

06.2022



EPRA SUSTAINABILITY REPORT
Aligned with EPRA Sustainability
Best Practice Recommendations

Introduction

PURPOSE OF THE DOCUMENT

This report reflects the firm intention of Ascencio to manage and improve the sustainability of its real estate portfolio functioning and activities. Building on EPRA's recognized Guidelines¹ to measure sustainability performance, it thoroughly describes Ascencio performance on three key pillars (environment, social & governance). Each of them has been documented through a comprehensive set of performance indicators, in accordance with EPRA's recommendations.

Ascencio's sustainability report takes stock on its portfolio current performance. It provides a solid baseline to measure further progress. It has also led Ascencio to initiate a strong collaboration with its tenants on sustainability stakes. Structural data exchange between tenants and landlords on the building environmental and energy performance is key to improve awareness and agree on common objectives. These exchanges require many efforts and time. For the sake of this first sustainability report, it has not been possible to recover data from all tenants (as of today, about 25% of the total information has been collected). In this spirit, this report is a first milestone and is meant to be continuously improved and enriched.

Finally, this report is one out of the many steps from a wider sustainability strategy. Besides reporting, others important initiatives are currently being taken to follow-up digitally the energy impact of the portfolio and orientate investments towards the environmentally most impactful transformation.

ABOUT ASCENCIO

Ascencio, a "Société Immobilière Réglementée" (Regulated property company or "BelgianREIT"), is a real estate investor specialising in supermarkets and retail parks. More particularly, the Company has a hybrid portfolio consisting mainly of retail parks and food stand-alones in excellent locations. Resolutely forward-looking, Ascencio invests in assets that meet the expectations of retailers and consumers of today and tomorrow, paying particular attention to the retail mix, flexibility of spaces, their ability to respond to the increasingly omnichannel nature of retail and offering easy access and parking. The Company is active in Belgium, France and Spain.

Its portfolio, valued at €727 million at 31/03/2022, consists of approximately one hundred properties, with a total surface area of about 450,000 m² and over 240 tenants. Ascencio's stock has been listed on Euronext Brussels since 2007. Its stock market capitalisation amounted to €340 million at 31/03/2022. In France, Ascencio has opted for the SIIC regime, while in Spain Ascencio S.C.A. has established a subsidiary in respect of which it has opted for the SOCIMI regime.

02

¹ <https://www.epra.com/sustainability/sustainability-reporting/guidelines>

Environment

R

GENERAL BOUNDARIES, SEGMENTATION & COVERAGE

Legal Corporate Structure. In terms of legal corporate structure, Ascencio's portfolio is held by Ascencio SCA itself (and its branch) or through different fully owned subsidiaries.

Segmentation. 40% of Ascencio's portfolio is dedicated to food-related businesses (i.e. supermarkets). The food sector has specific patterns since, in terms of energy consumption, the intensity of consumption is quite different from other retailers. To maximize the relevance of this report, a difference will be made between food and non-food tenants. A specific view per country will also be provided.

Performance of Ascencio's headquarters. The environmental performance of Ascencio's corporate headquarters in Gosselies (BE) will be reported separately from the commercial assets.

Coverage. Most data on environmental performance are tenant-obtained data (regarding their own energy consumption). Their collection requires intense and concerted efforts with the 240+ tenants. Specific coverage ambitions have been defined for this first reporting:

- Belgium: one major food tenant and two important non-food tenants have been targeted and provided data.
- France: a large majority of tenants have been contacted and requested to exchange data. A more active collaboration has been set up with a major food tenant.
- Spain: Spanish assets will be included in the next sustainability reporting.

The coverage is always measured as a percentage of the portfolio total surface (sqm). As mentioned above, most of the required data are tenant-obtained data. For many assets, Ascencio does not purchase utilities nor has a view on their consumption. Hence, the effective coverage varies according to the different metrics. It will be indicated specifically for each of the indicators documented above.

03

ENERGY

Data have been collected from energy suppliers. No extrapolations have been made. None of the assets use district heating or cooling systems.

