



Sustainability report **2020**



Contents

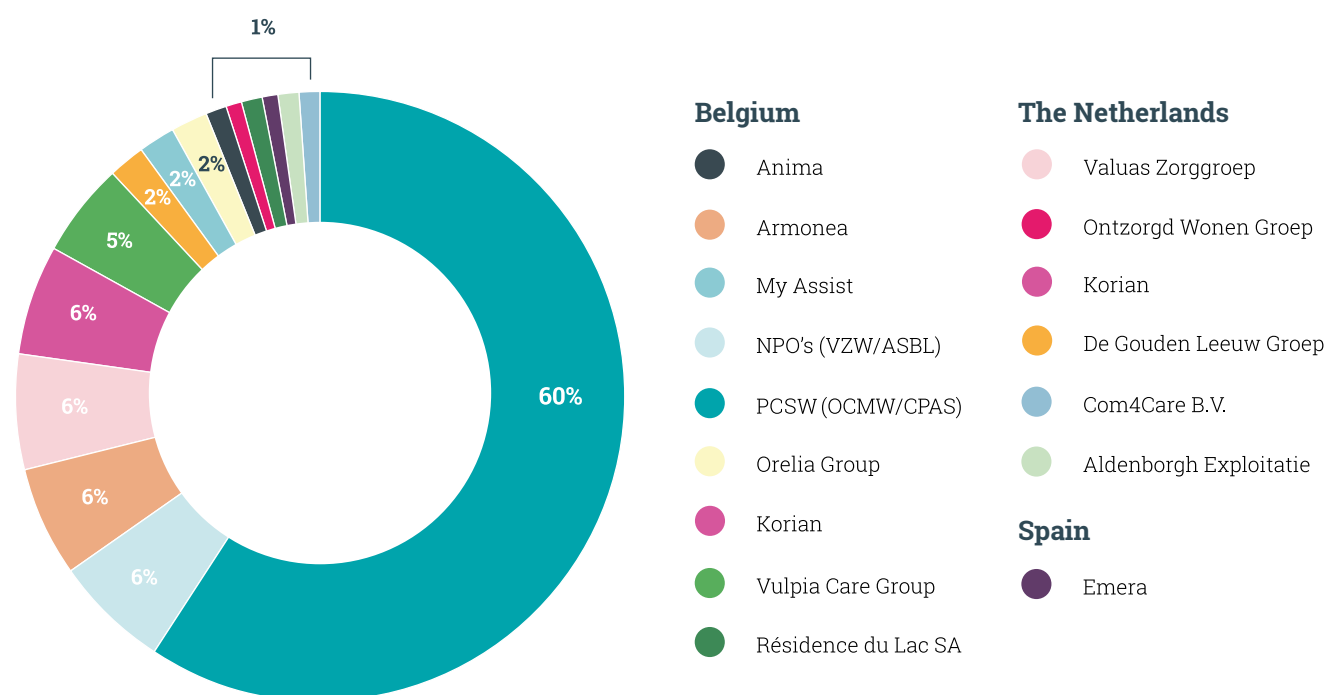
Letter to the stakeholders	6
Executive Summary	8
About Care Property Invest	12
Our sustainability commitment and priorities	16
Our long-term commitment	16
Our sustainability commitment	18
The SDGs at the basis of our sustainable priorities	20
Stakeholder engagement	22
Risk management	25
Our buildings	31
Innovation in our portfolio	32
Our 2020 achievements	33
Tackling climate change through our portfolio	33
Environmental performance	34
Tables on environmental performance	36
Our Care Providers	40
Building a future with a unique past	40
Delivering customised solutions	41
Our 2020 achievements	41
Meeting the residents' needs	43
Our responsibility	45
CO2 neutral headquarters	47
Our 2020 achievements	48
Engaging our people	48
Tables on social indicators	50
Governance	54
EPRA Content Table	58
GRI Content Table	59
Annex I – Reporting Parameters	66



‘Investing in sustainable
real estate is building a
resilient future together’

Distribution of the number of projects per operator

(as per 31 December 2020)



Key facts

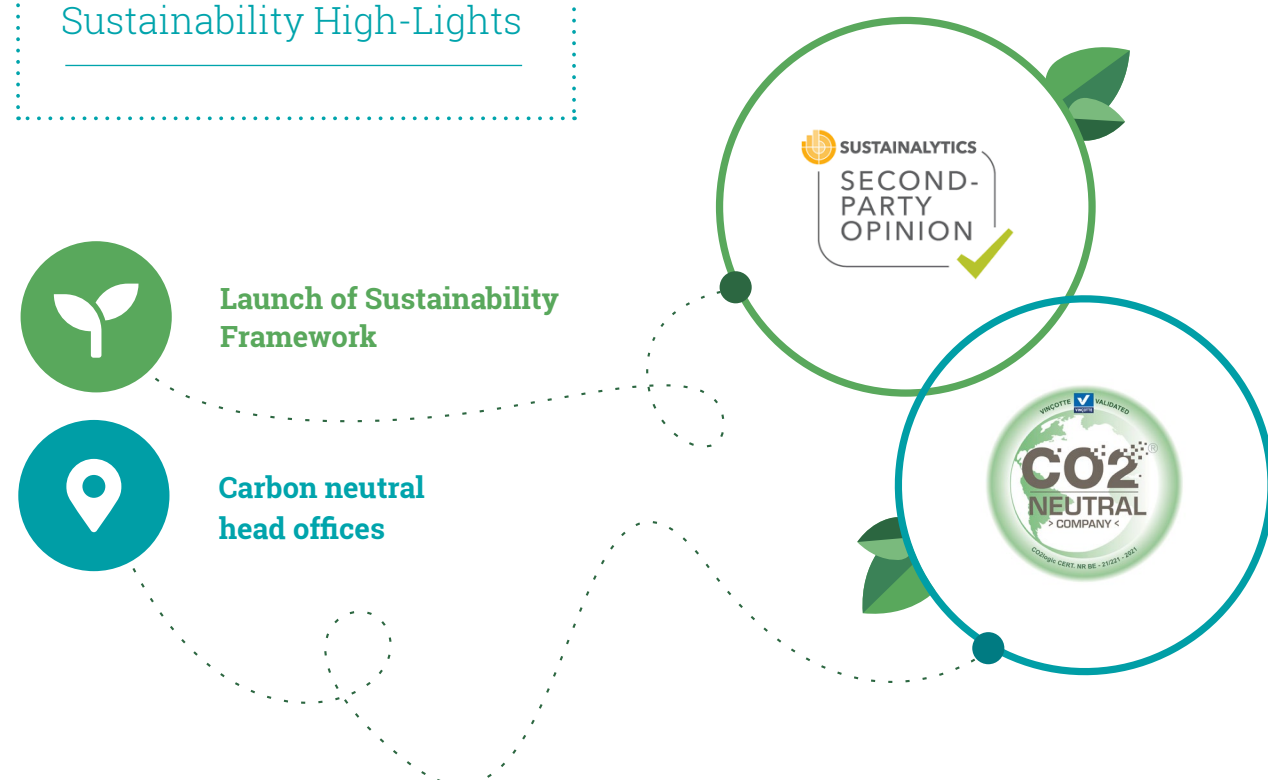
(as per 31 December 2020)

Occupancy Rate	100%
Market Cap	€649m
Fair Value Portfolio	€822m
Average Remaining Duration of Contract	16.75 years
Number of Beds	5,454
Number of Sites	124
Total Surface	435,420m ²

Our European presence

(as per 31 December 2020)

Sustainability High-Lights



Belgium



4,730 beds
-

The Netherlands



186 beds
348 beds

Spain



New entry in 2020
190 beds

● Current number of beds ● Number of beds in development



Letter to the stakeholders

In 2020, we started our sustainability journey and are proud of the progress we are making for our clients, our employees and our stakeholders.

Looking back on the achievements we realized in this past year, we look forward to continue building on these efforts. We strongly believe our long-term commitment towards our sustainability strategy will not only help us contribute to equal access to healthcare housing for elderly people and people with mental and/or physical disabilities, but also pursue our effort to make qualitative sustainable healthcare housing accessible to everyone. Through both our own operations and our portfolio we aim to make a positive impact on the community.

Our ambition to create sustainable real estate accessible for everyone consists of two parts. On one hand, we strive to maximize our market coverage to meet the increasing need for healthcare housing. On the other hand, we aim to meet this need while embedding sustainability into the core of our operations. We endeavor to increase our impact by extending our operations. The elderly population is expected to grow significantly over the next 50 years, not only in Belgium, but also throughout Europe. Therefore, we need to look beyond our borders when creating healthcare housing opportunities for this generation. This year, we tapped into a new market and expanded our operations to Spain. In 2020, we entered the Spanish market and welcomed our first Spanish residents in 2021.

The increasing need for qualitative healthcare has been confirmed by the COVID-19 pandemic. We have seen stress building in our elderly care facilities and have watched healthcare employees give 100% of their energy and care whilst losing too many of our residents in their fight against COVID-19. We want to stress our admiration and respect towards healthcare workers. We also want to thank our own employ-

ees, who have remained continuously motivated and persevered throughout challenging teleworking conditions. We look to the future with careful optimism as we see a reduction in pressure on our healthcare housing facilities and an increase in vaccination numbers.

Last year, we published our very first sustainability report in which we disclosed our strategy for the upcoming years. To achieve our sustainability strategy, we felt it was important to set ambitious goals for the short-, medium- and long-term. In that light, we decided 2020 would be the year in which our headquarters became carbon neutral and Care Property Invest became a UN Global Compact signatory. We are proud to share that we have achieved both targets. In order to achieve carbon neutral activities, we decided to support a certified climate project. To strengthen our achievement and carbon neutral ambitions, we are currently building an extension of our headquarters in accordance with the zero-energy principles. The extension is expected to make our headquarters more energy efficient. We will make a move, physically and sustainably, in the upcoming year.

Additionally, we launched our sustainable finance framework which was validated by a second party opinion. This gives our investors the opportunity to invest in sustainability linked loans and sustainability bonds, which firmly validates our investors' contribution towards sustainable real estate and our progressing sustainability performance.

Looking forward, in 2021, we will publish our environmental policy and ensure our employees receive a yearly average of 40 hours of training. We will continue to work hard and demonstrate perseverance to achieve our goals. Lastly, the regulatory changes in the sustainability landscape confirm the importance of non-financial reporting and integrating sustainability into our strategy. We have the ambition to gradually disclose more information as our data collection and disclosure capabilities improve. The Corporate Sustainability Reporting Directive (CSRD), the amendment to the current requirements of the Non-Financial Reporting Directive (NFRD), is expected to accelerate our sustainability reporting's maturity significantly, as compliance will

'This year, we tapped into a new market and expanded our operations to Spain. In 2020, we entered the Spanish market and welcomed our first Spanish residents in 2021.'



be required as from the financial year 2023. As disclosure of our sustainability strategy and targets becomes more robust, the role of our board and our management will become increasingly important in considering sustainability issues. Additionally, we will disclose more information concerning the adverse impacts on sustainability factors related to our value chain. Translating sustainability risks and opportunities into our corporate strategy is essential to build a resilient company. We therefore remain committed to achieve our sustainability strategy and defined ambitions.

