

Let's be **real.**
Growth is all
about finding
balance.

ANNUAL SUSTAINABILITY REPORT
2021



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1. Message from the CEO



Dear reader,

High-quality entrepreneurship and growth, with an eye for the wider environment in which we operate: it has always been in Montea's DNA. Whereas 2020 was the year in which we first converted this DNA into a clear vision and sustainability strategy, 2021 was the year in which we received recognition for our efforts, with, among other things, a GRESB score that has more than doubled (from 32 to 69) and an EPRA sBPR Silver Award. It was also the year in which we refined our sustainability strategy based on new insights gained in the areas of **E**nvironmental, **S**ocial and **G**overnance.

In the area of **Environment**, we managed to make our own operations carbon neutral by 2021. Today, we still do this partly through offsetting, in particular by supporting two projects in Zambia and Kenya, but our ambition is to be fully CO₂ neutral by 2030 at the latest.

In addition, Montea will focus strongly on reducing both the CO₂ footprint of its existing portfolio (operational carbon) and that of its new developments (embodied carbon). In this way, we are strengthening our ambitions to take up a leadership position in the area of sustainability. We will support tenants in their transition, helping them to reduce costs and greenhouse gas emissions. I therefore invite you to read through our roadmap on page 22 and learn how we will approach this in practice.

This ambition for a more sustainable business is also reflected in the way we finance our growth. In 2021, we succeeded in completing our first US Private Placement by issuing EUR 235 million of Green Bonds. With this green financing also comes the need for transparent communication about our efforts and concrete results. We will hereby put the greenhouse gas emissions sufficiently in perspective (see page 29) and we will raise the bar every year. For ourselves, but also for our sector.

In terms of our **Team**, the appointment of Steven Claes as Chief Human Resources Officer is an expression of our commitment to supporting the strong team of Monteaners that we have built up in recent years in their development and personal growth in a sustainable manner. To achieve this, we will focus on training people, but we will also dare to question ourselves through objective feedback surveys and improvement processes. We have a fantastic team and we want to do everything to keep all our employees on board and - within their possibilities and ambitions - to let them grow with the company.

Within the framework of our **Policy**, we have also chosen to increase the number of independent directors. The appointment of Barbara De Saedeleer and Koen Van Gerven as independent directors increased the number of independent directors in the Board of Directors. We are convinced that their sound knowledge and experience will contribute to Montea's further growth.

In short, much has been done, but the road is still long and challenging. I would like to express my sincere gratitude to all employees and partners who make us a stronger company every year.

I hope that we can continue to support each other in the future and that we can continue to challenge each other to raise the bar even higher. We are up to the challenge.

Jo De Wolf
Chief Executive Officer

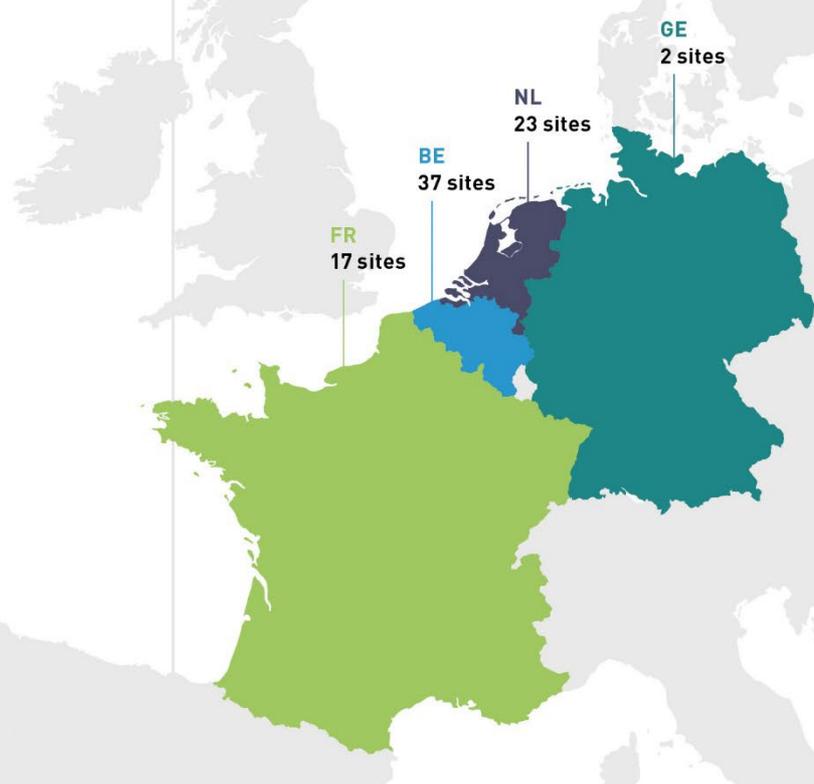
2. Highlights 2021



Montea in a **nutshell**

Montea is a developing investor, specializing in multimodal, multifunctional and sustainable buildings at strategic prime locations. As space is scarce we are conscious about the maximum use of space and the redevelopment of grey- and brownfield.

Our portfolio



Our team

Management



Woman



Employees



Man



Training



Hours / FTE

Years of experience



In real estate per person

ACQUIRED LANDBANK

1,429,246 m²
€ 259.4 Mio market value
€ 182 Mio market value/m²

OF WHICH YIELDING LANDBANK

68%
5.3% yield on cost

UNDER CONTROL
562,105 m²

Total landbank
1,991,351 m²

Highlights

In 2021, Montea presented its growth plan Track'24. A plan for growth with the ambition to be a forerunner in the exciting challenges surrounding sustainable logistics and urban distribution. Track'24 aims to increase the portfolio by € 800 million worth of investments by the end of 2024 (>60% in 4 years). This is the largest growth in Montea's history.

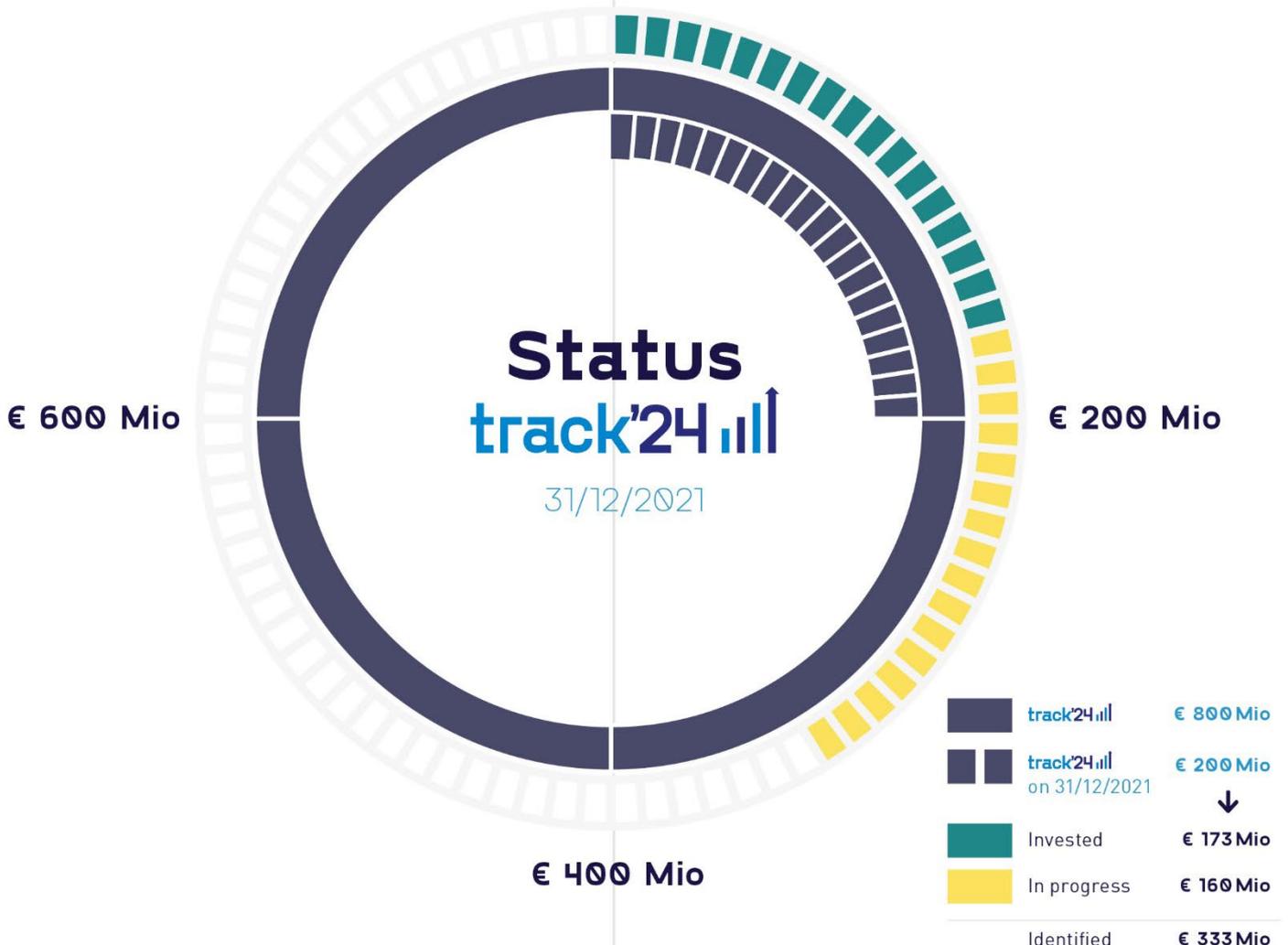
Actuals - Outlook

	Actuals 2021	Outlook 2022	track'24
EPRA result per share	€ 3.75 (+7% vs '20)	€ 3.95 (+5% vs '21)	€ 4.30 (>20% vs '20)
Dividend per share	€ 3.03 (+7% vs '20)	€ 3.18 (+5% vs '21)	€ 3.45 (>20% vs '20)
Occupancy rate	99.7%	>97%	>97%
Portfolio	Identified investment volume € 333 Mio	Investment volume growth of ca. € 250 Mio	Investment volume growth of € 800 Mio (>60% vs '20)

track'24 highlights

track'24

01/01/2021
€ 800 Mio



Highlights

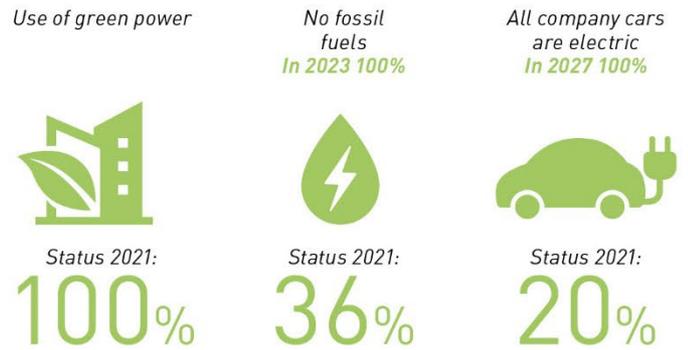
Sustainable business has always been part of our DNA. Our track record in recent years is the clearest evidence of our commitment to sustainable value growth rather than short-term profit. We took essential steps to convert the Montea DNA into a clear vision and sustainability strategy for the medium (2030) and long (2050) term.

Montea operations

Targets greenhouse gas emission



Actions

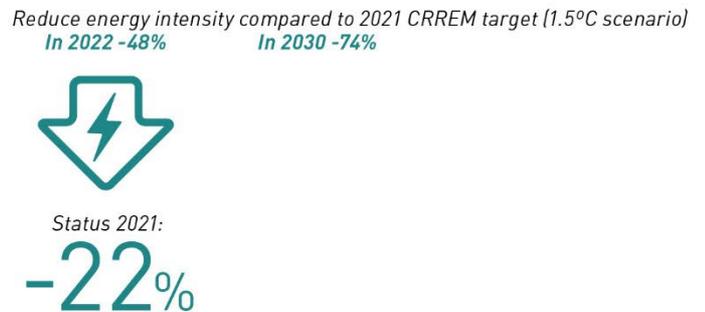


New developments

Targets greenhouse gas emission

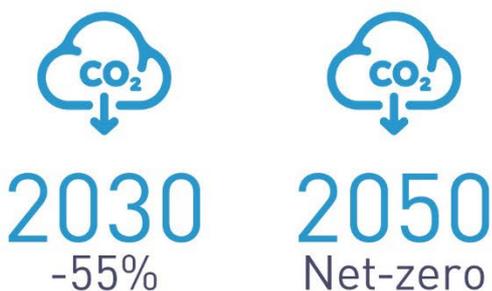


Actions

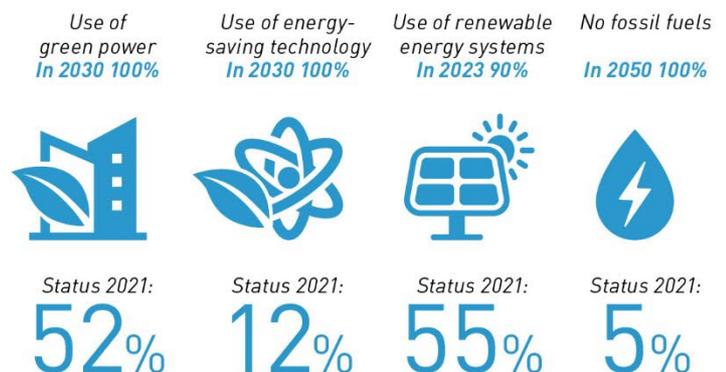


Existing portfolio

Targets greenhouse gas emission



Actions



2.1. Main achievements in 2021

1 Montea operations are CO₂ neutral

Montea succeeded in making its own operations CO₂ neutral in scope 1, 2 and 3 (mobility employees and scope 1 and 2 upstream emissions) by the end of 2021 through a combination of measures (e.g. purchase of 100% green electricity) and an offsetting mechanism set up by CO2logic. By 2030 Montea aims to be CO₂ neutral without an offsetting mechanism.



2 Elaboration of a Green Finance Framework and issue of EUR 235 million in green bonds



In the first half of 2021, Montea elaborated and implemented a Green Finance Framework with the intention of issuing green financing instruments. These financing instruments include, amongst others, bond loans and credit agreements with banks to (re)finance sustainable projects with a clear benefit for the environmental and society. Montea also successfully completed its first US Private Placement by issuing EUR 235 million in Green Bonds. These have already been fully invested in sustainable projects.

3 LCA pilot project and urban mining

At the old Lipton site in Vorst, Montea completed a pilot project on life cycle analysis and circularity. A materials passport was drawn up and the existing materials were, as much as possible, reused, upcycled or recycled.



4 Signing of the Paris Proof Commitment and the Science Based Targets Initiative



In 2021, we signed the Paris Proof Commitment of the Dutch Green Building Council. With this, we commit ourselves to reduce energy consumption in the portfolio, thereby also reducing the related greenhouse gas emissions. We also registered our steep ambitions in terms of reducing greenhouse gas emissions with the Science Based Targets, an ambitious combined initiative of the CDP, United Nations Global Compact, World Resources Institute and WWF. The acceptance of our Science Based Targets places Montea among a minority of participants whose targets were approved.

5 External recognition of our sustainability efforts

2020 was a turning point for Montea in terms of sustainability which is reflected through the recognition Montea received from several renowned external parties. For example, Montea was able to boost its GRESB score to 69 points, up 37 points from 2020, and above the Peer Group Average.

Montea is even best in class in the categories it considers to be material (particularly energy efficiency and greenhouse gas emissions), and aims to raise this score further in 2022. The company also succeeded in securing an EPRA sBPR Silver Award as a reward for the many efforts it has already made on the sustainability front. It goes without saying that Montea now wants to raise the bar even higher by aiming for an EPRA sBPR Gold Award in 2022.



2021
Silver Award
High adherence to sBPR



2021
Green Star
With a score of 69%

The Degroof Petercam Bank also praises Montea's sustainability efforts in its report on the logistics sector. More in particular, Montea's tenant engagement programme and its clear action plan are highly praised. *"Although sustainability reporting is becoming a norm in the sector, we note major differences in the communication of companies in terms of quality and transparency. Some players lack quantified objectives and detailed action plans. Although this can be explained by the size of the companies, additional efforts must be made to publish a tangible action plan that clearly indicates the path to be taken. Montea stands out in that respect."*

Also, the Blue Gate Project in Antwerp is cited by the Degroof Petercam Bank as a prime example of 'reusability' and 'geo-localization efficiency'. The project is described as innovative and the future industry standard.

6 Further fine-tuning of sustainability objectives 2030/2050



Montea has developed its sustainability vision for the future through a strategic plan 2030/2050 that was further fine-tuned in 2021. For instance, it was decided to focus also on reducing the embodied carbon of the new developments. In addition, the ESG and corporate policies were also updated in 2021 to reflect the ambitious sustainability strategy even better. In doing so, Montea bolsters its ambitions to assume a leadership position on the sustainability front.

7 Energy monitoring of the existing portfolio

Montea managed to equip 95% of the portfolio with an energy monitoring system by the end of 2021 (compared to 40% in 2020). This system enables customers (and Montea) to evaluate their energy consumption on a daily basis and adjust where necessary.





8 Appointment of Chief Human Resources Officer

The arrival of Steven Claes as its first Chief Human Resources Officer will enable Montea to provide further sustainable support to the strong team that has been built up in recent years in their development and personal growth.

9 Increase in the number of independent directors

As part of its Corporate Governance, Montea opted to increase the number of independent directors. The appointment of Barbara De Saedeleer and Koen Van Gerven as independent directors brings the number of independent directors on the Board of Directors from three to four.



3. Our stakeholders



3.1. Involvement with our stakeholders

Montea's activities have a considerable impact on our society, not least in terms of mobility and the use of space. Montea is very aware of this impact and always seeks to strike the best balance for all relevant stakeholders.

Montea's management identified the most important stakeholder groups for the company. Montea is committed to consult these stakeholders regularly and involve them in relevant decision-making processes.



Stakeholder	How (often) to engage?
Customers 	<ul style="list-style-type: none"> - Creation of a long-term partnership - Continuous availability and interaction - Each site has its own Montea property manager - Online platform 'My Montea': accessible to all customers - Platform energy monitoring system
Staff 	<ul style="list-style-type: none"> - Weekly management check-ins - Monthly team lunch and/or team moments - Quarterly strategy and project updates - Annual evaluation interviews - Annual satisfaction survey - Minimum 1 teambuilding event per year - Continuous training provided
Investors/ Capital markets 	<ul style="list-style-type: none"> - Continuous transparent communication and reporting - Annual and half-yearly financial reporting - Update on financial figures on a quarterly basis - Annual sustainability report - Press releases - Quarterly international roadshows and participation in trade fairs
Suppliers 	<ul style="list-style-type: none"> - Establishment of a long-term relationship with suppliers - Annual evaluation of the cooperation
Cities and Municipalities 	<ul style="list-style-type: none"> - Continuous transparent communication through project consultations - Consultation and cooperation on upcoming projects - Preparatory meetings - Alignment of vision and mission projects
Policy makers 	<ul style="list-style-type: none"> - Participation in sector consultations and making available of knowledge, vision and mission - Participation in the social debate on the sectors in which we are active: e-commerce, night work, town and country planning, etc. - Provide input for new regulations - Organisation of participation in seminars on socially relevant topics
Local communities and neighbours 	<ul style="list-style-type: none"> - Support local organizations - Encourage neighbourhood consultations on new projects - Promote a good relationship with neighbours - Establish local sustainability initiatives

3.2. Social involvement

Montea encourages social involvement among its employees.

For example, in May 2021, some Monteanees participated in the Wings for Life Worldrun (www.wingsforlifeworldrun.com). All global donations for that event were invested in research into spinal injuries and in treatments to help people walk (or run) again.



“We are grateful that we can support teenagers like Ruiz (photo) can support by running at this event”

Els Vervaecke
Chief Financial Officer Montea

Support for local causes

In addition, Montea also supported some local organizations:

Steunpunt Welzijn: Montea is involved in a local project in Aalst and Ninove. Steunpunt Welzijn launched, at both locations, a collection service with a cargo bicycle in cooperation with social partners.



“This type of project is important for the support of local and social employment.”

Christine De Glas
Communication & Marketing
Manager Montea

Children of Askole: Askole is the gateway to the most beautiful and highest mountains of the Himalayas in Pakistan. This village is a 7-hour drive from the nearest city and is home to 307 children with only 1 school and 9 teachers. Sofie Lenaerts (www.sofielenaerts.com) is one of the driving forces behind this project and works together with the local population as part of her mountaineering activities.