Energy consumption of commercial assets —

GLOBAL

| Impact Area | EPRA Code | Description | Units of measure | Category | Sub-category | Absolute | | Like for like ² | |
|----------------|--------------------------------|----------------------------|------------------|-------------------------------|--------------|-------------------|-------------------|----------------------------|-------------------|
| | | | | | | 2020 | 2021 | 2020 | 2021 |
| Energy | 4.2 Elec - Abs Elect Lfl | Electricity consumption | kWh | Food | Tenant | 20.873.030 | 23.589.836 | 20.873.030 | 21.709.532 |
| | | | | | Landlord | 1.231.729 | 1.501.048 | 1.231.729 | 1.501.048 |
| | | | | Non-food | Tenant | 978.854 | 1.897.756 | 978.854 | 1.115.036 |
| | | | | | Landlord | 1.492.969 | 8.825.937 | 1.492.969 | 6.567.020 |
| | | | | Total electricity | | 24.576.582 | 30.468.476 | 24.576.582 | 25.546.535 |
| | | | | % Renewables sources | | 3% | 1,5% | 3% | 1.7% |
| | 4.5 & 4.6 Fuel- Abs Fuels- Lfl | Fuel consumption | kWh | Food | Tenant | 1.573.860 | 1.462.885 | 1.573.860 | 1.462.885 |
| | | | | | Landlord | 0 | 169.627 | 0 | 0 |
| | | | | Non-food | Tenant | 0 | 155.210 | 0 | 0 |
| | | | | | Landlord | 612.006 | 785.245 | 612.006 | 776.812 |
| | | | | Total fuel consumption | | 2.185.866 | 2.572.967 | 2.185.866 | 2.239.697 |
| | | | | % Renewables sources | | 0% | 0% | 0% | 0% |
| | 4.3 DH & C- Abs | District heating & cooling | kWh | na | | | | | |
| | 4.7 Energy -int | Building Energy | kWh/ sqm/ year | Food | 310 | 351 | 310 | 326 | |
| Non-food | | | | 66 | 84 | 66 | 67 | | |
| Coverage (sqm) | | % | Food | Tenant | 43% | 43% | 43% | 43% | |
| | | | | Landlord | 3% | 3% | 3% | 3% | |
| | | | Non-food | Tenant | 6% | 7% | 6% | 6% | |
| | | | | Landlord | 9% | 16% | 9% | 9% | |

This table, as well as its breakdown per country below, requires certain observations:

- Only a small percentage of energy is currently renewable. Ascencio has, however, initiated a study to evaluate how it could install a significant number of solar panels on its rooftops and how energy could then be distributed to its tenants or local communities.
- The limited coverage of landlord-obtained data can be explained by the fact that data on common infrastructures are still to be collected from co-ownership structure or property manager. While these data cover an important number of assets, they represent a limited number of energy consumption compared to the energy consumption of the tenants.

² The Like for like indicator compares a consistent portfolio and scope for two reporting years.

BELGIUM

| Impact Area | EPRA Code | Description | Units of measure | Category | Sub-category | Absolute | | Like for like | |
|----------------|--------------------------------|----------------------------|------------------|-------------------------------|--------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | | 2020 | 2021 | 2020 | 2021 |
| Energy | 4.2 Elec - Abs Elect Lfl | Electricity consumption | kWh | Food | Tenant | 12.026.749 | 11.755.896 | 12.026.749 | 11.755.896 |
| | | | | | Landlord | 1.231.729 | 1.501.048 | 1.231.729 | 1.501.048 |
| | | | | Non-food ³ | Tenant | 441.611 | 566.807 | 441.611 | 566.807 |
| | | | | | Landlord | 5.183.566 | 8.825.937 | 5.183.566 | 6.567.020 |
| | | | | Total electricity | | 15.193.058 | 18.883.655 | 22.649.688 | 18.883.655 |
| | | | | % Renewables sources | | 3,2% | 2,4% | 3,2% | 2,7% |
| | 4.5 & 4.6 Fuel- Abs Fuels- LfL | Fuel consumption | kWh | Food | Tenant | 0 | 0 | 0 | 0 |
| | | | | | Landlord | 0 | 169.627 | 0 | 0 |
| | | | | Non-food | Tenant | 0 | 0 | 0 | 0 |
| | | | | | Landlord | 612.006 | 785.245 | 612.006 | 776.812 |
| | | | | Total fuel consumption | | 612.006 | 954.872 | 612.006 | 776.812 |
| | | | | % Renewables sources | | | | | |
| | 4.3 DH & C- Abs | District heating & cooling | kWh | na | | | | | |
| | 4.7 Energy -int | Building Energy | kWh/sqm/year | Food | 365 | 369 | 365 | 365 | |
| | | | | Non-food | 67 | 80 | 67 | 67 | |
| Coverage (sqm) | | % | Food | Tenant | 34% | 34% | 34% | 34% | |
| | | | | Landlord | 5% | 5% | 5% | 5% | |
| | | | Non-food | Tenant | 5% | 5% | 5% | 5% | |
| | | | | Landlord | 15% | 26% | 15% | 15% | |