Peter Van Heukelom
CEO
Care Property Invest



Peter Van Heukelom

Mark Suykens
Chairman of the Board of Directors
Care Property Invest



Mark Suykens

Executive Summary

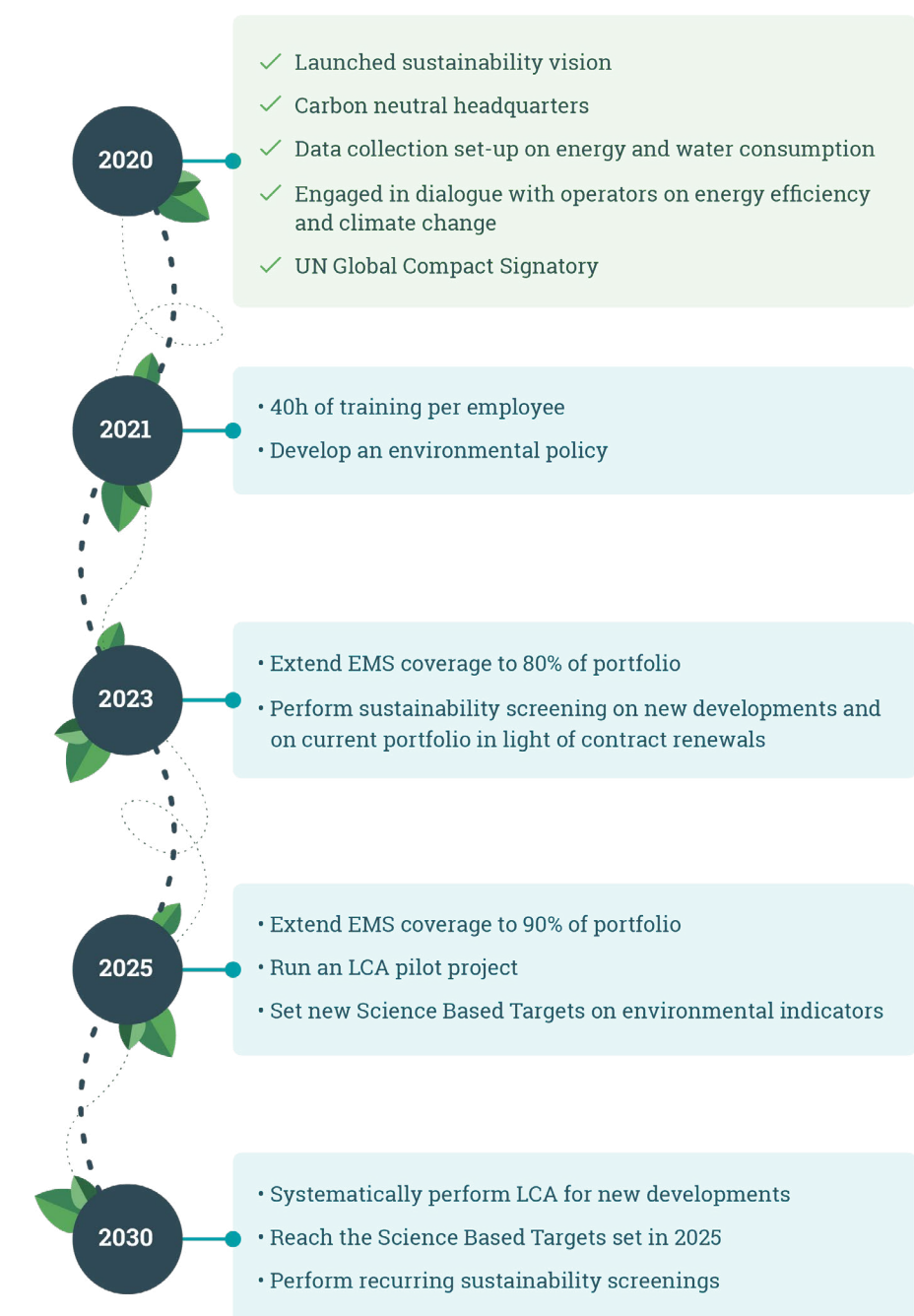
Last year, Care Property Invest defined its **sustainability strategy** using the Sustainable Development Goals as a guiding framework. We continue to take on our corporate responsibility as an investor, an employer and a partner for our care providers with a common vision for our residents. Our strategy is focused on **tackling challenges** such as the ageing population, increasing inequalities, climate change and the energy transition. With our unique presence in both the public and private market, we strive to meet the need for equal access to healthcare housing for elderly people and people with mental and/or physical disabilities. In 2020, we took our first steps to achieving our sustainability ambitions by accomplishing our 2020 actions defined in our sustainability roadmap. Realizing these short-term targets strengthens our

ambition to become the market leader in sustainable healthcare real-estate. We aim to make an impact in three areas throughout our operations. Tied to the essence of our business, we commit to make an impact through our **buildings** and our **care providers**. Furthermore, we consider our **responsibility** regarding the impact on our surroundings and employees through our own operations. Translating sustainability risks and opportunities into our strategy is vital for long-term survival and building a successful organization. Additionally, through adequate corporate governance, our diverse Board of Directors ensures the accomplishment of our organization's societal purpose. We continue to develop, re-think and

improve our governance and risk management processes to support the impact we make through our buildings, our care providers and our own operations. At Care Property Invest, we focus on taking an active role in the transition of the real estate sector and contribute to the realization of the EU Green Deal. By monitoring our sustainability performance and refining our strategy, we aim to **reduce** our impact. Our sustainability report describes our progress and approach in this sustainability journey. It was drafted in accordance with the international sustainability guidelines GRI, EPRA SBPR and the Euronext ESG Guidelines. As of this year, we gradually start to integrate information in accordance with the TCFD guidelines.



Our sustainability roadmap reflects the pathway to achieving our ambitions. In the coming years, we will refine this roadmap by integrating more progressive and quantitative targets.



* Excl. initial portfolio of apartments in leasehold to PCSWs since there are individual private meters per flat controlled by each individual tenant. Monitoring is difficult due to complicated data collection and privacy considerations of the tenant.

Our Buildings

In collaboration with our operators, we are addressing our building's environmental footprint. By 2023, we want to increase our energy monitoring system's coverage to 80%¹ of our portfolio. Accurate measurement will allow us to set ambitious and achievable Science-Based Targets in 2025. Real-time measurement of our energy and water-related data stimulates

awareness and facilitates a mentality change. We actively work to reduce our environmental impact by incorporating it as a crucial element in the due diligence of new projects and by periodically monitoring this impact. This applies to both our existing projects and our own offices. In 2025 we will explore life-cycle analysis, which will help

to consciously embed environmental aspects into the design of our buildings and to create an impact beyond the use-phase of the building.

¹ Excl. initial portfolio of apartments in leasehold to PCSWs since there are individual private meters per flat controlled by each individual tenant. Monitoring is difficult due to complicated data collection and privacy considerations of the tenant.

Our Care Providers

Our primary goal is to optimize the wellbeing of our residents and to provide affordable, qualitative healthcare for every citizen. We offer a unique combination of public and private healthcare housing. To increase our impact, we continuously expand our diversified portfolio. We look beyond

the Belgian borders as we tap into the Spanish market and further strengthen our market position in the Netherlands. Additionally, we are currently exploring opportunities to expand our operations in a 4th country. We meet the diversified needs of our elderly population, by offering

a diversified portfolio with alternative healthcare housing options such as residential care centers, groups of assisted-living apartments, short-stay centers and residential complexes for people with physical and / or intellectual disabilities.

Our Responsibility

Our corporate responsibility goes beyond the bounds of our real estate portfolio. Looking at our own operations, in 2020 we became a UN global Compact signatory. Through this commitment, we support four fundamental areas: human rights, labor, environment and anti-corruption. Moreover, we

obtained a carbon neutral label for our head-office operations. In 2021, we will publish our first environmental policy. We aim to maximize employee wellbeing by offering an organizational setting avoiding discrimination of any sort while offering employees personal development

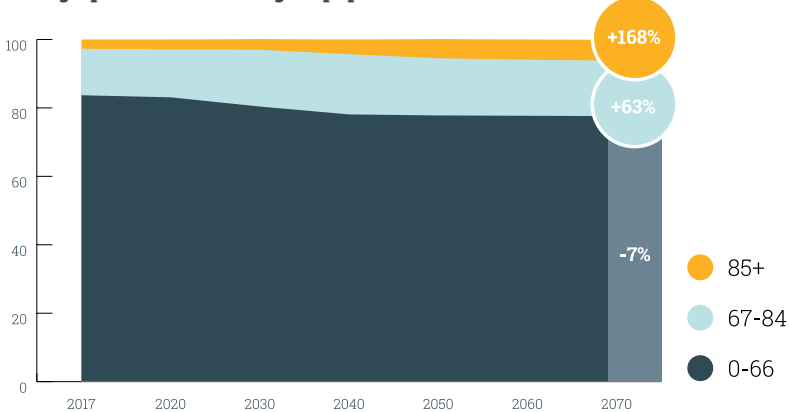
opportunities and training. As of 2021, we will offer every employee 40 hours of yearly training.



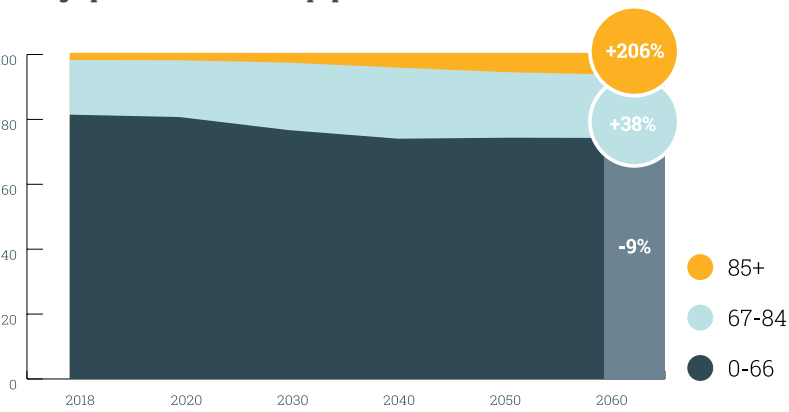
‘With our sustainable real estate ambitions, we want to meet the need for equal access to healthcare housing for elderly people and people with mental and / or physical disabilities’

About Care Property Invest

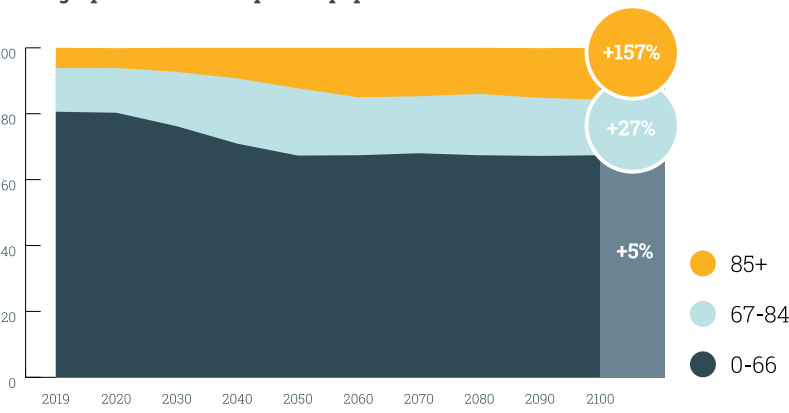
Demographic evolution Belgian population¹



Demographic evolution Dutch population²



Demographic evolution Spanish population³



Our contribution to the UN Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) set in 2015, act as a universal language for corporate responsibility. The SDG's provide a framework that guides businesses in defining their corporate responsibility, strategy and action planning. The framework helps organizations connect their strategies with global priorities set out in the United Nations' 2030 sustainable development agenda.

As an investor, employer and partner for our care providers with a common vision for our residents, we recognize our corporate responsibility and aim to play our part in implementing these goals. Our ambition is to become a sustainability leader in healthcare real estate. In order to meet the needs of tomorrow, we need to prepare for the future by addressing major challenges such as the ageing population, increasing inequalities, climate change and energy transition.

To reinforce this commitment, we have used the SDGs as one of the frameworks to build our sustainability strategy.

Our social role in healthcare housing for elderly and disabled people

By 2070, the Belgian population is projected to grow by 15%. Within the population, the group of elderly people aged between 67 and 84 will increase by 63% and the group aged 85+ will grow by 168%. A similar trend in terms of population ageing figures applies to the Netherlands and Spain, as well as in the rest of Europe¹. In the Netherlands the population is expected to grow by 7% by the year 2060. The category of 85+ will grow by 206%, while the age category 67 to 84 will grow by 38%. The Spanish population is projected to grow by 5% by the year 2100. This results in a growing demand of healthcare housing for elderly people in the public (housing corporations and foundations) and private sector.