"We use the donations to buy essential items for the children and the school. It is a small gesture that can hopefully bring a lot of joy to the children's hearts, which is why we do it."

Sofie Lenaerts

The 24-Hour Kampenhoeve Trail Run Challenge: Montea sponsored 2 teams for this Trail Run. One Montea team triumphed with flying colours (www.kampenhoeve.com).



"It feels good to take part in this trail run because you get indirectly involved in this fantastic project."

Joke Jennes
Portfolio Manager Montea

Sustainable support for De Kampenhoeve – An interview with Peter Demuyck

Can you tell us something more about your job, Peter?

I have been working for more than 11 years as Chief Commercial Officer (CCO) at Montea. In this function, I am responsible, amongst others, for the acquisitions of our company. In addition, together with my wife (photo) I have also started a non-profit organization: De Kampenhoeve.



Can you tell us a little more about the Kampenhoeve?

The Kampenhoeve is a fast-growing donkey and horse centre in Kampenhout (Belgium) that is committed to asinotherapy. We focus specifically on children and adults with mental and/or physical disabilities. We devise a bespoke programme for those persons in which we use our animals to create moments of relaxation (e.g. walking, brushing) or in which we work on motor skills, coordination, and self-confidence through playful assignments.

We have now become the largest asinotherapy-centre in Belgium. About fifty children come to us for therapy every week.

That sounds fantastic. Do you do that all by yourself?

No, we can rely first and foremost on a permanent team of four people (two remedial educationalists, a psychologist and a physiotherapist) and a volunteer group of about 25 people. We are incredibly grateful to these people.

How does Montea support your operation?

To be able to work sustainably and keep our therapy sessions affordable, we look for sponsorship from companies, but we also organize activities such as team building, camps, farm visits, etc.

Montea has always been a partner on which we can rely on. They support us financially, but also participate in activities such as our auctions and the Kampenhoeve Trail Run. Montea also promotes our organization very forcefully within its network.

The security of companies like Montea is worth its weight in gold for us as a 'small non-profit organization'. Montea has also organized a number of days when employees came to do volunteer work in our centre. The fact that Montea is supporting my non-profit organization in this way obviously feels very good.

What does the future look like for De Kampenhoeve?

First and foremost, we would like to maintain our current operation and preferably expand it. We also want to start a new project for teenagers who are tired of school. We get a lot of demand for this. We want to motivate those young people to go back to school with a new project that includes a food and therapy garden and coaching. But of course we will need the necessary support for that too.

Good luck!



Sharing knowledge

Montea wants to share its extensive expertise with as many partners and stakeholders as possible. At the **Montea Inspiration Days**, Montea invites experts from the sector to inspire the audience and stimulate innovation.

In addition, Montea employees are regular **guest speakers** at seminars organized specifically for the real estate sector, such as VIL, SPRYG, Buck Consultants Int. and Management Productions. In 2021, Montea employees shared their expertise in both online debates and live events.

In 2021, Montea went even further with its **own podcast series** "Beyond the Meeting Table," during which Jo De Wolf, CEO of Montea, meets fascinating people and talks to them about their passions and beliefs. The result is an interesting and informative podcast series with guests such as Antoine Geerinckx (CO2Logic), Anja Van Mensel (Studio 100), Nicolas Bearelle (Revive) and Ingrid Ceusters (Groep Ceusters).



Various Montea employees also contribute their knowledge and experience to **academic courses**, professional training and sector seminars.

Since June 2021, Jo De Wolf has been making his knowledge available to the board of directors of BVS, as vice-chairman and president of the Flemish Region. BVS is a professional association of the real estate sector and represents the interests of real estate developers, subdivision developers and real estate investors of Belgium.



Montea signed a **cooperation agreement** in 2021 with **The Shift**, a platform of various organizations united around a common goal: actively moving towards a more sustainable economy and society. Jo De Wolf is also a director of The Shift.



Supporting the next generation of professionals

Since 2020, Montea supports the **Dennie Lockefer Chair** with an annual sponsorship of EUR 10,000. Organized at the University of Antwerp, this chair conducts scientific research on the use of navigable inland waterways as a solution to mobility challenges. In 2021, Dieter Havermans' master's thesis on battery-electric inland navigation was awarded the thesis prize of the Dennie Lockefer Chair.



Since 2021, Montea has also been supporting a second project of the **University of Antwerp**: the 'Urban Logistics' summer school. In this context, Montea awards a financial prize to the two students who write the best paper during the summer school.

Every year Montea also gives students from various training courses the opportunity **to do a traineeship** in the company. At Montea, interns are given an instructive work experience and the necessary guidance. This gives them the ideal preparation for their first job. With a good internship, this first job could even become a great story at Montea.

Montea is a member of the following associations and organizations:



4. Sustainability strategy



4.1. Our material topics

In order to determine the themes that are material to Montea, the material topics of similar companies in the sector were analysed first. After that, trend reports and the most relevant frameworks and ratings for reporting on sustainability, such as the European Public Real Estate Association (EPRA), Global Real Estate Sustainability Benchmark (GRESB) and Euronext were analysed. In addition, the guidelines and requirements of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) were also taken into account:

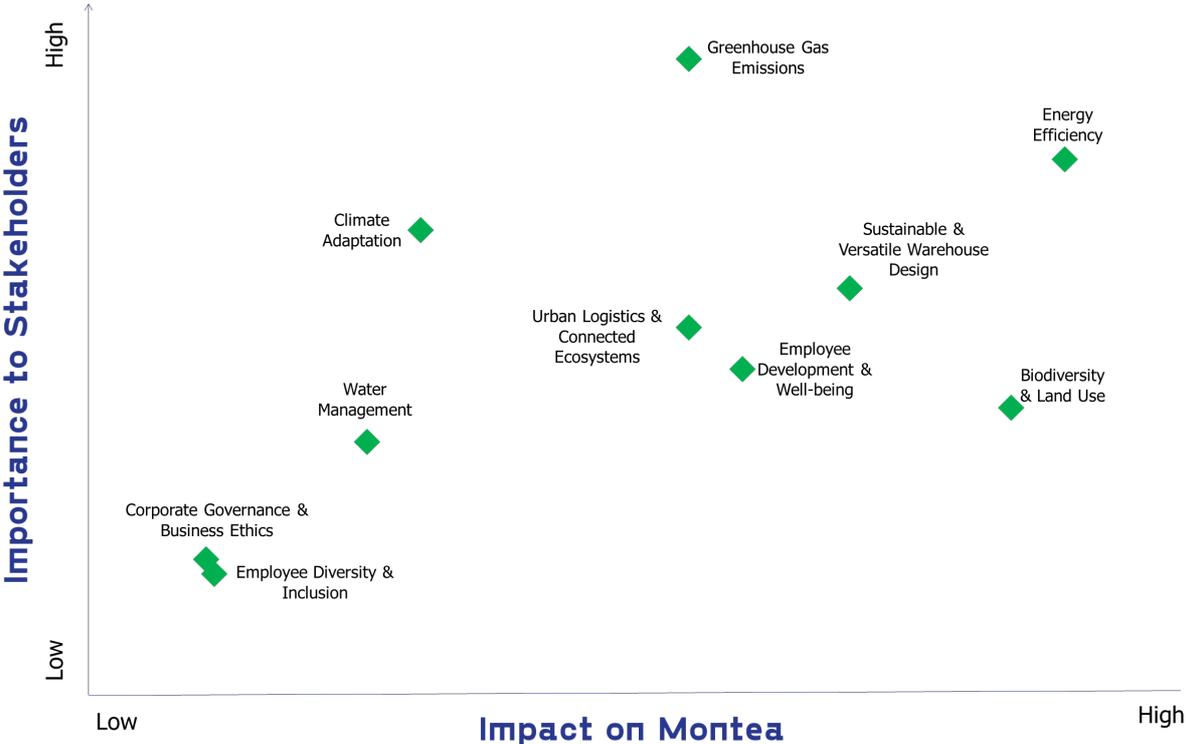
- As well internal as external factors are covered by the material topics.
- The material topics can have an impact on Montea's operational and financial results.
- Montea can control and influence the material topics.
- Purely financial and operational topics are not included in the materiality matrix.



This led us to a longlist of 15 potentially material topics. Based on workshops with the ESG project team and the management team, **10 material topics were finally chosen and prioritized**. This prioritization is represented by a materiality matrix. To arrive at that matrix, the answers to the following two questions were mapped for each material topic:

- How important do Montea's stakeholders consider this theme?
- What impact can Montea have on the topic, taking into account the associated risks and opportunities?

The result is shown the following materiality matrix:



This matrix was validated and finalized by Montea's management and clearly shows the three most important material topics for the company:

- Energy efficiency
- Greenhouse gas emissions
- Sustainable and versatile logistics real estate



In addition, three topics were also identified that are important for value creation and that allow Montea to focus fully on the three core material topics:

- Employees: well-being and personal development
- Urban logistics and connected ecosystems
- Climate adaptation

The topics of diversity, inclusiveness and corporate governance are of great social importance, but are rather self-evident for Montea and have been built into its structure for years, which is why they received a lower score in the materiality index.

4.2. Sustainability plan 2030/2050

Montea has worked out its own sustainability vision for the medium and long term (2030 and 2050 respectively) together with several experienced experts. To arrive at this vision, the selected material topics were fully aligned with the already existing corporate strategy.



The following framework was eventually created:

MISSION:

We use our expertise in logistics real estate to make sustainable long-term investments that create value for our customers, shareholders, employees and other stakeholders.

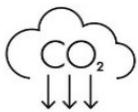
Accelerate materiality impact:

Energy efficiency



Offer energy-efficient solutions and promote the use of renewable energy at Montea and its portfolio.

Greenhouse gas emissions



Reduce Montea's direct and indirect carbon footprint by limiting the number of greenhouse gas emissions that arise from our business operations, our logistics real estate, and our suppliers.

Sustainable and versatile logistics real estate



Multifunctional and multimodal buildings that consider the life cycle and circularity of materials, avoid construction waste and, at the same time, are vigilant of the well-being of our employees and our customers.

Vision and strategic focus:

Montea operations



- Since the end of 2021, Montea's operations have been **CO₂ neutral, with offsetting**.
- Montea's operations are to be CO₂ neutral without offsetting by 2030.

New developments



- 2022: 25% less CO₂ emissions (embodied carbon) compared to 2021
- 2030: 55% reduction in CO₂ emissions (embodied carbon) compared to 2021
- 2050: all new construction projects are CO₂ net zero.

Montea invests in strategic locations that permit multifunctional and multimodal solutions



- **Intermodal network expansion:** investing in locations with good connections to road, rail, waterways and/or airports.
- **Multifunctional:** create buildings that are suitable for multiple uses/types of users and thus have a longer life cycle.
- **Maximum use of space:** Montea wants to ensure that the limited space available is always used optimally. That is why Montea tries to focus on brownfield and greyfield redevelopment projects, as well as infill development projects.

Montea designs versatile warehouses that are long-term investments



- **Longevity:** build robust warehouses with materials that last and with a design that allows different use by different customers.
- Encourage **reuse** of materials.

Existing portfolio

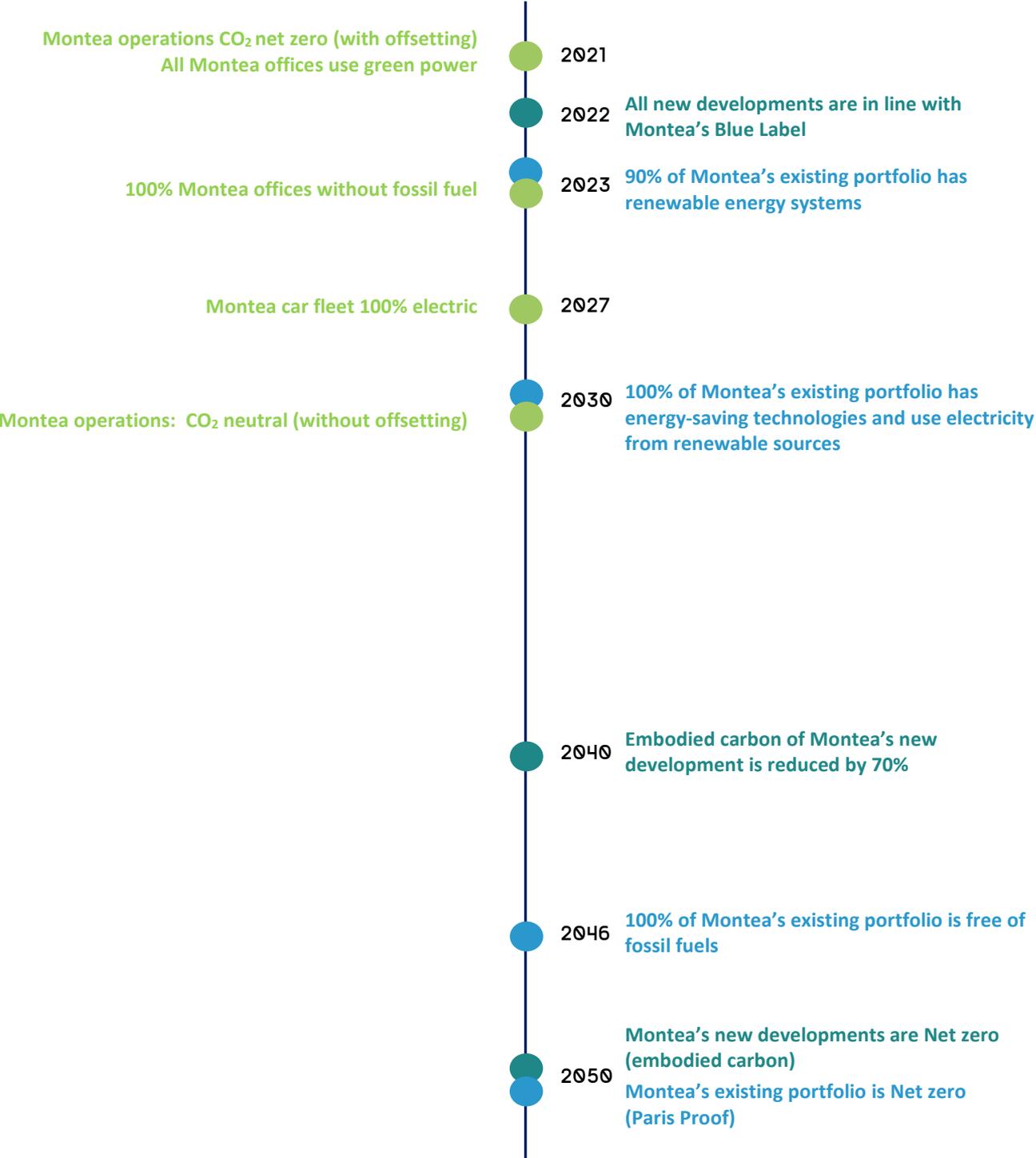


- Montea will help its clients to reduce their carbon footprint and energy costs.
- The CO₂ emissions (operational carbon) of the portfolio must be reduced with 55% by 2030.
- The **entire Montea portfolio must be Paris Proof** (= CO₂ net zero) by 2050.

4.3. Roadmap

Montea has translated its sustainability strategy into concrete actions, milestones and objectives. The roadmap is set out below.

Montea operations	
Montea new developments	
Montea existing portfolio	



Montea operations	Existing portfolio	New constructions	Year	Materiality	Action/Milestone	KPIs
✓			2021	Greenhouse gas emissions	Perform baseline measurement for Montea's CO2 footprint and determine reduction strategy	-
✓	✓	✓	2021	Greenhouse gas emissions	Define and register science-based targets	-
✓			2021	Greenhouse gas emissions	Draw up plan to achieve 100% electric vehicle fleet by 2027	-
✓	✓	✓	2021	Corporate Governance & ethics	Publish Montea's first ESG report	-
	✓	✓	2021	Corporate Governance & ethics	Set up Green Finance Framework	-
✓	✓	✓	2021	Corporate Governance & ethics	Set up Sustainable Executive Committee	-
✓	✓	✓	2021	Corporate Governance & ethics	Organize annual two-day strategic reflection exercise for directors and management	-
✓			2021	Corporate Governance & ethics	Optimize reporting for EPRA and GRESB	-
✓			2021	Corporate Governance & ethics	Include financial and non-financial information in annual report to better reflect ESG performance	-
	🏃		2021	Sustainable and versatile logistics real estate	Launch pilot project on hydrogen for Park De Hulst	-
		✓	2021	Sustainable and versatile logistics real estate	Develop pilot project on multimodal transport / Last mile concept Blue Gate Antwerp	-
	🏃		2021	Energy efficiency	Energy monitoring system for Montea's existing portfolio	% energy monitoring
	✓		2021	Energy efficiency	Collect consumption data from tenants	-
✓			2021	Employees, well-being & personal development	Organize a meeting of the inspiration committee twice a year	-
🏃			2021	Employees, well-being & personal development	Develop an onboarding process for new employees	-
✓			2021	Employees, well-being & personal development	Annual satisfaction survey for employees	-
	✓		2021	Greenhouse gas emissions	Evaluate greenhouse gas emissions of existing portfolio and determine reduction strategy	-
✓			2021	Greenhouse gas emissions	Montea operations CO2 net zero (with offsetting)	CO2e emission from Montea operations (tCO2e)
✓	✓	✓	2021	Corporate Governance & ethics	Develop and implement sustainability policy in daily policy (emissions, water consumption, waste, suppliers, safety, ...)	-
🏃	🏃	🏃	2021	Corporate Governance & ethics	Include materialities in the risk assessment framework	-
✓	✓	✓	2021	Corporate Governance & ethics	Develop approach to achieve better EPRA sBPR and GRESB score in the long term	EPRA sBPR score and GRESB score
		🏃	2021	Sustainable and versatile logistics real estate	Blue Gate facade & Lipton site: pilot projects on circularity and life cycle	-
🏃	🏃	🏃	2021	Sustainable and versatile logistics real estate	Define criteria for no longer using harmful substances and set up a policy for this	-
	🏃		2021	Sustainable and versatile logistics real estate	Feasibility study on hydrogen for the 'Park De Hulst' project	-
		✓	2021	Sustainable and versatile logistics real estate	Development of construction manual for new constructions: Blue Label	-
	🏃		2021	Energy efficiency	Evaluate potential for additional PV installations in existing portfolio	-
✓			2021	Energy efficiency	Energy consumption of Montea offices 100% covered by green energy	% of green energy for Montea offices

✓ Completed project

🏃 Ongoing project

Montea operations +AZ20	Existing portfolio	New constructions	Year	Materiality	Action/Milestone	KPIs
			2021	Employees: well-being & personal development	Create programmes that promote personal and career development of employees	-
			2021	Corporate Governance & ethics	Enter into strategic partnerships with suppliers to achieve positive impact in the entire value chain	-
			2022	Greenhouse gas emissions	Set up pilot projects per country in which Montea is active concerning reduction of greenhouse gas emissions	-
			2022	Sustainable and versatile logistics real estate	Continue with the tenant engagement programme	-
			2022	Energy efficiency	Further roll out of customer access to energy monitoring system	-
			2022	Energy efficiency	Evaluate potential of battery storage for existing portfolio	-
			2022	Employees: well-being & personal development	Launch a sustainability awareness programme for employees	-
			2022	Employees: well-being & personal development	Develop programme to promote employee wellbeing	-
			2022	Water management	Launch pilot project to convert rainwater into drinking water	-
			2022	Energy efficiency	Set up pilot project with battery storage	-
			2022	Energy efficiency	All Montea tenants have access to energy monitoring system	-
			2022	Employees: well-being & personal development	Improve process for stimulating personal development among employees and measuring employee satisfaction	-
			2023	Energy efficiency	90% of sites have PV installations where technically possible	% of existing portfolio with renewable energy systems
			2023	Greenhouse gas emissions	100% of Montea offices do not use fossil fuels anymore	% of Montea offices without fossil fuel
			2023	Energy efficiency	Roll-out plan for battery storage in existing portfolio	-
			2023	Greenhouse gas emissions	Roll-out plan for programme to reduce greenhouse gas emissions of existing portfolio	-
			2024	Sustainable and versatile logistics real estate	Communicate positive impact of existing portfolio	-
			2025	Sustainable and versatile logistics real estate	Proof of concept hydrogen Park De Hulst	-
			2025	Energy efficiency	90% of sites where technically possible have battery storage system	% of existing portfolio with battery storage systems
			2027	Greenhouse gas emissions	Montea fleet is 100% electric	% of electric vehicles in Montea fleet
			2030	Greenhouse gas emissions	Montea operations CO2 neutral (without compensation)	CO ₂ e emissions from Montea operations (tCO ₂ e)
			2030	Greenhouse gas emissions	Embodied carbon from new constructions reduced by 55%	CO ₂ e emissions from new constructions (tCO ₂ e)
			2030	Energy efficiency	100% of existing portfolio has energy-saving technologies (LED, heat pumps, etc.)	% of existing portfolio with energy-saving technologies
			2030	Greenhouse gas emissions	100% of existing portfolio uses electricity from renewable sources	% of existing portfolio with electricity from renewable sources
			2040	Greenhouse gas emissions	Embodied carbon from new constructions reduced by 70%	CO ₂ e emissions from new constructions (tCO ₂ e)
			2046	Energy efficiency	100% of existing portfolio is fossil fuel free	% of existing portfolio without fossil fuels
			2050	Greenhouse gas emissions	Existing Montea portfolio is Net-Zero ('Paris Proof')	CO ₂ e emissions from existing portfolio (tCO ₂ e)
			2050	Greenhouse gas emissions	New Montea constructions are Net-Zero (embodied carbon)	CO ₂ e emissions from new constructions (tCO ₂ e)

Completed project

Ongoing project

5. Energy efficiency and greenhouse gas emissions



5.1. Why is this material to Montea?

The materiality analysis quickly showed that "energy efficiency" scored very high in terms of importance to stakeholders and potential impact of and on Montea.

