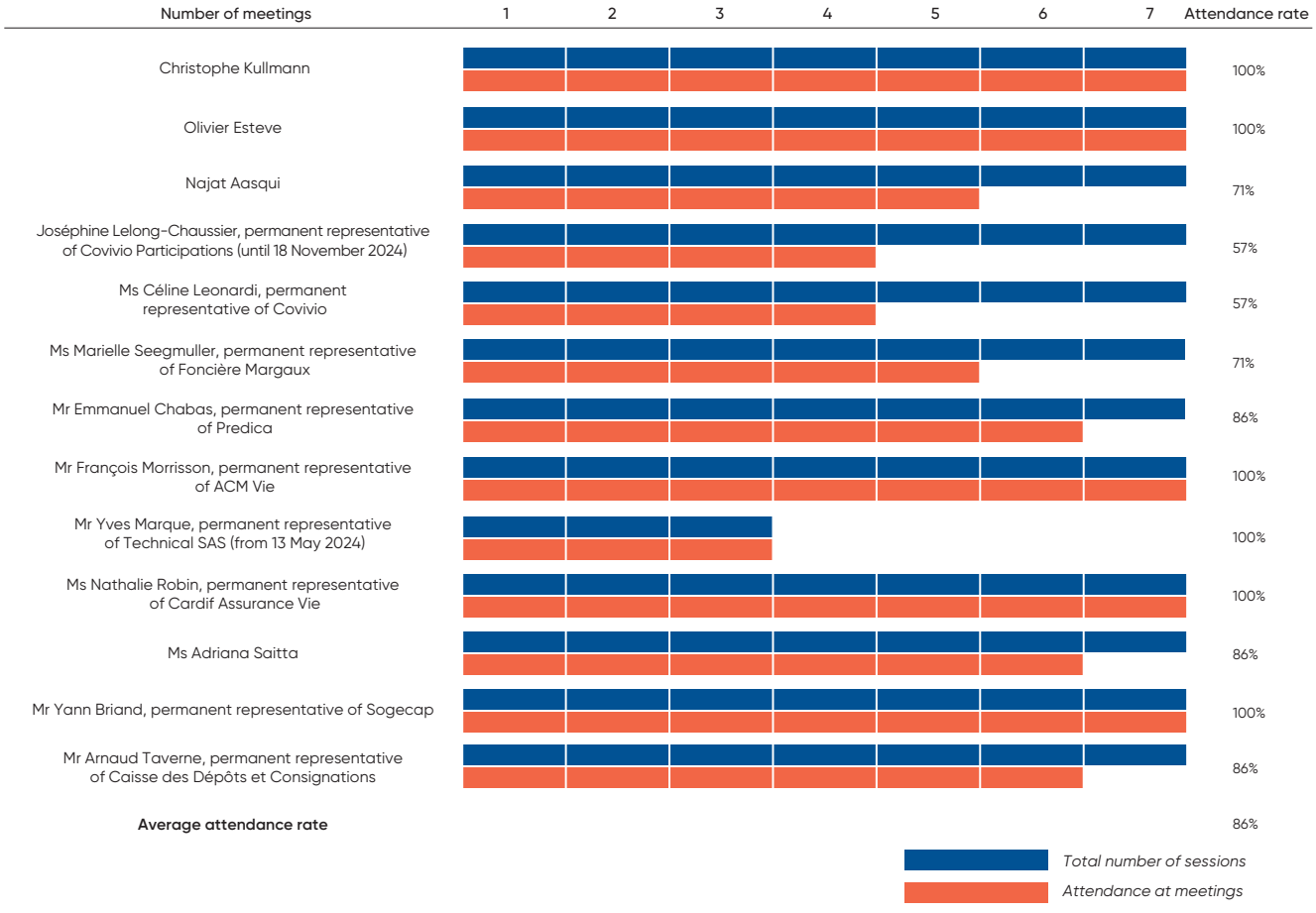
The deliberations of the Supervisory Board are recorded in minutes prepared by the Secretary of the Board at the end of each meeting. After approval, they are transcribed in the register of minutes of Board meetings.

5.2.2.3 Activity of the Supervisory Board in 2024

5.2.2.3.1 Attendance by members of the Supervisory Board

During the 2024 fiscal year, the Supervisory Board met seven times, convened by its Chairman. The average duration of Supervisory Board meetings was two hours.

The average attendance rate of the members was 86%. The rate of attendance of each member was:



5.2.2.3.2 Main work of the Supervisory Board

In addition to issues relating to its legal or regulatory powers, the Supervisory Board regularly rules on the Group's strategy and on major decisions affecting its business (both acquisitions or disposals and internal restructuring).

In particular, the Board's work involved a review of the following points.

Monitoring of the Group's strategic orientations and its activities	• authorisation of the main decisions affecting its business, particularly with regard to investment transactions and asset disposals; • progress report on the company's strategic plan; • regular progress report on various current and previously authorised projects; • regular update on the disposal plan; • presentation and progress report on the work on the portfolio; • regular reporting on the Group's business activity, the market environment, its portfolio, financial position, financial indicators, stock market performance and its cash flow; • review and reasoned opinion on the draft mandatory simplified public exchange offer filed by Covivio; • validation of the Vauban transaction.
Governance	• review of the independence of the members of the Supervisory Board with regard to the criteria defined by the Afep-Medef Code; • debate on the changes in the composition of the Supervisory Board and its Audit Committee in view of the terms of office expiring in April 2024; • presentation to the General Meeting to approve the reappointment of the members of the Board whose terms of office expired in April 2024; • update of the Board's Internal Regulations in order to bring them into compliance with law No. 2024-537 "Law on attractiveness" and with Directive EU 2022/2464 of the European Parliament and Council of 14 December 2022 as regards publication of sustainability information by companies; • approval of the diversity policy applied to the members of the Board and Audit Committee.
General Meeting	• approval of the report by the Chairman of the Supervisory Board on corporate governance, and the Supervisory Board report; • presentation of the agenda and draft resolutions for the Combined General Meeting of 15 April 2024.
Remuneration	• consideration and approval of the remuneration policy for the members of the Supervisory Board, which was submitted for approval to the General Meeting of 15 April 2024; • favourable opinion on the remuneration policy of the Manager, prepared by the limited partners, and submitted for approval by the General Meeting of 15 April 2024.
Financial management	• review of the consolidated financial statements of the Covivio Hotels group as well as the parent company's financial statements for the fiscal year ended 31 December 2023; • approval of the allocation of the 2023 income decided by the Manager and proposed to the Combined General Meeting of 15 April 2024 and distribution of the dividend; • review of the consolidated financial statements for the first half of 2024; • monitoring of the implementation of the 2024 budget and adoption of the budget for 2025; • approval of financial press releases; • authorisation of the guarantees granted during the fiscal year on behalf of the company and renewal of the annual authorisation granted to the General Manager, to issue sureties, endorsements and guarantees; • review and approval of the various (re)financing transactions; • acknowledgment of the annual update of the EMTN programme (Euro Medium Term Notes).
Risk management	• validation of action plans related to the company's major risks; • examination of the results of the internal assessment of the review of agreements relating to routine agreements concluded under normal conditions; • a reminder to the members of the obligations incumbent upon persons exercising managerial responsibilities (and their close relations) under the regulations on market abuse, including in particular the rules of abstention (i) from disclosure of inside information and (ii) the prohibition on trading in securities when in possession of inside information.
Corporate social and environmental responsibility	• approval of the non-discrimination and diversity policy, particularly with regard to the balanced representation of women and men on the governing bodies presented in the Supervisory Board's report on corporate governance; • presentation of energy consumption and certification of all assets in the portfolio; • presentation of the new European standard for non-financial reporting resulting from the transposition of the European directive known as the CSRD.
Regulated agreements	• authorisation for the continuation of regulated agreements entered into and authorised in previous fiscal years which continued in 2024; • authorisation of regulated agreements entered into as part of the Vauban transaction.

5.2.3 The Supervisory Board's specialised Committee

As part of the application of the principles of corporate governance and to improve the quality of its work, the Supervisory Board relies on an Audit Committee, which is in charge of monitoring issues relating to the preparation of and control of accounting and financial information, by submitting a notice of proposals and recommendations.

Since Covivio Hotels is a subsidiary controlled by Covivio, which defines and implements an overall remuneration policy for the Group, the Supervisory Board did not consider it useful, at the company level, to set up an Appointments Committee or Remuneration Committee.

Pursuant to Article L. 22-10-76 of the French Commercial Code, the components of the remuneration policy applicable to the Manager are established by the limited partners, after a favourable advisory opinion from the Supervisory Board.

The Internal Regulations of the Supervisory Board determine the powers and operating procedures of the Audit Committee, which reports to the Board (*via* its Chairman) on its work, opinions, proposals or recommendations.

A description of the activities of this Committee is included each year in this report.

5.2.3.1 The Audit Committee

The regulation of its missions, composition and structure is 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.

5.2.3.1.1 Composition

The Supervisory Board meeting of 7 May 2020 decided to change the composition of the Audit Committee and to appoint for the duration of their term of office as members of the Supervisory Board:

- Nathalie Robin, permanent representative of Cardif Assurance Vie as Chairwoman, replacing Françoise Debrus whose term of office as a member of the Supervisory Board expired at the end of the General Meeting of 7 May 2020;
- Arnaud Taverne, permanent representative of Caisse des Dépôts et Consignations, and Emmanuel Chabas, permanent representative of Predica as new members.

Thus increasing its composition from three to four members, including an independent member (25%): Arnaud Taverne.

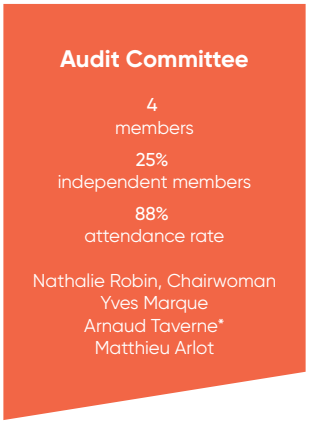
The Supervisory Board meeting of 20 April 2021 renewed the terms of office of Messrs Olivier Estève and Arnaud Taverne for the duration of their terms of office as members of the Supervisory Board.

On 7 April 2022, the Supervisory Board renewed the terms of office of Nathalie Robin as Chairwoman and Emmanuel Chabas for the duration of their terms of office as members of the Supervisory Board.

On 14 November 2024, the Supervisory Board decided to appoint Mr Yves Marque as a member of the Audit Committee to replace Mr Olivier Estève.

At its meeting of 18 February 2025, the Supervisory Board decided to appoint Mr Matthieu Arlot as a member of the Audit Committee to replace Mr Emmanuel Chabas.

Since 18 February 2025, the composition of the Audit Committee is as follows:



* Independent members

Due to their significant training and experience, all members of the Audit Committee have specific expertise in finance or accounting:

- Ms Nathalie Robin, Chairwoman of the Audit Committee, is Real Estate Director of BNP Paribas Cardif. She holds other Directorships in public companies and is a member of several Audit Committees
- Mr Yves Marque has been Chief Operating Officer of Covivio since February 2010. A graduate of HEC, he began his career in an audit firm at Arthur Andersen, then held positions as management controller and administrative and financial manager in a large industrial group.
- Mr Arnaud Taverne is Chief Executive Officer (CEO) of CDC Investissement Immobilier. He holds a Master's degree in Banking, Finance and Insurance and a Master's degree in International Economics and Finance. He has worked in several Finance Departments and joined the Finance Department of the Caisse des Dépôts group in 2007.
- Mr Matthieu Arlot is Head of Real Estate Asset Management at Crédit Agricole Assurances. He holds a master's degree in finance and has worked in several finance departments.

No member of the Audit Committee is also an executive corporate officer.

Functioning

The Audit Committee meets at the initiative of its Chair or at the request of the Chairman of the Board of Directors or the General Manager. It meets at least twice a year to review the half-yearly and annual financial statements.

Attendance by at least half of the members of the Audit Committee is necessary for a quorum.

The Audit Committee reports on its work at the following Board meeting.

The Audit Committee has an average of two days to review the financial statements before they are reviewed by the Board.

In the exercise of its duties, the Audit Committee may hear, when it considers it necessary, the Statutory Auditors, the General Manager, the Finance, Accounting and Treasury department, the Internal Audit department or any other manager, if necessary, without the General Manager being present. It may use the services of external experts as required.

The opinions of the Audit Committee are adopted by simple majority vote of the members present or represented.

5.2.3.1.2 Missions

The duties of the Committee comply with the provisions of Article L. 823-19 of the French Commercial Code.

Under the terms of Article 2.3 of the Internal Regulations, the Audit Committee must monitor matters related to the preparation and control of accounting, financial and sustainability information. In particular, it is responsible for:

- monitoring the process of preparing financial and sustainability information, as well as the process implemented to determine the information to be published in accordance with standards relating to the disclosure of sustainability information, and, where appropriate, making recommendations to ensure its relevance and integrity;
- reviewing the accounting methods and conditions for valuing the assets of the Group;
- to examine the draft parent company and consolidated financial statements prepared by Management before their presentation to the Board: this review must be accompanied by a presentation by the Manager describing the exposure to risks, including those of a social and environmental nature and significant off-balance sheet commitments of the company;
- preparing Board decisions on the monitoring of internal audits;
- monitoring the effectiveness of internal control and risk management systems. It also oversees the internal audit, particularly with regard to procedures relating to the preparation and processing of accounting, financial and sustainability information. In this capacity, it gives its opinion on the organisation of the Internal Audit and Risk Control Department;
- ensuring the follow-up of the statutory audit of the annual and consolidated financial statements by the Statutory Auditors, as well as the follow-up of the statutory audit of the sustainability information certification by the sustainability auditors [1], and to take into account the findings and conclusions of the High Audit Authority following the controls carried out in application of the regulations;
- ensuring the independence of the Statutory Auditors and Sustainability Auditors for the performance of their duties;
- examining the service agreements entered into between the company and persons holding a direct or indirect stake in the company;
- to examine the proposals for the appointment and reappointment of the Company's Statutory Auditors and the sustainability auditors and to issue a recommendation on the Statutory Auditors and on the sustainability auditors whose appointment and reappointment are proposed to 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 and monitoring the double materiality analysis;
- where applicable, issuing recommendations on CSR risks and the systems for managing these risks;
- to approve, prior to their conclusion, the services referred to in Article L. 821-30 of the French Commercial Code provided by the Statutory Auditors and sustainability auditors to the Company; and
- examining the additional report of the Statutory Auditors drawn up pursuant to the provisions of Article 11 of Regulation (EU) 537/2014.