05

F

³ At this stage, data have been collected for 2 large tenants of Ascencio's belgian portfolio. Regarding the landlord data, the information regarding a large number of stores have been collected through the information provided by the high voltage cabins



FRANCE

| Impact Area | EPRA Code | Description | Units of measure | Category | Sub-category | Absolute | | Like for like | |
|--------------------------|--------------------------------|----------------------------|------------------|-------------------------------|--------------|------------------|-------------------|------------------|-------------------|
| | | | | | | 2020 | 2021 | 2020 | 2021 |
| Energy | 4.2 Elec - Abs Elect Lfl | Electricity consumption | kWh | Food | Tenant | 8.846.281 | 11.833.940 | 8.846.281 | 9.953.636 |
| | | | | | Landlord | na | na | na | na |
| | | | | Non-food | Tenant | 537.243 | 1.330.949 | 537.243 | 548.229 |
| | | | | | Landlord | na | na | na | na |
| | | | | Total electricity | | 9.383.524 | 13.164.889 | 9.383.524 | 10.501.865 |
| | | | | % Renewables sources | | 0% | 0% | 0% | 0% |
| | 4.5 & 4.6 Fuel- Abs Fuels- LfL | Fuel consumption | kWh | Food | Tenant | 1.573.860 | 1.462.885 | 1.573.860 | 1.462.885 |
| | | | | | Landlord | na | na | na | na |
| | | | | Non-food | Tenant | na | na | na | na |
| | | | | | Landlord | na | na | na | na |
| | | | | Total fuel consumption | | 1.573.860 | 1.462.885 | 1.573.860 | 1.462.885 |
| | | | | % Renewables sources | | 0% | 0% | 0% | 0% |
| | 4.3 DH & C- Abs | District heating & cooling | kWh | Food | Tenant | na | na | na | na |
| | | | | | Landlord | na | na | na | na |
| | | | | Non-food | Tenant | na | na | na | na |
| Landlord | | | | | na | na | na | na | |
| Total consumption | | na | na | na | na | | | | |
| 4.7 Energy -int | Building Energy | kWh/sqm/year | Food | | 310 | 351 | 310 | 326 | |
| | | | Non-food | | 64 | 101 | 64 | 65 | |
| Coverage (sqm) | | % | Food | Tenant | 52% | 56% | 52% | 52% | |
| | | | | Landlord | 0% | 0% | 0% | 0% | |
| | | | Non-food | Tenant | 13% | 21% | 13% | 13% | |
| | | | | Landlord | 0% | 0% | 0% | 0% | |

06

As mentioned, Ascencio has requested its tenants to exchange data regarding their energy consumptions.

For some of them, Ascencio has been able to already obtain, through their electricity network operator, a mandate for the period from May 2020 to May 2022. Therefore, only the year 2021 can be considered as a full year of reporting.

SPAIN

Spanish assets will be reported next year.