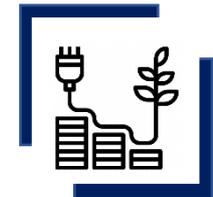
Moreover, "affordable and sustainable energy" is one of the 17 United Nations Sustainable Development Goals. Montea will contribute to the following sub-targets by 2030:

- 7.2: Increase substantially the share of renewable energy in the global energy mix.
- 7.3: Double the global rate of improvement in energy efficiency by 2030.

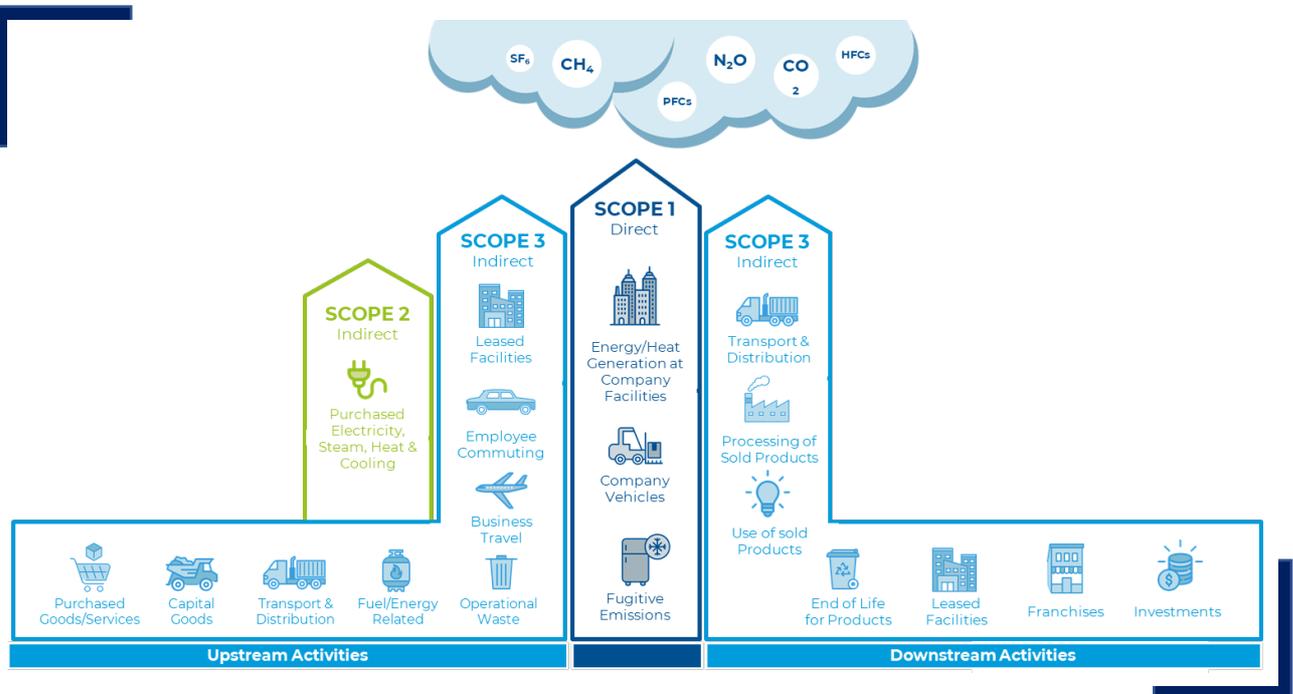
In concrete terms, Montea wants to promote and offer energy-efficient solutions and the use of renewable energy in its portfolio.

Reducing greenhouse gas emissions is a theme on which Montea can exert influence. After all, buildings in the EU account for 36% of all greenhouse gas emissions.¹ Montea wants to do its bit to reduce this share and its direct and indirect carbon footprint by reducing greenhouse gas emissions from operations, warehouses and throughout the value chain.

Using energy-efficient solutions and promoting and offering the use of renewable energy to the portfolio is one of the main ways to achieve that goal.



5.2. Approach and scope measurements



¹ Source: European Commission: "In Focus – Energy-efficiency in buildings".

2019 is used as the base year for calculating the evolution of Montea operations' carbon footprint. In this calculation, three scopes are analysed, as defined by Bilan Carbone and other international standards (GHG Protocol, ISO 14069, ...).²

The table below provides an overview of the scopes and content:

	Montea operations	New developments Embodied carbon	Existing portfolio Operational carbon	
Scope 1	Direct emissions from company cars (fuel), heating (gas) and coolant leaks for Montea offices		Montea controlled direct emissions from heating (gas) and coolant leaks	
Scope 2	Emissions linked to the generation of purchased grey electricity for Montea offices		Montea controlled emissions linked to purchased grey electricity	
Scope 3	Purchased goods and services	Emissions from paper purchasing, data storage and subcontractors	Emissions from building materials (A1-A3), energy use on building sites (A5) and demolition work (C1)	
	Investment goods	Emissions from purchase of IT equipment		
	Fuel and energy related activities	Upstream emissions from scope 1 & 2 energy (fuel production, net losses, building power plant)		Montea controlled upstream emissions from scope 1 & 2 energy (fuel production, net losses, building power plant)
	Transport & distribution		Emissions by transport (A4 en C2)	
	Waste	Emissions from waste generated in Montea offices	Emissions from waste (C3-C4)	
	Business travel	Emissions from business travel		
	Staff commuting	Emissions from Montea staff commuting		
	Downstream leased assets			Tenant controlled emissions from heating and electricity (direct and indirect)

² Expert CO2Logic takes into account a 35% uncertainty in the figures.

Montea has control over the purchase of energy and water supplies over only 19% of the existing portfolio of lettable surface ³ of 1,545,165 m² (1,314,897 m² buildings). In particular, data from the energy monitoring systems are used to map the energy consumption of the portfolio, supplemented by data requested from external parties (tenants, network operators, energy suppliers, etc.). No figures were estimated or extrapolated. The energy indicators are presented in accordance with EPRA guidelines and can be found in the EPRA table on page 64.

Country	Portfolio (m ²)	Buildings (m ²)	Control over energy purchasing	
Belgium	760,788	744,291	248,482	33%
Germany	35,965	3,528	-	0%
France	200,749	196,331	-	0%
The Netherlands	547,663	370,747	-	0%
Total	1,545,165	1,314,897	248,482	19%

As Montea's portfolio is constantly growing, a like-for-like analysis is also provided each time. This analysis makes it easier to analyse trends based on a constant measurement scope. This measurement scope is always included in the tables.

To calculate the CO₂ footprint, the different energy consumptions (kWh) are mapped out. These are multiplied by their specific CO₂e emission (= emission factor; kg CO₂e/kWh) to obtain the total emission (kg CO₂e). Following emission factors were used:

Country	Emission factors (kg CO ₂ e/kWh)	Scope 1	Scope 2	Scope 3	Total Scope 1/2/3
Belgium	Consumption of grey electricity	-	0.1610	0.0500	0.2110
Germany	Consumption of grey electricity	-	0.3190	0.0850	0.4040
France	Consumption of grey electricity	-	0.0510	0.0580	0.1090
The Netherlands	Consumption of grey electricity	-	0.3070	0.0900	0.3970
Europe	Consumption of green electricity	-	-	0.0151	0.0151
Europe	Generation and consumption of green electricity of solar panels on site	-	-	0.0323	0.0323
Europe	Natural gas fuel	0.1850	-	0.0290	0.2140

³ Sometimes including outer surface area.

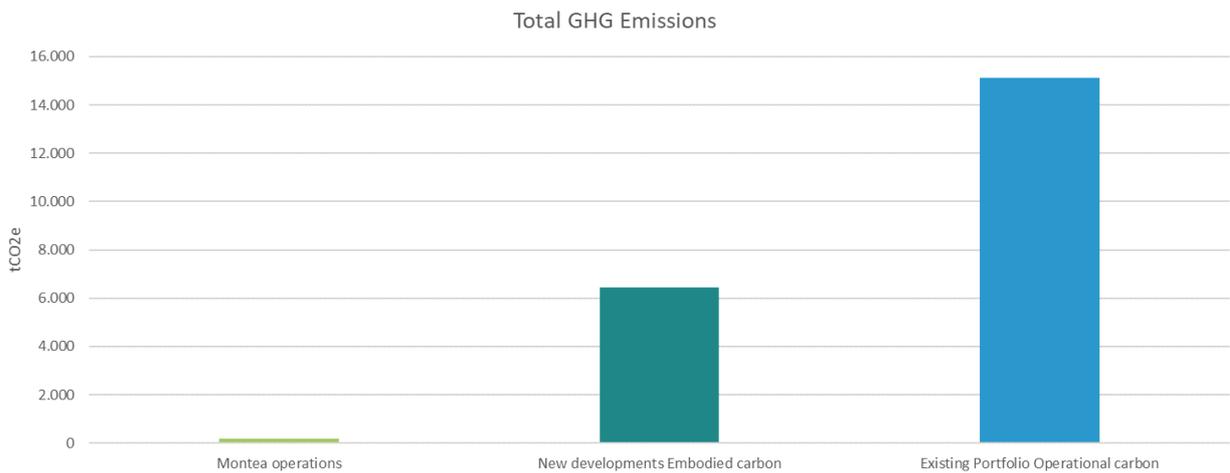
5.3. Summary – Greenhouse gas emissions in perspective

In essence, Montea's total greenhouse gas emissions consist of three components:



Montea is proud that its own operations have now been made CO₂ neutral through offsetting and that they will be CO₂ neutral without offsetting by 2030.

Montea however has enough sense of responsibility to realize that a CO₂ neutral label for its own operations is not enough. The table and diagram below show a summary of Montea's CO₂ emissions.



Emissions in tCO ₂ e	Montea operations	New developments Embodied carbon	Existing portfolio Operational carbon
2019	234	not calculated	21,701
2020	194	not calculated	17,411
2021	169	6,431	15,127

Emissions in tCO ₂ e	Montea operations	New developments Embodied carbon	Existing portfolio Operational carbon	Total	
Scope 1	85		1,372	1,457	
Scope 2	4		0	4	
Scope 3	Purchased goods and services	26	4,952	4,978	
	Investment goods	12		12	
	Fuel and energy-related activities	34		382	416
	Transport & distribution		322		322
	Waste	1	1,157		1,158
	Business travel	2			2
	Staff commuting	5			5
	Downstream leased assets			13,373	13,373
Total	169	6,431	15,127	21,727	

These figures show progress, as a clear decrease in all figures can be reported in 2021. This decrease can be explained by the energy-saving measures that were implemented and the more correct data (e.g. distribution of green vs. grey electricity) that were available in 2021. More details about the greenhouse gas emissions of the operations and the existing portfolio can be found on pages 31 and 37.

At the same time, these figures also show perfectly why it is so important for Montea's ambitions to extend beyond the CO₂ neutrality of its own operations, and that actions must also be taken to reduce both the operational and embodied carbon of the portfolio. Montea aims to and will play a pioneering role in this in the sector. More details about these objectives can be found on page 41.

5.4. Montea operations



Objectives and status of Montea operations

Montea wants its own operations to be CO₂ neutral (without offsetting) by 2030. In 2021 we were net-zero with offsetting.

Targets greenhouse gas emission



Actions

Use of green power



No fossil fuels
In 2023 100%

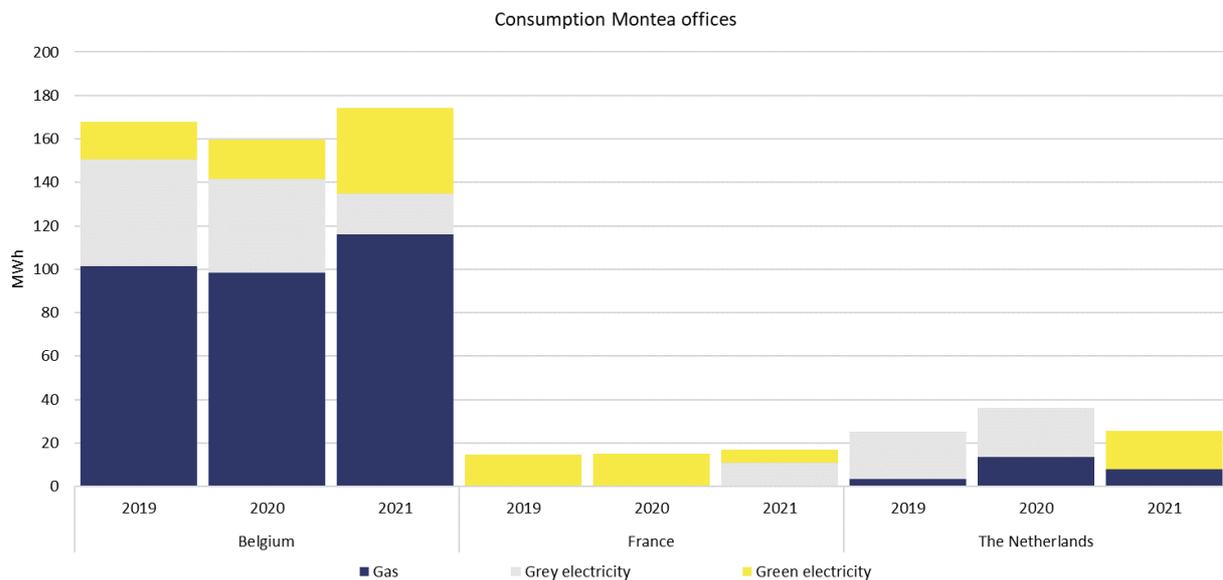


All company cars
are electric
In 2027 100%



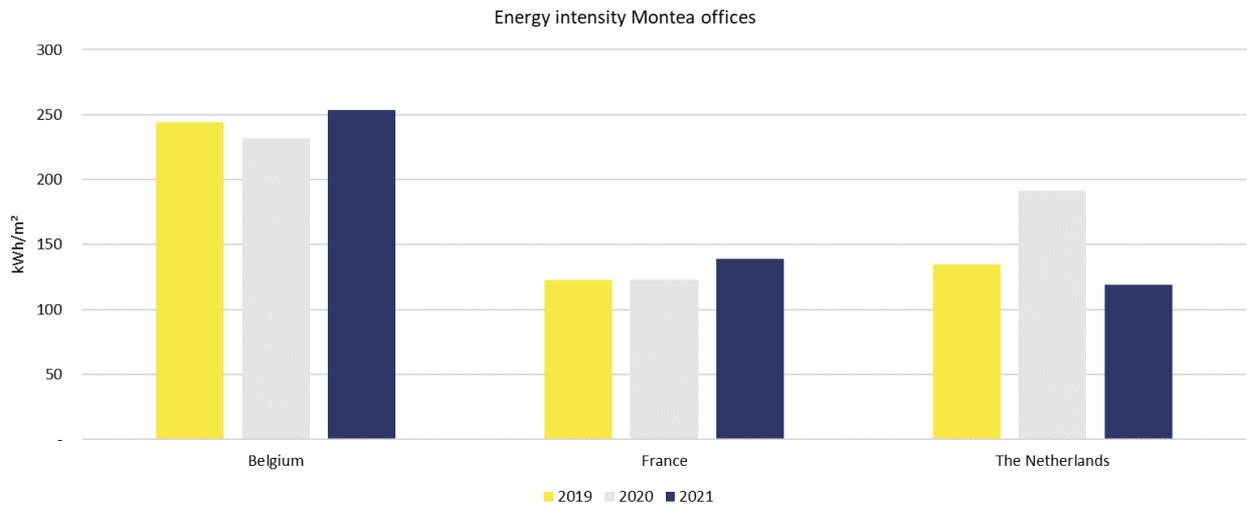
Energy consumption - Montea operations

In 2021, the total energy consumption of Montea offices was 221.82 MWh, compared to 200.8 MWh in 2020 and 208.69 MWh in 2019.



In both 2020 and 2021, COVID-19 and related measures obviously had an impact on these figures. There was more teleworking and the offices were therefore less occupied (in 2020 more than in 2021). In addition, 2021 was clearly a colder year which led to more consumption for heating (both gas and electricity).

This led to an energy consumption increase of 13% in Belgium and 9% in France. In The Netherlands an additional office was opened in Amsterdam in September 2021, however, because the heat wheel for the Tilburg office was switched back on⁴, energy consumption in The Netherlands dropped with 29%.



Montea set itself the target of 100% certified green power to all Montea offices by the end of 2021. This target was 100% achieved. From 2022 onwards, therefore, no more grey electricity will be visible in the bar graphs above.

It is worth noting that the head office in Belgium not only consumed more energy than the offices in The Netherlands and France, but also more energy per m². This is due to the type of construction and the year of building of the office in Erembodegem. By 2023 the Montea office for Belgium will move to a fully renovated premises in Aalst.



Greenhouse gas emissions from Montea operations

In 2021, 169 tCO₂e were emitted by Montea (5.3 tCO₂e per FTE⁵), compared to 194 tCO₂e in 2020 (7.0 tCO₂e per FTE) and 234 tCO₂e in 2019 (8.4 tCO₂e per FTE). However, these emissions were fully offset by supporting two agroforestry projects in Zambia and Kenya see pages 33 and 34.⁶

17x

the average emissions of
a Belgian household

169 tCO₂e =

87

return Brussels-NY flights
(economy)

100% offset

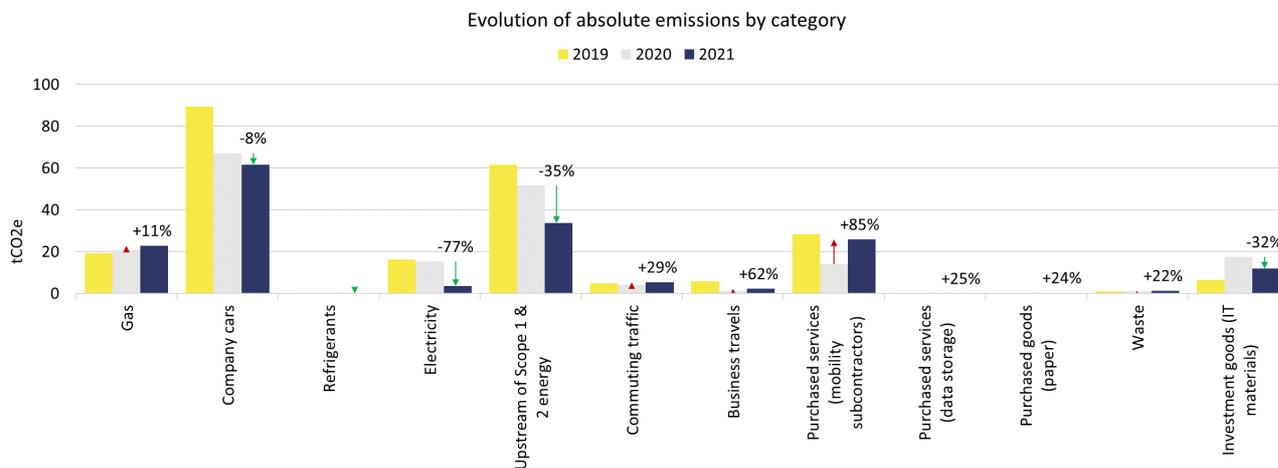
⁴ The heat wheel was turned off in 2020 to prevent the spread of COVID-19 in the office.