The Audit Committee reports regularly to the Board on:

- the performance of its duties;
- the results of the audit engagement, the sustainability reporting engagement as well as the way in which these engagements contributed to the integrity of the financial and sustainability reporting; and
- the role it played in this process.

It immediately informs it of any difficulties encountered.

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.

In addition, one or more meetings between the Statutory Auditors and/or the Chief Financial Officer and the members of the Audit Committee alone, without the presence of the Manager of the company, may be held, but no such request was made by any member of the Committee in 2024.

(1) Pursuant to the provisions of Articles L. 232-6-3 III and L. 233-28-4 III of the French Commercial Code, sustainability information is certified by a statutory auditor or by an independent third party (OTI).

5.2.3.1.3 Work of the Audit Committee in 2024

The Audit Committee met twice, with an 88% attendance rate by its members.

Members of the Audit Committee	Attendance rate at Audit Committee meetings
Nathalie Robin	100%
Olivier Estève	100%
Arnaud Taverne	100%
Emmanuel Chabas	50%
Average rate	**88%**

The Audit Committee's review of the financial statements was accompanied by a presentation by the Statutory Auditors outlining the key points not only of the results, but also of the accounting options used and by a presentation by the Chief Operating Officer describing the exposure to risks, including those of a social and environmental nature, and significant off-balance sheet commitments of the company. The Audit Committee works in consultation with the Risk, Compliance, Internal Audit and Internal Control Department, which attends all meetings. It discusses operational risk perception and any changes to it over time with it.

At its meetings, the Audit Committee examined the following issues:

Meeting of 13 February 2024

Update on the market environment - Presentation of 2023 highlights - Update on valuation of assets - Examination of the corporate and consolidated financial statements for the fiscal year ended 31 December 2023 - Presentation of the work performed by the Risk, Compliance, Internal Audit and Internal Control Department with the reminder about of risk mapping and the re-assessment of the risks identified in 2022.

Meeting of 11 July 2024

Presentation of the highlights of the first-half of 2024 - Update on the valuation of assets - Review of the consolidated financial statements at 30 June 2023 - Update on the work of the Risk, Compliance, Internal Audit and Internal Control Department over the period.

The Chairwoman of the Audit Committee reported on the Committee's work at the Supervisory Board meetings of 15 February and 16 July 2024.

5.2.4 Remuneration of corporate officers

5.2.4.1 Policy on the remuneration of corporate officers ("*ex-ante* vote")

Under the *ex-ante* vote specified by Article L. 22-10-76 II. of the French Commercial Code, the remuneration policy applicable to the General Manager and to other members of the Supervisory Board is the subject of draft resolutions (Resolutions 9 and 10) subject to the approval of the Combined General Meeting of 15 April 2025 and the unanimous consent of the partners. This policy will be subject, each year and during each important change in the remuneration policy, to a vote of the General Meeting and the unanimous consent of the partners.

5.2.4.1.1 Remuneration policy applicable to the Manager, Covivio Hotels Gestion

5.2.4.1.1.1 Composition of the Manager's remuneration

The Combined General Meeting of 15 April 2024 approved the Manager's remuneration policy by 99.92%. This policy set annual fixed remuneration at €1,500,000 and annual variable remuneration of 0.8% of EPRA Earnings for the year from which an amount of €1,500,000 (corresponding to the annual fixed portion) must be subtracted.

It is proposed to change the compensation of the Manager, executive corporate officer in accordance with the Afep-Medef Code, who will benefit from:

- fixed annual remuneration in the amount of €1,500,000;
- annual variable remuneration corresponding to 0.75% of EPRA Earnings for the year from which an amount of €1,500,000 (corresponding to the annual fixed portion) must be subtracted;
- the EPRA Earnings for the year will only take into account the annual fixed remuneration for the calculation of the variable remuneration;
- additional annual variable remuneration based on the achievement of the following two CSR criteria at 31 December 2025:
  - Achievement of the objective of 100% of the portfolio certified by 31 December 2025:
    - €100 thousand if 100% of the portfolio is certified,
    - €50 thousand if 98%,
    - €0 thousand if 95%;
  - Achievement of the portfolio's annual carbon intensity objective in operation (in $kgCO_2e/m^2$) making it possible to achieve the objectives of the CRREM scenario (1.5°C in 2030, *i.e.* 21.1 $kgCO_2e/m^2$) in 2025 (or 2024 equivalent if 2025 data are not available at the reporting date):
    - €200 thousand if the target consumption of 21.1 $kgCO_2e/m^2$ is achieved,
    - €100 thousand if the target consumption of 23.1 $kgCO_2e/m^2$ is achieved,
    - €0 thousand otherwise.

This policy respects the company's corporate interest and contributes to the company's sustainability in that it takes into account the performance of the Covivio Hotels group in the calculation of variable remuneration.

The General Manager has the right to be reimbursed for all the expenses and cost of any nature arising from the use of external service providers, carried out in the interest of the company or the companies it controls, directly or indirectly, within the meaning of Article L. 233-3 of the French Commercial Code.

The Manager, a legal entity, does not benefit from any variable or extraordinary remuneration or other benefits.

The fixed portion of the Manager's remuneration is predominant, since it represents 72% of the remuneration.

The remuneration policy applicable to the General Manager does not allow for any derogation in the event of exceptional circumstances.

In addition, pursuant to Article R. 22-10-40 of the French Commercial Code, the Manager does not benefit:

- from any share-based remuneration;
- from any elements of remuneration, compensation or benefits due or likely to be due as a result of cessation or change of functions, or subsequent to this, or conditional rights granted as retirement commitments;
- from any commitment or conditional rights;
- from any commitment relating to the granting of non-compete remuneration.

The General Manager is appointed for a period of six years expiring at the end of the meeting of the Supervisory Board responsible for hearing the management report on the business of the company held during the year during which his/her/its term of office will expire. It is automatically renewable for further periods of six years except in the case of a contrary decision by one or more partners and subject to the approval of the Supervisory Board.

The General Manager may be dismissed at any time for incapacity or for any other reason by unanimous decision of the partners. Each General Manager may also be dismissed for legitimate reasons by court decision.

5.2.4.1.1.2 Decision-making process for the determination, revision and implementation of the Manager's remuneration

Pursuant to Article L. 22-10-76 of the French Commercial Code, the components of this remuneration policy applicable to the Manager were established by the Limited Partner, after a favourable advisory opinion from the Supervisory Board which met on 18 February 2025.

In addition, pursuant to Article R. 22-10-40 of the French Commercial Code, it is noted that:

- any change in this remuneration must be subject to a prior opinion by the Supervisory Board;
- the decision-making process put in place within the company implying a dual level of approval, after a prior opinion from the Supervisory Board as mentioned above, by the limited partners and the General Meeting, avoids any conflict of interest;
- given the structure of the remuneration of the General Manager, a legal entity, taking into account the remuneration and employment conditions of employees of the company is not applicable.

5.2.4.1.2 Remuneration policy applicable to members of the Supervisory Board

5.2.4.1.2.1 Breakdown of remuneration of the members of the Supervisory Board

The remuneration of the members of the Supervisory Board, non-executive corporate officers according to the Afep-Medef Code, is composed of a fixed part and a variable part. The amount fixed by the General Meeting corresponding to the overall amount allocated to the remuneration of members of the Supervisory Board is €57,000.

The criteria for distributing the remuneration are as follows:

- the fixed part is allocated to each member of the Supervisory Board according to the function exercised within the Board and, where applicable, the Audit Committee; and
- the variable part is based on a flat rate per meeting, reflecting the actual participation of each member of the Board in the work of the Board and its Committee.

Attendance at Board meetings

Fixed annual portion allocated to the Chairman	€3,000
Fixed annual portion allocated to each member	€1,500
Variable portion allocated to the Chairman and each member	€400

Attendance at Audit Committee meetings

Fixed annual portion allocated to the Chairman	€1,000
Variable portion allocated to the Chairman and each member	€300

The variable share of the remuneration of members of the Supervisory Board is predominant, representing 60.3% of the total remuneration allocated to them.

The following elements are specified:

- the variable portion is paid even when a member took part in a meeting by any means of telecommunication;
- following his/her appointment and/or resignation, the Board member receives the fixed share of his/her remuneration on a pro rata basis over the fiscal year;
- the amount paid to each member of the Board is, where applicable, lowered by a given percentage in such a way that the overall amount actually paid remains within the maximum budget allocation fixed by the General Meeting;
- tax and social-security deductions are paid directly by the company to the tax authorities.

In accordance with the provisions of the Internal Regulations, the members of the Board are entitled to reimbursement, upon proof, of travel expenses for meetings of the Board and Committee.

The remuneration policy applicable to members of the Supervisory Board does not allow for any derogation in the event of exceptional circumstances or for the company to demand repayment of the variable remuneration. Neither does it specify any postponement periods or performance criteria.

In addition, pursuant to Article R. 22-10-40 of the French Commercial Code, Supervisory Board members do not benefit:

- from any share-based remuneration;
- from any elements of remuneration, compensation or benefits due or likely to be due as a result of cessation or change of functions, or subsequent to this, or conditional rights granted as retirement commitments;
- from any commitment or conditional rights;
- from any commitment relating to the granting of non-compete remuneration.

The remuneration allocated to members of the Board compensates their participation in the work of the Supervisory Board and the Audit Committee set up within it, as well as their liability incurred in the control of the company. It is intended to attract and retain high-quality professionals, capable of maintaining the balance required in skills and expertise considered necessary to exercise appropriate control of the company and in accordance with the diversity policy determined by the Supervisory Board.

The duration of their functions is no longer than three years. It ends at closure of the Ordinary General Meeting called to approve the financial statements of the elapsed fiscal year and held in the year during which their term of office expires; members of the Supervisory Board can be reappointed. The members of the Supervisory Board may be dismissed under the conditions specified by the law.

5.2.4.1.2.2 Decision-making process for the determination, revision and implementation of the remuneration of members of the Supervisory Board

The policy on the remuneration of members of the Supervisory Board, including the procedures for dividing the remuneration, are defined in Article 1.11 of the Internal Regulations of the Board. It is allocated by the Supervisory Board, which determines the maximum overall amount of remuneration to submit for the approval of the General Meeting of shareholders.

The maximum annual amount of the budgetary allocation is authorised by the General Meeting.

The Ordinary and Extraordinary General Meeting of 24 April 2007 allocated to the Supervisory Board a maximum gross annual sum of €57,000 for the current and subsequent fiscal years, until a new decision is taken on its part. The methods for distributing this remuneration to the members of the Board were adopted by the Supervisory Board on 15 December 2005.

Pursuant to Article L. 22-10-76 of the French Commercial Code, the elements of this remuneration policy applicable to members of the Supervisory Board were approved by the Supervisory Board at its meeting on 18 February 2025. This remuneration policy is unchanged from that previously approved by the Supervisory Board on 15 February 2024.

In addition, pursuant to Article R. 22-10-40 of the French Commercial Code, it is noted that:

- the decision-making process put in place within the company involves a dual level of approval by the limited partners and the General Meeting, to avoid conflicts of interest;
- given the structure of the remuneration of the members of the Board, the consideration of conditions for the remuneration and employment of employees of the company is not applicable.

5.2.4.2 Implementation of the remuneration policy for corporate officers for fiscal year ending 31 December 2024 ("overall *ex-post* vote")

In the context of the "overall" *ex-post* vote specified by Article L. 22-10-77 I. of the French Commercial Code, the information mentioned in I of Article L. 22-10-9 of the French Commercial Code is the subject of a draft resolution (Resolution 6) subject to the approval of the Combined General Meeting of 15 April 2025 and the unanimous consent of the partners.

5.2.4.2.1 Remuneration paid and/or awarded to the Manager on a consolidated basis for the fiscal year ended 31 December 2024

5.2.4.2.1.1 Information mentioned in I of Article L. 22-10-9 of the French Commercial Code (except 5)

In accordance with the remuneration policy applicable to the General Manager presented above, a payment was made by the company for the fiscal year ending 31 December 2024 to Covivio Hotels Gestion for its term of office as Manager exercised within the company, consisting of total remuneration of €2,069,534.51. No other remuneration was allocated to it in respect of its term of office for this fiscal year.

It should be noted that Covivio Hotels Gestion did not benefit from any of the following for the fiscal year ending 31 December 2024:

- any exceptional element or other benefit of any kind whatsoever;
- any element of remuneration, remuneration or benefit pursuant to the assumption, cessation or change of functions or subsequent to the exercise of such functions, notably any commitments for pensions or any other lifetime benefit.

The proportion relative to the fixed remuneration therefore represents 72% of the total remuneration.

The ratios between the level of remuneration of the General Manager and (i) firstly, the average remuneration on a full-time equivalent basis of employees of the company other than corporate officers, and (ii) secondly, the median remuneration on a full-time equivalent basis of employees of the company (other than corporate officers) are not relevant for Covivio Hotels, as the General Manager is a legal entity. Consequently, the information required by 6° and 7° of Article L. 22-10-9 of the French Commercial Code can be found in the remuneration section of Covivio's Universal Registration Document.

5.2.4.2.1.2 Remuneration paid or allocated to the Manager by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code (Article L. 22-10-9 I. 5 of the French Commercial Code)

Covivio Hotels Gestion receives no remuneration from a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code.