In 2014, besides our assisted living apartments, we broadened our scope to private residential care centers in order to address the growing demand for real estate with a social added value, to reinforce equal access to quality healthcare housing, and to build on the experiences and knowledge gained over almost 20 years. This allowed us to include care facilities run by private operators and to realize projects for people with mental and/or physical disabilities. Our first residential complex for people with disabilities was completed in September 2019. In addition to the aging population and thus growing demand for healthcare housing, inequality in society leads to

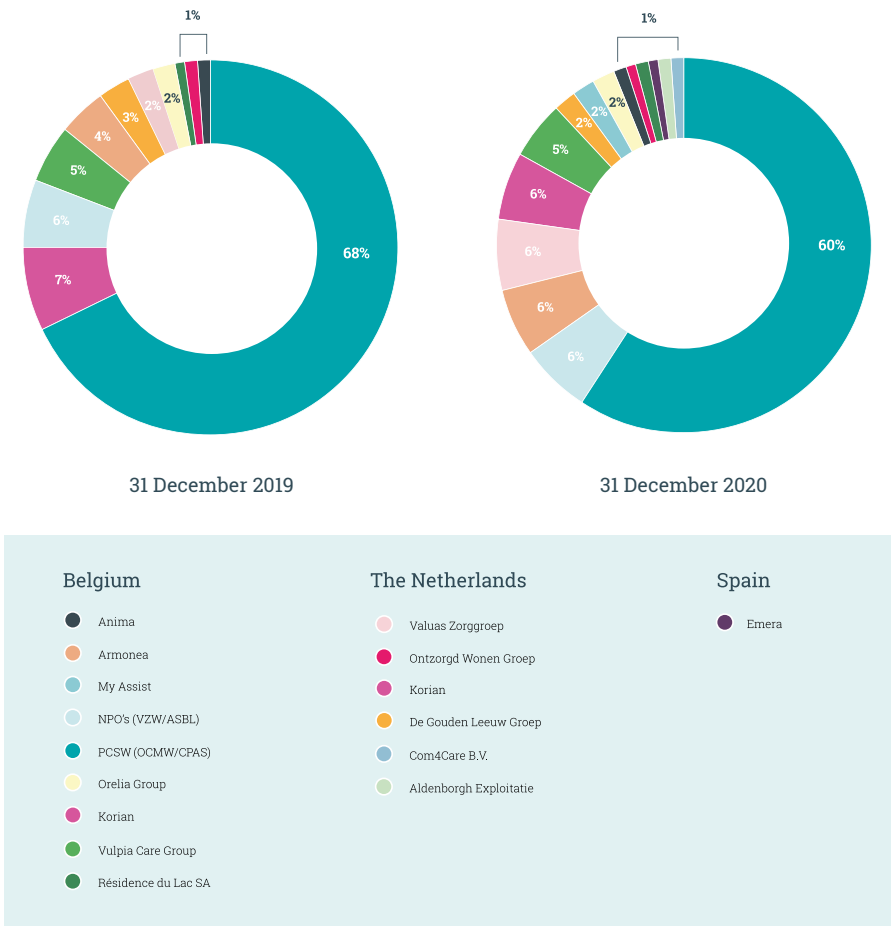
inequal access to healthcare housing. In Belgium, private healthcare housing is on average 8 EUR/ day more expensive than public healthcare housing. Care Property Invest stands for affordable healthcare housing for every citizen. Therefore, we safeguard a balance between public and private operators in our portfolio.

With our unique position in both the public and private market, we strive to meet the need for equal access to

healthcare housing with 66% of our portfolio operated by Public Centres for Social Welfare (PCSWs)² and Non Profit Organizations (NPOs) as of 31st December 2020.

The COVID-19 pandemic emphasizes the need for adequate healthcare and customized infrastructure. Care Property Invest closely monitors possible evolutions this crisis might imply and will analyze how our activities will be impacted in the long run.

Distribution of the number of projects per operator



¹ Belgian Federal Planning Bureau - Report on Demographic Prospects 2017-2070
² Based on the following data source: "Prognose intervallen van de bevolking; leeftijdsgroep, 2018-2060", CBS - 19 December 2017
³ Based on data from the Organisation for Economic Co-operation and Development (OECD), <http://stats.oecd.org>

¹ Based on data from the "Belgian Federal Planning Bureau - Report on Demographic Prospects 2017-2070", from "Projections of population intervals; age group, 2018-2060", CBS - 19 December 2017" and from the Organization for Economic Co-operation and Development (OECD), <http://stats.oecd.org>
² Public Centre for Social Welfare (OCMW/CPAS) – Local authorities

Our role in climate change and positive contribution to the environment

The real estate sector has a significant impact on the environment. According to United Nations estimates, the real estate sector accounts for 36% of global energy use and 39% of carbon emissions¹. A reduction of 78% in GHG emissions and 91% reduction of GHG emissions is projected to be required to respectively achieve the IPCC's 2°C and 1.5°C scenario². As a reaction, initiatives were launched in the past few years to support the transition of the real estate landscape. An additional capex of 80bn EUR is expected to be necessary in

the EU real estate sector to close the climate gap. In line with the guidelines set forward by GRESB and EPRA sBPR, Care Property Invest will participate in this transition. Our organization will participate by measuring sustainability performance and committing to our sustainability strategy to reduce our environmental impact. This report was drafted in accordance with the international sustainability guidelines: GRI, EPRA sBPR and the Euronext ESG Guidelines. An overview of reporting parameters and definitions used can be found in '[Annex I – Reporting Parameters](#)'.

The new EU Green Deal³ reinforces the role of care providers in building the 'social housing of tomorrow' in an energy and resource efficient way. This is stimulated by ensuring increased digitalization in building designs, circular economy, and climate proofing of the building stock. We strive to contribute to these actions put forward by the European Commission by improving energy performance and resource efficiency in new developments and by investigating the viability of smart renovation for our existing portfolio.



1 Global Alliance for Buildings and Construction, International Energy Agency and the United Nations Environment Programme (2019): 2019 global status report for buildings and construction: Towards a zero-emission, efficient and resilient buildings and construction sector
2 Kepler Chevreux (March 2021): Equity research ESG set to rock property
3 The European Green Deal is Europe's new growth strategy with the ambition to become the first continent to be climate neutral by 2050



“Through both our portfolio and our own operations, we want to create a positive impact on the community’

Our sustainability commitment and priorities



* Excl. initial portfolio of apartments in leasehold to PCSWs since there are individual private meters per flat controlled by each individual tenant. Monitoring is difficult due to complicated data collection and privacy considerations of the tenant.

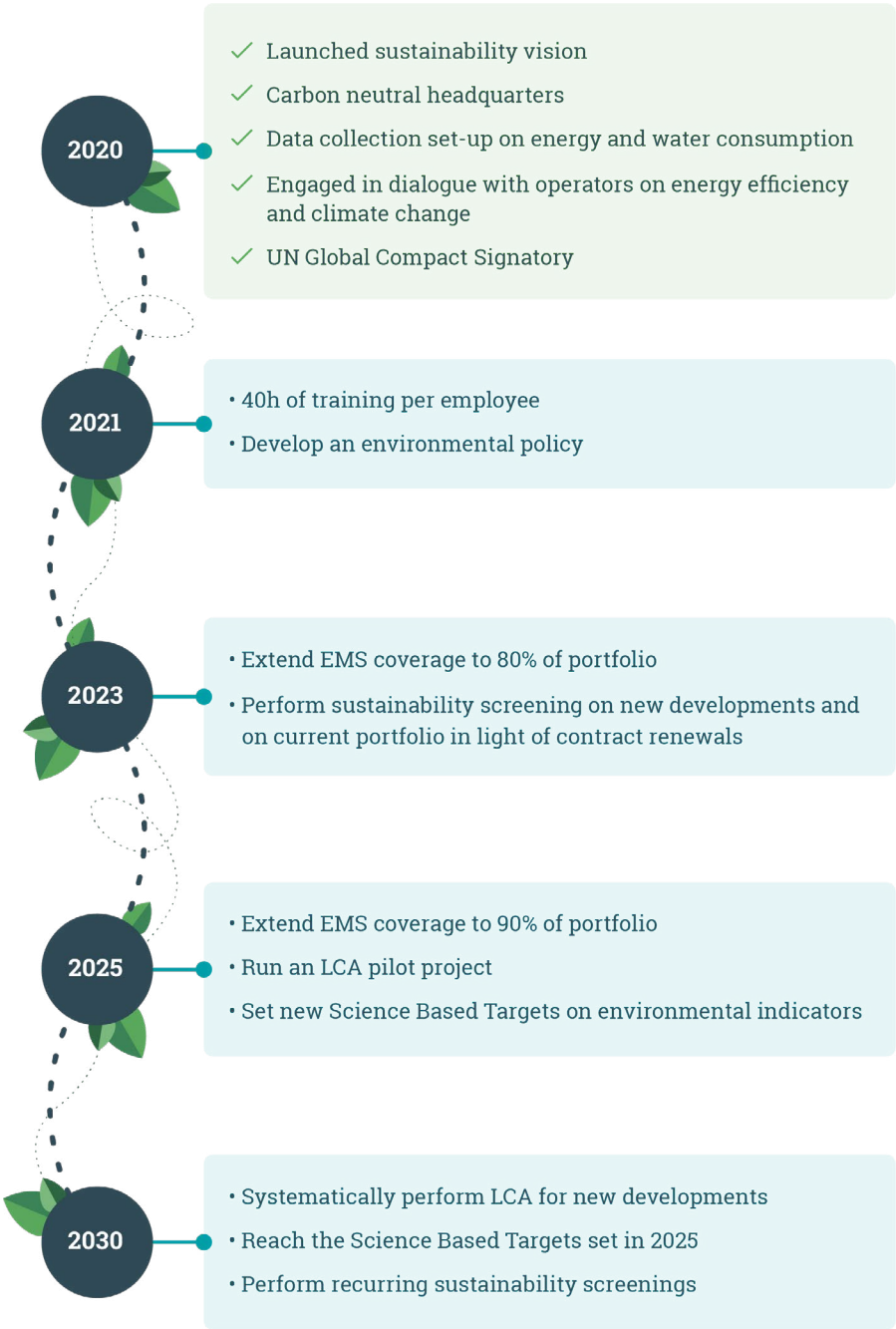
Our long-term commitment

Care Property Invest has shaped its focus around three areas. Tied to the essence of our business, on the one hand, we commit to the impact areas related to **our buildings** and **our care providers**. On the other hand, we consider **our responsibility** regarding the impact on our surroundings and employees through our own operations.

These ambitions will allow us to build a strong sustainability foundation within our strategy and our way of operating. Over the next 3 years, we will gradually increase the monitoring coverage of our portfolio's energy performance in order to redefine our ambitions and set stronger targets.

This strategic framework, defining our 3 impact areas, ambitions and goals, was developed based on the materiality exercise described in the next section.

Our sustainability roadmap reflects the pathway towards achieving our ambitions. In the coming years, we will refine this roadmap by integrating more progressive and quantitative targets.



‘Sustainalytics, a trusted and respected party, provided a positive second party opinion to our finance framework.’

Our sustainability commitment

Making the transition towards a sustainable economy leads to new opportunities to attract funding, moreover it is increasingly becoming a minimum requirement to gain access to financing opportunities. At the same time investors have the opportunity to mobilize capital flows towards sustainable projects.

To take on this opportunity, Care Property Invest has set out its sustainable finance framework consistent with the guidelines of the Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines and the Green Loan Principles.

Under this framework, Care Property Invest can issue a variety of sustainable finance instruments, including Social & Sustainability Bonds, Private Placements, Schuldschein and (syndicated) loan facilities. Eligible assets, which can be financed using the pro-



ceeds of these financial instruments, are segmented into 3 categories: access to essential healthcare services, green buildings and renewable energy.

Sustainalytics, a trusted and respected party, provided a positive second party opinion to our finance framework. This guarantees credibility and provides confidence for our investors.

Within this framework, we already contracted a sustainability loan of 35 million EUR from ABN AMRO in 2020. Moreover, we are exploring possibilities of a first sustainability bond issuance.

Additionally, after an assessment and screening based on environmental, social and governance criteria, Care Property Invest was selected by Triodos Bank as a sustainable investment for their Sustainable Investment Funds and private banking clients.

An investor research report by Kepler Chevreux¹ attributes an ESG score of 3.2/5 to Care Property Invest. The research recognized Care Property Invest's efforts and transition, stating an expected shift in ESG performance in the upcoming year.

‘The research recognized Care Property Invest’s efforts and transition, stating an expected shift in ESG performance in the upcoming year.’