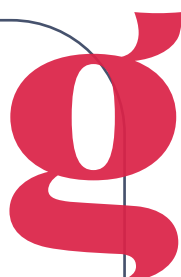
Energy performance of Ascencio headquarters —

| Impact Area | EPRA Code | Description | Units of measure | Absolute | | Like for like | |
|-------------|-------------------------|---|------------------|----------|---------|---------------|---------|
| | | | | 2020 | 2021 | 2020 | 2021 |
| Energy | Elec – Abs Elect Lfl | Electricity consumption - headquarters | kWh | 129.288 | 193.292 | 129.288 | 193.292 |
| | Fuel- Abs Fuels- LfL | | | na | na | na | na |
| | Elec-Int | kWh/sqm | 131 | 196 | 131 | 196 | |
| | Coverage (sqm) | % | 100 % | 100 % | 100 % | 100 % | |

The evolution of the consumption between 2020 and 2021 can be explained by two different factors:

- after the peak of the pandemic, workers have progressively started to go back to the office
- the installation of charging stations for electric vehicles in 2021, generating a higher demand for electricity

No reporting can be made regarding fuel consumption since Ascencio does not use any fossil energy at its headquarters.



GREENHOUSE GAS EMISSIONS (GHC)

The reporting on the Greenhouse gas emission has been segmented in three indicators:

- Scope 1 includes direct GHG emissions generated by fuels burned on-site, as reported under section 2.2. “Energy consumption”. To calculate it, the following formula will be used : Annual consumption (MWh)*181 kg CO₂/MWh⁴
- Scope 2 includes indirect emissions (i.e. emissions generated off-site to produce the energy purchased by Ascencio and its tenants).

The used formula to get those indirect emissions will be the following one: Annual consumption in electricity (MWh)* A kg CO₂/MWh⁵

Where A is defined by Association of Issuing Bodies (AIB) for all European countries:

— Belgium: 178.63 kg CO₂/MWh

— France: 51.23 kg CO₂/MWh

— Spain 448.29 kg CO₂/MWh

These values consider the electricity generation mix of each country

08

A. Greenhouse gas emission of commercial assets —

Given the nature of Ascencio’s activity, landlord-obtained consumptions are limited compared to tenant-obtained data. Ascencio wishes, however, to have a representative view on the GHG emissions generated by its

activity. Consequently, it has been decided to report on both tenant-obtained and landlord-obtained data (scope 1, 2 and 3).

FRANCE

| Impact Area | EPRA Code | Unit of measure | Indicator | Sub-category | Absolute | | Like for like | | |
|---------------------------|----------------------|----------------------|--|-------------------------|----------|---------|---------------|---------|----|
| | | | | | 2020 | 2021 | 2020 | 2021 | |
| Green-house gas emissions | 4.8 GHG-Dir-Abs | KG CO ₂ e | Direct | Food | 284.869 | 264.782 | 284.869 | 264.782 | |
| | | | | Non-Food | 0 | 0 | 0 | 0 | |
| | 4.9 GHG-Indir-Abs | | Indirect | Food | 453.195 | 606.253 | 453.195 | 509.925 | |
| | | | | Non-Food | 27.523 | 68.185 | 27.523 | 28.086 | |
| | 4.10 GHG-Int | | kg CO ₂ e / m ² / year | GHG emissions intensity | Food | 21 | 24 | 21 | 22 |
| | | | | | Non-Food | 3 | 8 | 3 | 3 |

⁴ EPA, "Emission Factors for Greenhouse Gas Inventories," Table 1 Stationary Combustion Emission Factors, March 9, 2018.

⁵ AIB, European Residual Mixes 2018, (2019).

BELGIUM

| Impact Area | EPRA Code | Units of measure | Indicator | Sub-category | Absolute | | Like for like | | |
|---------------------------|----------------------|----------------------|--|-------------------------|-----------|-----------|---------------|-----------|----|
| | | | | | 2020 | 2021 | 2020 | 2021 | |
| Green-house gas emissions | 4.8 GHG-Dir-Abs | KG CO ₂ e | Direct | Food | 0 | 30.702 | 0 | 0 | |
| | | | | Non-Food | 110.773 | 142.129 | 110.773 | 140.603 | |
| | 4.9 GHG-Indir-Abs | | Indirect | Food | 2.368.362 | 2.368.088 | 2.368.362 | 2.368.088 | |
| | | | | Non-Food | 1.004.825 | 1.677.826 | 1.004.825 | 1.274.316 | |
| | 4.10 GHG-Int | | kg CO ₂ e / m ² / year | GHG emissions intensity | Food | 65 | 66 | 65 | 65 |
| | | | | | Non-Food | 30 | 30 | 30 | 38 |