Covivio Hotels Gestion is represented by Tugdual Millet-Taunay, Chairman, who receives no remuneration from Covivio Hotels. His remuneration is paid by Covivio, the parent company of Covivio Hotels under an employment contract. Covivio Hotels forms part of the consolidation scope of Covivio.

5.2.4.2.1.3 Summary tables on the remuneration of the executive corporate officer prepared in accordance with Appendix 4 of the Afep-Medef Code

The information and the tables below:

- give a summary presentation of the elements of the total remuneration and benefits of all kinds paid or allocated during the fiscal year ending 31 December 2024 to Covivio Hotels Gestion, Manager, in its capacity as the sole executive corporate officer;
- were established in accordance with the Afep-Medef Code in its revised version of December 2022;
- respect the recommendation from the French Financial Markets Authority (*Autorité des Marchés Financiers* - AMF) 2012-02 (amended on 14 December 2023), on "corporate governance and remuneration of the executive officers of companies referring to the Afep-Medef Code – Consolidated presentation of the recommendations contained within the annual reports of the AMF" and 2021-02 on guidance for the preparation of Universal Registration Documents (amended on 28 July 2023) ("AMF recommendations").

Table 1

Summary table of remuneration and options and shares assigned to the General Manager (sole executive officer)

Covivio Hotels Gestion: Manager	2023	2024
Remuneration awarded for the fiscal year (detailed in Table 2)	€1,932,656.20	€2,069,534.51
Valuation of options assigned during the fiscal year (detailed in Table 4)	None.	None.
Valuation of performance shares allocated during the fiscal year (detailed in Table 6)	None.	None.
Valuation of other long-term remuneration plans	None.	None.
TOTAL	**€1,932,656.20**	**€2,069,534.51**

Table 2

Summary table of remuneration of the General Manager (sole executive corporate officer)

	2023		2024	
Name and position of the executive corporate officer Covivio Hotels Gestion: Manager	Amounts assigned	Amounts paid	Amounts assigned	Amounts paid
Fixed remuneration	€1,913,771.70	€1,500,000	€1,500,000	€1,500,000
Annual variable remuneration	None.	€432,656.20	None.	€569,534.51
Extraordinary remuneration	None.	None.	None.	None.
Remuneration allocated pursuant to the office of Director	None.	None.	None.	None.
Benefits in kind	None.	None.	None.	None.
TOTAL	**€1,913,771.70**	**€1,932,656.20**	**€1,500,000**	**€2,069,534.51**

Table 4

Share subscription or purchase options allocated during the fiscal year to the General Manager (sole executive corporate officer) by the issuer and by all companies of the Group

(list by name)	No. and date of plan	Type of options (purchase or subscription)	Valuation of the options based on the method used for the consolidated financial statements	Number of options assigned during the fiscal year	Exercise price	Exercise period
Covivio Hotels Gestion	None.	None.	None.	None.	None.	None.

Table 5

Share subscription or purchase options exercised during the fiscal year by the General Manager (sole executive corporate officer)

(list by name)	No. and date of plan	Number of options exercised during the fiscal year	Exercise price
Covivio Hotels Gestion	None.	None.	None.

Table 6

Performance shares allocated during the fiscal year to the General Manager (the only executive corporate officer) by the issuer and by all companies of the Group

(list by name)	No. and date of plan	Number of shares allocated during the fiscal year	Valuation of the shares based on the method used for the consolidated financial statements	Vesting date	Date of availability	Performance conditions
Covivio Hotels Gestion	None.	None.	None.	None.	None.	None.

Table 7

Performance shares that became available during the fiscal year to the General Manager (sole executive officer)

(list by name)	No. and date of plan	Number of shares that became available during the fiscal year
Covivio Hotels Gestion	None.	None.

5.2.4.2.2 Remuneration paid and/or awarded to the members of the Supervisory Board on a consolidated basis for the fiscal year ended 31 December 2024

5.2.4.2.2.1 Information mentioned in I of Article L. 22-10-9 of the French Commercial Code (except 5)

In accordance with the remuneration policy applicable to members of the Supervisory Board presented above, during the fiscal year ending 31 December 2024, the company paid, to members of the Supervisory Board and Audit Committee set up within it, total gross remuneration of €38,952 whose breakdown is specified in paragraph 5.2.4.2.2.3 below. The average gross remuneration per member of the Supervisory Board was €3,895.

The remuneration paid to a physical person member of the Supervisory Board is subject to a single outright deduction of 12.8% and to social-security deductions of 17.2%, representing a total deduction of 30%, *i.e.* a total amount of €1,170. These deductions are paid directly by the company to the tax administration.

It should be noted that the following members of the Supervisory Board have waived all of their remuneration pursuant to their appointments as members of the Supervisory Board and, where applicable, as members of the Audit Committee:

- Christophe Kullmann and Olivier Estève, since 1 January 2015; and
- Najat Aasqui since 1 January 2019.

It should be noted that the members of the Supervisory Board did not benefit from any of the following in respect of the fiscal year ending on 31 December 2024:

- any exceptional element or other benefit of any kind whatsoever;
- any element of remuneration, remuneration or benefit pursuant to the assumption, cessation or change of functions or subsequent to the exercise of such functions, notably any commitments for pensions or any other lifetime benefit.

The proportion relative to the fixed remuneration therefore represents 39.6% of the total remuneration.

Since 46% of the Supervisory Board of the company are women, it is compliant with the provisions of Article L. 22-10-3 of the French Commercial Code.

5.2.4.2.2.2 Remuneration paid or allocated to members of the Supervisory Board by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code (Article L. 22-10-9 I. 5 of the French Commercial Code)

Amongst the members of the Supervisory Board of Covivio Hotels:

- Christophe Kullmann, Chairman of the Supervisory Board of Covivio Hotels, also has the function of Chief Executive Officer and Director of Covivio, the parent company of Covivio Hotels, and receives remuneration for this;
- Olivier Estève also has the function of Deputy CEO of Covivio and receives remuneration for this.

Covivio Hotels forms part of the consolidation scope of Covivio. It should be noted that the elements of remuneration received by Christophe Kullmann and Olivier Estève for the Offices mentioned above are paid by Covivio.

Table 1*

	2023		2024	
Christophe Kullmann: Chief Executive Officer (CEO) of Covivio, Chairman of the Supervisory Board of Covivio Hotels	Amounts assigned for 2023	Amounts paid in 2023	Amounts assigned for 2024	Amounts paid in 2024
Remuneration (detailed in Table 2)	1,541,310	1,561,310	1,816,813	1,543,813
Valuation of multi-annual remuneration plans	0	0	0	0
Valuation of options granted	0	0	0	0
Valuation of allocated shares (detailed in Table 6)**	1,066,000	930,000	1,066,000	1,066,000
Valuation of other long-term remuneration plans	0	0	0	0
TOTAL	**2,607,310**	**2,491,310**	**2,882,813**	**2,609,813**

* Since the allocation of performance shares 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 due 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 valuation of the shares is calculated by the CRN.

Table 2

	2023		2024	
Christophe Kullmann: Chief Executive Officer (CEO) of Covivio, Chairman of the Supervisory Board of Covivio Hotels	Amounts assigned for 2023	Amounts paid in 2023	Amounts assigned for 2024	Amounts paid in 2024
Fixed remuneration	800,000	800,000	800,000	800,000
Annual variable remuneration(1)	701,000	721,000	974,000	701,000
Multi-annual variable remuneration	0	0	0	0
Extraordinary remuneration	0	0	0	0
Remuneration allocated pursuant to the office of Director	0	0	0	0
Benefits in kind (company car, GSC insurance, check-up)	40,310	40,310	42,813	42,813
TOTAL	**1,541,310**	**1,561,310**	**1,816,813**	**1,543,813**

(1) The variable due in respect of 2023, of €701 thousand, was paid in cash after the approval of the General Meeting of 17 April 2024.

The variable due in respect of 2024, of €974 thousand, will be paid in the form of €800 thousand in cash plus 5,490 in free shares allocated in February 2025, subject to the approval of the General Meeting of 17 April 2025.

Table 1*

	2023		2024	
Olivier Estève: Deputy CEO of Covivio, Member of the Supervisory Board of Covivio Hotels	Amounts assigned for 2023	Amounts paid in 2023	Amounts assigned for 2024	Amounts paid in 2024
Remuneration (detailed in Table 2)	892,251	910,251	1,023,143	894,143
Valuation of multi-annual remuneration plans	0	0	0	0
Valuation of options	0	0	0	0
Valuation of performance shares (detailed in Table 6)**	460,000	400,000	460,000	460,000
Valuation of other long-term remuneration plans	0	0	0	0
TOTAL	**1,352,251**	**1,310,251**	**1,483,143**	**1,354,143**

* Since the allocation of performance shares 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 due 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 valuation of the shares is calculated by the CRN.

Table 2

Olivier Estève: Deputy CEO of Covivio, Member of the Supervisory Board of Covivio Hotels	2023 Amounts assigned for 2023	2023 Amounts paid in 2023	2024 Amounts assigned for 2024	2024 Amounts paid in 2024
Fixed remuneration	460,000	460,000	460,000	460,000
Annual variable remuneration(1)	391,000	409,000	520,000	391,000
Multi-annual variable remuneration	0	0	0	0
Extraordinary remuneration	0		0	0
Remuneration allocated pursuant to the office of Director	0	0	0	0
Benefits in kind (company car, GSC insurance, check-up)	41,251	41,251	43,143	43,143
TOTAL	**892,251**	**910,251**	**1,023,143**	**894,143**

(1) The variable due in respect of 2023, of €391 thousand, was paid in cash after the approval of the General Meeting of 17 April 2024.

The variable amount due in respect of 2024, of €520 thousand, will be paid in the form of €460 thousand in cash plus 1,893 free shares allocated in February 2025, subject to the approval of the General Meeting of 17 April 2025.

Table 4

Share subscription or purchase options allocated during the fiscal year to each executive corporate officer by the issuer and by any Group company

Name of the executive corporate officer	No. and date of plan	Type of options (purchase or subscription)	Valuation of the options based on the method used for the consolidated financial statements	Number of options assigned during the fiscal year	Exercise price	Exercise period
Christophe Kullmann	None.	None.	None.	None.		
Olivier Estève	None.	None.	None.	None.		

Table 5

Share subscription or purchase options exercised during the fiscal year by each executive corporate officer

Name of the executive corporate officer	No. and date of plan	Number of options exercised during the fiscal year	Exercise price
Christophe Kullmann	None.	None.	None.
Olivier Estève	None.	None.	None.

Table 6

Performance shares allocated to each executive corporate officer during the fiscal year by the issuer and by any Group company

Name of the executive corporate officer	Plan date	Number of shares allocated during the fiscal 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	15/02/2024	50,047	€13.82	15/02/2027	15/02/2027	30% = relative stock market performance compared to EPRA +20% linked to absolute stock market performance +20% related to compliance with EPRA guidelines +30% related to non-financial performance
Olivier Estève	15/02/2024	21,596	€13.82	15/02/2027	15/02/2027	

* For year N-1.

(1) Value of the share taken into account by the ARC = €21.30

Table 7
Performance shares becoming available during the fiscal year for each executive corporate officer

Name of the executive corporate officer	Plan date	Number of shares that became available during the fiscal year	Vesting conditions	Vesting date
Christophe Kullmann	17/02/2021	28,909	50% linked to relative stock market performance compared to EPRA + 30% linked to relative economic criteria (change in EPRA Earnings and NAV) *vs* EPRA + 30% linked to non-financial performance	17/02/2024
Olivier Estève	17/02/2021	12,433		17/02/2024

Also, ACM Vie and Predica, members of the Supervisory Board of Covivio Hotels, are Directors of Covivio and receive remuneration for their office presented in the table in paragraph 5.2.4.2.2.3 below.

All detailed information on Covivio's corporate officer remuneration policy can be found in the Covivio Universal Registration Document available at www.covivio.fr.

5.2.4.2.2.3 Summary table on the remuneration of non-executive corporate officers prepared in accordance with Appendix 4 of the Afep-Medef Code

The information and the table below:

- give a summary presentation of the elements of the total remuneration and benefits of all kinds paid or allocated during the fiscal year ending 31 December 2024 to each member of the Supervisory Board, in their capacity as non-executive corporate officers;
- were established in accordance with the Afep-Medef Code in its revised version of December 2022 and the AMF recommendation.