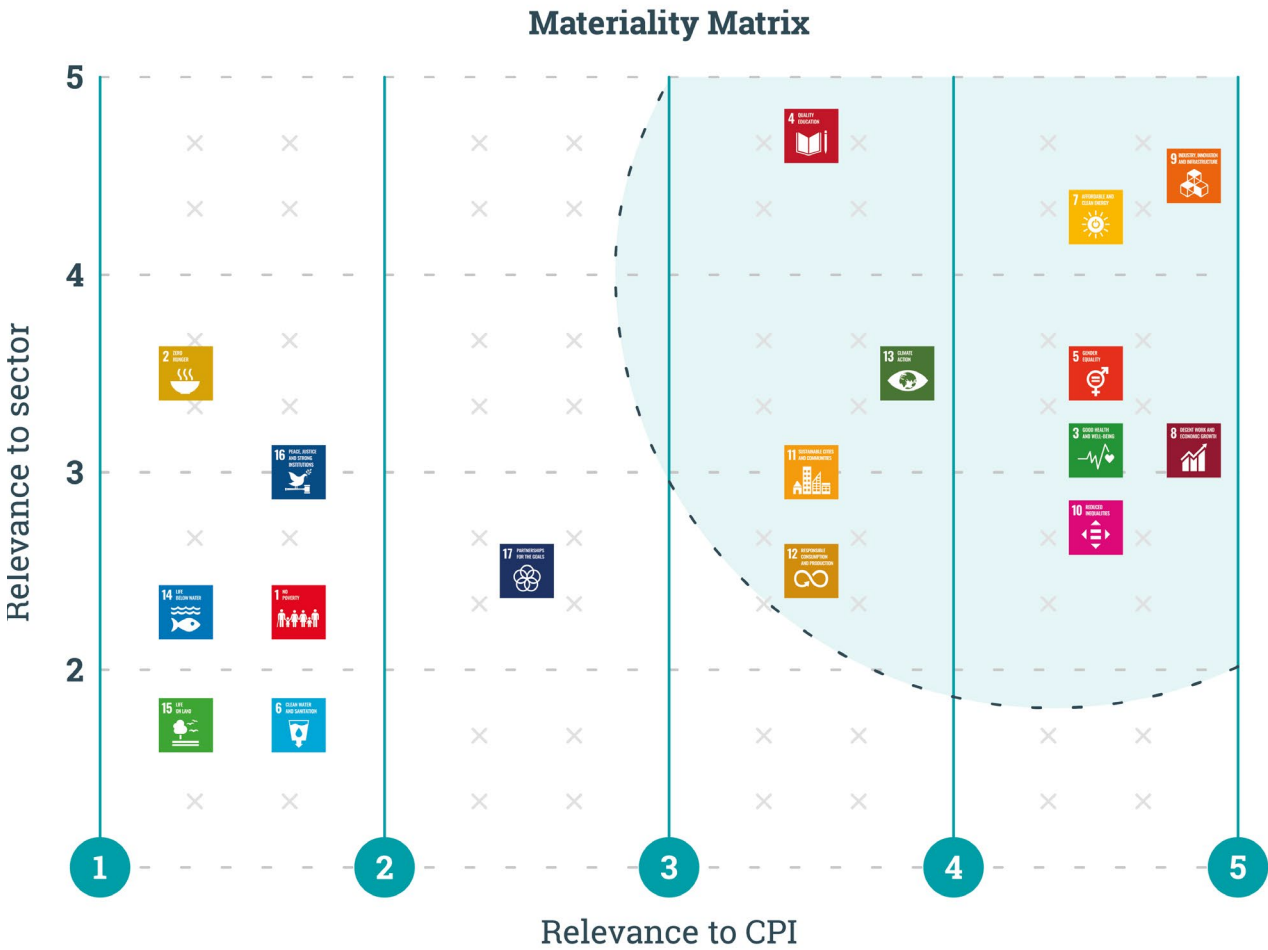
¹ Kepler Chevreux (March 2021): Equity research ESG set to rock property

The SDGs at the basis of our sustainable priorities

We selected the SDGs as a framework to identify material sustainability topics and draft our sustainability strategy. We believe we can deliver positive social, environmental and economic impact by aligning our business to a selection of appropriate SDGs.

The matrix was drafted by our Management Committee in 2019 and was validated again by the Board of Directors in 2020. We will renew this exercise every 2 to 3 years to be able to respond to changing stakeholders' needs and an evolving regulatory landscape.

The materiality matrix reflects the importance of the SDGs within our sector¹ and their relevance for Care Property Invest. Based on this materiality matrix, 10 material SDGs and related sustainability topics were defined. These topics are used to set out our strategy, ambitions and targets for the upcoming years. Our sustainability report is outlined accordingly.



¹ According to the Sector Study on Sustainability Materiality of the SDG Targets & GRI Indicators by the Governance & Accountability Institute, Inc. (2018)



The table below summarises the topics per SDG that are relevant and important for Care Property Invest.

<div>10</div> <div>REDUCED INEQUALITIES</div>	<ul style="list-style-type: none">Equal access to healthcare housingAffordable healthcare housing	<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div>	<ul style="list-style-type: none">Ageing populationSustainable buildings
<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>	<ul style="list-style-type: none">Innovation in new developments and acquisitionsInnovative partnershipPortfolio screeningLife-Cycle Assessments (LCA)	<div>13</div> <div>CLIMATE ACTION</div>	<ul style="list-style-type: none">Portfolio sustainability screeningEU Green Deal
<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div>	<ul style="list-style-type: none">Responsible consumption of energy and resources	<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div>	<ul style="list-style-type: none">Renewable energyCarbon neutral operations
<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div>	<ul style="list-style-type: none">Safe and healthy working conditions for our employeesJob security	<div>5</div> <div>GENDER EQUALITY</div>	<ul style="list-style-type: none">Equal remunerationEqual opportunitiesDiversity in workforceWomen in leadership
<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div>	<ul style="list-style-type: none">Employee well-beingFlexibilityIntegrity, transparency, fairnessPromote physical and mental health	<div>4</div> <div>QUALITY EDUCATION</div>	<ul style="list-style-type: none">Employee trainingPersonal development

Stakeholder engagement

The relationship with our stakeholders is a key aspect within our sustainability commitment. We feel an increasingly strong pull from and responsibility towards our investors and other stakeholders, who want to invest and support real estate with sustainability embedded values and strategy.

To maintain a high level of engagement with our stakeholders in the future, we strive to continue finding new ways to connect. Since the publication of our first sustainability report, we made

sustainability a distinct topic in our investor roadshows. Moreover, we believe that engaging with our operators on environmental matters is key to be able to achieve a positive impact. It is our responsibility to actively raise awareness on topics such as energy efficiency, waste production and climate change.

In 2021, we would like to engage with our operators on how we can further implement renewable and green energy usage. Additionally, we want

to explore the possibility of further implementing waste monitoring. An Asset Manager in our team takes on the task of creating an ongoing dialogue with operators around these topics as well as performing periodical technical quality checks on our portfolio.

In the future, we will also involve our stakeholders when updating our materiality assessment to establish a more in-depth picture around stakeholder preferences for the different SDG topics.



The table below explains the importance of sustainability for the various stakeholder groups, as well as the method and frequency of engagement.

Stakeholders	Importance of sustainability	Mode of engagement	Frequency
Operators/care providers and private tenants of our investment properties	Energy and water efficient projects are more attractive to operators and private tenants in terms of short- and long-term operating costs	<ul style="list-style-type: none">• Frequent contacts between investment team and operators in order to build a strong relationship• In 2020, an Asset Manager was hired to ensure a structural communication channel via one-to-one meetings and site visits	<ul style="list-style-type: none">• Regular informal contacts• Annually
Residents	New building design focused on comfort and aesthetics are more appealing to residents	<ul style="list-style-type: none">• Sustainability report	<ul style="list-style-type: none">• Annually
Equity investors	Climate and energy issues and criteria are increasingly important in investment strategies of long-term investors.	<ul style="list-style-type: none">• Annual financial report• Half-yearly financial report• Quarterly results• Press releases• Integration of sustainability topics in investor communication• Investor forums and roadshows• Direct communication towards individual shareholders	<ul style="list-style-type: none">• Annually• Bi-Annually• Quarterly• Regularly
Debt investors and corporate lending	ESG criteria are increasingly important in investment strategies of long-term investors. Therefore, we developed our sustainable finance framework.	<ul style="list-style-type: none">• Annual financial report• Half-yearly financial report• Quarterly results• Integration of sustainability topics in investor communication• Investor forums and roadshows• Informal consultation	<ul style="list-style-type: none">• Annually• Bi-Annually• Quarterly• Regularly
Employees	New generations in the labor market value a company's social and environmental role and attach increased importance to corporate citizenship	<ul style="list-style-type: none">• Formal evaluation conversations where employees' needs are also discussed• Informal feedback moments	<ul style="list-style-type: none">• Annually• Day-to-day
Subcontractors	Sustainable new developments can be used by subcontractors as a differentiating factor	<ul style="list-style-type: none">• One-to-one meetings	<ul style="list-style-type: none">• Regularly• Ad hoc
Society	Greater general awareness around sustainability	<ul style="list-style-type: none">• Sustainability report	<ul style="list-style-type: none">• Annually



“Translating sustainability risks and opportunities into our strategy is vital for long-term survival and building a successful organization”

Risk management

We currently identify and manage sustainability risks and opportunities preliminary based on ad hoc discussions. We are working towards systematic identification and management of sustainability risks and opportunities. At this stage, we have identified all major sustainability risks and opportunities potentially impacting our business.

Our goal for 2021 is to review how we can structurally streamline these risks and opportunities with our existing risk management processes. In addition to monitoring operational, financial and legislative risks, we will investigate how our Risk Manager can also start monitoring sustainability risks.

Sustainability risks have helped shape our 2030 sustainability strategy. In addition to a variety of targets designed to achieve our sustainability ambitions, we take additional risk mitigation actions to tackle specific sustainability risks. In order to prepare for environmental and demographic challenges, it is crucial for Care Property Invest to ensure appropriate mitigation plans are in place.

The identified risks and opportunities, as well as mitigation actions for the defined risks, are listed in the table below.

Potential sustainability risk	→	→	→	Mitigation actions
CLIMATE CHANGE RISKS				
1. Physical climate change risks				
Rising sea levels and extreme weather conditions such as flooding, storms and earthquakes – Rising sea levels and extreme weather conditions are acute risks that can cause physical damage to our portfolio. The effects of climate change are slowly catching up as we observe more extreme weather conditions across the globe. On the short-term and medium-term, these risks are limited for Care Property Invest as our portfolio is located in relatively low-risk areas. However, long-term climate changes and their potential impacts can be significant. For our portfolio, rising sea levels are predicted to expose coastal areas in the Netherlands the most. Our Spanish properties are located well above sea level and are not exposed to this risk. The risk for earthquakes is low in Western-European countries like Belgium and the Netherlands, whereas Southern-European countries like Spain face a low to moderate risk of earthquakes.	Our buildings are located in areas with no or very low flood risks. This limits the impact of extreme rainfall.			
Extreme heat – Different scenario analyses by the IPCC forecast an increase in global temperature varying between 1.7°C to 5.4°C by the year 2100. Southern European countries are already feeling the effects of heat strokes. This phenomenon is expected to become more apparent in Central and Northern parts of Europe in the medium- and long-term. As our healthcare housing facilitates elderly people who are more sensitive to weather changes, climate control is vital. Properties lacking air-conditioning or adequate climate control solutions might lose value or in extreme circumstances become increasingly difficult to rent out. Additionally, the increased need for climate control will also affect the energy intensity and thus carbon footprint of buildings.	<ul style="list-style-type: none">• New developments take into account the need for air-conditioning and climate-control during the development phase.• We want to move towards energy independent buildings. A change towards renewable energy helps us mitigate the risk of an increased carbon footprint.			