B. Greenhouse gas emission of Ascencio headquarters —

| Impact Area | EPRA Code | Units of measure | Indicator | Absolute | | Like for like | |
|---------------------------|--------------------|----------------------|--|-------------------------|----------|---------------|--------|
| | | | | 2020 | 2021 | 2020 | 2021 |
| Green-house gas emissions | 4.8 GHG-Dir-Abs | KG CO ₂ e | Direct | na | na | na | na |
| | | | | 4.9 GHG-Indir-Abs | Indirect | 23.095 | 34.528 |
| | 4.10 GHG-Int | | kg CO ₂ e / m ² / year | GHG emissions intensity | | 23 | 35 |

WATER CONSUMPTION

All assets are connected to public or semi-public water networks. A large-scale data collection exercise has been launched with the different water suppliers. Some data could not be retrieved soon enough and will be included in the next sustainability report.

For some assets where several tenants share the same meter, it has not always been possible to distribute the water consumption amongst them. Hence, it is not yet possible to differentiate food from non-food activity. Consequently, water consumption will be - this year - segmented per country.

Commercial assets —

| Impact Area | EPRA Code | Description | Unit of measure | Category | Absolute | | Like for like | | |
|-------------|---------------------------------------|-------------------|-----------------|----------|----------|--------|---------------|--------|-------|
| | | | | | 2020 | 2021 | 2020 | 2021 | |
| Water | 4.11 & 4.12 Water-Abs Water-LfL | Water consumption | Cubic meter | Belgium | 66.080 | 62.889 | 64.574 | 62.885 | |
| | | | | France | 23.400 | 23.400 | 23.400 | 23.400 | |
| | 4.13 Water-Int | commercial assets | Cubic meter/sqm | Belgium | 5,3 | 5,2 | 5,4 | 5,2 | |
| | | | | France | 0,73 | 0,73 | 0,73 | 0,73 | |
| | Coverage (sqm) | | | % | Belgium | 4,2% | 4,15% | 4,15% | 4,15% |
| | | | | | France | 15% | 15% | 15% | 15% |

10

For France, all data displayed have been estimated on the basis of a yearly average consumption per asset, together with an important tenant.

The report shows an important consumption of water for some of the Belgian tenants which could be documented. This overconsumption will be further investigated in collaboration with the tenants.

Headquarters —

| Impact Area | EPRA Code | Description | Unit of measure | Absolute | | Like for like | |
|-------------|---------------------------------------|-------------------|-----------------|-------------------|-------------------|-----------------|------|
| | | | | 2020 | 2021 | 2020 | 2021 |
| Water | 4.11 & 4.12 Water-Abs Water-LfL | Water consumption | Cubic meter | 69 | 58 | 69 | 58 |
| | | | | 4.13 Water-Int | commercial assets | Cubic meter/sqm | 0,16 |
| | Coverage (sqm) | | | % | 100% | 100% | 100% |



WASTES

Except for the headquarters and few exceptions (6 assets, 3 in Belgium and 3 in France, 2 of them being managed only as of 2022), wastes are managed di-

rectly by tenants. Therefore, only limited data could be obtained at this stage on waste management.