Table on the remuneration of non-executive corporate officers paid and/or allocated by Covivio Hotels and the companies included within the consolidation scope of Covivio – Nomenclature from the Afep-Medef Code

	Fiscal year ended on 31/12/2023		Fiscal year ended on 31/12/2024	
Non-executive corporate officers	Amounts assigned	Amounts paid	Amounts assigned	Amounts paid
Christophe Kullmann, Chairman of the Supervisory Board				
Remuneration (fixed, variable) for the office of Chairman of the Supervisory Board of Covivio Hotels	0	0	0	0
Other remuneration for the office of Chief Executive Officer of Covivio	€2,607,310	€2,491,310	€2,882,813	€2,609,813
Other remuneration for the office of Director of Covivio	0	0	0	0
Total	**€2,607,310**	**€2,491,310**	**€2,882,813**	**€2,609,813**
Olivier Estève				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	0	0	0	0
Other remuneration for the office of Deputy CEO of Covivio	€1,352,251	€1,310,251	€1,483,143	€1,354,143
Total	**€1,352,251**	**€1,310,251**	**€1,483,143**	**€1,354,143**
Covivio represented by Céline Leonardi[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€2,700	€2,700	€3,100	€3,100
Other remuneration	0	0	0	0
Total	**€2,700**	**€2,700**	**€3,100**	**€3,100**
Foncière Margaux represented by Marielle Seegmuller[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€2,700	€2,700	€3,500	€3,500
Other remuneration	0	0	0	0
Total	**€2,700**	**€2,700**	**€3,500**	**€3,500**
Covivio Participations represented by Roxane Maillard[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€3,100	€3,100	€3,100	€3,100
Other remuneration	0	0	0	0
Total	**€3,100**	**€3,100**	**€3,100**	**€3,100**

Non-executive corporate officers	Fiscal year ended on 31/12/2023 Amounts assigned	Fiscal year ended on 31/12/2023 Amounts paid	Fiscal year ended on 31/12/2024 Amounts assigned	Fiscal year ended on 31/12/2024 Amounts paid
Predica, represented by Emmanuel Chabas[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€3,300	€3,300	€4,200	€4,200
Other remuneration for the office of Director of Covivio	€42,000	€42,000	€50,000	€50,000
Total	**€45,300**	**€45,300**	**€54,200**	**€54,200**
Najat Aasqui				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	0	0	0	0
Other remuneration	0	0	0	0
Total	**0**	**0**	**0**	**0**
ACM Vie represented by François Morrisson[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€3,100	€3,100	€4,300	€4,300
Other remuneration for the office of Director of Covivio	€49,000	€49,000	€44,926	€44,926
Total	**€52,100**	**€52,100**	**€49,226**	**€49, 226**
Technical SAS represented by Yves Marque				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	0	0	€2,152	€2,152
Other remuneration	0	0	0	0
Total	**0**	**0**	**€2,152**	**€2,152**
Cardif Assurance Vie represented by Nathalie Robin[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€4,400	€4,400	€5,900	€5,900
Other remuneration	0	0	0	0
Total	**€4,400**	**€4,400**	**€5,900**	**€5,900**
Sogecap represented by Yann Briand[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€3,100	€3,100	€4,300	€4,300
Other remuneration	0	0	0	0
Total	**€3,100**	**€3,100**	**€4,300**	**€4,300**
Caisse des Dépôts et Consignations, represented by Arnaud Taverne[1]				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€3,300	€3,300	€4,500	€4,500
Other remuneration	0	0	0	0
Total	**€3,300**	**€3,300**	**€4,500**	**€4,500**
Adriana Saitta				
Remuneration (fixed, variable) for the office of member of the Supervisory Board of Covivio Hotels	€3,100[2]	€3,100[2]	€2,730[2]	€2,730[2]
Other remuneration	0	0	0	0
Total	**€3,100**	**€3,100**	**€2,730**	**€2,730**
TOTAL	**€4,079,361**	**€3,921,361**	**€4,498,664**	**€4,096,664**

(1) The remuneration was paid to the company, member of the Supervisory Board, and not to its permanent representative.

(2) This remuneration resulted in the application of tax deductions (single lump-sum tax of 12.8% and social security contributions of 17.2%, for a total deduction of 30%).

5.2.4.3 Remuneration paid and/or awarded by the company to the Chairman of the Supervisory Board and Manager ("individual *ex-post* vote")

In the context of the "individual" *ex-post* vote specified in Article L. 22-10-77 II. of the French Commercial Code, the fixed, variable and exceptional elements composing the total remuneration and benefits of any kind, paid during the fiscal year ending 31 December 2024 or allocated pursuant to this same fiscal year, to the Chairman of the Supervisory Board and the General Manager of the company, are the subject of separate draft Resolutions (Resolutions 7 and 8) subject to the approval of the Combined General Meeting of 15 April 2025 and the unanimous consent of the partners.

5.2.4.3.1 Remuneration paid and/or awarded by the company to the Chairman of the Supervisory Board for the fiscal year ended 31 December 2024

Pursuant to the fiscal year ending 31 December 2024, no fixed, variable or exceptional element nor any benefit of any kind whatsoever was paid or allocated to Christophe Kullmann, in his capacity as Chairman of the Supervisory Board. The Combined General Meeting of 15 April 2025 will therefore be requested to formally record this.

5.2.4.3.2 Remuneration paid and/or awarded by the company to the General Manager for the fiscal year ended 31 December 2024

In accordance with the remuneration policy applicable to the General Manager presented above, a payment was made by the company for the fiscal year ending 31 December 2024 to Covivio Hotels Gestion for its term of office as Manager exercised within the company, consisting of total remuneration of €2,069,534.51. No other remuneration was allocated to it in respect of its term of office for this fiscal year.

It should be noted that Covivio Hotels Gestion did not benefit from any of the following for the fiscal year ending 31 December 2024:

- any exceptional element or other benefit of any kind whatsoever;
- any element of remuneration, remuneration or benefit pursuant to the assumption, cessation or change of functions or subsequent to the exercise of such functions, notably any commitments for pensions or any other lifetime benefit.

5.2.5 Special procedures for shareholder participation in General Meetings and summary of current financial delegations in the area of capital increases

5.2.5.1 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 terms are described in Articles 19 to 22 of the company's Articles of Association.

Notification – admission – quorum – majority

General Meetings of shareholders are called by the management, the Supervisory Board or any other person having this right under the law or the Articles of Association. Notices are given in the forms and within the periods provided by law and regulations.

Meetings are held at the registered office or at any other place indicated in the notice.

Every shareholder has the right to attend General Meetings and to participate in the deliberations, in person or by proxy, upon proof 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.

In accordance with Article R. 22-10-28 of the French Commercial Code, shareholders must prove ownership of their shares on the second working day preceding the General Meeting at midnight, Paris time:

- for registered shareholders, by registration of their shares with the company on that date;
- for holders of bearer shares, by book entry of their shares in their name or in the name of the intermediary registered on their behalf, no later than that date, in their securities account held by an intermediary mentioned in Article L. 211-3 of the French Monetary and Financial Code. Registration in a securities account must be recorded by a certificate of participation issued by the authorised intermediary. Such certificate must be attached to the postal or proxy voting form or the application for an admission card sent by the authorised intermediary to the company.

General Meetings are chaired by the Manager or by one of the Managers, if there are more than one, unless the Meeting is convened by the Supervisory Board, in which case it is chaired by the Chairman of that Board, or one of the members thereof designated for this purpose. In the event of notification by another person specially authorised by law, the Meeting is chaired by the author of the notification. In all cases, if the person authorised or appointed to chair the Meeting is absent, the Meeting shall elect its Chairman.

The duties of scrutineers shall be performed by the two shareholders present who have the greatest number of votes, both by themselves and as proxy holders, if they so accept.

The Executive Board (bureau) shall appoint a secretary, who may or may not be a shareholder.

At each Meeting, an attendance sheet shall be kept that contains the information required by law.

Any copy or extract of the minutes must be certified by one of the General Managers, the Chairman of the Supervisory Board or the Secretary of the Meeting.

No deliberations may be adopted at an Ordinary General Meeting without the unanimous and prior agreement of the general partner(s) with the exception of deliberations relating to the election, resignation or dismissal of members of the Supervisory Board. The deliberations of Ordinary General Meetings are adopted by a majority of the votes of the shareholders who are present or represented or vote by post at that Meeting.

A deliberation can be adopted at an Extraordinary General Meeting only with the unanimous prior agreement of the general partner(s). On an exceptional basis, if there is more than one general partner, the deliberations required to decide the transformation of the company into a company of another form will require only the prior approval of the majority of the general partners. The deliberations of an Extraordinary General Meeting are adopted, in all cases, by a majority of two-thirds of the shareholders who are present or represented or vote by post.

Shareholders may vote by correspondence or give their proxy in accordance with the laws and regulations in force.

In application of the new legal and regulatory provisions, abstentions are no longer counted as votes against the resolutions put to the vote. They are now, in the same way as blank or invalid votes, excluded from the count of votes made by the shareholders present or represented.

The single form for voting by correspondence or proxy, updated with these new legal and regulatory provisions, is also available on the company's website.

After each General Meeting, the company publishes a summary of the meeting on its website, including the results of the vote for each of the resolutions presented to shareholders.

Voting rights

Each shareholder has a number of votes equal to the number of shares owned or represented.

At the close of its General Meeting of 10 April 2015, the company maintained, on the recommendation of the General Manager, the principle of "one share = one vote". This was approved by the shareholders, thereby waiving the automatic assignment of double voting rights in accordance with Article L. 22-10-46 of the French Commercial Code introduced by the Florange law of 29 March 2014 and thus amended Article 9 of the Articles of Association.

Voting rights are exercised by the owner of the shares pledged by the beneficial owner in Ordinary Meetings and by the bare owner in Extraordinary Meetings.

Shareholders may exercise their voting right in two ways:

- personally attend the General Meeting by requesting an admission card;
- use a postal or proxy voting form, which gives the shareholder the option of choosing one of the following three options:
  - grant power to the Chairman of the General Meeting: the latter will then vote in the shareholder's name in favour of the adoption of the draft resolutions presented or approved by the General Manager and vote against the adoption of all other projects,
  - vote by post by following the voting instructions provided,
  - give proxy to any other natural or legal person of the shareholder's choice attending the General Meeting by registering the contact details of that person.

The voting form is available, within the periods stated, on the company's website (www.covivio-hotels.fr), and it may be requested electronically or by post from the company or an authorised intermediary managing the shareholder's account, at least six days before the date of the General Meeting.

The final date for receipt of the forms is three calendar days before the General Meeting for postal votes and proxies in paper form.

5.2.5.2 Summary of current financial delegations in the area of capital increases

In accordance with Article L. 225-37-4 3 of the French Commercial Code, the following is a summary of current delegations granted by the Combined General Meeting of Shareholders of 15 April 2024 concerning increases in the share capital:

Delegation granted by the Combined General Meeting of 15 April 2024	Validity of the delegation	Use of the delegation
Authorisation given to the Manager to decide to increase the share capital of the company through the capitalisation of reserves, profits or premiums for a maximum nominal amount of €59,000,000. (Resolution 19)	26 months *i.e.* until 15 June 2026	None.
Authorisation given to the Manager to issue shares and/or securities convertible to equity, maintaining shareholders' preferential subscription rights for a maximum nominal amount of €296,000,000. Nominal cap for the issuance of debt securities of €1,000,000,000 (corresponding to the total cap for all debt securities that may be issued pursuant to this delegation and those granted pursuant to Resolutions 22 to 25). (Resolution 21)	26 months *i.e.* until 15 June 2026	None.
Authorisation given to the Manager to issue, through a public offer, shares and/or securities convertible to equity, waiver of shareholders' preferential subscription rights and, for issues of shares, a mandatory priority period, for a maximum nominal amount of €59,000,000. Nominal cap for the issuance of debt securities set at €1,000,000,000 (deducted from the total cap for all debt securities set in Resolution 21). (Resolution 22)	26 months *i.e.* until 15 June 2026	None.
Authorisation given to the Manager to issue shares and/or transferable securities convertible to equity, up to a limit of 10% of the share capital, in order to pay for the contributions in kind granted to the company consisting of capital shares or transferable securities convertible to equity, with waiver of shareholders' preferential subscription rights. Nominal cap for the issuance of debt securities set at €1,000,000,000 (deducted from the total cap for all debt securities set in Resolution 21). (Resolution 24)	26 months *i.e.* until 15 June 2026	None.
Authorisation given to the Manager to issue shares and/or securities convertible to equity, in the event of a public exchange offer initiated by the company, with waiver of shareholders' preferential subscription rights for a maximum nominal amount of €59,000,000. Nominal cap for the issuance of debt securities set at €1,000,000,000 (deducted from the total cap for all debt securities set in Resolution 21). (Resolution 25)	26 months *i.e.* until 15 June 2026	None.
Authorisation given to the General Manager to undertake capital increases reserved for employees of the company who are members of a savings plan, with waiver of shareholders' preferential subscription rights for a maximum nominal amount of €500,000. (Resolution 26)	26 months *i.e.* until 15 June 2026	None.

5.2.6 Elements likely to have an impact in the event of a public offer

In accordance with the provisions of Article L. 22-10-11 of the French Commercial Code, please find hereafter our report on the elements likely to have an impact in the event of a public offer.

- Share capital structure:

  Information regarding Covivio Hotels' equity structure is presented in the company's management report.

- Statutory restrictions on the exercise of voting rights:

  Under Article 8 of the company's Articles of Association: (i) any corporate entity holding more than 10% of the share capital directly or indirectly and (ii) any shareholders who hold indirectly, through the company, a percentage of the share capital or dividend rights of publicly traded real estate management companies in Spain (SOCIMI) at least equal to the percentage specified in Article 9.3 of the law of the Kingdom of Spain 11/2009 of 26 October 2009, the shares of which have not been registered by the second working day prior to any General Meeting of the company's shareholders, will have their voting rights capped at the number of registered shares held at that date. This situation may be resolved by ensuring that all the shares held directly or indirectly are registered no later than the second working day prior to the General Meeting in question.

  Article 9 bis of the Articles of Association further establishes an obligation to declare to the company every instance in which a shareholder's stake exceeds the threshold of 1% (or any multiple of that percentage) of the share 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.

  Unless a declaration has been duly made, shares above the fraction which should have been declared will have no voting rights attached for any General Meeting held within two years after the date of regularisation of the declaration, at the request, recorded in the minutes of the General Meeting, of one or several shareholders together holding at least 5% of the share capital.

  Article L. 233-14 par. 1 of the French Commercial Code states that shareholders who have not duly made the declarations set forth in sections I, II, VI and VII of Article L. 233-7 shall be deprived of the voting rights attached to such shares exceeding the fraction that has not been duly declared for any shareholders' Meeting to be held until the expiry of a period of two years following the date of regularisation of the notice. Under the same conditions, the voting rights attached to such shares that have not been duly declared may not be exercised or delegated by the defaulting shareholder.

- Direct or indirect investment 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 1.8 of the management report.

- Shares with special control rights:

  None.

- Control mechanism provided for employee shareholders:

  None.