Potential sustainability risk			Mitigation actions
2. Transitional climate change risks			
Access to finance – A lack of sustainability integration into our operations can lead to an increased cost of capital. Banks will push towards sustainable finance instruments due to the introduction of the EU Taxonomy. Additionally, the conscious investor may choose not to invest in unsustainable projects or companies. In that case, Care Property Invest would face difficulties in finding additional investors.			We developed a sustainable finance framework. This framework received a positive second party opinion by the rating agency Sustainalytics. Additionally, Care Property Invest was selected by Triodos Bank as a sustainable investment for their Sustainable Investment Funds and Private Banking clients. These initiatives signal Care Property Invest is a credible sustainable investment to the market.
Policy and legal risks - The risk of policy and regulatory changes which impact our operations is high in the short-, medium- and long-term. There exists a large amount of uncertainty surrounding the following potential policy changes and implications:			<ul style="list-style-type: none">• We permanently monitor the environmental requirements and compliance of our portfolio. For new developments, we try to anticipate future legislation.• We will run a pilot Life-cycle assessment (LCA) program as of 2025. Our ambition is to systematically carry out LCA's for new developments as of 2030.
<ul style="list-style-type: none">• A published draft of the EU energy transition rules signals the real estate sector will need to perform significantly better in terms of the nearly-zero energy threshold for new buildings, reduce the primary energy demand for renovation projects and obtain an EPC class A certificate in order to be eligible under the EU taxonomy. The lack of standardization of EPC accreditations amongst different European countries may cause an uneven playing field. For instance, our Flemish operations do not have a letter-coded label whereas our operations in the Walloon region, the Netherlands and Spain do.• The possible introduction of carbon taxes and uncertainty to which party they will be charged (landlords, tenants, worst performing companies, ...). The execution will determine the future course of action for different industry players.• Several measures were announced under the EU Green Deal. Updates include changes of the EPC framework, minimum requirements in terms of energy performance of existing buildings, decarbonization of heating and cooling and a renewed sustainable finance strategy.• Other elements that might change the real estate landscape as a result of the EU Green Deal are the integration of life-cycle assessment in public procurement and the EU sustainable finance framework. Additionally, a potential revision of material recovery targets set in EU legislation for construction and demolition waste and potential carbon reduction targets may also have significant effects.Stranded assets due to energy efficiency of buildings – Energy performance is becoming an increasingly important parameter for building valuations. Failure to ensure future-proof buildings in terms of energy consumption or production of renewable energy creates a devaluation risk for our buildings. Additionally, changing regulations and energy standards for buildings may cause buildings which are unable to adapt at the required pace to become obsolete and thus stranded.			
Business risk - In addition to the gradual shift in stakeholders’ focus on sustainability, operators also benefit from energy friendly buildings as they reduce operating costs. Consequently, large healthcare operators might opt for energy friendly buildings when extending their operations in the future.			During renovations we pay attention to material use in order to optimize the energy efficiency of existing buildings. We also consider energy efficiency for new constructions.

Potential sustainability risk			Mitigation actions
Stranded assets due to energy efficiency of buildings – Energy performance is becoming an increasingly important parameter for building valuations. Failure to ensure future-proof buildings in terms of energy consumption or production of renewable energy creates a devaluation risk for our buildings. Additionally, changing regulations and energy standards for buildings may cause buildings, which are unable to adapt at the required pace, to become obsolete and thus stranded.			<ul style="list-style-type: none">• We monitor and follow up changing building energy requirements on a continuous basis.• Installing an energy monitoring system (EMS) into our properties allows us to obtain an objective view of the energy performance of our portfolio. We aim for 80% coverage of our portfolio by 2023. The measured data will be the basis of Science-Based Targets which will be set in 2025.• Where possible, EPC and EPB certificates or energy labels for buildings in our portfolio will be obtained.• With redevelopment projects, we pay attention to material use to optimize the energy efficiency of existing buildings. This helps to extend the number of EPC certificates or energy labels obtained. These certificates or labels provide a guarantee in terms of the global thermal insulation level and overall energy performance of the building.
ENVIRONMENTAL RISKS			
Presence of asbestos - Our real estate portfolio has a low risk of asbestos as a large portion of our portfolio consists of new buildings. As of 2002, this material was no longer used in new developments. We avoid asbestos at all costs, however if present, identification of asbestos results in identified, we commit to adequately managing-manage and mitigating thismitigate the risk. None of our (few) identified cases pose a direct threat to residents.			<ul style="list-style-type: none">• We avoid unidentified asbestos by performing controls of each building built prior to 2002. During this check, we draw an inventory mapping the presence of asbestos.• We perform yearly follow-up controls on sites where asbestos is identified. Asbestos removal is always performed by certified firms in accordance with legislation.• Newly acquired buildings built after 2002 do not have asbestos. With newly acquired re-developments, we transfer this risk to the project developer by requesting removal of asbestos when necessary.
Soil pollution – The risk of a polluted soil is mostly faced when acquiring new buildings or land. The risk is higher when the soil is located near (past) industrial activities or areas where agricultural chemicals were used. An inventory of all our buildings confirms no hazardous soil pollution has been found.			<ul style="list-style-type: none">• An inventory of the buildings was prepared to map soil pollution in our portfolio. No hazardous soil pollution has been found.• Newly acquired buildings in Belgium are required to have a soil attestation for Belgian Buildings located in the Flemish region, the Brussels capital region and the Walloon region. Similar attestations exist for real estate projects in the Netherlands and Spain. With newly acquired re-developments, Care Property Invest transfers this risk to the project developer by requesting soil sanitation when necessary.

Soil pollution, asbestos and flood areas

The screening covers 99% of our operational portfolio. Our operational portfolio includes our investment portfolio and our initial portfolio¹ of apartments in leasehold to PCSWs, excluding the projects under development. More detailed information related to the scope can be consulted in [Annex I](#). Based on m² of the impacted buildings, we calculated the percentage of our portfolio that is impacted. 100% of our operational portfolio is located in areas without any risk of flooding. We do not consider the presence of asbestos or soil pollution as a severe risk. The identification of these elements allows us to adequately manage and mitigate the risks reducing the likelihood of damage significantly.

Indicator	Unit	Portfolio 2020				
		Coverage	Insignificant risk	%	Significant risk	%
Soil pollution	# of buildings	99%	6	11%	0	n/a
Asbestos	# of buildings	99%	5	5,4%	0	n/a
Flood area	# of buildings	99%	0	n/a	0	n/a

1 The initial portfolio concerns the finance leases that the Company concluded until 2014, with a balance sheet value (finance lease receivables) of €157.5m and a generated rental income stream of €14,5m as at 31/12/2020.

Potential sustainability risk	Mitigation actions
SOCIAL RISK	
Reputational risks in the light of a health and/or sanitary crisis – One year ago, a health or sanitary crisis having the size of the current COVID-19 pandemic would have been estimated to be highly unlikely. More than one year of lockdowns has proven this risk is to be taken seriously.	<ul style="list-style-type: none">• When starting a collaboration with new care providers, in addition to a solvability investigation, we also verify the care provider is a reliable, experienced and responsible partner capable of handling crises.
Working together with responsible operators and maintaining a close partnership is vital to minimize the risk of second-hand reputational damage.	<ul style="list-style-type: none">• In times of crises, such as the COVID-19 pandemic, proactive and frequent dialogue is established to be able to assess the impact and inform all stakeholders on potential impact.
GOVERNANCE RISK	
Market risk – Stakeholders increasingly attach importance to sustainability. The growing importance of sustainability for our stakeholders increases reputational risks originating from error or insufficient action to achieve our sustainability ambitions and fulfill our corporate responsibility. Failure may cause a loss of our moral license-to-operate. We have had no controversies which affected us in the media in 2020.	<ul style="list-style-type: none">• We aim to provide maximum transparency. As an extension to our annual reports, we communicate our sustainability strategy and targets in a sustainability report. We aim to gradually disclose more non-financial information.• We work on stakeholder communication and facilitate stakeholder engagement.

Opportunities

Attract qualitative employees by reenforcing our corporate brand

Our sustainability ambition will help us to attract and retain high quality employees that can help us realizeachieve our sustainability strategy and maximize organizational performance.

Access to funding opportunities

Making the transition towards a sustainable economy leads to new opportunities to attract funding, moreover it is increasingly becoming a minimum requirement to gain access to financing opportunities. At the same time investors have the opportunity to mobilize capital flows towards sustainable projects.

Competitive advantage

Our ambition to become and industry leader in terms of sustainable performance may in the long run lead to a competitive advantage. As a result of our qualitative workforce, increased funding opportunities and avoidance of extra costs like potential carbon taxes, we may potentially outperform competitors who are unable to keep up the pace of change.

Our buildings



We ensure longevity of our buildings by continuously striving to improve the environmental performance of our portfolio in order to accompany the transition to a low-carbon economy



HOW?

- Engage in dialogue with operators on energy efficiency and climate change since 2020
- Extending the coverage of an energy monitoring system up to 80% of senior housing portfolio by 2023
- Life-cycle analysis (LCA) for new developments by 2030

Innovation in our portfolio

The deployment of a smart energy management platform in our portfolio is one of our main actions to track the environmental performance of our buildings. We have begun collaboration efforts with an energy monitoring systems provider to organize data collection on energy and water consumption. In collaboration with the operators, we aim to equip 80% of our portfolio¹ with an energy monitoring system within the next 3 years to monitor real-time data of the energy and water consumption. This is a very effective way to raise awareness, stimulate a shift in mentality and help reduce energy and water usage. The data collection will help us set Science-Based Targets by

2025 and support our operators with climate change ambitions.

New project developments take place in constant close collaboration between Care Property Invest and the different stakeholders. We include all involved suppliers, subcontractors, and the operator in the decision-making and the planning preparation. Moreover, every aspect of the development is carefully established, considering environmental performance. With the introduction of new methods and material use, we try to limit our resource usage and energy consumption and contribute to reduce climate-related risks.

This approach results in developments focused on a **triple axis**:

- The experience of the residents
- The economic feasibility for the PCSW
- The sustainability of the building for the user, the PCSW and the environment

'In collaboration with the operators, we aim to equip 80% of our portfolio¹ with an environmental management system within the next 3 years to monitor real-time data of the energy and water consumption.'

'We want to drive the energy transition in the healthcare housing by setting an example in our portfolio'

¹ Excl. initial portfolio of apartments in leasehold to PCSWs since there are individual private meters per flat controlled by each individual tenant. Monitoring is difficult due to complicated data collection and privacy considerations of the tenant.



Tapping into the Spanish market and expanding our portfolio sustainably

In 2020, Care Property Invest tapped into the Spanish healthcare market by acquiring three projects in Spain, of which 2 signed under suspensory conditions. This strengthens our partnership with trusted operator Groupe Emera. Emera Almeria, a newly built residential care centre located near the city centre of Almeria, our first completed project in Spain, was delivered in March 2021.

The care centre has 154 private residential places, with an additional 20 places for day care. The project was developed by company Euroseniorsclub, a Spanish real-estate company specialized in the development of high-quality residential and day care centres.

At Almeria, the wellbeing of residents is key.

- **In this light, mobility, accessibility and connectivity of residents is assured. Shops, restaurants and supermarkets are found less than**

300m from the care centre. The residential area is highly connected as it is located 1.6km from the centre of Almeria, has public transport in front of the building and is easily accessible by car.

- **The opportunity to receive complete inhouse care is another element contributing to the wellbeing of our residents. Essential physical care such as indoor doctors, nursing practice and physiotherapy are offered. The presence of a hair salon and a pedicure complements the essential physical care with self-care, which is a driver of mental wellbeing.**

Tackling COVID-19 also means learning from past challenges by developing future-proof buildings. Almeria is compartmentalizable by design, allowing the option to section the building into smaller, possibly independent, sectors. This design increases mitigation possibilities during health and sanitary crises. Additionally, the building has

two systems in place to ensure air renewal and filtering.

Almeria is designed to maximize natural light usage thanks to the orientation of the facades. In order to prevent overly heated rooms and minimize energy use for cooling purposes, the main façade has a textile screen reducing the incidence of solar rays and all rooms are equipped with blinds and curtains. In order to sustainably meet the buildings' energy needs, the building produces renewable energy which covers approximately 70% of its energy needs. 32 photovoltaic cells are installed for electricity production and 35 solar panels are installed to produce warm water. Energy produced and purchased is used consciously, for instance LED lighting is installed.