Commercial assets —

| Impact Area | EPRA Code | Description | Unit of measure | Disposal route | Absolute | | Like for like | |
|-------------|---------------------------------------|----------------------------------|-------------------|-----------------------------|----------|--------|---------------|--------|
| | | | | | 2020 | 2021 | 2020 | 2021 |
| Wastes | 4.14 & 4.15 Waste-Abs Waste-LfL | Waste by disposal route - Assets | Tons | Reuse | na | na | na | na |
| | | | | Recycling | 5.163 | 7.047 | 5.163 | 7.047 |
| | | | | Composting | na | na | na | na |
| | | | | Material recovery facility | na | na | na | na |
| | | | | Incineration/Landfill | 15.736 | 21.566 | 15.736 | 21.566 |
| | | | | Methanation | 562 | 518 | 562 | 518 |
| | | | | TOTAL | 21.461 | 29.131 | 21.461 | 29.131 |
| | | | | % of hazardous waste | 0 | 0 | 0 | 0 |
| | Coverage (sqm) | % | Landlord-obtained | 40,5% | 40,5% | 40,5% | 40,5% | |
| | | | Tenant-obtained | 7% | 7% | 7% | 7% | |

Recycled wastes are composed of paper and cardboard. The organic waste of an important tenant active in the food sector are disposed through methanation.

The coverage of landlord obtained data is defined with regards to the number of assets for which wastes were managed by Ascencio during the reporting period.

Headquarters —

Data have been estimated on the basis of the different container size and the dump frequency.

| Impact Area | EPRA Code | Description | Unit of measure | Disposal route | Absolute | | Like for like | |
|-------------|---------------------------------------|--|-------------------|-----------------------------|----------|------|---------------|------|
| | | | | | 2020 | 2021 | 2020 | 2021 |
| Wastes | 4.14 & 4.15 Waste-Abs Waste-LfL | Waste by disposal route - Headquarters | na | Reuse | na | na | na | Na |
| | | | m ³ | Recycling | 30 | 30 | 30 | 30 |
| | | | m ³ | Composting | 0,3 | 0,3 | 0,3 | 0,3 |
| | | | na | Material recovery facility | na | na | na | na |
| | | | m ³ | Incineration/Landfill | 30 | 30 | 30 | 30 |
| | | | m ³ | TOTAL | 30,3 | 30,3 | 30,3 | 30,3 |
| | | | | % of hazardous waste | 0 | 0 | 0 | 0 |
| | Coverage (sqm) | % | Landlord-obtained | 100% | 100% | 100% | 100% | |

CERTIFICATION

At this point in time, there are no green certified assets within Ascencio's portfolio. The executive committee has, however, decided to initiate a certification journey

(BREEAM) for two assets in 2022. Depending on the evaluation of these two test-cases, more certification journeys will be launched in 2023.

SOCIAL

SOCIAL PERFORMANCE MEASURE

| | Gender | Year ended 30 september 2020 | Year ended 30 september 2021 | Percentage change% |
|--|---|---------------------------------|---------------------------------|-----------------------|
| DIRECT EMPLOYEE GENDER DIVERSITY Diversity-Emp 5.1 | | | | |
| Board of Directors Members percentage | Female | 30% | 30% | 0% |
| | Male | 70% | 70% | 0% |
| Executive Management ⁶ | Female | 40% | 20% | -50% |
| | Male | 60% | 80% | 33,3 |
| All employees | Female | | 56% | |
| | Male | | 44% | |
| EMPLOYEE TRAINING AND DEVELOPMENT Emp-Training 5.3 | | | | |
| All Employees | average number of hours training ⁷ | | 14 | |
| EMPLOYEE PERFORMANCE APPRAISAL Emp-Dev 5.4 | | | | |
| Total employees receiving performance review percentage | | 100% | 100% | 0% |
| EMPLOYEE TURNOVER AND RETENTION⁸ Emp-Turnover 5.5 | | | | |
| Total number of employees at year end | | 19 | 19 | 0% |
| Rate of new employee hires | | 5,26% | 10,53% | 100,19% |
| Total employee turnover | | 1 | 2 | 100% |
| Rate of employee turnover | | 5,26% | 10,53% | 100,19% |
| EMPLOYEE HEALTH AND SAFETY (DIRECT EMPLOYEES)⁹ H&S-Emp 5.6 | | | | |
| Injury Rate ¹⁰ | | 0 | 0 | |
| Lost day rate ¹¹ | | 0 | 0 | |
| Absentee rate ¹² | | 35 | 105 | |
| Work related fatalities | | 0 | 0 | |

⁶ The definition of Executive Management is the members of the executive committee, who have a strategic role but, besides the CEO Vincent H. Querton, are not Board Directors. The drop in the percentage of females amongst the Executive Management is due to the departure, in June 2021, of the CFO, Michèle Delvaux. Her function has been taken over by Cédric Biquet in August 2021.