- Agreements between shareholders that are known to the company and could restrict the transfer of shares and the exercise of voting rights:

  On 21 November 2019, the companies Covivio, ACM Vie SA – Assurances du Crédit Mutuel Vie, Prévoyance Dialogue du Crédit Agricole – Predica, Pacifica, Spirica, Generali Vie, Generali Iard, L'Équité Compagnie d'Assurances et de Réassurances Contre les Risques de toute Nature (it being specified that Generali Vie, Generali Iard and L'Equité Compagnie d'Assurances et de Réassurances Contre les Risques de toute Nature are considered one and the same party for the application of the agreement), Cardif Assurance Vie, Sogecap and Caisse des Dépôts et Consignations, entered into a shareholders' agreement, which cancels and replaces the shareholders' agreement entered into on 29 November 2004 between Covivio, ACM Vie SA, Predica, Pacifica and Generali Vie, for a period of five years tacitly renewable by successive periods of the same duration unless terminated by one of the parties subject to abiding by a notice period of six months prior to each successive renewal period.

  The agreement specifies a right of first offer in the case where a party wishes to transfer, to any third party, securities representing more than 1.5% of the company's equity over any 12-month period. In this case, the other investors may, alone or jointly with other beneficiaries, send to the ceding company an unconditional offer to acquire the block of shares at a given price.

  The agreement also specifies that in the case where a party to the agreement wishes to sell in the market all or part of its securities representing less than 1.5% of the company's equity over any 12-month period and so escape the scope of application of the right of first offer, it must first inform the other parties and avoid any actions likely to disrupt the proper functioning of the market. These stipulations do not apply to off-market over-the-counter transactions.

  Since 19 April 2024, the date on which the Generali group contributed its entire stake to Covivio, the agreement was terminated early with respect to Generali Vie, Generali Iard, L'Equité Compagnie d'Assurances et de Réassurances Contre les Risques de toute Nature.

- Rules applicable to the appointment and replacement of members of the Supervisory Board 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 limited partnerships.

- Powers of the Manager with respect to an issuance or buyback of shares:

  The summary of the delegations in progress granted by the General Meeting of Shareholders of 15 April 2024 relating to capital increases is presented in Section 5.2.5.2.

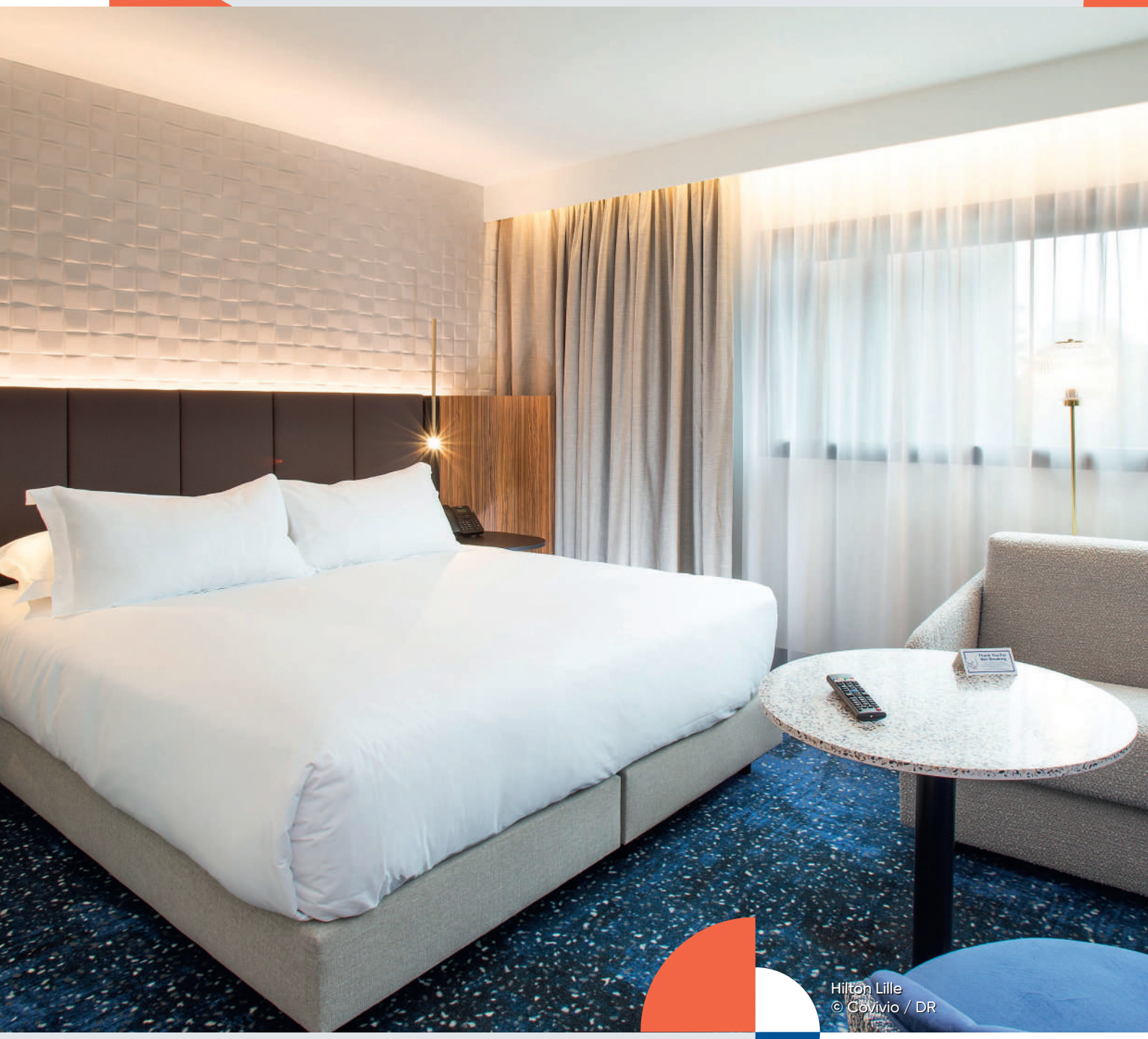
  The Combined General Meeting of 15 April 2024 authorised the Manager (Resolution 18) to arrange for the company to buy its own shares: it is proposed to the Combined General Meeting convened for 15 April 2025 to replace this authorisation by a new authorisation with the same purpose.

- Agreements entered into by the company that are amended or terminated in the event of a change of control of the company:

  Financing agreements in which Covivio Hotels is a borrower generally have clauses covering changes of control, which is defined as the loss of control of Covivio Hotels by Covivio. These clauses allow the lending institutions to demand repayment of the debt in the event of a change of control.

- Agreements providing for compensation by members of the Supervisory Board or employees in the event of a resignation or dismissal without real and serious cause or if employment terminates due to a public offer:

  None.



Hilton Lille
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6

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6.1 General information concerning the issuer and its share capital

6.1.1 General information concerning the issuer

6.1.1.1 Company name (Article 2 of the Articles of Association)

Covivio Hotels

6.1.1.2 Legal form (Article 1 of the Articles of Association)

Incorporated in the form of a public limited company (société anonyme) with a Board of Directors, Covivio Hotels was transformed into a partnership limited by shares (société en commandite par actions) at the Combined General Meeting of 30 November 2004.

6.1.1.3 Registered office (Article 4 of the Articles of Association)

Since 26 February 2024, the company's registered office has been at 10 rue de Madrid, 75008 Paris.

6.1.1.4 Trade and company register

The company is registered in the Paris Trade and Companies Register under number 955 515 895.

Its APE Code is 6820B.

The Siret number of the company is 955 515 895 00105.

Its LEI is 969500N2QX5LGFFZ0I67.

6.1.1.5 Share listing market

The Covivio Hotels shares (ISIN code: FR0000060303) are listed for trading on the Euronext Paris market – Compartment A.

The Covivio Hotels bonds issued in September 2018 (ISIN code: FR0013367422), in July 2021 (ISIN code: FR0014004QI5) and in May 2024 (ISIN code: FR001400Q7X2) are listed for trading on the Euronext Paris market.

6.1.1.6 Nationality

The company is governed by French law.

6.1.1.7 Term of the company (Article 5 of the Articles of Association)

The company was incorporated in 1900. The duration of the company, which was due to expire on 31 December 1949, was extended for 90 years, by virtue of a decision by the Extraordinary General Meeting held on 8 May 1941, shall therefore end on 31 December 2039, unless it is liquidated early or extended.

6.1.1.8 Corporate purpose (Article 3 of the Articles of Association)

Covivio Hotels' purpose, both in France and abroad, for itself or in participation with third parties is:

- primarily:
  - the acquisition of any land, real estate rights or assets, including through construction leases, particularly in the health-care and leisure sectors, and accommodation in the broad sense, as well as assets and rights that may be accessory or attached to said real estate properties or contribute to their development,
  - the construction of buildings for the health-care and leisure sectors, accommodation in the broad sense and all operations directly or indirectly connected with the construction of these buildings,
  - the operation and creation of value of such real estate properties through rental,
  - the acquisition or conclusion of any credit agreement as lessee in order to let or provide in return for payment, buildings the subject of such credit agreements,
  - directly or indirectly, the holding of equity investments in entities stipulated in Article 8 and Sections 1, 2 and 3 of Article 206 of the French General Tax Code and, in general, investment in companies whose primary purpose is the operation of a rental real estate portfolio in the health-care and leisure sectors, and accommodation in the broad sense, as well as the promotion, management and assistance of such entities and companies;
- on an ancillary basis:
  - directly or indirectly, the leasing of any real estate properties in the healthcare and leisure sectors, and accommodation in the broad sense including through a credit agreement or financial let,
  - the management, administration, negotiation and sale of any real estate properties and rights, on behalf of third parties and direct and indirect subsidiaries, in the healthcare and leisure sectors and accommodation in the broad sense
  - indirectly, the acquisition, holding, disposal or operation of a business in the health-care and leisure sectors and accommodation in the broad sense;
- in exceptional circumstances, the transfer, particularly through the disposal, contribution 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.

6.1.1.9 Location where the documents and information relating to the company may be consulted

Registered office: 10, rue de Madrid - 75008 Paris (telephone: 01 58 97 50 00)

On the website: www.covivio-hotels.fr.

On the AMF site: www.amf-france.org.

6.1.1.10 Rights of the limited partners

The rights of the limited partner shareholders are governed by common law.

6.1.1.11 Rights and status of the limited partners (Article 18 of the Articles of Association)

The company's sole limited partner, also Manager of the company, is Covivio Hotels Gestion, a limited joint stock company with capital of €37,000, the registered office of which, since 26 February 2024, has been at 10, rue de Madrid 75008 Paris, registered in the Paris TCR under number 450 140 298.

The rights of the general partners are governed by common law and by the following provisions of the Articles of Association. In accordance with Article 20 4) of the Articles of Association: "Except for deliberations concerning the election, resignation or dismissal of the members of the Supervisory Board, no deliberation may be adopted at an Ordinary General Meeting, without the unanimous and prior agreement of the general partner(s). Said agreement must be obtained by the management, prior to said Ordinary General Meeting."

In accordance with Article 21 3) of the Articles of Association: "A deliberation may only be adopted at an Extraordinary General Meeting, with the unanimous and prior agreement of the general partners; nevertheless, in the case where there are multiple partners, the deliberations required to decide to transform the company into a company of another form will only require the prior agreement of the majority".

The status of limited partner is lost in the cases provided for by law.

The limited partner and Manager is definitively and jointly and severally responsible for the company's liabilities.

6.1.1.12 Fiscal year (Article 23 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.

6.1.1.13 Statutory distribution of profits (Article 25 of the Articles of Association)

Out of the distributable profit for each fiscal year, a sum of €1,000,000 is first of all deducted and paid to the limited partner. This statutory dividend is cumulative. The balance of the distributable profit for each fiscal year is divided among the limited shareholders, it being specified that, in accordance with the fiscal regime applicable to listed real estate investment companies ("SIIC") for which Covivio Hotels opted, the tax-exempt income arising from building rentals and dividends from companies that opted for the SIIC regime are obligatorily distributed before the end of the fiscal year following the year in which they were generated, in the respective amounts of 95% and 100%, and those stemming from the disposal of buildings or investments in companies that opted for the SIIC regime, in the amount 70%, before the end of the second fiscal year following the year in which they were generated.

6.1.1.14 General Meetings

This information is detailed in the report by the Supervisory Board on corporate governance, Chapter 5.2 of this Document.

Exceeding the statutory thresholds (Article 9 bis 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.

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 5% of the share capital.

6.1.2 General information concerning the capital

6.1.2.1 Form of shares - identification of shareholders (Article 8 of the Articles of Association)

Shares will be registered or bearer shares, at the shareholder's choice. Nevertheless:

- any shareholder, other than a natural person, holding directly or through entities it controls within the meaning of Article L. 233-3 of the French Commercial Code, a percentage of the rights to dividends of the company at least equal to that stipulated in Article 208 C II ter of the French General Tax Code;
- any shareholder holding, indirectly or through the company, a percentage of the share capital or rights to dividends of listed public limited real estate companies in Spain ("SOCIMIs") at least equal to that stipulated in Article 9.3 of law 11/2009 of the Kingdom of Spain, of 26 October 2009 (the "11/2009 law");
- (a "Concerned Shareholder") must register all the shares of which he/she is the registered owner, and ensure that all shares in the company held by any entities that he/she controls within the meaning of Article L. 233-3 of the French Commercial Code are also registered. Any Concerned Shareholder which 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 within the meaning of Article L. 233-3 of the French Commercial Code, capped, for the purposes of the relevant General Meeting, at the number of shares that they have registered.

The Concerned Shareholder referred to above will regain all of the voting rights attached to the shares it holds, directly or *via* entities it controls within the meaning of Article L. 233-3 of the French Commercial Code, at the following General Meeting, provided that it regularises its situation by registering all the shares it holds, directly or *via* entities it controls within the meaning of Article L. 233-3 of the French Commercial Code, in registered form, by the second working day prior to that General Meeting.

The register of registered shares is held by CIC Market Solutions.