Tackling environmental challenges and climate change through our portfolio

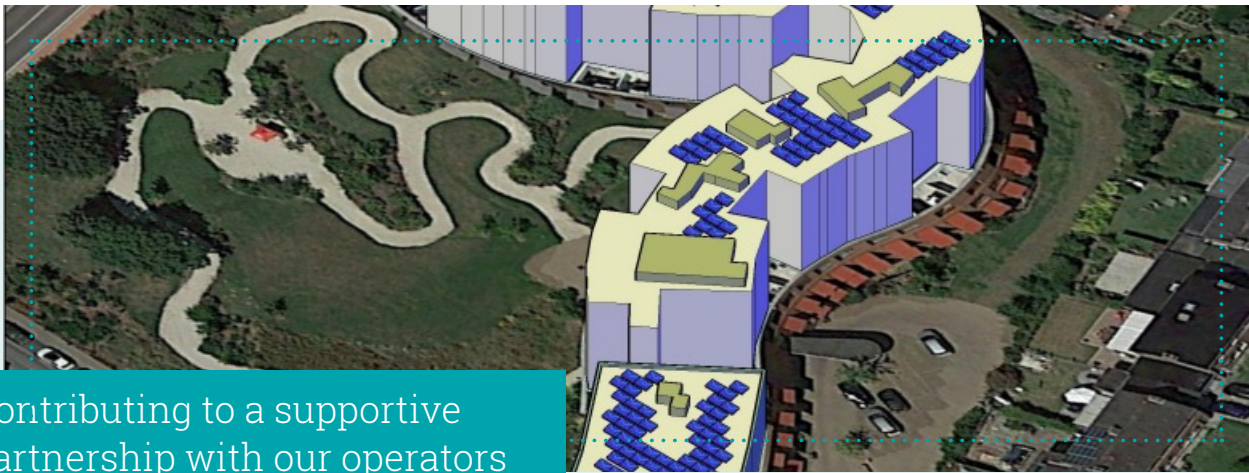
Care Property Invest is actively working to reduce its environmental impact by considering it as a crucial element in the due diligence of new projects, and by periodically monitoring this impact. As from 2023, sustainability screenings will take place for new developments and in the light of contract renewals. We will continue to perform recurring screenings in the future to give better insights into our performance and evolution. On this basis, we can draft analyses and forecasts in order to take the necessary measures to limit the environmental impact and, where possible, also include them in policy guidelines.

Moreover, we work together with a contractor for each new development. With over 25 years of experience, Care

Property Invest has built a strong relationship with our contractors based on trust between the parties. This has ensured that the classic demand-supply dynamics has evolved towards a process of jointly searching for innovative and sustainable building solutions. This focus on efficient use of space and energy efficiency not only benefits the planet, but also allows the operator of the building to enjoy a lower energy cost and a smaller impact on its immediate environment.

In order to consider additional environmental aspects within new developments, we are currently investigating how life-cycle assessments (LCA) can be actively integrated in our decision-making process and during the planning and design of new projects. By systematically compiling and examining the inputs and outputs of materials and energy

throughout the entire life-cycle of our buildings, we will be able to monitor our building's environmental impact beyond operational emissions in the use-phase of the building and make proactive responsible decisions. Based on LCA results, Care Property Invest will minimize environmental impact by objectively and proactively looking at building design, material use and the construction phase of the building. A complete picture of carbon emissions, including emissions linked to the end-of-life phase of our buildings, will allow us to make better initial decisions with respect to recycling and reuse of materials. By 2025, we will run one pilot project to perform a life-cycle assessment for a new development. We are aiming to systematically perform a life-cycle assessment for each new development by 2030.



Contributing to a supportive partnership with our operators

We fully support operators who aim to increase their operation's sustainability. Several operators have approached us with the ambition to produce renewable energy via the installation of solar panels. Since the use life of solar panels often out-lives the duration of the lease, Care Property Invest supports

these initiatives by offering contractual possibilities that facilitate the shift to renewable energy production to care providers.

9 sites have already installed solar panels and additional sites are currently exploring the possibility.

A trend towards renewable energy in our portfolio is observed in both our public and our private healthcare buildings. In addition to solar panels, some of our healthcare buildings also resort to cogenerated heat and energy resulting from a heat pump.

Our 2020 achievements

In 2020, we started to engage in open conversations with our operators on the topic of energy and climate change. These conversations are intended to raise awareness and level of consciousness around the importance of our cooperation in reducing our building's environmental footprint. Topics discussed include waste management, green energy contracts and renewable energy production possibilities. Although we have taken the first steps in this process, we are aware additional efforts lay ahead. In 2021, we will continue to communicate and engage with our operators in a more systematic way. Additionally, we will include a broader range of topics around energy and climate change in our conversations.

Environmental performance

The rollout of an energy monitoring system allows Care Property Invest to map the energy and water consumption of our buildings. This enables the organization to monitor the energy and water consumption per building and the evolution of the indirect greenhouse gases resulting from our portfolio.

In 2019, an energy monitoring system was installed in 56% of our portfolio's investment properties², measuring electricity and/or gas usage, as well as water consumption. In 2020, depending on the indicator, the reported results cover a range between 17% and 59% of our portfolio. We expect an increase in the robustness of the figures in the coming years and therefore a greater coverage of the reported results. In addition, in 2020, we recruited an

Asset Manager in order to support the monitoring of sustainability indicators throughout our buildings.

This report compares data of 2019 and 2020. When the data collection and coverage will be more mature, Care Property Invest will include additional years into the data comparison.

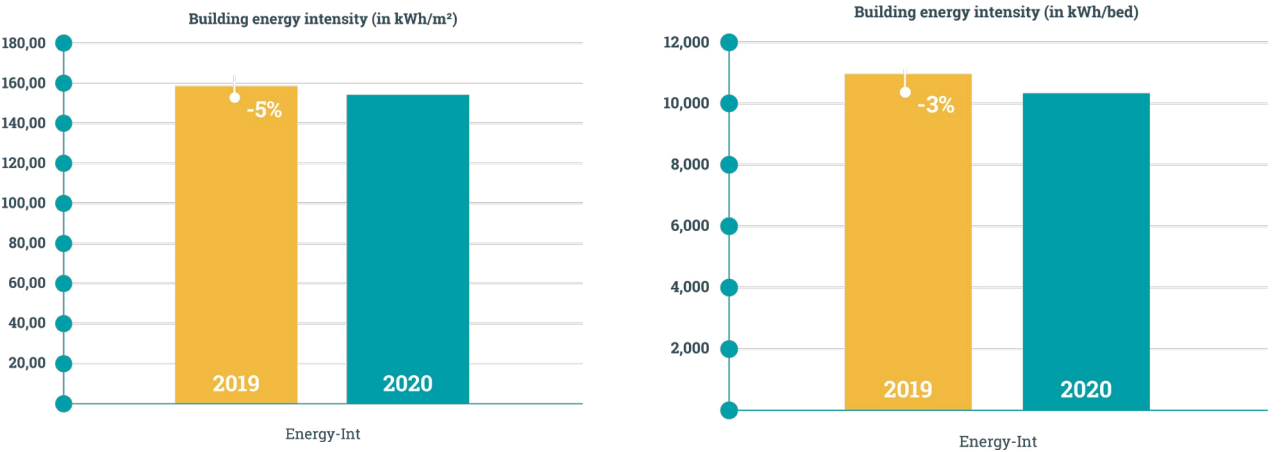
Like-for-like (LfL) figures are calculated using 2019 as a base year.

Energy

The increase in absolute electricity consumption of 23% is due to the expansion of our investment portfolio in 2020 compared to 2019. Looking at LfL-figures, electricity consumption remains stable, even showing a small decrease of 4%.

All buildings in scope are heated by natural gas. We see a large increase of 26% in natural gas consumption. Two extra buildings are, however, considered in the scope of Fuels-Abs. Looking at the LfL gas consumption, it still increased by 12% between the two periods. This is mainly due to several reasons as a result of the Corona pandemic. On the one hand, residents of residential care centers had to stay permanently in their rooms, which meant that these rooms were heated additionally. On the other hand, extensive ventilation was used during the entire period, resulting in major heat losses and buildings had to be heated additionally. Through our new sustainability vision described in this report and improved energy monitoring, we intend to improve our buildings' energy performance in the coming years.

When analyzing the energy intensity per m², we see a decrease of 5%. Additionally, the energy intensity per available bed, decreases by 3%. The lower energy intensity is mainly due to the fact that three new buildings were acquired during the year and are only accounted for during the months these buildings were effectively in our portfolio.



Greenhouse gases

Care Property Invest has no operational control over the consumption in its portfolio. The buildings are directly managed by our care providers. Therefore, all GHG emissions resulting from our portfolio are considered as indirect emissions (scope 3).



In 2020, we have emitted 2,110,462 kgCO2e, this is a 26% increase compared to last year. This increase results from the expansion of our investment portfolio. At the same time, we observe a decrease in the carbon intensity of the portfolio.

2 The initial portfolio of apartments in leasehold to PCSWs are not taken into account, since there are individual private meters per flat with very limited control by Care Property Invest.

Tables on environmental performance

The tables below summarize all environmental indicators according to the EPRA sBPR guidelines. Indicators reflecting the impact of our own operations are also presented. Coverage is expressed as the percentage of m² versus the total m². More detailed information related to the scope and coverage can be consulted in [Annex I](#).

EPRA Indicator ¹	Unit	Investment properties portfolio ²			Difference	Difference %
		Coverage	2019 ³	2020		
Elec-Abs	Annual kWh	59%	2,930,360	3,602,835	672,476	23%
Elec-LfL	Annual kWh	43%	2,930,360	2,808,679	- 121,681	- 4%
Elec-Abs	% Renewable energy ⁴	59%	1.80%	45.38%	43.58%	2423%
DH&C-Abs	Annual kWh	N/A	N/A	N/A	N/A	N/A
DH&C-LfL	Annual kWh	N/A	N/A	N/A	N/A	N/A
Fuel-Abs (normalized)	Annual kWh	41%	6,128,897	7,718,350	1,589,453	26%
Fuel-Abs (normalized)	% Renewable Fuel consump- tion	41%	0	5.75%	5.75%	N/A
Fuel-LfL (normalized)	Annual kWh	31%	6,128,897	6,865,272	736,375	12%
Energy-Int	kWh/m²	59%	159	151	- 8	- 5%
Energy-Int	kWh/bed	59%	10,915	10,610	- 304	- 3%
GHG-Indir-Abs (location based)	Annual kgCO ₂ e	N/A	1,675,432	2,110,462	435,030	26%
GHG-Int	kgCO ₂ e/m²	N/A	29	28	- 1	- 4%
GHG-Int	kgCO ₂ e/bed	N/A	2,019	1,978	- 41	- 2%
Water-Abs	Annual m³	59%	33,126	37,360	4,234	13%
Water-LfL	Annual m³	43%	33,126	26,420	- 6,706	- 20%
Water-Int	m³/m²	59%	0.45	0.34	- 0.11	- 24%
Water-Int	m³/bed	59%	33	27	- 6	- 19%
Waste-abs ⁵ Non-hazardous waste	Annual (t)	17%	N/A	175	N/A	N/A
Waste-abs - Composting	Annual (t)	17%	N/A	-	N/A	N/A
Waste-abs - Recycling	Annual (t)	17%	N/A	14	N/A	N/A
Waste-abs - Combustion (with energy recovery)	Annual (t)	17%	N/A	161	N/A	N/A
Waste-abs Hazardous	Annual (t)	17%	N/A	0.27	N/A	N/A

1 Due to a change in methodology as of 2020, emission stemming from our portfolio will be attributed to scope 3 as they are indirect emissions following EPRA guidelines. Consequently, direct emissions are only related to our headquarters.
2 Excl. the assisted living apartments for which there are individual meters per flat directly controlled by each individual tenant.
3 Due to more robust data monitoring, corrections have been made to 2019 data published in our sustainability report 2019.
4 Purchased and self-generated.
5 Waste data for a limited amount of operators is available as from 2020.