⁷ 14h/employee/year (executive management and employees. No information is reported regarding the Board of Directors).

⁸ Social performance trend commentary: the 100,19% increase in employee headcounts reflects the arrival of the new employees in 2021 (following the same amount of departures) compared to the arrival of one employee in 2020 (also following the same number of departure).

⁹ Health and Safety performance trend commentary.

¹⁰ Number of injuries per multiple of hours worked.

¹¹ Total lost days relative to the total number of hours worked.

¹² Total days lost relative to the total number of days scheduled to be worked by employees. The rise of the absentee rate in 2021 is explained by a maternity leave.

GOVERNANCE

CORPORATE GOVERNANCE

| | Year ended 30 september 2020 | Year ended 30 september 2021 |
|--|---------------------------------|---------------------------------|
| COMPOSITION OF THE HIGHEST GOVERNANCE BODY | | |
| Gov-Board 6.1 | | |
| Number of executive board members | 1 | 1 |
| Number of independent, non executive board members | 10 | 10 |
| Average tenure on the governance body years | 10 | 10 |
| Selection process 6.2 | | |

For all nominations of directors, the following procedure applies:

Determination of the required expertise and knowledge

The nomination and remuneration committee determines, in consultation with the Chairman of the Board, the expertise and knowledge that is considered essential for members of the Board and its Committees in order to have a proper understanding of Ascencio's business and to perform their respective offices correctly.

The Board as a whole must have the following characteristics:

- wide experience and in-depth knowledge of the real estate business and market;
- experience of management acquired in a Management Committee or other equivalent decision-making body of a major business, in terms of business management and organisation;
- leadership skills and ability to adopt and implement a strategic view;
- experience in managing business in an international context;
- familiarity with accounting and financial standards, procedures and techniques and their application in the real estate sector;
- In-depth knowledge of the legal and regulatory framework applicable to the real estate sector and to REITs in particular;
- competence in managing remuneration;
- irreproachable reputation and impeccable adherence to business ethics;
- diversified socio-economic representation of the world of business;
- entrepreneurial spirit;
- diversity in general and in the broadest sense.

Skills grid

The Chairman of the Board, in consultation with the nomination and remuneration committee, draws up a skills grid presenting the areas of knowledge and types of expertise on one axis and a list of Board members on the other.

Gap analysis

Depending on the results of the most recent evaluation of the directors on both the Board and the Committees, the nomination and remuneration committee determines, with the aid of the skills grid, the improvements needed in expertise and knowledge.

Search for candidates with the right profile

Depending on the necessary improvements, determined by the nomination and remuneration committee, and taking account of the Board's admissibility criteria, the nomination and remuneration committee searches for candidates with the required skills. The nomination and remuneration committee examines the CVs and references of the candidates proposed for election or re-election to the Board.

When drawing up the list of candidates, account is taken of the pertinence of their references and, for candidates who are already directors, of an evaluation of their performance.

Interviews

Once the candidates have been identified, the Chairman of the Board and all the members of the nomination and remuneration committee meet them individually in order to evaluate them. The nomination and remuneration committee discusses the results of these interviews.

Following the above process and depending on the recommendations of the nomination and remuneration committee, the Chairman of the Board presents a list of candidate directors of Ascencio to the Board for examination and approval.

Following the resolution of the Board of Directors, the candidacy or candidacies approved is or are submitted to the next General Shareholders' Meeting for ratification.





Year ended
30 september 2021

COMPOSITION OF THE HIGHEST GOVERNANCE BODY
Gov-Col 6.3

See our Annual Report for the year ended
30 September 2021, pages 118-121

Conclusion

14

This report is Ascencio's first EPRA sBPR reporting. The Company intends improving the coverage in its next report.

This initiative intervenes in the broader scope of defining a global ESG strategy which the Company will develop in its next Annual Report.





ASCENCIO.BE