Shares will be registered in the account of their owner under the conditions and the terms provided for by the legal provisions in force.

The company or a third party appointed by 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 or negotiable debt certificates issued by the company.

6.1.2.2 Sale of shares (Article 8 of the Articles of Association)

The shares may be freely disposed of and transmitted under the conditions and the terms provided for by the legal provisions in force. Where the company and third parties are concerned, shares are disposed of by transferring them from one account to the other.

6.1.2.3 Rights and obligations granted to shares (Article 9 of the Articles of Association)

Each share gives the right, in the ownership of company assets, in the profit distribution and in the liquidation surpluses, to a proportional part of the share of the equity it represents.

Shareholders are only responsible for company debts up to the limit of their contribution, *i.e.* the value of their shares.

Each shareholder will have the same number of votes as the number of shares owned or represented. Double voting rights are not granted pursuant to Article L. 22-10-46 of the French Commercial Code.

Each share gives the right to participate in the General Meetings of shareholders, with entitlement to vote, under the conditions and subject to the reservations provided for by the law, the regulations and the Articles of Association.

Any person with one or more shares is bound by the Articles of Association and by all decision taken by the General Meetings.

Every time it is required to own several shares to exercise any right whatsoever, the shareholders are personally responsible for pooling together the required number of shares and do not hold any right against the company.

Shares are indivisible with respect to the company. Consequently, joint owners are required to be represented in relation to the company by only one of them.

Each of the shares gives the right, in the case of breakdown or redemption, to the same net sum. Consequently, all the shares shall be taken together irrespective of any tax exemptions such as any taxation likely to be paid by the company to which this breakdown or this redemption may give rise.

Any Concerned Shareholder whose own position or that of its partners makes:

i) the company liable for the withholding ("Withholding") stipulated in Article 208 C II ter of the French General Tax Code; or

ii) the SOCIMI regime, whose equity is held directly or indirectly by the company, liable for the Spanish withholding (the "Spanish Withholding") stipulated in Article 9.3 of law 11/2009.

(a "Shareholder subject to Withholding") will be required to compensate the company, or the SOCIMIs, whose equity is held directly or indirectly by the company, for the Withholding and/or the Spanish Withholding due, arising from a distribution of dividends, reserves, premiums or "income deemed distributed" within the meaning of the French General Tax Code or law 27/2014 of 27 November 2014 of the Kingdom of Spain, on corporate income tax, respectively, according to the terms of Article 9.3 hereafter.

Any Concerned Shareholder is assumed to be a Shareholder subject to Withholding. If he or she states that he or she is not a Shareholder subject to Withholding, he or she shall provide the company upon request:

i) for the requirements of the Withholding, no later than five (5) business days prior to payment of the distributions by providing a satisfactory legal opinion without reservations, issued by an internationally renowned law firm with recognised expertise in French tax law or of the country where the Concerned Shareholder resides, certifying that he or she is not a Shareholder subject to Withholding and that the distributions paid to him or her do not make the company liable for Withholding;

ii) for the requirements of the Spanish Withholding, no less than five (5) business days prior to payment of the distributions by the SOCIMIs whose capital is held directly or indirectly by the company, a certificate of fiscal residence issued by the competent authority of the country where the Concerned Shareholder states is resident and, no less than five (5) business days prior to payment of the distributions by providing a satisfactory legal opinion without reservations that he or she is not a shareholder subject to Spanish Withholding and that the distributions paid by the SOCIMIs, whose capital is held directly or indirectly by the company, do not make the company liable for Spanish Withholding due to their investment in the company.

In the event that the company directly or indirectly holds a percentage of the dividend rights at least equal to that stipulated in Article 208 C II ter of the French General Tax Code or more than one or several listed real estate investment companies stipulated in Article 208 C of the French General Tax Code ("SIIC Subsidiary"), or the company directly or indirectly holds a percentage of the share capital or the dividend rights of one or more SOCIMIs at least equal to that stipulated in Article 9.3 of law 11/2009, and, where the SIIC Subsidiary or said SOCIMI, due to the position of the shareholder subject to Withdrawal, has paid the Withholding or the Spanish Withholding, the Shareholder subject to Withholding should, depending on the case, compensate the company either for the amount paid as remuneration by the company to the SIIC Subsidiary, or the SOCIMI concerned by the payment of the Withholding by the SIIC Subsidiary or the Spanish Withholding by the SOCIMI or, if no remuneration is paid to the SIIC Subsidiary or the SOCIMI by the company, an amount equal to the Withholding paid by the SIIC Subsidiary or the Spanish Withholding paid by the SOCIMI concerned, so that the other shareholders of the company do not have to financially bear any part of the Withholding or the Spanish Withholding paid respectively by any one of the SIICs or SOCIMIs in the investment chains due to the Shareholder subject to Withholding "Additional Compensation". The amount of the Additional Compensation will be paid by each of the shareholders subject to Withholding proportionately to their respective dividend rights divided by the total dividend rights of the shareholders subject to Withholding.

The company will be entitled to offset its claim against any Shareholder subject to Withholding, on the one hand, and the sums to be paid by the company for their benefit, on the other hand. Thus, the sums distributed by the company that must, for each share held by said Shareholder subject to Withholding, be paid in its favour pursuant to the aforementioned distribution decision or a share buyback programme, will be reduced by the amount of the amount of the Spanish Withholding or Withholding due by the company or SOCIMI in respect of the distribution of these sums and/or the Additional Compensation.

The amount of any remuneration 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 position as if the Withholding or the Spanish Withholding had never become due. In particular, the remuneration should include any tax due by the company as remuneration.

The company and the Concerned Shareholders must cooperate in good faith to ensure that all reasonable measures are taken to limit the amount of Withholding or the Spanish Withholding due or to become due and the remuneration arising or that could arise from it.

6.1.2.4 Conditions for changing the share capital (Article 7 of the Articles of Association)

Authorisations to change the share capital are set out in the management report.

The share capital may be increased or reduced, by any means or in any way authorised by the law.

Any increase or reduction in the share capital must be decided by an Extraordinary General Meeting of shareholders, after having obtained the unanimous consent of the general partners.

The Supervisory Board makes a report on any proposal to increase or reduce the share capital proposed by the Management Board to the shareholders.

In accordance with the law, the General Meeting of shareholders may delegate to the Management Board all powers required to carry out the proposed capital increase or reduction, determine the amount, the terms and conditions and take all steps required for the successful completion of the operation.

6.1.2.5 Financial instruments not representing capital

None.

6.1.2.6 Other securities giving access to the share capital

None.

6.1.2.7 Authorisation to increase the share capital

The summary of the delegations currently in force granted by the General Meeting of shareholders of 18 April 2023 concerning increases in the share capital of the company is given in the report by the Supervisory Board on corporate governance in section 5.2.5.2.

6.1.2.8 Changes in share capital over the last five years

The summary of changes in the share capital over the last five fiscal years is given in the management report, in section 1.6.4.

6.1.3 Company shareholder structure

The share capital and voting rights over the last three fiscal years is presented in the management report in section 1.6.2.

6.1.3.1 Information on the main shareholders at 31 December 2024

The main shareholders or group of shareholders are presented in the management report in section 1.6.

6.1.3.2 Significant agreements

During the last two fiscal years:

- Covivio Hotels has not entered into any material contracts to which the issuer or any other member of the Group is a party;
- no contract has been entered into by any member of the Group containing provisions conferring on any member of the Group an obligation or significant right affecting the entire Group, other than those entered into in the normal course of its business except for the outstanding financial contracts as of 31 December 2024 presented below.

Bond issue of €350 million

In September 2018, the company issued a seven-year bond for €350 million (maturing on 24 September 2025). The issue, after obtaining a BBB rating with a positive outlook from Standard & Poor's has a coupon of 1.875%.

Bond issue of €599 million

In July and October 2021, the company issued an eight-year bond for €599 million. This issue offers a coupon of 1%.

Bond issue of €500 million

In May 2024, the company issued a nine-year bond for €500 million. This issue offers a coupon of 4.125%.

The principal financial agreements are detailed in the notes to the financial statements presented in Part 4 "Financial Information" of this Universal Registration Document.

6.2 Company overview

6.2.1 Historical background

Created in 1900, then obtained stock market listing in 1903, the business of Établissements Ferrand et Renaud was the manufacture of pastas and all other related products.

In 1961, the company contributed its industrial and commercial business to the new companies Régia-Scaramelli and Semoulerie de Bellevue, and the entire real estate comprising the Lyon factory and a new company. After these contributions, it became a holding company.

Since 2001, the date the last significant asset disposal was made, the Ferrand et Renaud business was limited to a 35% shareholding in Oralia Investissements, a company managing real estate and a portfolio of securities.

For Ferrand et Renaud, the 2004 fiscal year was marked by the disposal of some assets with a low unit value but above all by the disposal on 29 November 2004, of the whole shareholding in Oralia to its current majority shareholder for €11,480,433 and its real estate subsidiary Foch to Mr Christian Baverey.

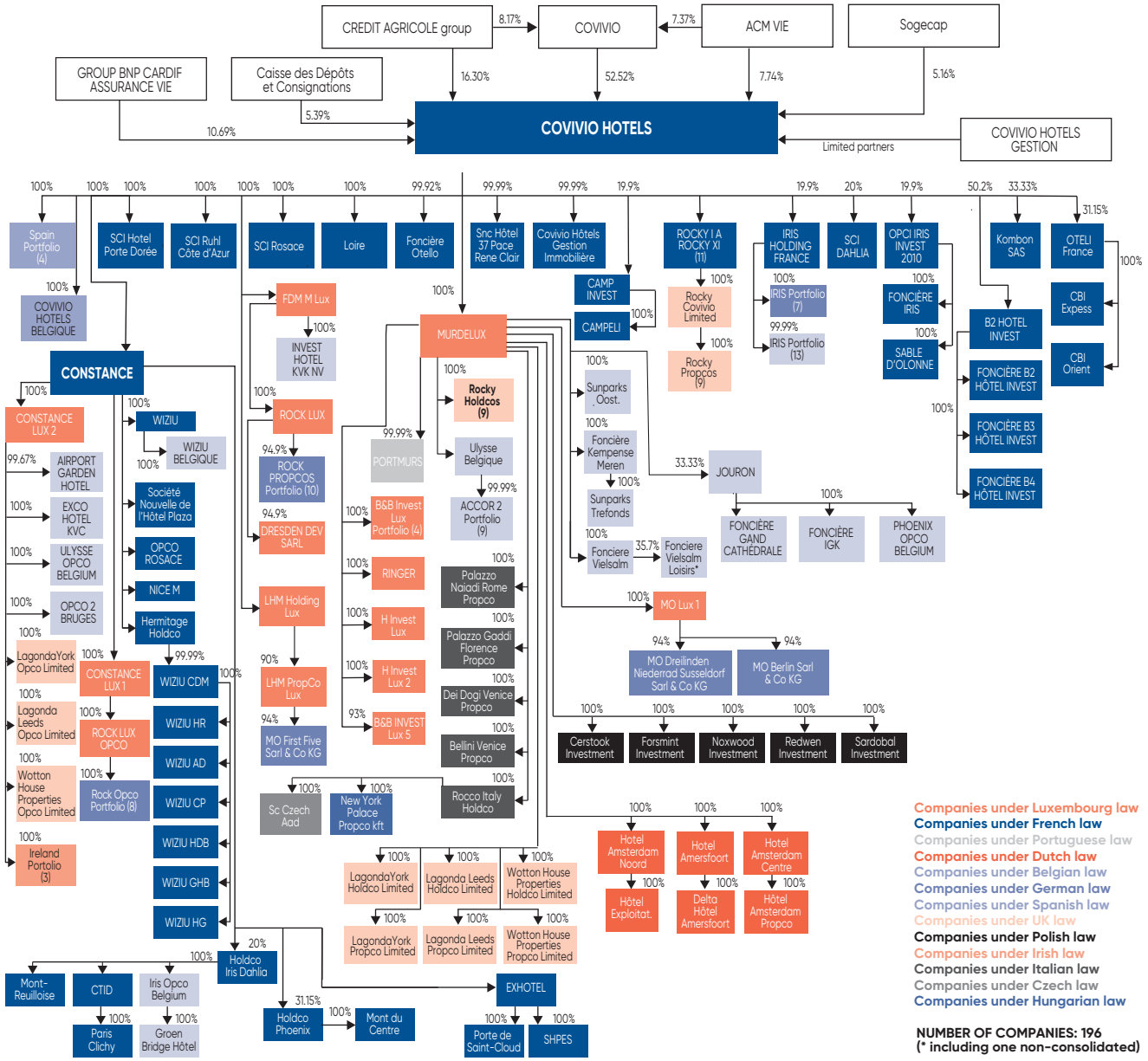
On 30 November 2004, Ferrand et Renaud, now Foncière des Murs, acquired SCI Foncière des Murs. This operation lay within the scope of the project to restructure the company into becoming a REITs specialised in long-term ownership of lease properties in the healthcare and leisure sectors and accommodation in the broad sense.

At the Combined General Meeting of 14 September 2018, the company decided to change its identity and its brand, consistent with the change made at Covivio level. To make this new identity and corporate name consistent, it was decided to adopt "Covivio Hotels" as the company's new corporate name.

At 31 December 2023, Covivio Hotels held a portfolio of 352 assets (including 313 hotels) with a total appraisal value of €5,822 million excluding transfer taxes, Group Share (*i.e.* €6,427 million in total share), divided into France and Europe.

6.2.2 Group organisation chart at 31 December 2024

Details of Covivio Hotels and its subsidiaries at 31 December 2024 are as follows:



The percentage held and voting rights of Covivio Hotels in its subsidiaries is identical. Only the share capital distribution and voting rights of the company's shareholders may vary depending on the number of treasury shares the company holds (without voting rights).