EPRA Indicator ¹	Unit	Head offices			Difference	Difference %
		Coverage	2019	2020		
Elec-Abs	Annual kWh	100%	20,910	20,314	- 596	- 3%
Elec-LfL	Annual kWh	100%	20,910	20,314	- 596	- 3%
Elec-Abs	% renewable energy ²	100%	81%	100%	19	19%
DH&C-Abs	Annual kWh	100%	N/A	N/A	N/A	N/A
DH&C-LfL	Annual kWh	100%	N/A	N/A	N/A	N/A
Fuel-Abs	Annual kWh	100%	44,499	41,387	- 3,112	- 7%
Fuel-LfL	Annual kWh	100%	44,499	41,387	- 3,112	- 7%
Energy-Int	kWh/FTE	100%	5,275	4,033	- 1,242	- 24%
GHG-Dir-Abs	Annual kgCO ₂ e	100%	44,859	42,885	- 1,974	- 4%
GHG-Dir-LfL	Annual kgCO ₂ e	100%	44,859	42,885	- 1,974	- 4%
GHG-Indir-Abs (market based)	Annual kgCO ₂ e	100%	18,377	11,984	- 6,393	- 35%
GHG-Indir-LfL (market based)	Annual kgCO ₂ e	100%	18,377	11,984	- 6,393	- 35%
GHG-Int	kgCO ₂ e/FTE	100%	5,100	3,586	- 1,513	- 13%
Water-Abs	Annual m³	100%	39	36	- 3	- 8%
Water-LfL	Annual m³	100%	39	36	- 3	- 8%
Water-Int	m³/FTE	100%	3	2.35	- 0.82	- 26%
Waste-abs ³	Annual (t)	100%	N/A	1.58	N/A	N/A
Waste-abs Non hazardous waste	Annual (t)	100%	N/A	1.58	N/A	N/A
Waste-abs - Composting	Annual (t)	100%	N/A	0.12	N/A	N/A
Waste-abs - Recycling	Annual (t)	100%	N/A	0.20	N/A	N/A
Waste-abs - Combustion (with energy recovery)	Annual (t)	100%	N/A	1.26	N/A	N/A
Waste-abs Hazardous	Annual (t)	100%	N/A	N/A	N/A	N/A

1 Due to a change in methodology as of 2020, emission stemming from our portfolio will be attributed to scope 3 as they are indirect emissions following EPRA guidelines. Consequently, direct emissions are only related to our headquarters.
2 Purchased and self-generated.
3 Waste data for the headquarters is collected as from 2020.

Total weight of waste (Waste-Abs/Waste-LfL)

For the first year we has limited access to data regarding waste of our portfolio. Additionally, in 2020, we have improved the monitoring of our own waste production at our head offices and are now able to report on these figures.

Type and number of certificates (Cert-Tot)

The screening covers 100% of our portfolio, excluding projects under construction. Based on m² of the impacted buildings, we calculated the percentage of our portfolio that is covered by an EPC certification or energy labelling. Important to note is that in Belgium, assisted living apartments are required to have an EPC certification since 2008. In Belgium, a certificate is awarded per service flat. In the Netherlands one certificate or label is awarded covering the entire building. For our other healthcare sites, an EPB declaration is required, but does not lead to certification. However, very strict rules are to be respected.

EPRA Indicator	Unit	Portfolio 2020		
		Coverage	2020	Impacted
Cert-tot Portfolio	# EPC Certificates / energy labels	100%	334	10%
Cert-tot Headquarters	# EPC Certificates / energy labels	100%	1	100%

Due to the specific needs of senior residents (e.g. constant temperature needs to be maintained in the premises), issuance of BREEAM certificates are rare in Belgium, the Netherlands and Spain for healthcare real estate.



‘We contribute to equal health-care access by meticulously choosing a balance between public and private operators in our portfolio.’

Our Care Providers



We aim for a lasting relationship with our operators and PCSWs by offering customized solutions enabling them to execute their operations and provide the best care and comfort to their residents.



HOW?

- Provide equal access to healthcare housing (elderly people and people with disabilities)

Building a future with a unique past

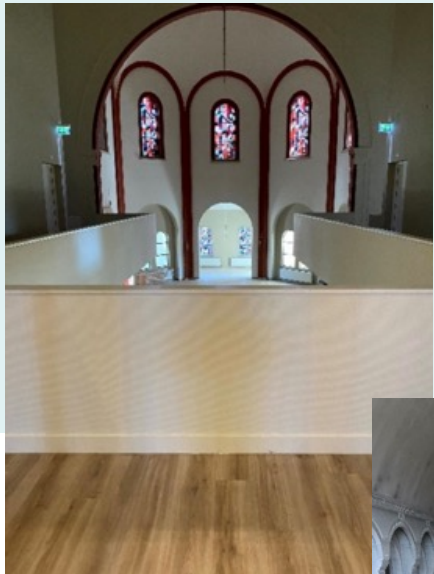
Similar to the unique past of each resident, certain buildings in our portfolio have a unique heritage. At Care Property Invest, we like to offer our residents the best quality of care while respecting the unique character of buildings during a renovation. We aim to create new value by repurposing patrimony while safeguarding the character and history of the buildings.

Giving patrimony a new life – Margaritha Maria Alacoque Church



The Margaritha Maria Alacoque Church located in Tilburg is a beautiful example of a redevelopment. This building has two different sections, the church and the old pastorage. Since 2002, the building, originally designed by Johan H. E. Rückert, is a protected monument. The Roman Catholic church was built in 1920-1922 to revive Tilburg's community sense, which

decreased as a result of population growth and urbanization. The church and pastorage became the new centre of the community. This is also clearly visible by the presence of a school for girls and a school for boys tied together with a common garden, separated from the outside by one garden wall.



Since 2006, the church is no longer used due to a decrease in the number of people who attended church services. At Care Property Invest, we want to give this building a new purpose while respecting its rich history. In its new purpose, the church will have 25 rooms and the pastorage will consist of 7 assisted living apartments. We ensure the building is future proof, meets modern needs and requirements of our residents while restoring unique features of history we need to cherish. The development is expected to welcome its first residents in 2021.



Delivering customized solutions

In all of our projects, we closely collaborate with our care providers to ensure that end-user and residents' well-being is centralized.

In our segment of assisted living apartments, one of our focus areas is working with turnkey contracts with developments delivered as a completed project to the operator. In those cases, we take full responsibility for the supervision and follow-up of the entire project and all aspects involved throughout the life-cycle of the project. We closely process the complete administrative and contractual responsibility of building permits, tendering, progress reports, utility connections, infrastructure works, etc. during the entire construction process. This guarantees careful handling of all files

and continuous dialogue between Care Property Invest and the operator. In addition, during the entire duration of the project, we pay special attention to limiting and controlling expenditures. By taking care of these responsibilities, we allow the operator to concentrate solely on their main activity, providing healthcare and comfort to their residents. As an alternative, we may form an alliance with operators allowing us to combine the investment and construction expertise of Care Property Invest with the operator's profound healthcare knowledge.

Our 2020 achievements

In 2020, we have expanded our portfolio significantly. Care Property Invest provides healthcare access to 5,454 people spread across 124 sites located in Belgium, the Netherlands and Spain. The number of available beds in our Belgian portfolio has increased by 20.39% compared to 2019. In the Netherlands, we have added 67.57% more beds in 2020 compared to 2019 and have increased the number of beds under development by 45.61% in 2020. In 2020, we entered the Spanish market and have 190 beds under construction.



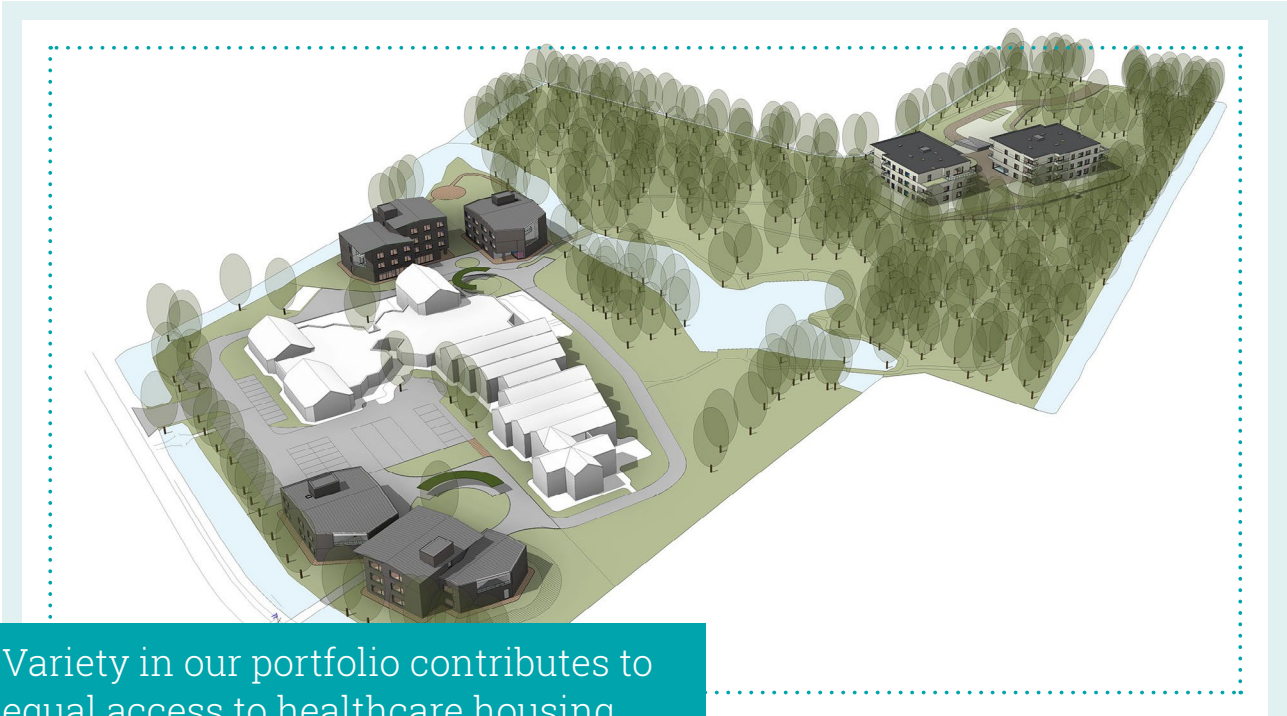
Meeting the residents' needs

We want to meet residents' various needs by offering a diversified portfolio with alternative healthcare housing options such as residential care centers, groups of assisted-living apartments, short-stay centers and residential complexes for people with physical and / or intellectual disabilities.

Our most recent developments of assisted-living apartments provide

solutions for the growing demand of a new generation of elderly people who attach great importance to the longest possible independence. To this end, residents can, if desired, appeal to a wide range of services. In addition, the latest technologies increase the comfort and safety of older residents. Finally, with a critical eye for detail, we prioritize design, architecture and technical quality.

Care Property Invest ensures equal access to these tailored healthcare solutions not only by building solid collaborations with public and private care providers, but also by providing quality healthcare access to people with physical and / or intellectual disabilities. Our portfolio offers affordable, high quality healthcare housing which has a direct impact on residents' physical and mental health and promotes social inclusion.



Variety in our portfolio contributes to equal access to healthcare housing

Our healthcare housing complex for people with disabilities and acquired brain injuries 'De Nieuwe Ceder' in Deinze (BE) reflects the variety in our healthcare solutions. The centre offers studio flats and rooms for people with an acquired brain injury and provides

all-round professional healthcare such as nurses, doctors, physiotherapists, speech therapists and occupational therapists. The entire site is located in a green environment and has been carefully designed with extra attention to wheelchair comfort. This new

development was built next to an existing care complex allowing residents to take advantage of all the facilities contributing to their health, such as a common meeting place, a restaurant, a therapeutic swimming pool and a wellness area.

Our responsibility



As an investor and employer, we recognize our corporate responsibility and we drive this through our corporate practices by keeping our standards high



HOW?

- UN Global Compact Signatory since 2020
- Carbon neutral headquarters since 2020
- 40h of training per employee per year by 2021
- Development of environmental policy by 2021

Corporate responsibility in our operations

Our social and environmental commitment is not limited to our portfolio. Our corporate responsibility, allowing us to make a direct impact, is a central topic within our own operations.