⁵ Full Time Equivalent.

⁶ The figures reported for 2019 and 2020 differ from those shared last year. This is due to an expansion of the scope of measurement (see 'Approach and scope on page 73).

Despite the fact that the measurement scope was expanded (see page 74), a reduction can be observed in both the total greenhouse gas emissions (-9% compared to 2020) and the relative (in to CO₂e/FTE) greenhouse gas emissions (-29% compared to 2020).

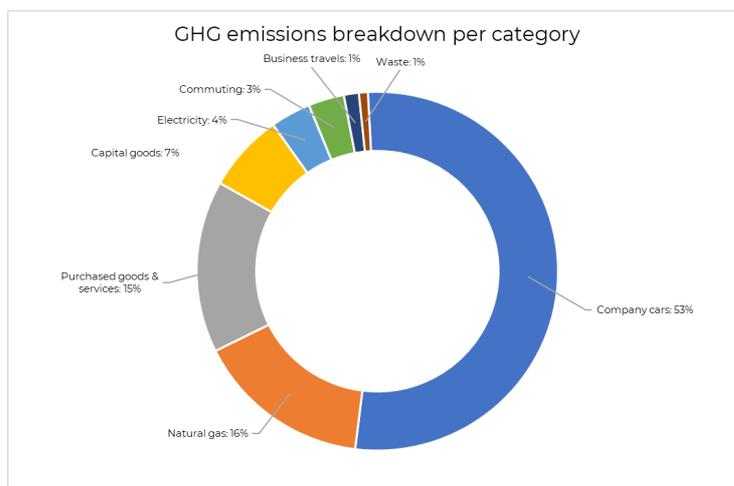
This decrease can be linked directly to the switch to 100% green energy in Belgium (68%), France (36%) and The Netherlands (100%), which resulted in the avoidance of 11 tonnes of CO₂ emissions.



Since all offices have switched to green energy by the end of 2021, a further significant reduction can be expected by 2022.

Mobility (commuting, business travel, mobility of subcontractors, etc.), with 124 tCO₂e, remains the largest source (73%) of Montea's greenhouse gas emissions. Because Montea aims to have a 100% electric car fleet by 2027, also this type of emissions is being addressed.

The ultimate goal is to be completely CO₂ neutral in scope 1, 2 and 3 (mobility employees and scope 1 and 2 upstream emissions) by 2030, without having to use any offsetting mechanism. We use the principles of the Science Based Targets initiative to that end.



2030 -> CO₂ neutral without offsetting

AgroForestry project in Zambia and Kenia

Montea succeeded in its goal of making its own operations carbon-neutral by the end of 2021 by supporting two carefully selected offset projects in Zambia and Kenya. This chapter explains the operation of the Zambia Agroforestry project. The project financed by Montea in Kenya works in a similar way.

There is currently a great deal of poverty in Zambia and many valuable forests are being lost in the search for fertile land for agriculture. To survive, farmers are forced into illegal (poaching) practices.

The Zambia Agroforestry Project promotes sustainable agricultural practices and the protection of forests through sustainable land management. Former poachers are thus given the opportunity to learn the skills to protect both the forest and the animals that live in it, while at the same time earning a stable income. This is done as follows:



1. Illegal poachers are taught various useful skills in exchange for their weapons and the promise that they will protect the forest.
2. Farmers are trained in the principles of sustainable agriculture. The goal: a larger harvest, without damaging the environment.
3. Specific plants capture nitrogen from the air into the soil. Combined with minimal tillage and organic fertilisers, this naturally creates a healthy soil.
4. The harvest doubles or triples, thus providing food security and a higher, more stable income.
5. Cooperatives provide training and knowledge sharing for the farmers.
6. The harvests are bought from the cooperatives at a premium price.
7. The harvest is converted into a high-quality food product and sold throughout Zambia under the brand name It's Wild!
8. The result: protected forests and animals, increased food security and higher, more stable incomes for farmers.

Project in Zambia:



23 HECTARES
UNDER AGRICULTURAL
LAND MANAGEMENT

33 FARMS
IN THE PROJECT

RESULTS IN
93 TONNES CO₂
YEARLY SEQUESTERED

Project in Kenia:



This project is validated by the Verified Carbon Standard, the largest voluntary greenhouse gas emissions offset programme. They verify the project's impact in terms of CO₂ emissions reduction through, amongst other, on-site data collection.



In addition, this project meets the principles of REDD+ (Reduce Emissions from Deforestation and Forest Degradation), a United Nations initiative to combat climate change by halting deforestation and protecting and restoring biodiversity where possible.

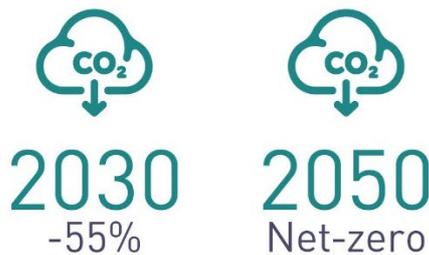
5.5. New developments

Objective and status of status new developments



Montea aims to reduce CO₂ emissions (embodied carbon) from its new developments with 55% by 2030 and to achieve Net Zero (neutral with offsetting) by 2050.

Targets greenhouse gas emission



Actions

Reduce energy intensity compared to 2021 CRREM target (1.5°C scenario)
 In 2022 -48% In 2030 -74%



Energy efficiency in in new developments

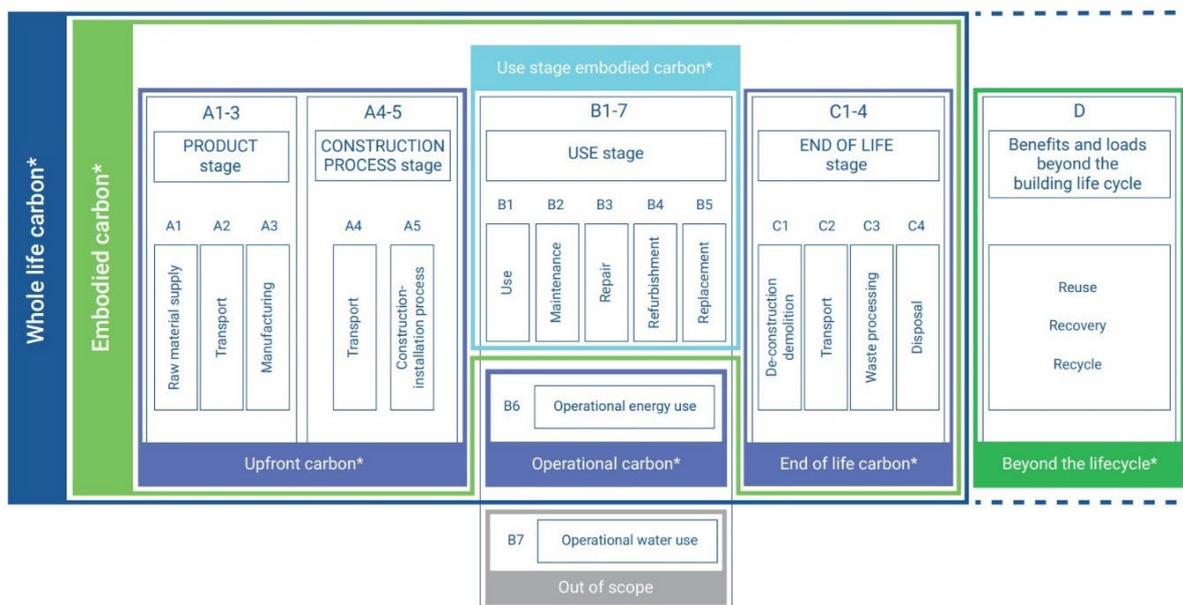
In order to reduce both costs and greenhouse gas emissions from tenants, energy efficiency targets have also been set for new developments:

Target year	Energy efficiency new developments (kWh/m ²)	Reduction
2021	75	0%
2022	50	33%
2030	25	67%
2040	25	67%
2050	25	67%

To achieve these targets, the Blue Label has been created providing a sustainable construction guide for new developments (see page 46).

Embodied Carbon in new developments

Montea strives to strongly reduce the embodied carbon released by the construction of new assets (sites/buildings).



In that context, a first test project was set up at Blue Gate Antwerp. These new structures there were built in accordance with Montea's sustainable building guidelines (see page 46) for 2020.

Experts from EPEA created a full circularity passport for this site. This showed that the embodied carbon footprint of the site was 202 kg CO₂e/m². It should be noted that this is not a standard Montea building because the parking tower was included in the calculation and therefore a lower result of the carbon footprint is obtained.

According to the framework of the Royal Institute of British Architects (RIBA), the Blue Gate site thus scores a good A+ in terms of embodied carbon. It was then determined by extrapolation that a typical Montea building has an Embodied Carbon of 288 kg CO₂e/m², which, according to the same RIBA framework, would lead to an A score.

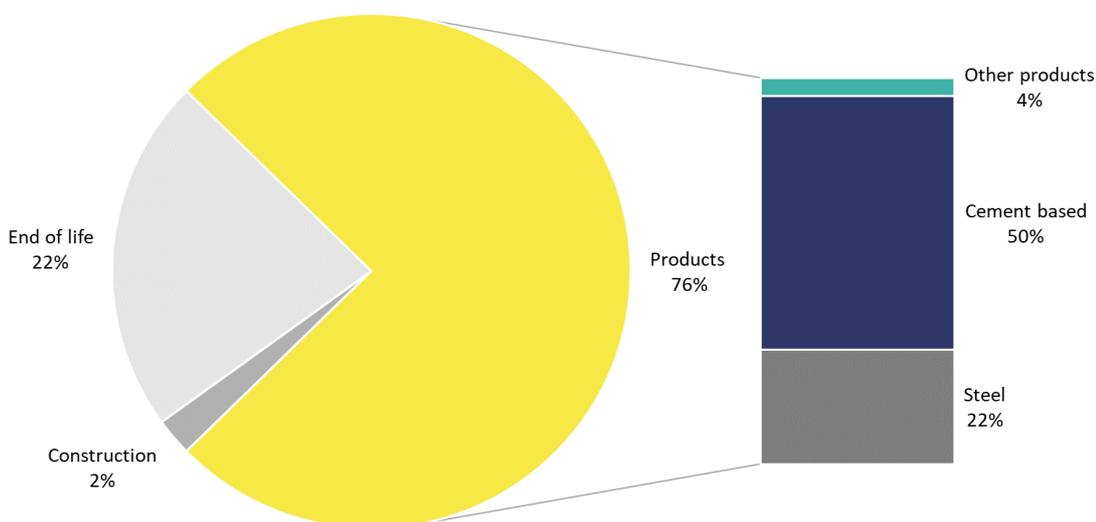
Project Name: BG1 Project Sector: Retail Assessment Date: 8/02/2022 Assessment By (company): MONTEA Location of Data: Antwerpen		Upfront Carbon A1-5 exc. sequestration (kgCO ₂ e/m ²)	Embodied Carbon A1-5, B1-5, C1-4 (kgCO ₂ e/m ²)
A++	100	125	
A+	200	250	A+ 124,65
A	300	380	A 288,02
B	425	535	
C	550	690	
D	700	870	
E	850	1050	
F	1000	1250	
G			
Non-Listed Typology:			
Sequestered Carbon:		0 kgCO ₂ e/m ²	
		Module D:	-43 kgCO ₂ e/m ²

For Montea, this is proof that the ambitious Blue Label construction guide, which came into force in 2021, did not miss its target and works very well in reducing the ecological footprint of new development projects.

Montea aims to have a maximum embodied carbon footprint of 216 kg CO₂e/m² for all new developments as of 2025.

Target year	Embodied Carbon new developments (kg CO ₂ e/m ²)	Reduction
2021	288	0%
2030	130	55%
2040	86	70%
2050	29	90%

Embodied Carbon typical Montea building



76% of the embodied carbon of a building is determined by product choices. It therefore goes without saying that Montea is constantly looking for innovative, sustainable products (e.g. low-CO₂ concrete) and construction methods.

In addition, diesel is avoided on the building sites, materials are transported by ship if possible instead of by truck, and cement water is recovered and treated on the site.

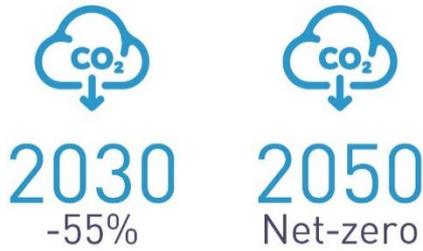
5.6. Existing portfolio



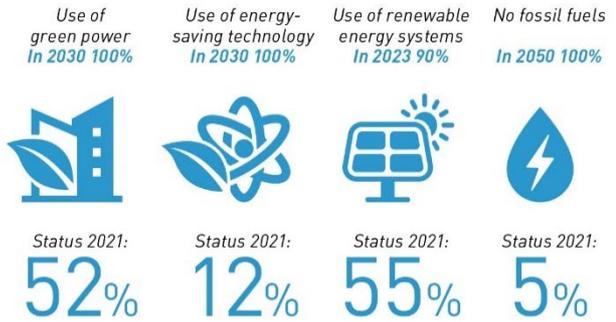
Objective and status of the existing portfolio

Montea helps its customers to reduce costs and greenhouse gas emissions by improving energy performance and making it more sustainable. Montea wants to make the existing portfolio Paris Proof (= net zero) by 2050.

Targets greenhouse gas emission



Actions



Energy monitoring of the existing portfolio

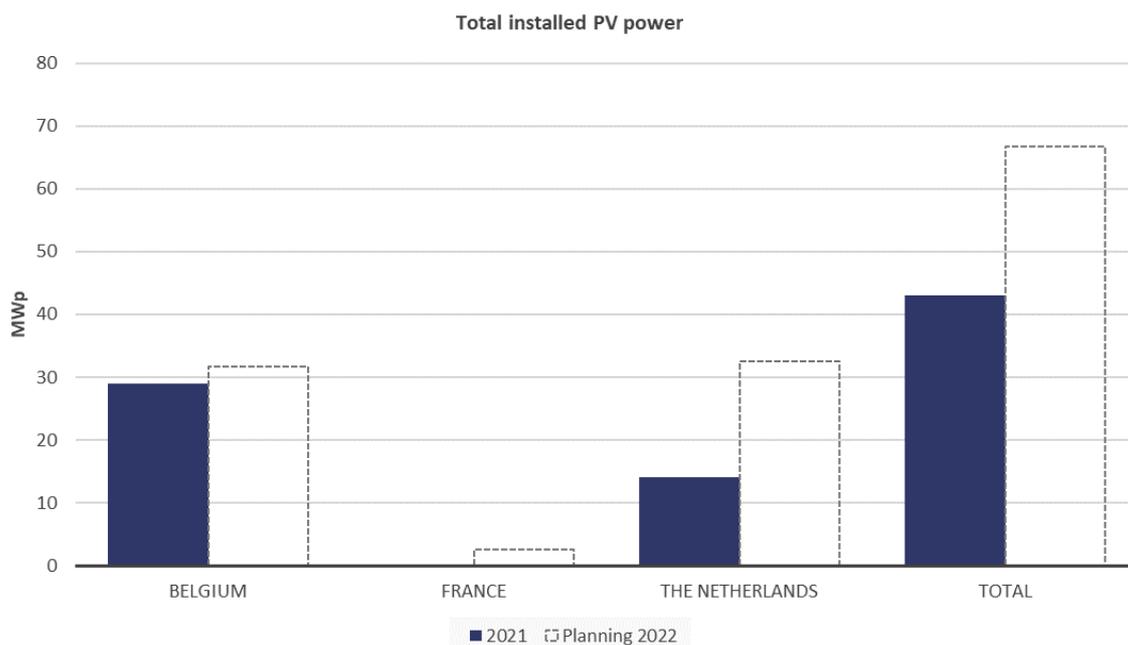
Montea managed to equip 95% of the portfolio by the end of 2021 (compared to 40% in 2020) with an energy monitoring system. This system enables customers (and Montea) to evaluate their energy consumption on a daily basis and adjust as and where necessary. Deviations in energy consumption can thus be quickly detected and adjusted. The initial target of 100% by the end of 2021 was not achieved due to the continuous growth of the portfolio and the absence of a monitoring system in most of the recently acquired buildings.

The monitoring system gives Montea more means of benchmarking its customers' energy consumption and raising their awareness of the issue of energy efficiency. An additional advantage is that lower energy consumption generally goes hand in hand with a lower ecological footprint.

Renewable energy from the existing portfolio

With its generally flat roofs, logistics property is an ideal building form for installing solar panels. Montea is therefore investing heavily in this area.

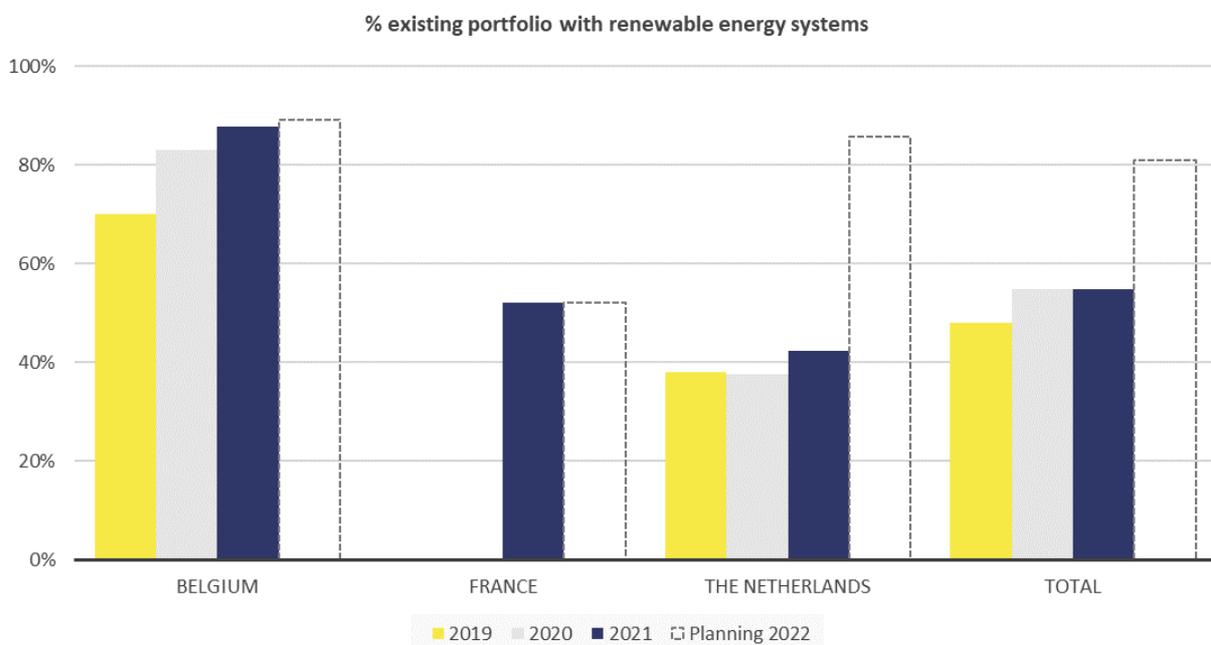
In 2021, Montea's PV installations generated around 37,850 MWh, which corresponds to the electricity consumption of 10,815 households. This avoided the emission of 9,256 tCO_{2e} in 2021, the equivalent of the CO₂ uptake of 611 hectares of forest. The PV installations thus also reduce the electricity costs of the tenants by EUR 590,000 annually.



37,850 MWh in total generated in 2021
 Energy for **10,815 households**
 Equivalent of CO₂ uptake of **611 hectares of forest**

In 2021, EUR 6.3 million was invested in new PV installations - with a total capacity of 5 MWp - for our portfolio buildings. In 2021, Montea also started the construction of its first PV installations in France, a country where solar panels are traditionally less represented in the energy mix.