We also state that:

- details of the transactions between related parties are given in section 4.2.7.4,
- the special report by the Statutory Auditors on the regulated agreements within the company is presented in Chapter 4.7.

Majority shareholder

Covivio holds 52.52% of the equity of Covivio Hotels. The summary of the distribution of the Covivio equity at 31 December 2024 is given in detail below:

Name of shareholders	Number of shares	%
Delfin group	31,283,062	28.03
Covea group	8,394,824	7.52
Crédit Agricole Assurances group	9,055,247	8.11
CM-CIC group	8,165,592	7.32
Generali Group	2,491,107	2.23
Free float, registered and other bearers	51,400,561	46.05
Treasury shares	833,075	0.75
TOTAL	**111,623,468**	**100.00**

6.3 Administration, Management and Supervisory Board

6.3.1 Management (Article 10 of the Articles of Association)

The company is managed and administered by one or more Managers. The first Manager, appointed for a period of six years, is the company Covivio Hotels Gestion, a simplified joint stock company with capital of €37,000, the registered office of which has been, since 26 February 2024, 10, rue de Madrid – 75008 Paris, registered in the Paris TCR under number 450 140 298.

During the company's existence, any new Manager shall be appointed unanimously by the general partners, with the agreement of the Supervisory Board or, if applicable, the General Meeting.

The company Covivio Hotels Gestion, appointed as first Manager of the company, shall be considered as automatically resigning from the position of Manager in the case where it ceases to be directly or indirectly controlled, within the meaning of Article L. 233-3 of the French Commercial Code, by Covivio, unless the new controlling shareholder of said Manager was approved by the Supervisory Board.

When the functions of a Manager come to an end, the management is carried out by the remaining Manager or Managers, without prejudice to the right of the general partners to appoint a new Manager as replacement, or to re-appoint the outgoing Manager.

In the event that the functions of the sole Manager are terminated, one or more new Managers will be appointed, or the sole Manager will be reappointed. Nevertheless, while awaiting this or these appointments, the management is carried out by the limited partner or partners who may then delegate all powers necessary for managing the company's business until the new Manager or managers are appointed.

Each Manager may be dismissed at any time for incompetence (whether or not the consequence of a collective procedure), or for any other cause by a unanimous decision of the general partners; each Manager may also be dismissed for a legitimate reason by a court decision.

6.3.2 Powers and remuneration of the Manager (Articles 10, 11 and 14 of the Articles of Association)

Powers of the Manager (Articles 10 and 14 of the Articles of Association)

The Manager has the widest possible powers to act in all circumstances in the name of the company within the limits of the corporate purpose and subject to the powers granted expressly by law and the Articles of Association to General Meetings of shareholders and the Supervisory Board.

In this regard it is indicated that the Manager of the company should, in accordance with Article 14 of the Articles of Association, obtain prior authorisation from the Supervisory Board, ruling by a three-fifths majority, on operations to subscribe to bank loans, purchase properties or equity investments, divestments or granting any guarantee, comfort letter or pledge when their amount exceeds €10 million.

Remuneration of the Manager (Article 11 of the Articles of Association)

The terms and conditions of the remuneration of Management are determined in accordance with the legislation in force.

Furthermore, the Manager or Managers have the right to be reimbursed for all the expenses and cost of any nature arising from the use of external service providers, carried out in the interest of the company or the companies it controls, directly or indirectly, within the meaning of Article L. 233-3 of the French Commercial Code.

More detail on remuneration of the Manager is given in the Supervisory Board's report on corporate governance.

6.3.3 Supervisory Board (Articles 12 to 15 of the Articles of Association)

The company has a Supervisory Board comprising at least three members selected exclusively from among the shareholders who are neither general partners nor a Manager.

The members of the Supervisory Board are appointed or removed by the Ordinary General Meeting of shareholders, as the shareholders who are general partners cannot vote on the corresponding resolutions.

The duration of the term of office of the Supervisory Board's members is three years at most and each member must own at least one share in the company.

The members of the Supervisory Board may receive annual remuneration, the amount of which, charged to the overheads, is determined by the Ordinary General Meeting and shall stand until a contrary decision is taken by this Meeting.

6.3.3.1 Composition of the Supervisory Board of Covivio Hotels

The Supervisory Board is comprised of 13 members, natural persons or legal entities, selected from among the shareholders. The composition of the Supervisory Board as well as the curricula vitae and terms of office and functions exercised by each of these persons is given in the Supervisory Board report on corporate governance.

6.3.3.2 Operation of the Supervisory Board

6.3.3.2.1 Powers of the Board (Article 14 of the Articles of Association)

The Supervisory Board permanently controls the management of the company as provided for by law.

It prepares a report for the Ordinary Annual General Meeting, which approves the company's financial statements, as well as at the time of any increase or reduction in the share capital proposed to the shareholders. The prior authorisation of the Supervisory Board, ruling by a three-fifths majority, is required before implementation of the following operations by the Manager:

- subscription to bank borrowings;
- purchase of buildings or equity investments;
- divestments;
- granting of any guarantee, comfort letter or pledge;
- when their amount exceeds €10 million.

When their amount does not exceed €50 million, the Supervisory Board may authorise it in a single deed signed by the members of the Supervisory Board ruling by a three-fifths majority.

Furthermore, up to a limit of a certain annual amount it will determine, it may authorise the Manager to give guarantees in the company's name.

The Supervisory Board meets at least four times per year, once per quarter, and the Manager provides the Supervisory Board with the following information, taking into account, where appropriate, the activities of the company and its subsidiaries on a consolidated basis:

- at the Supervisory Board meeting held during the second quarter of the fiscal year, the draft consolidated balance sheet, consolidated income statement, draft statement of consolidated financial flows, and report by the Statutory Auditors on the consolidated financial statements;
- at the Supervisory Board meeting held in the fourth quarter of each fiscal year, an annual consolidated budget as well as the company's annual cash flow projections and the consolidated cash flow of the company and its subsidiaries;
- at each of the quarterly meetings, a business report, comprising all the elements determined by the Supervisory Board, and a description of major events that occurred during the previous quarter.

More generally, the Manager should provide the Supervisory Board with the same documents as those given to the Statutory Auditors as well as any document or information that the Supervisory Board may reasonably request.

The Supervisory Board's prior agreement is also required for the appointment or renewal of any Manager with the exception of the appointment of the first Manager.

Accordingly, the Supervisory Board has a maximum of twenty (20) days from the notification it received from the limited partners on the appointment or renewal project, to give or to refuse its consent.

In the event that, on two successive occasions within a period of two months, the Supervisory Board refuses this consent for two successive candidates, even though the company is without a Manager and the management is temporarily carried out by the limited partners, consent may be given by the Ordinary General Meeting of the shareholders ruling in the majority, called by the limited partner or partners submitting one of these two candidates only.

In the case where the consent of the Supervisory Board or the General Meeting is not obtained pursuant to the foregoing sections, the general partner or partners shall appoint a third person. If the Supervisory Board does not give its consent to this new person, his or her appointment shall be submitted to the Ordinary General Meeting, which may only refuse its consent on a two-thirds majority of the shareholders present or represented.

6.3.3.2.2 Board meetings (Articles 13 and 14 of the Articles of Association)

The Supervisory Board meets as often as required by the interests of the company and, in any case, at least four times per year, in particular to hear the report by the management on the company's businesses. Except in an emergency, the members of the Supervisory Board must be called to a meeting at least one week prior to the date of the Board meeting.

The meetings may be convened by the Chairman of the Supervisory Board, as well as by at least half of its members, or by each of the Managers and general partners of the company. The Manager or managers must be called to the meeting at which they attend on a purely consultative basis.

For the deliberations to be valid, at least half the members must be present.

Deliberations are adopted by a majority of the members present or represented and who are entitled to vote. Any member of the Supervisory Board may be represented by another member of the Board on presentation of an express authorisation bearing in mind that a member of the Board may represent several members. In the case of a tied vote, the Chairman shall have the casting vote.

The members of the Board taking part in the meeting by video conference shall be considered as present when calculating the quorum and the majority.

The Statutory Auditors are called to the meetings of the Supervisory Board which examines the annual or interim financial statements.

6.3.3.2.3 Duties of members of the Supervisory Board (Article 1.6 of the Internal Regulations)

Details of the duties of the Board members are given in the report by the Supervisory Board on corporate governance in section 5.2.2.2.6.2.

6.3.3.2.4 Declarations relative to the disclosures required pursuant to 12.1 and 12.2 of the Appendix 1 to Delegated Regulation (EU) 2019/980 of 14 March 2019

This information is detailed in the report by the Supervisory Board on corporate governance, section 5.2.2.2.3.3 of this Document.

6.3.3.2.5 Conflicts of interest - family ties

There are no family links between the members of the Covivio Hotels Supervisory Board.

As things stand, we do not have any information leading to the conclusion that there are other potential conflicts of interest.

The Internal Regulations of the Supervisory Board establishes, in its Article 1.6.5, a procedure to prevent conflicts of interest when the Board or a Committee meets.

6.3.3.2.6 Exceptional events and litigation

To the best of our knowledge, there were no governmental, judicial or arbitration proceedings during the last 12 months with significant effect on the financial position or the profitability of Covivio Hotels and its subsidiaries.

6.3.4 Statutory Auditors

6.3.4.1 Statutory Auditors

	Statutory Auditors	Date of appointment	Expiry of term of office
Principal	**KPMG SA** Tour Eqho 2, Avenue Gambetta 92066 Paris La Défense	15 April 2024	OGM ruling on the annual financial statements closed at 31 December 2029
	Ernst & Young et Autres 1/2 Place des Saisons Paris – La Défense 1 92400 COURBEVOIE	11 April 2013 Renewed on 5 April 2019	OGM ruling on the annual financial statements closed at 31 December 2024

6.3.4.2 Remuneration of the Statutory Auditors

The remuneration of the Statutory Auditors is presented in section 4.2.7.6 of the notes to the consolidated financial statements.

6.4 Person responsible for the document

6.4.1 Person responsible for the document

Tugdual Millet-Taunay

Chairman of Covivio Hotels Gestion

Managing partner

6.4.2 Statement by the person responsible including the annual financial report

I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and makes no omission likely to affect its import.

I hereby certify, to the best of my knowledge, that the annual financial statements and the consolidated financial statements are prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and the profits or losses of the issuer and all the companies included in the consolidation, and that the management report on the group's management, appearing on page 7 *et seq.*, presents a true and fair view of the changes and results of the company and the financial position of the issuer and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties to which they are exposed and that the said report has been prepared in accordance with the standards applicable to sustainability information.

Paris, 19 March 2025

Tugdual Millet-Taunay

Chairman of Covivio Hotels Gestion

Managing partner

Person responsible for the financial information

6.4.3 Historical financial information

Pursuant to Article 19 of the Regulation (EU) 2017/1129 of the European Parliament and the European Council of 14 June 2017 and Delegated Regulation (EU) 2019/980 repealing Regulation (EU) 809/2004, the following information is incorporated by reference in this Universal Registration Document:

- the consolidated and annual financial statements for the fiscal year ended 31 December 2023 as well as the corresponding reports by the Statutory Auditors on pages 95 to 202 of the 2023 Universal Registration Document filed with the AMF on 19 March 2024 under No. D.24-0138;
- the consolidated and annual financial statements for the fiscal year ended 31 December 2022 as well as the corresponding reports by the Statutory Auditors on pages 87 to 167 of the 2022 Universal Registration Document filed with the AMF on 24 March 2023 under No. D. 23-0150.

These documents are available at the company's registered office at 10, rue de Madrid– 75008 Paris, as well as on its website (www.covivio-hotels.fr) and on the website of the French Financial Markets Authority.

6.5 Annual information document (Article 221–1-1 of the AMF General regulation)

6.5.1 Communication on the basis of regulatory information published on the AMF website and on the Covivio Hotels website

26 January 2024	Liquidity agreement half-year statement at 31 December 2023
15 February 2024	2023 annual results
27 March 2024	Procedures for making the preparatory documents available to the AGM of 15 April 2024
19 March 2024	Procedures for making the 2023 Universal Registration Document available
15 April 2024	Description of the 2024 share buyback programme
23 April 2024	Activity at end-March 2023
2 July 2024	Liquidity agreement half-year statement at 30 June 2024
16 July 2024	2024 half-year results
20 August 2024	2024 half-year financial report
16 January 2025	Liquidity agreement half-year statement at 31 December 2024
18 February 2025	2024 annual results

6.5.2 Publications in the BALO (*Bulletin des Annonces Légales Obligatoires*)

8 March 2024	Publication of the meeting notice for the Combined General Meeting on 15/04/2024
27 March 2024	Publication of the notice of meeting for the Combined General Meeting on 15/04/2024
17 May 2024	Publication of the final financial statements at 31/12/2023

6.6 Summary appraisers' report

Tugdual Millet-Taunay

Covivio Hotels 10, rue de Madrid 75008 Paris

Paris, 4 March 2025

Dear Sir,

We have the honour of attaching herewith our summary report on the appraisal of the fair value of the Covivio Hotels assets as at 31 December 2024.

6.6.1 General background on the appraisals

General framework

Covivio Hotels asked us to estimate the fair value of its portfolio in Europe. This request was part of the half-year valuation of its portfolio.

These appraisals were conducted with complete independence.

The appraisal companies BNP Paribas Real Estate Valuation, CBRE Hotels Valuation, CBRE Limited, Cushman & Wakefield Valuation, BPCE Expertises Immobilières and MKG have no capital ties with Covivio Hotels.

The appraisal companies BNP Paribas Real Estate Valuation, CBRE Hotels Valuation, CBRE Limited, Cushman & Wakefield Valuation, BPCE Expertises Immobilières and MKG confirm that the appraisals were carried out by and under the responsibility of qualified appraisers.

The annual fees billed to Covivio Hotels are determined before the appraisal year. They account for less than 10% of the revenues of each appraisal company.

The rotation of the appraisers is organised by Covivio Hotels.

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 portfolio valuation for listed companies published on 8 February 2010.

Current appraisal

Our assignment was to appraise the fair value of the 187 assets in France, 58 assets in Germany, 3 assets in the Netherlands, 15 assets in Belgium, one asset in Portugal, 12 assets in the UK, 15 assets in Spain, 4 assets in Italy, 1 asset in Ireland, 2 assets in Hungary and 1 asset in the Czech Republic. For this assignment, Covivio requested us to carry out initial appraisals or updates on documents. Our assignment was to appraise the fair value at the occupancy rate announced at 31 December 2024. The appraised assets are located in Europe. They are primarily assets that are wholly owned by Covivio Hotels or by its subsidiaries. It should be noted here that, when the client is the tenant under the terms of a credit agreement, the appraiser values only the assets underlying the contract, and not the credit agreement 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.

6.6.2 Engagement conditions

Documents examined

This assignment was conducted on the basis of the documents and information provided during the month of October 2024 and the preceding years for the sites being updated, and which is assumed to be accurate and to represent all the information and documents in the possession of, or known to, the client, which could have an impact on the fair value of the portfolio. Accordingly, title deeds and zoning certificates are not examined.

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 recommendations set out by the RICS appraisal standards published by the Royal Institute of chartered Surveyors;
- the principles laid down by the SIIC Code of Ethics.

Methodology used

For the assets comprising the various portfolios, which are investment properties, we have used the capitalisation of gross income method and the discounted cash flow method.

6.6.3 Comprehensive fair value

Covivio Hotels owns 352 assets (including 313 hotels). 312 assets are recognised at appraisal value and 40 assets are valued at the promise value.

6.6.3.1 Fair value appraised by BPCE Expertises Immobilières

The comprehensive fair value corresponds to the sum of the unit values each of asset. Fair value at 100%: €691,480,000 excluding expenses and duties. All of the assets were valued as at 31 December 2024. As part of the valuation, all assets were the subject of a document-based update.
Of the 60 assets, 54 are fully owned and 6 held via special leases (BAC, AOT, etc.).

Presentation of the appraisal values per class of assets:

Sectoral breakdown	Recovery	Number of assets
AccorInvest assets	162,180,000	7
Lease assets	187,180,000	12
Operating properties assets	313,420,000	15
Retail premises assets	28,700,000	26
TOTAL	**691,480,000**	**60**

6.6.3.2 Fair value appraised by BNP Paribas Real Estate Valuation

The comprehensive fair value corresponds to the sum of the unit values each of asset.

Fair value at 100%: €1,813,266,818 excluding expenses and duties. (valuation in British pounds converted at the rate of €1.20616).

All of the assets were valued as at 31 December 2024. As part of the valuation, all assets were the subject of a document-based update.

Of the 32 assets appraised, 26 are fully owned and 6 held via special leases (BAC, AOT, etc.).

Presentation of the appraisal values per class of assets:

Sectoral breakdown	Recovery	Number of assets
AccorInvest assets	82,890,000	2
Assets in Spain	545,730,000	11
Operating properties assets	942,816,818	11
Other assets	241,830,000	8
TOTAL	**1,813,266,818**	**32**

6.6.3.3 Fair value appraised by Cushman & Wakefield Valuation France

The comprehensive fair value corresponds to the sum of the unit values each of asset.

Fair value at 100%: €1,351,700,000 excluding expenses and duties.

All of the assets were valued as at 31 December 2024. As part of the valuation, all assets were the subject of a document-based update.

Of the 134 assets appraised, 129 are fully owned and 5 held via special leases (BAC, AOT, etc.).

Presentation of the appraisal values per class of assets:

Sectoral breakdown	Recovery	Number of assets
AccorInvest assets	162,220,000	9
B&B assets	657,750,000	111
Operating properties assets	386,430,000	10
Motel One and Meininger assets	145,300,000	4
TOTAL	**1,351,700,000**	**134**

6.6.3.4 Fair value appraised by the appraisal company CBRE Limited

The comprehensive fair value corresponds to the sum of the unit values each of asset.

Fair value at 100%: €712,116,864 excluding fees and transfer duties (valuation in British pounds converted at the rate of €1.20616).

All of the assets were the subject of document-based update and were valued as at 31 December 2024.

Of the 9 assets appraised, 3 are fully owned (freehold) and 6 held via special leases (leasehold).

Presentation of the appraisal values per class of assets:

Sectoral breakdown	Recovery	Number of assets
UK assets	712,116,864	9
TOTAL	**712,116,864**	**9**

6.6.3.5 Fair value appraised by CBRE Hotels Valuation

The comprehensive fair value corresponds to the sum of the unit values each of asset.

Fair value at 100%: €722,640,000 excluding expenses and duties.

All of the assets were valued as at 31 December 2024. As part of the valuation, one asset required a visit by the expert in November 2024, while the other assets were discounted.

Of the 29 assets appraised, 22 are fully owned and 7 held via special leases (BAC, AOT, etc.).

Presentation of the appraisal values per class of assets:

Sectoral breakdown	Recovery	Number of assets
AccorInvest assets	34,260,000	3
Lease assets	255,800,000	8
Operating properties assets	432,580,000	18
TOTAL	**722,640,000**	**29**

6.6.3.6 Fair value appraised by MKG

The comprehensive fair value corresponds to the sum of the unit values each of asset.

Fair value at 100%: €706,736,189 excluding costs and transfer taxes (value of Hungarian assets converted at the rate of €0.002438 and of Czech assets at the rate of €0.039706).

All of the assets were valued as at 31 December 2024. As part of the valuation, 4 assets required a visit by the expert November 2024, the other assets were the subject of a document-based update.

Of the 35 assets appraised, 29 are fully owned and 6 held via special leases (BAC, AOT, etc.).

Presentation of the appraisal values per class of assets:

Sectoral breakdown	Recovery	Number of assets
B&B assets	179,580,000	27
NH assets	527,156,189	8
TOTAL	**706,736,189**	**35**

6.6.3.7 Summary by appraiser and reconciliation with the consolidated financial statements

The financial communications portfolio of Covivio Hotels therefore amounts to €5,861 million in Group Share. A reconciliation table between this amount and the IFRS consolidated financial statements can be found in section 1.4 of this URD.

Appraisers	100% valuation	Group Share valuation	Number of assets
BPCE	691,480,000	592,501,718	60
BNP	1,813,266,818	1,771,677,338	32
CUSHMAN	1,351,700,000	936,248,780	134
CBRE Hotels Valuation	722,640,000	722,640,000	29
CBRE Limited	712,116,864	712,116,864	9
MKG	706,736,189	700,023,209	35
Total	**5,997,939,871**	**5,435,207,909**	**299**
Assets not subjected to an appraisal	483,843,247	425,533,762	20
TOTAL	**6,481,783,118**	**5,860,741,671**	**319**

6.6.4 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 summary report is an element that cannot be separated from the work carried out by each of the appraisers in their assignment.

Cushman & Wakefield Valuation France

Philippe Mellet

Partner



BNP Paribas Real Estate Valuation

Jean-Claude Dubois

Chairman



BPCE Expertises Immobilières

Philippe Taravella

Chief Executive Officer (CEO)



CBRE Hotel Valuation France

Benjamin Deljurie

Director, Head of Hotels Valuation France & Belux



CBRE Limited

Claire Gent

Director

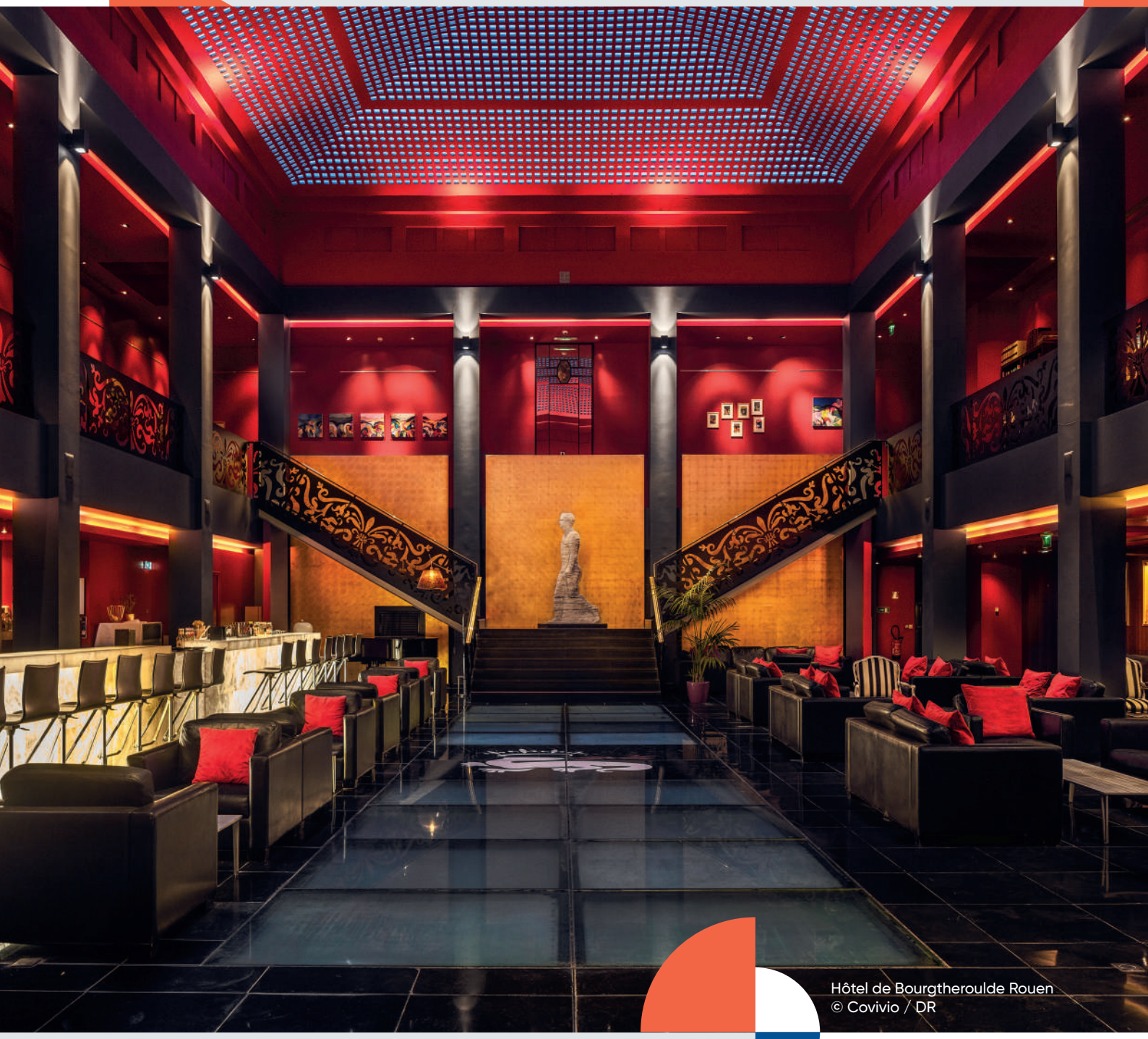


MKG

Vanguélis Panayotis

Chairman





Hôtel de Bourgtheroulde Rouen
© Covivio / DR

35% LTV at the end of December 2024.

7

Cross-reference tables

Cross-reference table 476

Table of concordance with the annual financial report 478

Table of concordance with the report of the Annual General Meeting 478

Cross-reference table

To facilitate the reading of the annual report registered as a Universal Registration Document, the following theme-based table identifies the main information required under the headings of Appendix 1 of Delegated Regulation (EU) 2019/980 of the European Commission of 14 March 2019.

Type of information		Section and page No.
1.	**Responsible parties, information from third parties, appraiser's reports and approval by the competent authority**	
1.1	Parties responsible for information	6.4.1 p. 467
1.2	Statements made by the responsible parties	§ 6.4.2 p. 467
1.3	Appraisers' statements or reports	§ 6.6 p. 469
1.4	Information from third parties	N/A
2.	**Statutory Auditors**	
2.1	Names and addresses	§ 6.3.4.1 p. 466
2.2	Resignations/non-renewals	N/A
2.3	Remuneration	§ 4.2.7.6 p. 316
3.	**Risk factors**	
3.1	Market risk	2.1.2 I p. 63 and 2.1.2 II p. 66
3.2	Risks linked to the company's operation	2.1.2 I p. 63 and 2.1.2 II p. 66
3.3	Risks linked to the environment	§ 2.1.2.I p. 63
3.4	Other risks	2.1.2 II p. 66, 2.1.2 III p.67, 2.1.2 IV p.68, 2.1.2 V p.70, 2.1.2 VI p.73 and 2.1.2 VII p.75
4.	**Information about the issuer**	
4.1	History of the company	§ 6.2.1 p. 461
4.1.1.	Name and purpose of the company	§ 6.1.1.1 p. 436
4.1.2.	Place of registration and registration number of the company	§ 6.1.1.4 p. 436
4.1.3.	Date of incorporation and term of the company	§ 6.1.1.7 p. 436
4.1.4.	Registered office and legal form of the company	§ 6.1.1.2 and 6.1.1.3 p. 436
4.1.5.	Development of the company's activity	§ 1.2.1 p. 8; § 4.2.4 p. 287
4.2	Investments	
4.2.1.	Main investments made during the fiscal year	§ 1.2.1 p. 8; § 4.2.4 p. 287
4.2.2.	Main investments in progress	§ 1.2.1 p. 8; § 4.2.4 p. 287
5.	**Overview of activities**	
5.1	Main activities	
5.1.1.	Transactions carried out by the company during the fiscal year	§ 1.2.1 p. 8
5.1.2.	Major new products or services launched on the market	N/A
5.2	Main markets	§ 1.2.2.1 p. 10; § 1.2.3.1 p. 19
5.3	Significant events in the business's development	§ 1.2.1 p. 8
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