Currently 55% of Montea's sites have a PV installation (where technically feasible). By the end of 2023, this figure should be increased to 90%. A number of PV installations are currently being planned- which will bring the figure above 80%.



Energy-saving measures of the existing portfolio

Heat pumps are used to heat or cool buildings in a more sustainable way (without fossil fuels). At present, 60% of Montea's sites already have heat pumps.

All new Montea projects to be developed will also have heat pumps as part of the standard equipment.

The relighting program will be further implemented in our warehouses. Under this program, the lighting in all older buildings will be replaced by energy-efficient LED lighting. All new developments will be fitted with energy-efficient LED lighting as standard plus motion detectors where relevant. By the end of 2021, 12% of Montea's sites were equipped with energy-saving measures (LED lighting, heat pumps, etc.). The aim is to equip all sites with such measures by 2030.

Charging stations for electric cars

Montea installs charging stations for electric cars in all its new-build projects. But it is also investing in EV charging in its existing portfolio. At the end of 2021, 34% of the sites had EV-charging facilities.

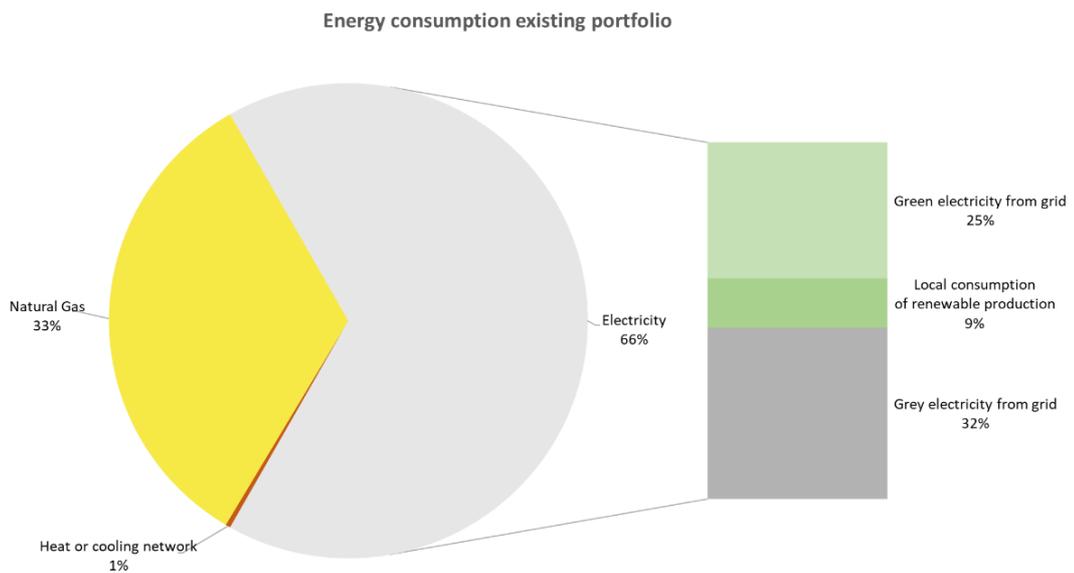
Rainwater recovery

A significant proportion of Montea's sites also uses rainwater recovery. Rainwater is collected and used for sanitary facilities, among other things. At the end of 2021, 23% of Montea's sites had a rainwater recovery system.

Energy consumption of existing portfolio

Because Montea succeeded in equipping 95% of its portfolio with an energy monitoring system by the end of 2021, the coverage of electricity, gas and water consumption is very high. The remainder of the consumption was extrapolated (see page 73 for an explanation of the approach and scope of the measurement):

Energy Type	Energy (kWh)	Coverage	Energy (kWh) extrapolation on the entire existing portfolio	Energy intensity (kWh/m ²)
Electricity	60,619,621	91%	66,518,311	50.6
Heat and cooling network	329,589	100%	329,589	0.3
Gas	26,549,121	81%	32,697,392	24.9
Total	87,498,331		99,545,292	75.7



At least 35% of the total energy consumed by the portfolio comes from renewable sources (green electricity from external suppliers, local consumption of renewable production and heat networks).

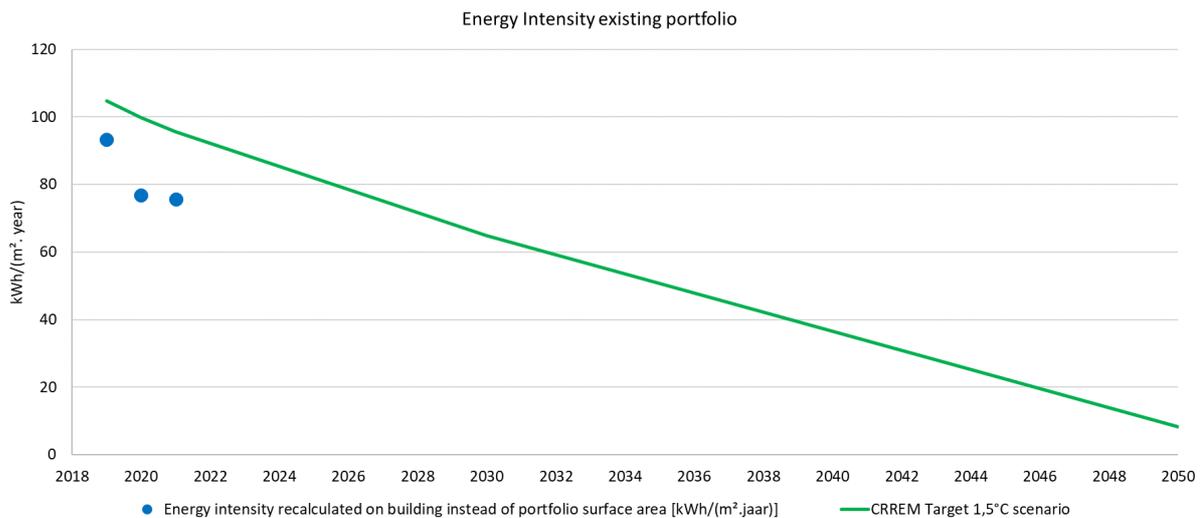
Year	Energy intensity (kWh/m ²)	Energy intensity (kWh/m ²) recalculated on building instead of portfolio surface area	Coverage
2019	79.4	93.4	18%
2020	65.3	76.7	27%
2021	75.7	75.7	88%

The analysis of the energy intensity of the portfolio shows an increase compared to 2020. However, since 2021, this calculation is based on the building area (parking areas, outside storage, etc. are included in the portfolio area, but not in the building area), rather than the area of the portfolio.

Moreover, Montea also has a much higher coverage for these measurements. This enables Montea to paint a more realistic picture of energy intensity.

Based on this adjusted analysis, a decrease in energy intensity compared to 2019 (-19%) and 2020 (-1%) can be established. This decrease is due to the introduction of energy-saving measures, such as replacing traditional lighting with LED lighting and switching from gas heating to heat pumps.

The Carbon Risk Real Estate Monitor (CRREM) provides the real estate sector with transparent, science-based decarbonization pathways aligned with the Paris climate goals to limit global temperature rise. CRREM was funded by the Horizon Programme of the European Union. The consortium members are the IIO (Institute for Real Estate Economics), GRESB, the University of Alicante, Ulster University, and TIAS Business School. Montea uses these decarbonization paths as benchmarks.



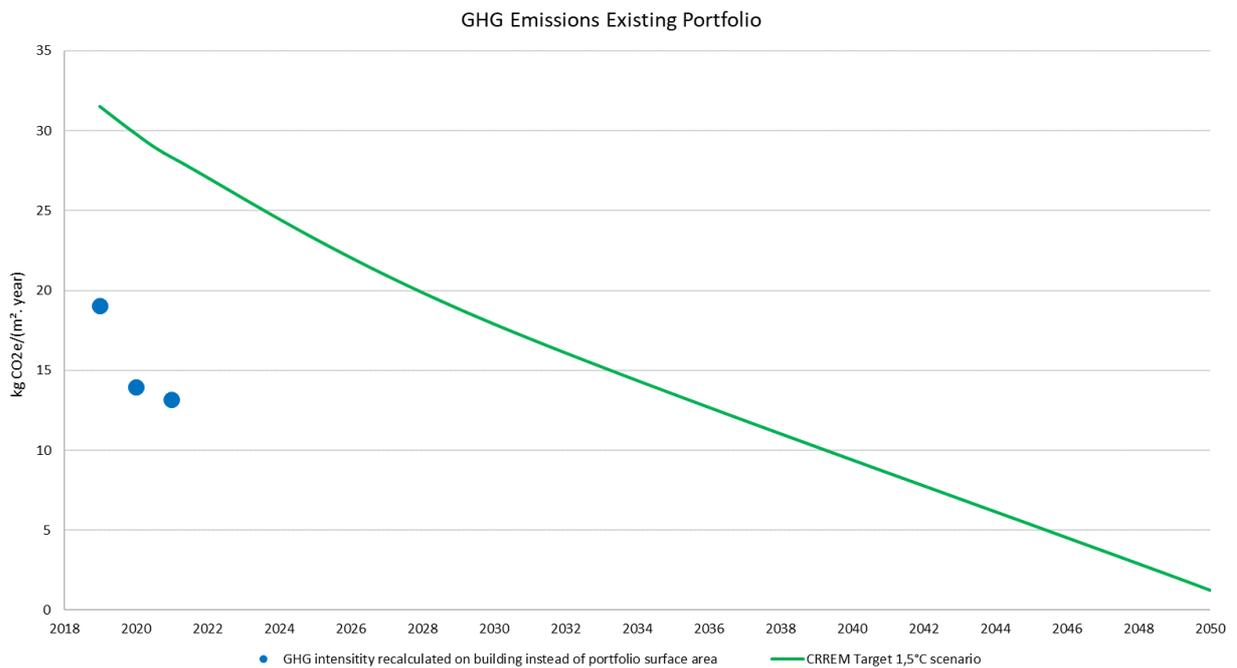
If the results of the analysis are compared to the objectives, it is worth noting that the energy intensity is 21% lower than was assumed in the objectives for 2021.

Operational greenhouse gas emissions from existing portfolio

The main parameter for operational greenhouse gas emissions is the greenhouse gas intensity (=kg CO₂e/m²).

Year	Greenhouse gas intensity (kg CO ₂ e/m ²)	Greenhouse gas intensity (kg CO ₂ e/m ²) recalculated on building instead of portfolio surface area	Coverage
2019	16.2	19.0	18%
2020	11.9	14.0	22%
2021	13.2	13.2	83%

As with the calculation of energy intensity, it was decided to calculate greenhouse gas intensity from 2021 on the basis of the building surface area instead of the portfolio surface area. Moreover, the coverage rate of the calculation is much higher than in previous years. This gives a more realistic picture of the actual greenhouse gas intensity.



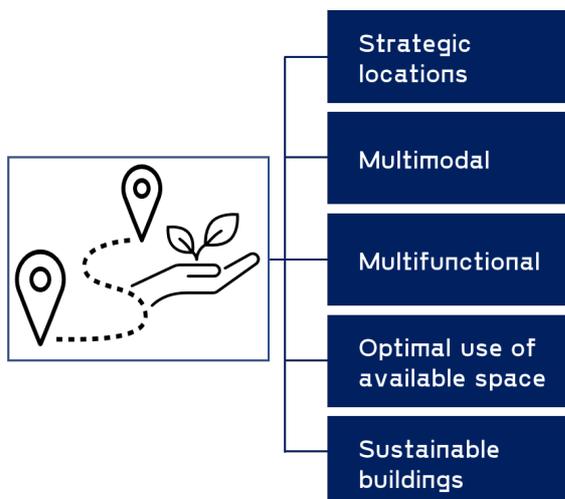
If the results of the analysis are compared to the targets, it is worth noting that the greenhouse gas intensity is 53% lower than what was assumed in the targets for 2021. This is mainly due to the relatively large share of green electricity in the portfolio.

The ultimate goal is to achieve the targets of the Paris agreement for the entire portfolio by 2050.

6. Sustainable and versatile logistics real estate



6.1. Why is this material to Montea?



Logistics real estate is at the heart of everything Montea does. Making this real estate versatile and sustainable is essential to consolidate Montea's growth in the long term.

In concrete terms, Montea wants to build multifunctional and multimodal buildings that take account of the life cycle and circularity of materials, avoid building waste and, at the same time, look after the welfare of our customers' employees.



6.2. Investing in strategic locations

Montea invests in strategic locations that permit multifunctional and multimodal solutions. For example, Montea is continually looking for locations for intermodal network expansion by means of a good connection to road, rail, waterways and/or airports.

Montea is aware that sustainability is an important factor to be taken into account when choosing a location.

In view of the current scarcity of land, Montea is also convinced that before opening new sites it is necessary to look for sites that had been used for industrial purposes in the past and are in need of thorough renovation. 30% of the projects developed over the last 5 years was done on land that had a different use before. Montea's aim is to increase this percentage even further in the future.

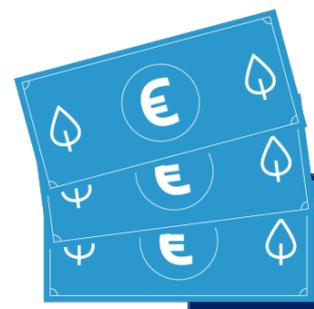
6.3. Montea's Green Finance Framework

To strengthen its sustainability ambitions, Montea has set up a Green Finance Framework. With this framework, the company intends to issue green financing instruments (e.g. bonds, loans, etc.) to (re)finance sustainable projects that clearly take account of the impact on the environment and society.

The Montea Green Finance Framework operates fully in accordance with the ICMA (International Capital Markets Association) Green Bond Principles and the LMA Green Loan Principles.

The Framework covers the following issues:

- Use of proceeds
- Process for project evaluation and selection
- Management of proceeds
- Reporting
- External reviews



All information on the Green Finance Framework is posted on the Montea website.

EUR 235 million in green bonds

An important step was taken within the Green Finance Framework at the beginning of 2021. Montea raised EUR 235 million via green bonds that are divided into three parts:

- EUR 80 million with a 10-year maturity and a coupon of 1.28%
- EUR 85 million with a 12-year maturity and a coupon of 1.42%
- EUR 70 million with a 15-year maturity and a coupon of 1.44%.

These coupons qualify as 'green bonds' and the proceeds were used to (re)finance sustainable projects.

Use of proceeds

Montea will invest an amount equal to the incremental net proceeds of the green financing instruments in:

- Green buildings

- o New, existing or renovated buildings that obtained at least one of the following certificates:
 - BREEAM: "Outstanding", "Excellent", "Very Good"
 - LEED: "Platinum", "Gold"
 - DGNB: "Gold" and better
 - HQE: "Excellent", "Very Good" and better
- o Existing buildings with an energy intensity of ≤ 75 kWh/m² per year
- o New buildings with an energy-intensity of ≤ 50 kWh/m² per year
- o Renovated buildings of which the energy efficiency has improved by at least 30% compared to a base year before the renovation
- o Implementation of improvements and renovations in buildings to improve energy and water efficiency or other environmentally friendly renovations



- Renewable energy

- o Acquisition, development, construction and/or installation of on-site energy production and energy storage systems (max. emissions 100g CO₂e/kWh) for the buildings owned and/or managed by Montea or one of its subsidiaries

Process for project evaluation and selection

The projects are evaluated by the Sustainable Executive Committee based on the criteria as described above. Investments, expenditure and/or projects are proposed by the various internal departments.

The role of the Sustainable Executive Committee includes:

- Screening, selecting and validating the appropriate projects according to the Green Finance Framework.
- Validating the annual reporting to investors.
- Adjusting the Green Finance Framework in accordance with the adjustments to Montea's sustainability strategy or initiatives, or changes in the standards of relevant external parties.



Management of the proceeds

The Sustainable Executive Committee meets annually to (re)assess the 'Eligible Green Project Portfolio'. When a project is divested, discontinued, or no longer meets the requirements for 'Eligible Green Projects', that project is removed from the 'Eligible Green Projects' list and replaced as soon as possible with an equivalent alternative.

Reporting

Montea reports on the progress and, where possible, on the impact of 'Eligible Green Projects' for which a green financing instrument was used. This reporting will always start one year after the allocation of the green financial instruments. Once all green financing instruments have been allocated, Montea will report annually on its portfolio.

External review

Montea's Green Finance Framework has been reviewed by Sustainalytics. One year after all green financing instruments have been allocated, Montea intends to have both the allocation of funds and the environmental impact validated by an external third party. The reports of the external third party will be made available on the Montea website.

6.4. Montea Blue Label – A sustainable construction guide for new building projects

Montea invests for the long term, in buildings and in people. Hence, it always takes the following aspects into account in relation to new projects:

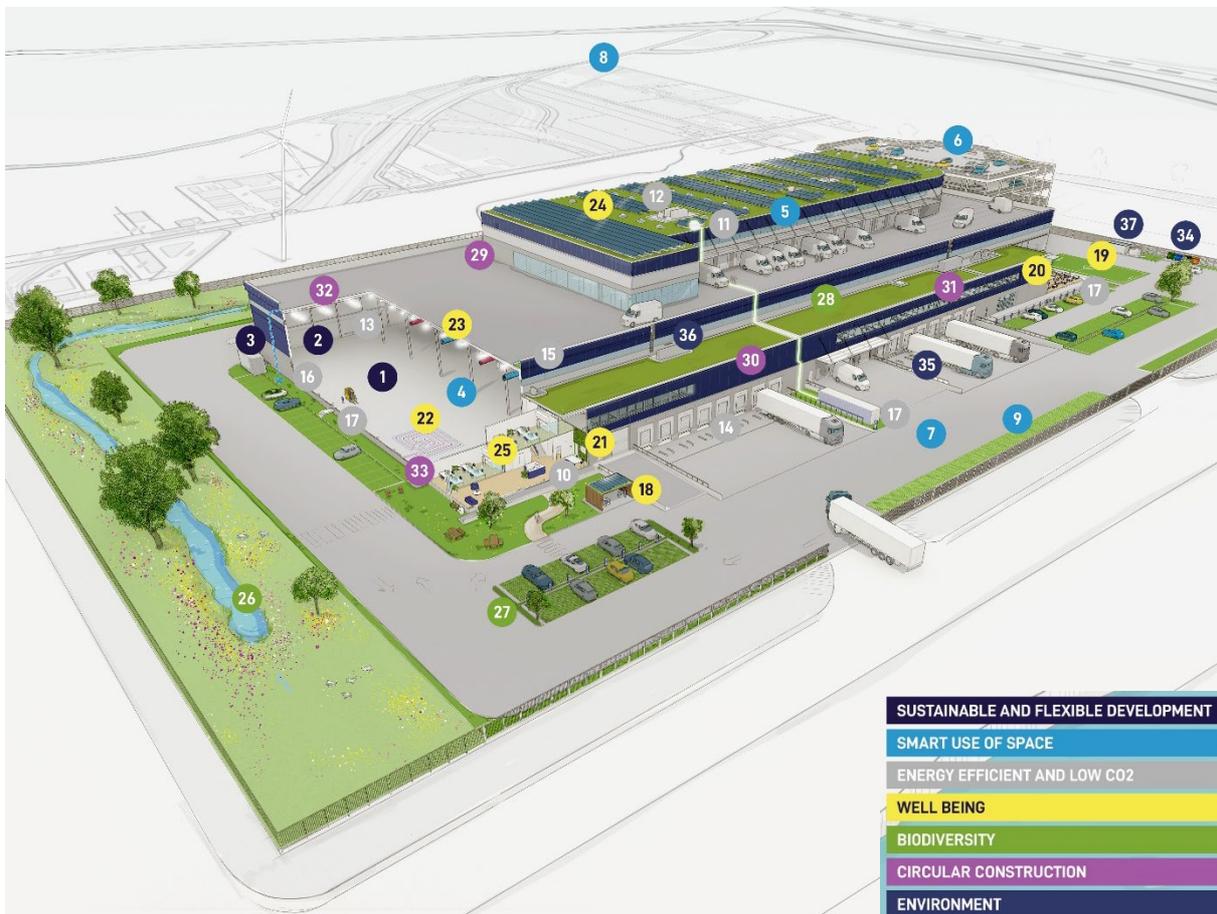
- circularity and life cycle;
- energy consumption;
- greenhouse gas emissions (embodied and operational carbon);
- well-being of customers;
- no utilization of harmful materials and substances;
- flexible design.



In order to guarantee a long lifespan for its buildings, Montea has developed a construction manual for new development projects. This manual stipulates that the following items are now standard equipment in new development projects:

- LED lighting;
- sustainable heat pumps for the entire building (no connection to the gas network);
- PV installation;
- heat exchangers to reduce the amount of coolants;
- recovery and reuse of water;
- charging stations for electric vehicles;
- light catchers that provide more natural light in the warehouses. These are linked to light detection, whereby the lighting is dimmed depending on the amount of natural light;
- focus on a strong airtightness of the buildings (control with blower-door test) through an adapted design of the loading docks;
- a flower meadow around the building to promote biodiversity;
- a monitoring system that maps out all consumption (rainwater, electricity, etc.).

For new development projects, Montea consults all the sustainability aspects below with the stakeholders and implements these wherever possible.



SUSTAINABLE AND FLEXIBLE DEVELOPMENT

1. Multifunctional spaces with standard dimensions and large spans allow for flexible use of the building.
2. A building with sufficient free height, making it suitable for multiple solutions.
3. Rainwater collection and reuse saves water and promotes sustainability.

SMART USE OF SPACE

4. Optimal use of floor space promotes efficient logistics.
5. Multi-storey design saves square metres of land.
6. Efficient parking through the use of parking garages.
7. Redeveloped brownfield combines environmental benefits with economic development and social improvement.
8. Located on a strategic and multimodal location.
9. Waiting zones for trucks limit nuisance in the wider vicinity of the site.

ENERGY EFFICIENT AND LOW CO₂

10. Monitoring of all major energy consumers ensures more efficient use of energy and awareness.
11. High-yield solar panels combined with energy storage ensure optimal use of renewable energy.
12. High-tech heat pumps generate renewable energy. In this way, our sites are disconnected from the gas grid and therefore are fossil-free.
13. SMART LEDs with motion and daylight sensors reduce energy consumption.
14. Super-insulated dock levellers reduce energy consumption.
15. High insulation value and improved airtightness reduces energy consumption and improves comfort.
16. Use of low-CO₂ materials drastically reduce embodied carbon.
17. Electric charging points for cars, e-vans, trucks and forklifts encourage electric driving and contribute to reducing overall emissions.

WELL-BEING

18. Bicycle parking with electric charging stations promote movement and health of employees.
19. Sports facilities promote health, performance and recovery of employees.
20. Atmospheric coffee corners are a social place to relax.
21. Green walls reduce stress and promote well-being and productivity.
22. Underfloor heating is comfortable and energy efficient.
23. Ventilation and cooling is energy-efficient, comfortable and promotes the health of employees.
24. Smart skylights or façade lights bring in natural daylight and create a pleasant and healthy working environment.
25. Waiting rooms and sanitary facilities for drivers ensure a pleasant environment for everyone.

BIODIVERSITY

26. Flower meadows, beehives, water buffer basins improve biodiversity.
27. Green car parks promote natural infiltration of rainwater, thermal regulation and water regulation.
28. Green roofs absorb rainwater, provide a haven for birds and insects, lower the ambient temperature and promote clean air.

CIRCULAR CONSTRUCTION

29. We determine the total environmental impact of a material throughout its life cycle using the LCA method.
30. The facades are built up in multiple layers and with non-adhesive materials.
31. The design takes into account circular building principles with respect to the implementation of building nodes and materials.
32. The use of PUR and PIR foams is avoided as much as possible because they are very harmful to the environment.
33. Cradle to Cradle (C2C) materials are given preference when choosing finishing materials.

ENVIRONMENT

34. Separating waste contributes to a better environment and circular economy.
35. Parking zones and loading docks for trucks are provided with an oil and petrol separator.
36. The use of coolants is limited by providing a hybrid system.
37. Biological purification of company wastewater reduces water consumption.

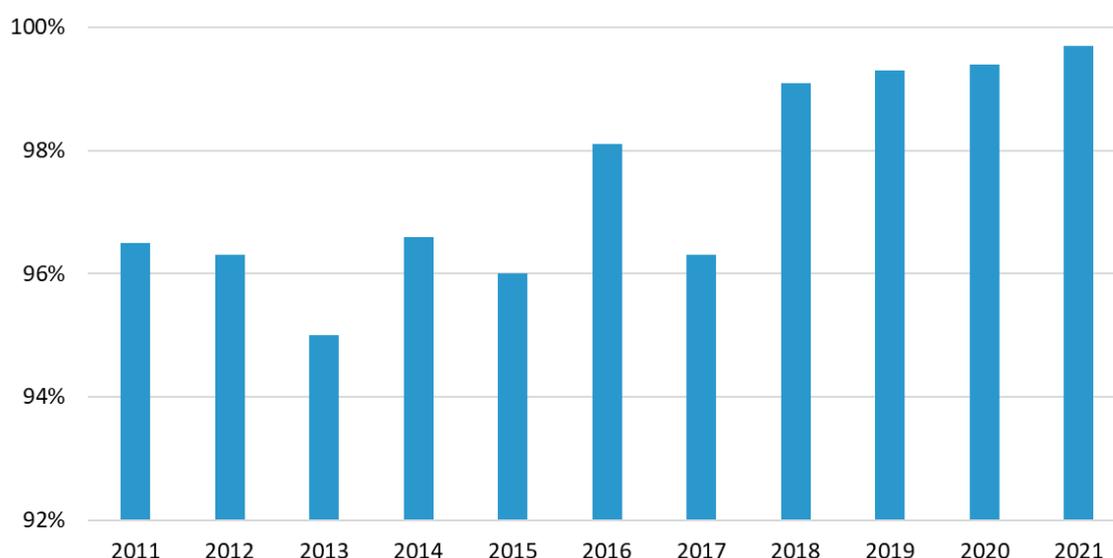
Montea will also continually re-evaluate its choice of materials and look for innovative and circular materials that last a long time and can be easily repaired, dismantled, reused or recycled without having a major impact on the environment.

In this way, Montea aims to reduce the embodied carbon footprint of its new projects. In 2022, the objective is a maximum value of 216 kg CO₂e/m². This maximum value will be reduced gradually (see page 35).

The construction manual also clearly describes how to work with suppliers and what is expected of them. For example, our suppliers are always asked to process all waste on site and to transport the construction material by water if that is an option.

6.5. A high occupancy rate

The occupancy rate in the Montea portfolio is exceptionally high. In 2021, the occupancy rate was 99.7%, compared to 99.4% in 2020. This high occupancy rate of our buildings is the best proof that their quality and location meet a real market demand, so that we can state that the space occupied and the raw materials and energy sources used for their construction were used in a sustainable manner.



6.6. Tenant engagement programme

Montea has set itself the goal of helping its customers to emit fewer greenhouse gases and to reduce energy costs. After all, if the consumption of (grey) energy of a building decreases, so will the greenhouse gas emissions.

The current greenhouse gas emissions and energy consumption in the portfolio must first be mapped out in order to achieve this goal.

The data acquired from this will allow Montea and its tenants to benchmark organizations and determine which actions are most effective for each specific tenant to reduce the amount of greenhouse gas emissions and at the same time the energy costs.

In the future, Montea also wants to help its customers save energy from their operational activities. Energy audits are the most useful tool in this respect.

6.7. AULA – Blue Gate Antwerp

Petroleum Zuid used to be the heart of Antwerp's oil industry. Today these decontaminated sites are ready for the future under the name of Blue Gate Antwerp. Blue Gate Antwerp, a public-private project, is a climate-neutral business park reserved for innovative companies with a clear ambition: to grow in a linear way thanks to a circular approach.

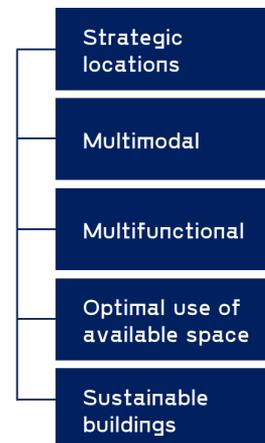


At Blue Gate Antwerp, Montea is developing a hub for smart logistics on the first eco-effective, water-bound business park in Belgium. The unique location, immediately on the Scheldt, close to railways and various motorways, provides unprecedented convenience in terms of transport:

- An ideal location for urban distribution
- Water-bound logistics (terminal directly on the Scheldt)
- A multimodal base to Europe (Port of Antwerp, proximity of motorways, etc.)

As with all new Montea developments, sustainability is key and the Montea Blue Label construction manual is followed. The points below were applied specifically to this project:

- Reuse and upgrading of a brownfield (heavily contaminated land)
- Circularity: use of a multi-layered and circular façade construction
- The building materials were brought in by ship
- A PV installation with a capacity of more than 2.5 MWp
- Connected to a heat network
- Efficient use of space: parking on the roof
- The concrete water was not discharged into the shore but collected on the site
- Diesel fuel is banned on the site: only batteries are used
- BREEAM Excellent score



"Blue Gate Antwerp is the first eco-effective waterbound logistics hub in Belgium and is bound to become the benchmark for innovative logistics property with minimal environmental impact and maximum social added value."

Jo De Wolf, CEO Montea

6.8. A recycling facility for Re-Match in Tiel (NL)

Montea is developing a sustainable cleantech recycling and distribution centre of 9,700 m² on a 31,800 m² site for Re-Match in Tiel. Re-Match is the first and only company to recycle the entire artificial grass system and is accredited with EU Environmental Technology Verification (ETV). They offer sports facilities and stadiums an opportunity to get rid of their artificial grass in a safe and environmentally friendly way.

The development is part of a larger 48-hectare site acquired by Montea in 2018. The buildings on the site have since been demolished and the entire site has been prepared for construction.

The site is multimodal and easily accessible from the A15 motorway. It is located on the Amsterdam-Rhine Canal & De Waal and has its own quay facilities.



The following sustainable techniques are central to this new development:

- The building will be fully electric with heat pumps and charging stations for electric vehicles;
- Rainwater will be reused;
- There will be a PV installation on the roof.

The new building is expected to be completed in the first quarter of 2022 and will provide Re-Match with the capacity to recycle over 2 million m² of artificial grass per year.

7. Strengthening OUR OWN organization



7.1. Our employees

Montea wants to create value for its customers, shareholders and all other stakeholders. This is only possible through the relentless efforts of our employees, **the Monteaners**. They are the heart of our organization. Montea wants each of them to develop their skills and together form a strong team that responds to the needs of the customer. Respect, integrity and sustainability are in our DNA.

It is crucial for Montea that employees feel valued and are given the space to develop their talents. To create a committed team, Montea builds on the strengths of its people in all functional areas. **Monteaners are entrepreneurs, team players and fundamentally positive minded**. Montea's short decision-making lines and flat organizational structure provide scope for dynamic cooperation between all team members. They are the anchor points in the entire process that Montea has gone through since its inception: from a commercial start-up to a property management company in which the clients are relieved of managing the buildings.

Montea encourages equal opportunities. Montea applies a high level of ethics, non-discrimination and respect for the individual and the law. Everyone at Montea is entitled to information, personal development, and the right to express themselves.



Recruitment and retention of talent

Montea is a small, entrepreneurial organization on a clear growth track to 2024. Attracting and retaining the right talent is essential if this growth strategy is to be realized. These talents help Montea to look to the future with confidence.

A good mix of different talents, cultures and personalities is of the utmost importance to Montea. Montea is therefore constantly looking for people who fit in with the corporate culture and activities, always with an eye for diversity and through objective selection procedures. Montea's strength lies in the family atmosphere among its employees and the care they take of each other. They are evaluated not only on the basis of their performance, but also as individuals operating within a team.

With the arrival of Steven Claes as the first Chief Human Resources Officer, we also want to provide sustainable support to the strong team we have built up in recent years, in their development and personal growth. In doing so, we also dare to question ourselves through objective satisfaction surveys and improvement processes. We have a fantastic team and want to do everything to keep each of our employees on board and to let them grow with the company, within their possibilities and ambitions.

It is essential that everyone in the team feels involved and valued. Montea gives its employees a great deal of autonomy and encourages them to come up with their own ideas, rather than applying a purely top-down approach. This policy ensures a high level of involvement and ownership among employees.

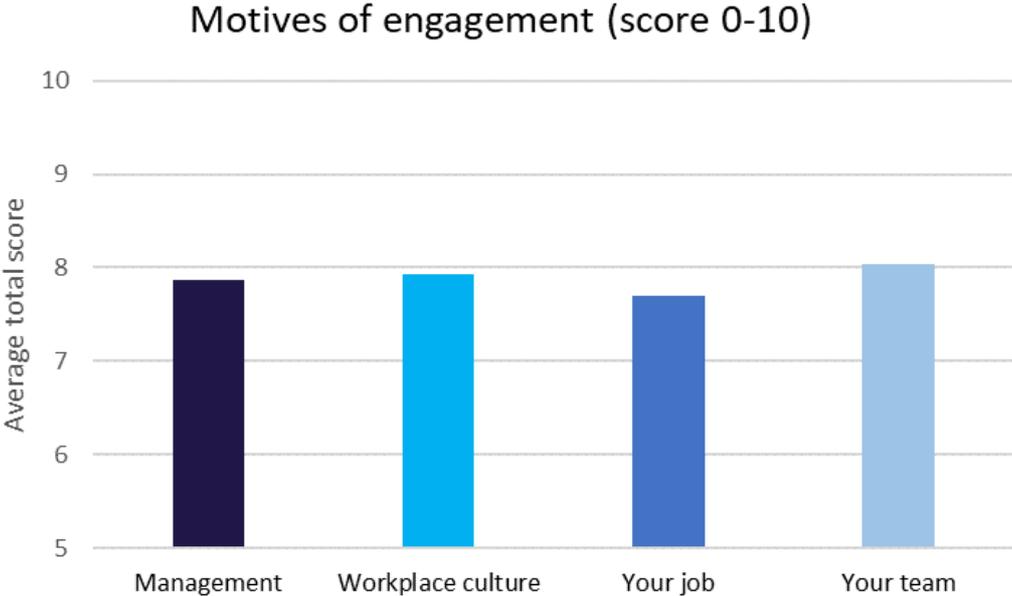
To facilitate the recruitment of talent even further, Montea has set the goal of creating a uniform, clear onboarding process for all new Monteaners. A good onboarding process in which clear information is provided about the company culture is essential for a good start.

This also means that new employees will have access to a well-equipped workplace and the right tools from day one. In addition, everyone at Montea is asked to make new Monteaners feel welcome and part of the family. An extensive onboarding procedure is being prepared (including mentoring, meetings with colleagues from other departments, visits to a building/client, check-ups with HR after certain periods, welcome brochure, etc.).

Objective 2022: the onboarding procedure for new employees is strengthened.

Attracting new talent is one thing; keeping them at Montea is another challenge the company faces every day. In order to measure the engagement of all Montea employees, an engagement survey was launched at the end of 2021. This survey was an open, non-anonymous personal questionnaire for employees by their managers to obtain input in a psychologically safe way and engage in an open discussion about the motivations of employees in the organization and department. Four drivers of engagement were examined in the survey: culture, leadership, team and the job. Everyone had to give a score from 0 (lowest score) to 10 (highest score). The aim was to determine the greatest strengths and weaknesses as a basis for an action plan. Each employee was asked twenty questions, spread across the four most important motives.

Montea achieved an average overall score of 7.88/10, with no clear difference being noticeable between the various categories. In 2022, Montea will tackle some of the issues raised in the survey, mainly linked to the well-being of its employees and the connections between them, which came under pressure due to, amongst other things, the consequences of the pandemic.



In 2021 we had a total of 7 new employees and 7 ex-employees in Montea in the various countries (including the Board of Directors). At the end of 2021 our workforce totalled 32 people (excluding the Board of Directors) of which 20 were men and 12 women.

Health and safety

Montea pays a great deal of attention to office stress and the mental well-being of its employees. This is done primarily by means of regular check-ins with the managers. Montea has of course also adapted itself to the COVID situation and its impact on its employees, in particular by:

- offering and expanding virtual office tools for all employees;
- organizing online team-building sessions;
- organizing a safe 're-boarding' when the rules became looser;
- organizing regular update sessions so that everyone is up to speed with what is happening at Montea;
- sending our employees a surprise box;
- applying prevention measures in the office: mouth masks, social distancing, hand hygiene, hygienic workplaces, etc;
- following all the rules imposed by the government.

2021 taught Montea that the connection between all employees is crucial. As the operations in France, The Netherlands and Germany grow, the challenge of connecting all employees and stakeholders becomes even greater and more important. Next year we will accordingly be working on a communication platform on which the employees of all countries and departments will be connected to each other.

Montea does everything it can to improve the (physical and mental) health of its employees. That is why the FIT@Montea programme was launched, with a personal trainer visiting the head office twice a week (online training during COVID-19). In this way, employees who want to, can exercise under the expert guidance of the personal trainer in a structured and safe way. A company bicycle is also always available to our employees.

The employees are also encouraged to take part in sports competitions which are organized regularly (e.g. Immorun, Kampenhoeve Trailrun).



Image: ©MONTEA – Kampenhoeve TrailRun – 2021



Image: ©MONTEA – ImmoRun – 2021

2021 – JustBite

In 2021 the decision was made to offer employees healthy snacks in addition to fresh fruit. A cooperation arrangement was initiated with JustBite to that end.



Furthermore, Montea organized various events in 2021 to bolster team spirit:

February 2021 – Warm jumper day

On 'Dikke truiendag' (warm jumper day) we encourage employees to turn down the heating and put on a thicker jumper.



October 2021 – Office (re)warming party

Montea strongly believes in the fact that its employees, together with their families, are the cornerstones of its business and therefore organizes regular family events. In October, an office (re)warming party was held for employees and their families, this in full compliance with the coronavirus measures in force in Belgium.



June 2021 – Live teambuilding



After a year and a half of working remotely it was also time for an extensive team building activity at the Belgian coast.

There were no work-related accidents at Montea in 2021. In addition, BAV4 electrical safety training was given for employees for whom this was relevant.

Since Montea has no impact on the health and safety policies of its customers, it is not relevant to report on this.

Finally, a Montea Sustainability Committee will be set up. Sustainability is an essential part of its strategy and operations, so Montea wants to sharpen awareness about this issue and is increasingly assuming its responsibility towards its stakeholders and the environment.

Objectives:

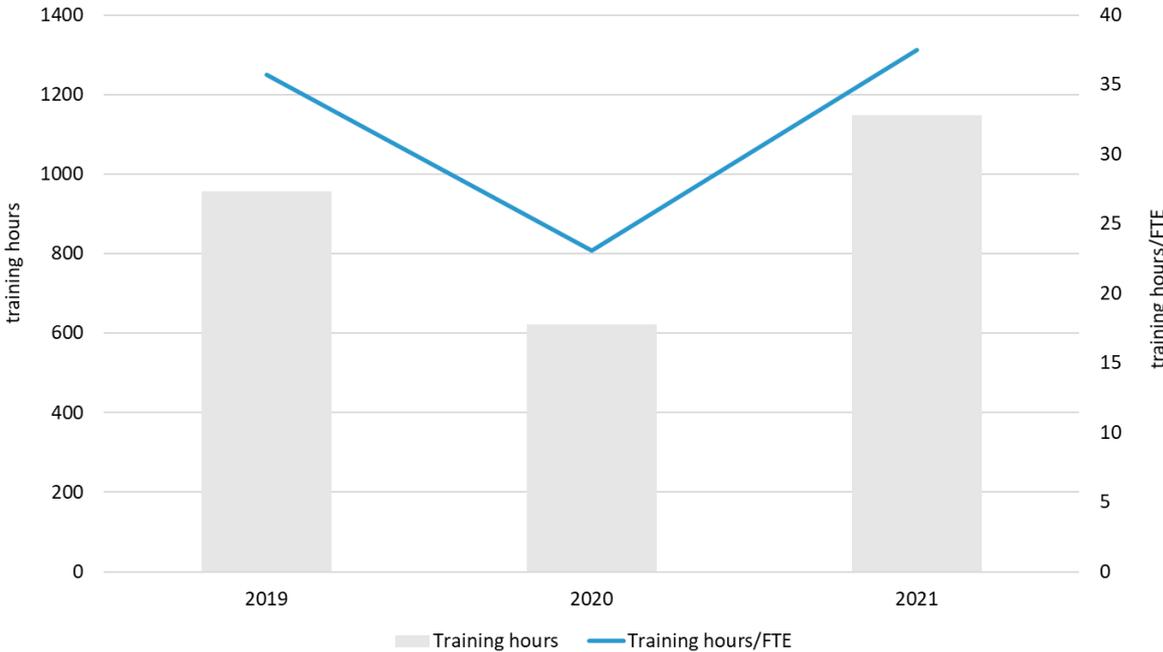
- Launch an annual survey on the working environment of employees, with a focus on the energy sources of employees, leadership styles of managers and the stress factors that influence Montea employees, among other things. An action plan will be drawn up based on the results to increase the commitment and well-being of Monteaners even further;
- Launch an internal communication platform to strengthen the connection between the various countries/departments/functions;
- Establish a Montea Sustainability Committee.

Personal development

The personal growth of our Monteaners is of the utmost importance to Montea, not only for the quality of its services to its customers, but also in order to strengthen the company's economic and social performance. Montea's vision for Track 2024 and beyond is to promote the professional and personal growth of every employee at every stage of their career. Montea wants to invest continuously in its employees and in so doing to increase both their efficiency and their commitment.

The main incentive is to strengthen the skills of its employees continually and develop their competencies further in line with market demand and thus ensure that everyone is ready to take the next step in her or his career at any time. Montea will always consider internal promotion first before external recruitment.

Decisions about attending courses and training sessions are taken in consultation with the employee, manager and HR. This decision takes account of developments in the sector and in the competition, the development needs in the team, new trends and the potential for horizontal or vertical growth within Montea.



Montea focuses on soft skills as well as on job-related skills. Individual or group training helps to strengthen and share the expertise of employees.

All employees are given access to an online training platform (Goodhabitiz) where they can receive professional training in both soft and hard skills.

Needless to say, everyone can have access to other courses, seminars, or training at business schools depending on their needs.

At Montea, the managers regularly set aside time for 1-to-1 meetings with the employees who report to them. This keeps a finger on the pulse in terms of objectives, well-being, need for support, etc. These meetings also form the basis for the more formal annual evaluation that all employees receive.



Attractive and equal remuneration

Montea offers all its employees a correct and attractive remuneration package based on equal criteria for each employee within a given category. In addition to the monthly salary and the many opportunities for personal development, a number of extra-legal benefits are also provided in various countries that are common in those regions (e.g. pension planning, a bonus depending on objectives, hospitalization insurance, holidays, (electric) company cars, etc.).

Montea regularly consults reports and studies prepared by external parties to ensure that it is up-to-date with the latest developments and that the remuneration packages offered are in line with the market. Differences in remuneration between men and women are mainly explained by the different positions and associated responsibilities.

Montea's objective is to benchmark its non-statutory benefits in 2022.

An important milestone for 2021 was the introduction of the electric vehicle fleet as part of the sustainability strategy. The electric fleet will be rolled out step by step as the current lease contracts expire.

With all the changes brought about by COVID-19 and with long periods of teleworking, it became clear that there were opportunities to install a hybrid working model at Montea.



A 'New Way of Work' (NWOW) policy will be introduced in 2022 based on the following pillars:

- **People first:** the health, safety and well-being of all employees constitute Montea's overriding priority.
- **Balance:** Montea will improve the quality of life of its employees by ensuring an even better work-life balance.
- **Sustainability:** the hybrid model will also ensure less commuting and travelling, which will benefit Montea's ecological footprint.
- **Human interaction:** People are at the heart of everything Montea does. Montea believes in the power of interaction between colleagues to create positive energy, creativity, good cooperation and solutions for all partners.
- **Responsibility:** the NWOW will give every employee an opportunity to manage his or her time and career more autonomously, to work in a focused way and to hone his or her skills.
- **Performance:** Montea wants to achieve its objectives and give its customers optimal service. All decisions related to the NWOW must enable us to maintain and increase performance levels, at both the individual and the company level.



7.2. Corporate governance

Composition and tasks of the Board of Directors

The Board of Directors must be composed in such a way that Montea can be managed in accordance with article 4 of the REIT Act. When the remuneration and nomination committee advises the Board of Directors concerning the appointment of directors, the intended diversity within the Board of Directors is always taken into account. Diversity in this context refers not only to the gender of the directors, but also to other criteria such as skills, experience, and knowledge. After all, diversification of the Board of Directors contributes to balanced decision-making, whereby decisions are taken and potential problems are dealt with by analysing them from different points of view. Experience with ESG is also one of the key criteria when looking for new candidates for the Board of Directors.

In the context of Corporate Governance, it was decided to increase the number of independent directors from three to four and to reduce the number of non-independent directors from four to two. Two new independent directors were appointed: Barbara De Saedeleer and Koen Van Gerven. Both directors have a thorough knowledge of both the logistics and the real estate markets.

At the General Meeting of May, 18th 2021 the term of office has expired of the directors Ciska Servais, Greet Afslag and Jean-Marc Mayeur. We thank them for their commitment and wish them every success in the future.

The Board of Directors consists of seven members, two of whom are women. The background of the members is also very diverse, with experience from, among others, the banking, pharmaceutical, postal, and real estate sectors. The current members of the Board of Directors also have considerable knowledge of ESG-related issues thanks to their many years of experience (at C-level) in Belgian and international companies with a solid track record in ESG, such as Bpost Group, Aedifica and Befimmo.

As part of our corporate governance, we have chosen to increase the number of independent directors. With the appointment of Barbara De Saedeleer and Koen Van Gerven as independent directors, the number of independent directors in the Board of Directors rose from 44% to 57%. We are convinced that their sound knowledge and experience will contribute to the further growth of Montea.

The composition of the Board of Directors as at 31 December 2021 is as follows:



Name	Position	Term of office expires
Dirk De Pauw	Executive director and chairman of the Board of Directors	General Meeting of Shareholders of May 2025
Jo De Wolf	Managing director, Chief Executive Officer (CEO)	General Meeting of Shareholders of May 2022
Peter Snoeck	Non-executive director	General Meeting of Shareholders of May 2025
Sofie Maes	Independent, non-executive director	General Meeting of Shareholders of May 2022
Philippe Mathieu	Independent, non-executive director	General Meeting of Shareholders of May 2025
Barbara De Saedeleer	Independent, non-executive director	General Meeting of Shareholders of May 2024
Koen Van Gerven	Independent, non-executive director	General Meeting of Shareholders of May 2024

More information about the Board of Directors and the composition of all committees is provided in the annual report and the corporate governance statement.

The main tasks of the Montea Board of Directors include:

- defining the Montea strategy, the risk profile and in particular the sectors and the geographical area of operation in line with the relevant statutory requirements;
- approving investment decisions in line with legal requirements;
- monitoring and approving the periodic financial information;
- supervising the Executive Management, in particular in light of the monitoring of the strategy;
- approving the publicly spread information;
- proposing the appropriation of profits;
- the other tasks expressly assigned to the Sole Director (strategy and budget, annual, quarterly and half-yearly accounts, use of authorised capital, approval of merger/division reports, convening of ordinary and extraordinary general meetings, organization of decision-making bodies and appointment of their members).

Investment approval procedure: sustainability criteria are omnipresent

Montea has a standardized procedure for deciding on new expenditure relating to maintenance, renovation or redevelopment works for properties in portfolio or to new investments.

If they exceed a minimum threshold, expenditures for maintenance, renovation or redevelopment works for real estate in portfolio must be approved by the Board of Directors, on the prior advice of the investment committee concerned. Only if an expense falls below the minimum threshold, the decision can be taken by the Executive Management. Expenditure for new investments must always be approved by the Board of Directors, upon the prior recommendation of the investment committee concerned.

The projects submitted to the investment committees must substantiate how the amount to be invested fits in with Montea's sustainability strategy. This element is one of the parameters for the investment committee and the Board of Directors to approve a project.

When preparing a new investment project, a member of the Sustainable Executive Committee will examine whether the funds available within Montea's Green Finance Framework can be allocated to the investment project.

Tasks of the Executive Management

The main tasks of the Executive Management are as follows:

- preparing decisions to be taken by the Board of Directors in order to fulfil their obligations and providing the information required for this purpose in due course;
- implementing the decisions of the Board of Directors;
- establishing internal controls, without prejudice to the supervisory role of the Board of Directors, based on what has been approved by the Board of Directors;
- proposing complete, timely, reliable and accurate preparation of the annual accounts to the Board of Directors;
- preparing the publication of the annual accounts and other material financial and non-financial information;
- proposing a balanced and understandable assessment of the financial situation to the Board of Directors;
- accounting to the Board of Directors for the performance of their duties.

All members of the Executive Management also have the responsibility to integrate Montea's sustainability vision and ESG targets into their daily operations.

Furthermore, in line with Montea's remuneration policy, the variable remuneration of the Executive Management is partially linked to the achievement of two non-financial performance criteria:

- the successful completion of an important step of the Montea 2030/2050 Plan;
- the implementation of a qualitative HR management.

2030

2050

In both 2020 and 2021, the part of the variable remuneration of the Executive Management that is linked to the achievement of these non-financial performance criteria amounted to 25% of the total variable remuneration. This therefore constitutes an additional incentive for the Executive Management to make a continuous effort to improve Montea's ESG policy.

Ethics and integrity

From the outset, Montea has pursued the highest values and standards. Doing business in an honest and integer manner and communicating on this as transparently as possible is the standard for Montea.

Montea's values and standards have been formalized in the Code of Conduct, which can be consulted on our website.

The Code of Conduct includes the following values:

- **Equal opportunities and diversity:** everyone at Montea recognizes that every individual is unique and valuable.
- **Human rights:** nobody at Montea may violate human rights or allow this to happen.
- **The environment:** before a building is purchased, Montea investigates all possible environmental risks. To avoid all risks of pollution, the quality of the soil and groundwater is also analysed where relevant.
- **Data security and privacy:** Montea attaches the utmost importance to everyone's privacy and expects its employees to do the same.
- **Employee involvement:** Montea attaches a great deal of value to the insights and opinions of its employees and regularly consults and involves them in decision-making processes.

In addition, the Code of Conduct contains rules for personal conduct relating to the following points:

- Conflicts of interest
- Confidentiality
- Corruption and bribery
- Theft and fraud
- Political contributions
- Compliance with all laws and regulations
- Internal and external communications
- Appropriation of company property

If anyone notices that this Code of Conduct is not being complied with, this can be reported to the chairman of the Audit Committee. All complaints will - to the extent possible - be handled and registered in full confidentiality.

On 28 October 2021, an amended Corporate Governance Charter was also approved by the Board of Directors.

More information on the Corporate Governance Code and the Code of Conduct can be found in the annual report. Both documents can be consulted on the Montea website.

ESG policy

In 2021, Montea also published its first **Environmental Policy**. In this policy document Montea describes how it will give concrete shape to and implement its sustainable commitments. The Environmental Policy is reviewed twice a year and can be consulted on the website.

Risk management

At Montea, the risk culture is characterized by the company behaving as a prudent and reasonable person with the aim to create stable and recurring income.

The Montea Board of Directors is responsible for evaluating the risks inherent to the Company and for monitoring the effectiveness of internal control procedures. In turn, the Company's Executive Management is responsible for setting up a system of risk management and the effectiveness of internal control procedures.

Montea continuously monitors the risks and opportunities linked to climate change and the switch to a low-carbon economy. If appropriate, Montea is able to respond quickly to these risks or opportunities. Compliance with the applicable ESG regulations and standards is a top priority for Montea and forms an integral part of our internal audit processes.

More information about Montea's risk factors and risk management systems can be found in our annual report and our Corporate Governance Charter.

8. EPRA SBPR tables



				Montea portfolio											
Impact area	Indicator	EPRA Code	Units of measure	Absolute performance (Abs)		Like-for-like by property type (Lft)									
				2020	2021	2020	2021	Evolution							
Energy	Electricity	Elec-Abs, Elec-Lfl	kWh	Total landlord-obtained electricity					NA	7,960,604	NA	2,090,221			
				of which GREY electricity from external suppliers					NA	0	NA	0			
				of which GREEN electricity (renewable sources) from external suppliers					NA	5,262,539	NA	1,452,427			
				of which GREEN electricity produced locally (renewable; solar)					NA	2,698,065	NA	637,793			
				Total tenant-obtained electricity					NA	52,659,017	NA	10,182,744			
				of which GREY electricity from external suppliers					NA	29,158,788	NA	2,948,306			
				of which GREEN electricity (renewable sources) from external suppliers					NA	17,718,255	NA	3,044,527			
				of which GREEN electricity produced locally (renewable; solar)					NA	5,781,974	NA	4,189,911			
				Total electricity consumption					17,998,858	60,619,621	10,193,262	12,272,965	20%	*1, *3	
				of which GREY electricity from external suppliers					12,364,242	29,158,788	7,057,920	2,948,306	-58%	*1, *2, *3, *6	
				of which GREEN electricity (renewable sources) from external suppliers					0	22,980,794	0	4,496,954	-58%	*6	
				of which GREEN electricity produced locally (renewable; solar)					5,634,616	8,480,039	3,135,342	4,827,705	54%	*7	
				Green electricity from renewable sources/Total electricity					31%	52%	31%	76%			
				Landlord Controlled					12%	13%	NA	17%			
	Tenant Controlled					88%	87%	NA	83%						
	Electricity disclosure coverage					34%	91%	26%	26%						
	Proportion of electricity estimated					0%	0%	0%	0%						
	Energy	District heating and cooling	DH&C-Abs, DH&C-Lfl	kWh	Total landlord-obtained district heating and cooling					0	0	0	0		
					Proportion of landlord-obtained dh&c from renewable resources					0%	0%	0%	0%		
				kWh	Total tenant-obtained district heating and cooling					295,836	329,589	295,836	302,919	2%	*1, *3
					of which from renewable resources					NA	257,481	NA	257,481		
				Total district heating and cooling					295,836	329,589	295,836	302,919	2%	*1, *3	
				of which from renewable resources					NA	257,481	NA	257,481			
				Proportion of landlord-obtained dh&c from renewable resources					NA	78%	NA	85%			
		%	District heating and cooling disclosure coverage					100%	100%	81%	81%				
			Proportion of district heating and cooling estimated					0%	0%	0%	0%				
		Fuels	Fuels	Fuels-Abs, Fuels-Lfl	kWh	Total direct landlord-obtained fuels					NA	7,414,775	NA	950,324	
						of which from renewable resources					NA	0	NA	0	
Total tenant-obtained fuels						NA	19,134,346	NA	3,622,352						
of which from renewable resources						NA	0	NA	0						
Total fuels						9,483,733	26,549,121	4,052,775	4,572,676	13%	*1, *3				
%	of which from renewable resources					0%	0%	0%	0%						
	Proportion fuel from renewable resources					0%	0%	0%	0%						
	Fuels disclosure coverage					27%	81%	21%	21%						
	Proportion of fuels estimated					0%	0%	0%	0%						
	Building energy intensity*					76.70	75.70	44.7	52.7	18%	*, *1, *3				
Energy Intensity	Energy-Int	kWh	Building energy intensity disclosure coverage					27%	81%	17%	17%				
			Proportion of Building energy intensity estimated					0%	0%	0%	0%				
Greenhouse gas emissions	Direct	GHG-Dir-Abs	tonnes CO ₂ e	GHG-Dir-ABS Location based					1,754	5,682	867	979	13%	*1, *3	
	Indirect	GHG-Indir-Abs	tonnes CO ₂ e	GHG-Indir-ABS Location based					2,131	9,446	1,726	862	-50%	*1, *2, *3	
	GHG emissions intensity	GHG-Int	kg CO ₂ e/(m ² . year)	GHG intensity*					14.0	13.2	8.2	6.1	-26%	*, *1, *2, *3	
				Energy and associated GHG disclosure coverage					22%	81%	17%	17%			
Proportion of energy and associated GHG estimated					0%	0%	0%	0%							
Water use	Water	Water-Abs, Water-Lfl	m ³	Total water consumption					4,568	71,886	3,153	4,503	43%	*1	
				of which Municipal water					4,568	66,841	NA	3,727			
				of which rain water reuse					NA	5,045	NA	776			
	Water-Int	m ³ /m ²	Building water intensity					0.02	0.09	0.02	0.03	43%	*, *1		
			Municipal Water disclosure coverage					13%	59%	11%	11%				
			Rain Water disclosure coverage					NA	34%	10%	10%				
Proportion of water estimated					0%	0%	0%	0%							
Waste	Waste type	Waste-Abs, Waste-Lfl	Tonnes	Hazardous waste					0.0	57.8	0.0	0.0	0%		
				Non-Hazardous waste					4.7	6,313.6	0.6	0.8	27%	*1	
				Total waste created					4.7	6,371.5	0.6	0.8	27%	*1	
				Waste disclosure coverage					0.3%	45%	0.05%	0.05%			
	Disposal routes	Waste-Abs, Waste-Lfl	proportion by disposal route (%)	%	Proportion of waste estimated					0%	0%	0%	0%		
					Reuse					0%	0%	NA	0%	*8	
					Recycling					0%	37%	NA	0%	*8	
					Composting					0%	0%	NA	0%	*8	
					Materials Recovery Facility					100%	0.02%	NA	100%	*8	
					Incineration (with or without energy recovery)					0%	60%	NA	0%	*8	
					Landfill (with or without energy recovery)					0%	1%	NA	0%	*8	
					Other					0%	2%	NA	0%	*8	
Waste disposal route disclosure coverage					0.3%	28%	NA	0%	*8						
Certification	Level of certification	Cert-Tot	Number of assets	Mandatory Certifications (EPC, ...)					35	35	35	35	0%		
				Voluntary Certifications (BREEAM, LEED, HQE, ...)					6	6	6	6	0%		
				Total Certificated					41	41	41	41	0%		
				Proportion Mandatory					47%	44%	47%	44%	-8%	*4	
Proportion Voluntary					8%	8%	8%	8%	-7%	*4					
Coverage					100%	100%	100%	100%	0%						

NA = Not available

NR = Not relevant

Montea's headquarters is included in the total portfolio as Montea is the owner of said property.

Coverages are calculated on a SQM basis

* 2020 indicator was recalculated: rescaling from portfolio SQM to building SQM - see page 28

*1 Differences resulting from changes in Covid measures like lockdown and homeworking - see page 31

*2 Differences from better data collection from clients in 2021, data was unknown in 2020

*3 Differences resulting from 2021 being a colder year than 2020 (ca +20% on heating energy) - see page 31

*4 Difference resulting from changes in Portfolio

*5 Correction of wrong calculation in 2020

*6 Change of energy contracts from grey to green electricity

*7 Extra solar systems were installed - see page 38

*8 In 2020 only info from Montea HQ was present for the waste disposal routes. For 2021 tenants were asked to provide us with the numbers.

Impact area	Indicator	EPRA Code	Units of measure	Company offices											
				Absolute performance (Abs)		Like-for-like by property type (Lft)									
				2020	2021	2020	2021	Evolution							
Electricity	Elec-Abs, Elec-Lfl		kWh	Total landlord-obtained electricity		NA	34,571	NA	34,571						
				of which GREY electricity from external suppliers		NA	10,780	NA	10,780						
				of which GREEN electricity (renewable sources) from external suppliers		NA	23,791	NA	23,791						
				of which GREEN electricity produced locally (renewable; solar)		NA	0	NA	0						
				Total tenant-obtained electricity		NA	58,390	NA	58,390						
				of which GREY electricity from external suppliers		NA	18,794	NA	18,794						
				of which GREEN electricity (renewable sources) from external suppliers		NA	22,913	NA	22,913						
				of which GREEN electricity produced locally (renewable; solar)		NA	16,683	NA	16,683						
				Total electricity consumption		98,496	92,961	98,496	92,961	-6%	*1, *3				
				of which GREY electricity from external suppliers		65,504	29,574	65,504	29,574	-55%	*1, *2, *3, *6				
				of which GREEN electricity (renewable sources) from external suppliers		14,893	46,704	14,893	46,704	214%	*1, *2, *3, *6				
				of which GREEN electricity produced locally (renewable; solar)		18,099	16,683	18,099	16,683	-8%	*1, *2, *3				
				Green electricity from renewable sources/Total electricity		33%	68%	33%	68%						
				Landlord Controlled		NA	37%	NA	37%						
	Tenant Controlled		NA	63%	NA	63%									
	Electricity disclosure coverage		100%	90%	90%	90%									
	Proportion of electricity estimated		0%	0%	0%	0%									
	Energy	District heating and cooling	DH&C-Abs, DH&C-Lfl	kWh	Total landlord-obtained district heating and cooling		0	0	0	0					
					Proportion of landlord-obtained dh&c from renewable resources		0%	0%	0%	0%					
					Total tenant-obtained district heating and cooling		0	0	0	0					
					of which from renewable resources		0	0	0	0					
					Total district heating and cooling		0	0	0	0					
					of which from renewable resources		0	0	0	0					
					Proportion of landlord-obtained dh&c from renewable resources		0%	0%	0%	0%					
		District heating and cooling disclosure coverage		100%	100%	100%	100%								
		Proportion of district heating and cooling estimated		0%	0%	0%	0%								
		Fuels	Fuels-Abs, Fuels-Lfl		kWh	Total direct landlord-obtained fuels		NA	7,952	NA	7,952				
						of which from renewable resources		NA	0	NA	0				
Total tenant-obtained fuels						NA	115,968	NA	115,968						
of which from renewable resources						NA	0	NA	0						
Total fuels						112,075	123,920	98,442	123,920	26%	*1, *3				
of which from renewable resources						0	0	0	0						
Proportion fuel from renewable resources						0%	0%	0%	0%						
Energy Intensity	Energy-Int		kWh	Building energy intensity*		221	228	221	228	3%	*1, *3				
				Building energy intensity disclosure coverage		100%	90%	90%	90%						
				Proportion of Building energy intensity estimated		0%	0%	0%	0%						
				Greenhouse gas emissions	GHG-Dir-Abs	tonnes CO ₂ e		GHG-Dir-ABS Location based		20.7	26.5	20.7	26.5	28%	*1, *3
								GHG-Indir-ABS Location based		15.3	6.4	15.3	6.4	-58%	*1, *2, *3
GHG intensity*		37.9	34.5					38	34.5	-9%	*1, *2, *3				
GHG emissions intensity	GHG-Int	kg CO ₂ e/(m ² . year)	%	Energy and associated GHG disclosure coverage		100%	90%	90%	90%						
				Proportion of energy and associated GHG estimated		0%	0%	0%	0%						
Water use	Water	Water-Abs, Water-Lfl	m ³	Total Water consumption		290	29	290	29	-90%	*1, *5				
				of which Municipal water		NA	29	NA	29						
				of which rain water reuse		NA	0	NA	0						
				Building water intensity		0.45	0.05	0.45	0.05	-90%	*1, *5				
	Water-Int		m ³ /m ²	%	Municipal Water disclosure coverage		NA	61%	61%	61%					
					Rain Water disclosure coverage		NA	90%	NA	100%					
					Proportion of water estimated		0%	0%	0%	0%					
Waste	Waste type		Tonnes	Hazardous waste		0.00	0.00	0.00	0.00						
				Non-Hazardous waste		0.62	6.44	0.62	0.78	27%	*1				
				Total waste created		0.62	6.44	0.62	0.78	27%	*1				
				Waste disclosure coverage		68%	90%	61%	61%						
				Proportion of waste estimated		0%	0%	0%	0%						
	Disposal routes	Waste-Abs, Waste-Lfl	proportion by disposal route (%)	%	Reuse		0%	0%	NA	0%	*8				
					Recycling		0%	0%	NA	0%	*8				
					Composting		0%	0%	NA	0%	*8				
					Materials Recovery Facility		100%	100%	NA	100%	*8				
					Incineration (with or without energy recovery)		0%	0%	NA	0%	*8				
					Landfill (with or without energy recovery)		0%	0%	NA	0%	*8				
Other		0%	0%	NA	0%	*8									
Waste disposal route disclosure coverage		68%	68%	NA	61%	*8									
Certification	Level of certification	Cert-Tot	Number of assets	Mandatory Certifications (EPC, ...)		NR	NR	NR	NR						
				Voluntary Certifications (BREEAM, LEED, HQE, ...)		NR	NR	NR	NR						
				Total Certificated		NR	NR	NR	NR						
				Proportion Mandatory		NR	NR	NR	NR						
				Proportion Voluntary		NR	NR	NR	NR						
Coverage		NR	NR	NR	NR										

NA = Not available

NR = Not relevant

Montea's headquarters is included in the total portfolio as Montea is the owner of said property.

Coverages are calculated on a SQM basis

* 2020 indicator was recalculated: rescaling from portfolio SQM to building SQM - see page 28

*1 Differences resulting from changes in Covid measures like lockdown and homeworking - see page 31

*2 Differences from better data collection from clients in 2021, data was unknown in 2020

*3 Differences resulting from 2021 being a colder year than 2020 (ca +20% on heating energy) - see page 31

*4 Difference resulting from changes in Portfolio

*5 Correction of wrong calculation in 2020

*6 Change of energy contracts from grey to green electricity

*7 Extra solar systems were installed - see page 38

*8 In 2020 only info from Montea HQ was present for the waste disposal routes.

Impact area	Indicator	EPRA Code	Units of measure	Notes	Avg FTE (*)	Headcount EOP (**)	Headcount (***)	2020			2021							
								Women	Men	TOTAL	Women	Men	TOTAL					
Diversity	Gender diversity	Diversity-Emp	# of professionals at the end of the reporting period	(1)		x	Employees	11	46%	13	54%	24	11	46%	13	54%	24	
				(1) (2)		x	Management	1	13%	7	88%	8	1	13%	7	88%	8	
				(1) (3)		x	Board of directors	3	38%	5	63%	8	2	29%	5	71%	7	
				TOTAL				15	39%	23	61%	38	14	38%	23	62%	37	
	Average of Full Time Equivalents (FTE) during the reporting period	(1)	x	Employees	10.1	52%	9.4	48%	19.5	10.1	44%	13.1	56%	23.3				
		(1) (2)	x	Management	1.0	13%	7.0	88%	8.0	1.0	13%	6.8	87%	7.8				
(1) (3)		x	Board of directors	3.0	38%	5.0	63%	8.0	2.4	32%	5.0	68%	7.4					
			TOTAL				14.1	42%	19.4	58%	33.5	13.5	37%	22.9	63%	36.5		
Gender pay ratio	Diversity-Pay	Ratio average salary of women expressed as a percentage of men within the same category	(1)	x	Employees			92%				71%						
			(1) (2)	x	Management			122%				107%						
			(1) (3)	x	Board of directors			93%				102%						
			TOTAL					63%			52%							
Employee Training and Development	Training and development	Emp-training	Total number of Montea professionals (in FTE) who followed training + Rate as a percentage of total Avg FTE's	(1)	x	Employees	10.1	100%	8.9	95%	19.0	97%	10.1	100%	12.6	96%	22.8	98%
				(1) (2)	x	Management	1.0	100%	7.0	100%	8.0	100%	1.0	100%	6.8	100%	7.8	100%
				(1) (3)	x	TOTAL (excl. BoD)	11.1	100%	15.9	97%	27.0	98%	11.1	100%	19.4	97%	30.6	98%
	Average hours of training and development (external & internal training, webinars, seminars, online, ...)	(1) (4)	x	Employees	17.5		16.5		17.0	34.3		28.2		30.9				
		(1) (2) (4)	x	Management	7.2		41.9		37.6	29.5		60.7		56.7				
		(1) (3)	x	TOTAL (excl. BoD)	16.5		27.7		23.1	33.9		39.6		37.5				
Performance appraisals	Emp-dev	% of employees who receive performance and career development reviews			x	TOTAL (excl. BoD)	100%	100%	100%	100%	100%	100%						
New hires	Emp-Turnover	Total number of professionals As a % of Headcount EOP			x	TOTAL (excl. BoD)	3	6	9	2	3	5						
					x	TOTAL (incl. BoD)	3	6	9	3	4	7						
					x	TOTAL (incl. BoD)	8%	16%	24%	8%	11%	19%						
Turnover	Emp-Turnover	Total number of professionals As a % of Headcount EOP			x	TOTAL (excl. BoD)	1	4	5	2	3	5						
					x	TOTAL (excl. BoD)	3%	13%	16%	5%	8%	14%						
					x	TOTAL (incl. BoD)	1	4	5	4	4	8						
		x	TOTAL (incl. BoD)	3%	11%	13%	11%	11%	22%									
Health and safety	Injury Rate	H&S-Emp	Frequency of work related injuries (per 100 000 hours worked)			NR			0	0	0	0	0	0				
	Lost day rate		The impact of occupational accidents and diseases as reflected in time of work (per 100 000 hours worked)	(5)		NR					2,074		3,933					
	Work-related Fatality	Deaths occurring in the reporting period arising from a disease or injury while performing work			NR			0	0	0	0	0	0					
	Number of incidents	H&S-Comp	Total number incidents of non-compliance with H&S impacts for landlord controlled assets	(6)		NR					230		300					
	% of assets	H&S-Asset	% of landlord controlled assets for which H&S impacts are assessed or reviewed for compliance			NR					100%		100%					
Community Engagement	Comty-Eng	Narrative				NR			ESG Report 2020: See 3.3 Our stakeholders and more specifically 3.3 Community Involvement			ESG Report 2021: See 3.3 Our stakeholders and more specifically 3.2 Community Involvement						

NR Non relevant

(1) Employees with a permanent employment contract or as an independent service provider

(2) Management consist both of Executive and Country Management

(3) Jo De Wolf (CEO) and Dirk De Pauw (Business Development) both take an operational and director role.

(4) Contains a restatement of prior year figures

(5) Montea had one employee which had a long term absence from Oct '20 to Sept '21

(6) Taking into account the increased coverage, the number of incidents remained stable. Safety audits are performed regularly with mainly remaining action points at the tenants responsibility

(*) Avg FTE = Average Full Time Equivalents

(**) Headcount EOP = Headcount End Of Period (on balance sheet date)

(***) Headcount = Headcount of all professionals that worked for Montea during the Year

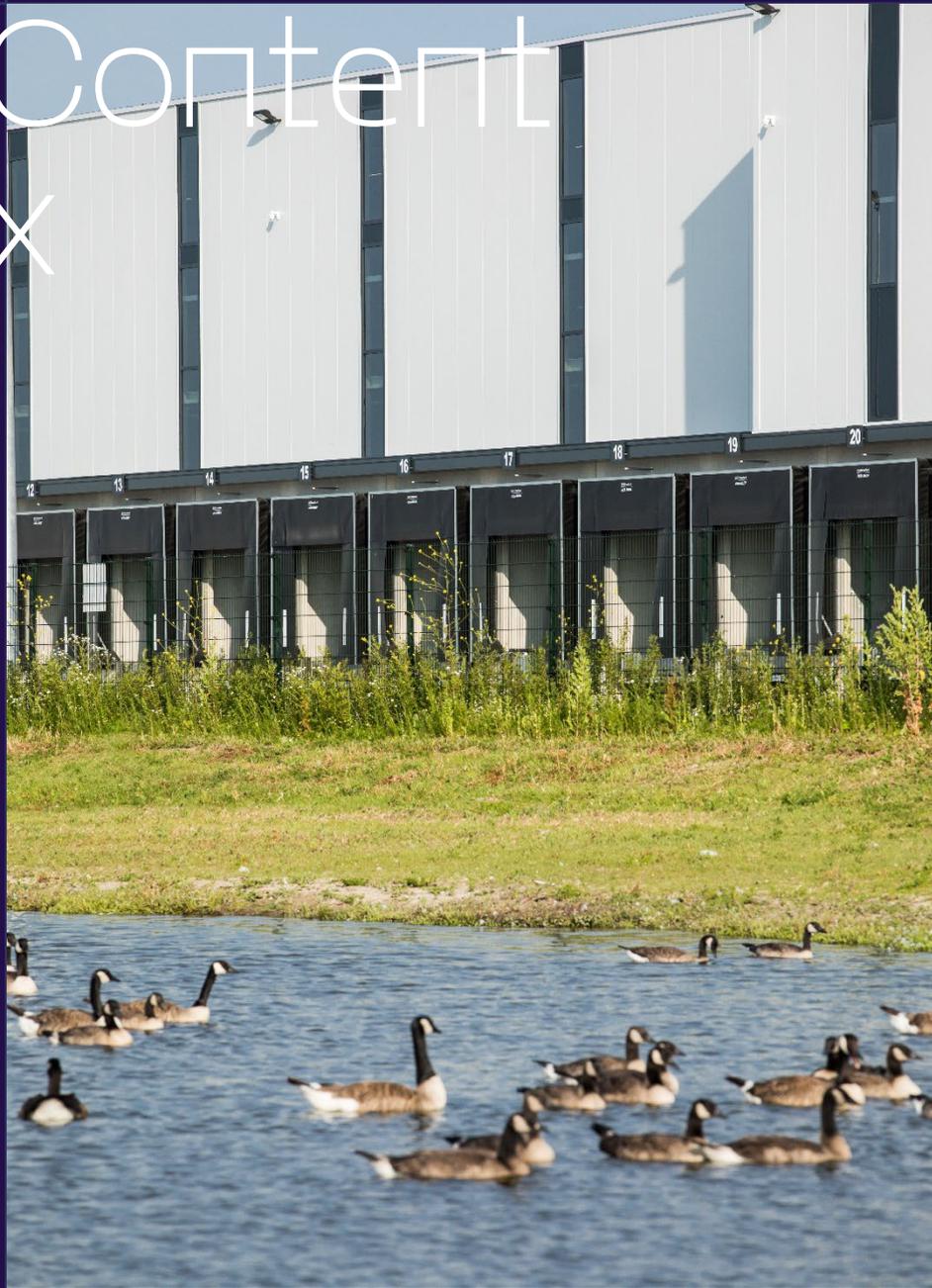
Impact area	EPRA Code		2020	2021
Governance	Gov-Board	Composition of highest governance body	Financial Annual Report: See 13.3.2.1 (iii) Composition	Financial Annual Report: See 12.3.2.1 (iii) Composition
		% of woman in the highest governance body	38%	29%
		% of independent directors in the highest governance body	38%	57%
	Gov-Selec	Process for nominating and selecting the highest governance body	Financial Annual Report: See 13.3.2.1 Composition	Financial Annual Report: See 12.3.2.1 Composition
	Gov-Col	Procedure for managing conflicts of interest	Financial Annual Report: See 13.4 Conflicts of interest	Financial Annual Report: See 12.4 Conflicts of interest

Since control over energy purchase is key in the reduction of GHG emissions, we apply the operational control approach when defining our organisational boundaries for reporting against the EPRA sBPR's. (see page 28).

Supply data are collected through a combination of energy monitoring systems, extraction of contract data and tenant surveys. Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems.

Information included in this section chapter has been subject to a limited review in accordance with ISAE 3000 by EY Bedrijfsrevisoren (see page 74).

9. GRI Content Index



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	302-3	Energy intensity	27-29, 32, 36, 41, 65-66	
	302-4	Reduction of energy consumption	36, 41	
	302-5	Reductions in energy requirements of products and services	36-37	
Emissions				
GRI 3: Material topics 2021	3-3	Management of material topics	8, 21-22, 24-42, 44-49	
	305-1	Direct (Scope 1) GHG emissions	26-30, 32-33, 65-66	
GRI 302: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	26-30, 32-33, 65-66	
	305-3	Other indirect (Scope 3) greenhouse emissions	26-30, 32-33, 65-66	
	305-4	GHG emissions intensity	32-33, 36-37, 41-42, 65-66	

	305-5 Reduction of GHG emissions	32-33, 36-37, 41-42, 65-66
Employment		
GRI 3: Material topics 2021	3-3 Management of material topics	59-61
	401-1 Recruitments and dismissals	53-54, 67
Occupational health and safety		
GRI 3: Material topics 2021	3-3 Management of material topics	55-57
	401-1 Occupational health and safety management system	55-57
	Occupational health and safety services	55-57
	Improve the health of employees	55-57
	Work-related injuries	56, 67
	Work-related ill health	56, 67
Training and education		
GRI 3: Material topics 2021	3-3 Management of material topics	57
	404-1 Average hours of training per year per employee	57, 67
	404-2 Programmes for upgrading employee skills	57, 67
	404-3 Percentage of employees receiving regular assessments interviews and career development	57, 67
Diversity and equal opportunity		
GRI 3: Material topics 2021	3-3 Management of material topics	53-54, 57, 62
	405-1 Diversity within the management body and the workforce	53, 59-61, 67
	405-2 Ratio of basic salary and remuneration of women to men	57, 67
Local communities		
GRI 3: Material topics 2021	3-3 Management of material topics	13-15, 17
	405-1 Local community engagement, impact assessments, and development programmes	13-17
CRE: Construction and Real Estate		
	CRE1 Energy intensity of buildings	27-29, 32, 36, 41, 65-66
	CRE3 Greenhouse gas intensity of buildings	32-33, 36-37, 41-42, 65-66

10. Approach and scope



Montea reports on its ESG efforts in accordance with the EPRA Sustainability Best Practice Recommendations (sBPR).

10.1. Reporting period

The reporting period for this report is the same as for Montea's annual financial report, namely the 2021 financial year (1 January 2021 to 31 December 2021, inclusive). Montea publishes an annual update of its sustainability efforts in the form of a sustainability report.

10.2. Measurement scope and coverage

In 2021, 90% of the Montea offices in Belgium, The Netherlands and France were part of the measurement scope.

We apply the operational control approach when defining our organisational boundaries for reporting against the EPRA sBPR's. (see page 28)

The coverage for the existing portfolio is shown in the table below.

Indicators	Coverage	
	2020	2021
Elec-ABS	34%	91%
DH&C-Abs	100%	100%
Fuel-ABS from direct sources	27%	81%
Energy-Int	22%	81%
GHG-Int	22%	81%
Water-ABS	13%	59%
Cert-Tot	100%	100%
Waste-ABS	0.30%	45%
Waste-proportion by disposal route	0.30%	28%
H&S-Asset	100%	100%

Supply data are collected through a combination of energy monitoring systems, extraction of contract data and tenant surveys. Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems.

None of the data was estimated. To determine Montea's total emissions (see page 29) consumptions have been extrapolated.

10.3. Measurement methodology

The CO₂ emissions were calculated according to the Greenhouse Gas (GHG) Protocol which is used by companies to calculate their climate impact in a consistent manner.

11. External assurance





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Montea

Auditor's limited assurance report

We have been engaged by Montea to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Montea's key sustainability indicators (102-8, 102-18, 102-22, 102-24, 102-25, 102-41, 103, 201-1, 205-3, 302-1, 302-2, 302-3, 303-1, 305-1, 305-2, 305-3, 305-4, 305-5, 307-1, 401-1, 401-2, 404-1, 405-1, 413-1, 418-1, CRE1, CRE3) as included in "GRI Content Index" and the sustainability metrics included in chapter 8 "EPRA sBPR tables" of the Annual Sustainability Report (the "Subject Matter" and/or the "Key Sustainability Indicators"), for the year ended 31 December 2021.

Criteria applied by Montea

In preparing the Key Sustainability Indicators, Montea applied the EPRA Sustainability Best Practice Recommendations (sBPR) and the Guidelines for the Preparation of the Sustainability Report of the Global Reporting Initiative (GRI) Standards (together, the "Criteria").

Montea's responsibility for the preparation of the Key Sustainability Indicators with the Criteria

Montea's management is responsible for selecting the Criteria, and for presenting the Key Sustainability Indicators in accordance with these Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with Montea. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Besloten Vennootschap
Société à responsabilité limitée
RPR Brussel - RPM Bruxelles - BTW-TVA BE 0446.334.711 - IBAN N° BE71 2100 9059 0069
* handelend in naam van een vennootschap/agissant au nom d'une société

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Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Key Sustainability Indicators and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Conducted interviews with personnel to understand the business and reporting process
- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the subject matter during the reporting period
- ▶ Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Identified and testing assumptions supporting calculations
- ▶ Tested, on a sample basis, underlying source information to check the accuracy of the data We also performed such other procedures as we considered necessary in the circumstances.



Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Key Sustainability Indicators for the year ended 31 December 2021, in order for it to be in accordance with the Criteria.

Brussels, 14 April 2022

EY Bedrijfsrevisoren BV
Represented by

Joeri Klaykens
(Signature)

Digitally signed by Joeri Klaykens
(Signature)
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Joeri Klaykens*
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Ce rapport est également disponible en Français.
Dit verslag is ook beschikbaar in het Nederlands.
The French and English versions of the sustainability report are a translation of the Dutch report.

Questions or comments:
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