At Care Property Invest, we realize that we are a part of the community. We strive to create and maintain a solid relationship with the people who live and work in the immediate vicinity of our offices. Therefore, neighborhood residents can contact Care Property Invest in an accessible manner in the event of concerns, questions, or propositions.

During the office opening hours, neighborhood residents are always welcome to reach out by telephone or visit us.

In order to allow current neighborhood residents to fully enjoy the green environment in which they live, the design of our current office has been perfectly integrated into its surroundings and the renovation / construction of the building has been performed in accordance with the strictest environmental standards.

To limit parking nuisance, Care Property Invest has built a sufficiently spacious parking lot to accommodate all its employees and any visitors. This parking was built with water permeable materials allowing drainage of rain-water. We also try to limit the traffic by car by offering our employees access to alternative transport, such as public transport a bicycle plan.

In 2021, we will translate our ambitions regarding climate change into an environmental policy.

‘The accomplishment of carbon neutral headquarters and becoming UN Global Compact signatory are the first steps in our path towards sustainable health-care housing’



Our journey towards carbon neutral headquarters

We are currently building an extension to expand our headquarters' capacity and expect to be able to move into this annex by November 2021. This building is being realized according to the nearly zero-energy principles. These principles are achieved by taking following measures:

- **Highly advanced thermal insulation**
- **Installation of sunscreens on the sunny side of the building to prevent overheating**
- **Solar panels with a capacity of 10kWp for electricity generation.**
- **Use of a geothermal heat pump for heating and cooling**
- **Increase energy efficiency in the lighting system using LED and an automatic and intelligent light control system**

By realizing a building that consumes little energy for heating, ventilation, cooling and hot water, we are ahead of the legal requirements coming into effect by 2021. The additional energy needed will be obtained from green energy sources.

Besides the energy efficiency efforts, various systems are put into place to recuperate and treat rainwater:

- **A planted sloped roof makes a significant contribution to the total volume of water that is channeled into the rainwater network.**
- **The rainwater is led to a wadi where it can infiltrate the ground.**
- **The toilets in the extension will be linked to the rainwater recuperation installation of the existing building.**

Our own employees will greatly benefit from this extension as well. In terms of mobility, a cycle shed is provided with sufficient charging points for electric bicycles. Charging stations for cars are also foreseen in the car park.

Special attention will be given to our employees' physical health by building an equipped gym in the basement of the new extension.

CO2- neutral headquarters

To complete our journey towards carbon neutral headquarters, Care Property Invest obtained the carbon neutral label for our existing offices. This was achieved by offsetting 54,87 tCO₂e, corresponding to our own operations' carbon footprint in 2020.

Supporting local communities

In order to offset our headquarters' CO₂ emissions, we decided to join forces with the pioneering Belgian environmental consulting company CO₂logic to support a global certified climate project in the Guatemalan national park 'Sierra del Lacadón'.

The Guatemala Reforestation and Conservation Project focuses on implementing measures to reduce deforestation due to unsustainable farming techniques as well as the introduction of better local governance in order to protect the land and its indigenous people. This results in reduction of illegal practices in and around the park. In addition to the reduction of greenhouse gas emissions, the project will also contribute to:



- **Cultural and community preservation**
- **The prevention of (further) environmental damage**
- **The protection of biodiversity**
- **Stronger local governance**



By supporting this project, we further support the following SDG's:



We find it important to show consistency and reliability in our support towards projects. We, therefore, decided to opt for the same project as for our 2019 emissions. By creating energy-efficient headquarters in line with the nearly zero-energy principles, we aim to decrease our carbon emissions significantly in the next years. However, as long as there is a need, we commit to achieve net-zero emissions by supporting enriching projects.

Our 2020 achievements

UN Global Compact

In our sustainability strategy, which was launched last year, we committed to become a UN Global Compact signatory in 2020. Since September 2020, we are a proud member of the UN Global Compact. Through this commitment, we support 10 principles in four fundamental areas: human rights, labor, environment and anti-corruption. We engage to support, respect and protect internationally proclaimed human rights and ensure we are in no way complicit to human rights abuse. We

engage to uphold freedom of association and recognize the right to collective bargaining, eliminating forced labor, child labor and discrimination. Additionally, we commit to support a precautionary approach to environmental challenges, undertake initiatives to promote corporate responsibility and encourage the development and diffusion of environmentally friendly technologies. Lastly, we actively work against corruption, extortion and bribery in all forms.



Engaging our people

Employee well-being

Care Property Invest continuously strives for a healthy and pleasant working environment. In addition to our efforts regarding energy and water consumption, we aim to operate with respect for our employees' wellbeing in terms of personal development, training, (gender) discrimination, health and overall work satisfaction.

Various initiatives are in place to promote our employees' physical and mental health. For example, over the years, we have organized weekly sports sessions and formal and informal team buildings, provide fruit as an alternative for unhealthy snacks, provide room for development, and ensure a manageable work-life balance. These initiatives contribute to reduced stress and result in a low turnover rate.



At Care Property Invest, we realize every employee is unique. Therefore, we offer our employees the opportunity to maximize their rewards by introducing a Flex Income Plan. Employees can choose to contribute a portion of their gross income and/or rewards in the categories mobility, multimedia, work-life balance, health & insurances and cash. For instance, employee who

'The Flex Income Plan allowed me to opt for a company bike. Opting for the company bike was a conscious choice to introduce some healthy exercise into my daily routine. I am very happy Care Property Invest helped me move towards a more sustainable lifestyle.'

- Bart Vanherrewegen, Asset Manager at Care Property invest

love to travel can opt for 5 additional holidays while employees looking to improve their physical health can opt for a company bike.

With our informal organizational culture, we contribute to a working environment where employees feel valued and where concerns are heard and understood.

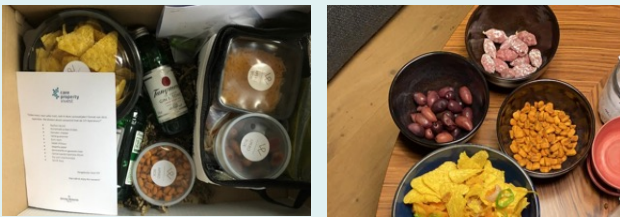
Keeping our employees engaged in COVID-19 times

During the COVID-19 pandemic, employee wellbeing has been more fragile than ever. We have followed-up with our employees closely in order to ensure they remain connected, motivated and engaged with their work. Initiatives were launched to promote employee engagement and to safeguard employees' sense of belonging within the Care Property Invest family.

Staying connected with colleagues in COVID-19 times

One of the initiatives to boost connectivity in teleworking conditions was a virtual quiz and apéro moment.

Employees had the opportunity to connect and catch up in a COVID-proof way outside of the daily work context. As a token of appreciation, each employee received an apéro box they could enjoy during the event.



Personal development

Training is a highly valuable aspect throughout Care Property Invest employees' careers. We translate this value by actively striving to promote employee growth and, if desired, beyond their position through constant coaching and training.

At the start of their journey, new employees receive in-depth internal training about our operations and IT tools, and where possible, are already involved in customer-oriented processes and sector-related events in order to strengthen contact and knowledge with the healthcare real estate sector. Learning-on-the-job remains an important part of employee development as well.

Moreover, every employee can follow individual or collective training courses throughout their career, which adds value to their position. This is actively encouraged by the Board of Directors in order to promote the continuous development, growth and motivation of our staff.

This positive encouragement creates a distinct workplace culture, where every employee feels at home both physically and emotionally. We want to solidify this vision by committing to offer 40h of yearly training to all our employees by 2021. In 2020, we have managed to provide 13.1 hours of training per employee, a 59% decrease compared to 2019. The reduction in training hours

is related to the COVID-19 pandemic, making it more difficult to organize training sessions. In 2021, we will offer each employee 40 hours of training.

Personal development is also enforced by offering continuous informal feedback moments throughout the year. This is complemented by a yearly formal performance evaluation with the employee's immediate superior. This also applies to the Executive Directors who receive a performance assessment from the Board of Directors. In 2020, all our employees received at least one performance evaluation conversation.

Tables on social indicators

Gov-Board ¹	2020
Board of Directors	Mr. Mark Suykens ; Non-Executive Director – Chairman Mr. Peter Van Heukelom ; Managing (Executive) Director – Chief Executive Officer Mr. Dirk Van den Broeck ; Managing (Executive) Director Mr. Willy Pintens ; Managing (Executive) Director Mrs. Valérie Jonkers ; Managing (Executive) Director Mr. Filip Van Zeebroeck ; Managing (Executive) Director Mr. Michel Van Geyte ; Non-Executive Director – Independent Director Mrs. Ingrid Ceusters ; Non-Executive Director – Independent Director Mrs. Caroline Riské ; Non-Executive director – Independent director Mrs. Brigitte Grouwels ; Non-Executive director – Independent director Mr. Paul Van Gorp ; Non-Executive director – Independent director
Management Committee [31/12/2019 – 15/06/2020]	Mr. Peter Van Heukelom ; Chief Executive Officer (CEO), Managing Director & Chairman of the Executive Committee Mr. Dirk Van den Broeck ; Managing Director & Risk management - Risk Manager Mr. Willy Pintens ; Managing Director & Internal Audit Function
Executive Committee [15/06/2020 – 31/12/2020]	Mrs. Valérie Jonkers ; Chief Operating Officer (COO) and Managing Director Mr. Filip Van Zeebroeck ; Chief Financial Officer (CFO) and Managing Director
¹ In the light of the recent changes in the Belgian Company Code, the Management Committee no longer exists as of June 2020 and Mr. Filip Van Zeebroeck and Mrs. Valérie Jonckers become part of the Board of Directors. The Management Committee becomes an Executive Committee.	

Employee gender diversity (Diversity-Emp)

Diversity-Emp (in headcount in %)	2019		2020	
	Women	Men	Women	Men
Board of Directors	2 - 29%	5 - 71%	4 - 36%	7 - 64%
Executive Committee	1 - 20%	4 - 80%	1 - 20%	4 - 80%
Employees	9 - 69%	4 - 31%	9.4 - 61%	5.9 - 39%

Care Property Invest pays careful attention during the recruitment process to ensure procedures are free from any discriminative bias based on a candidate's age, race, gender, nationality, religion, sexual orientation or any other personal characteristics that are unrelated to job performance. The Board of Directors is composed of 36% women and 64% men, the Executive Committee out of 20% women and 80% men. In 2020, we employed on average 15.3 employees of which 61% is female and 39% is male.

Gender pay ratio (Diversity-Pay)

Diversity- Emp	2019	2020
Ratio of the basic remuneration of male and female employees	1.29	1.19

Collective Bargaining agreements

Collective Bargaining agreements	
Percentage of employees covered by collective bargaining agreement	100%

Training and development (Emp-Training)

Emp-Training	2019			2020		
	Women	Men	Total	Women	Men	Total
Training hours	285	129	414	106	95	201

The average number of training hours per headcount is 13.1 hours. The decrease in average annual training hours per employee is related to COVID-19, making it more difficult to organize training sessions.

Employee performance appraisals (Emp-Dev)

Emp-Dev	2019			2020		
	Women	Men	Total	Women	Men	Total
Evaluation	100%	100%	100%	100%	100%	100%

Employee turnover and retention (Emp-New Hires & Emp-Turnover)

Emp-New Hires & Turnover	2019		2020	
	Number	Rate	Number	Rate
New hires	4	31%	7	46%
Employee turnover	2	7%	0	0%

Employee health and safety (H&S-Emp)

H&S Emp	2019	2020
Work-related accidents	0 work related accidents	0 work related accidents
Lost day rate	0%	0%
Absentee rate	0.28%	0.35%

Asset health and safety assessments (H&S-Asset)

Care Property Invest does not have any influence on the health & safety within the daily operations of our healthcare real estate portfolio.care providers. Reporting on such indicators is therefore not relevant.

Asset health and safety compliance (H&S-Comp)

Care Property Invest does not have any influence on the health & safety within the daily operations of our healthcare real estate portfolio.care providers. Reporting on such indicators is therefore not relevant.

Community engagement (Comty-Eng)

100%, at Care Property Invest only theirour headquarters are under theirour operational control. Carbon emissions linked to our headquarters are offset by supporting development programs adand projects in local communities.



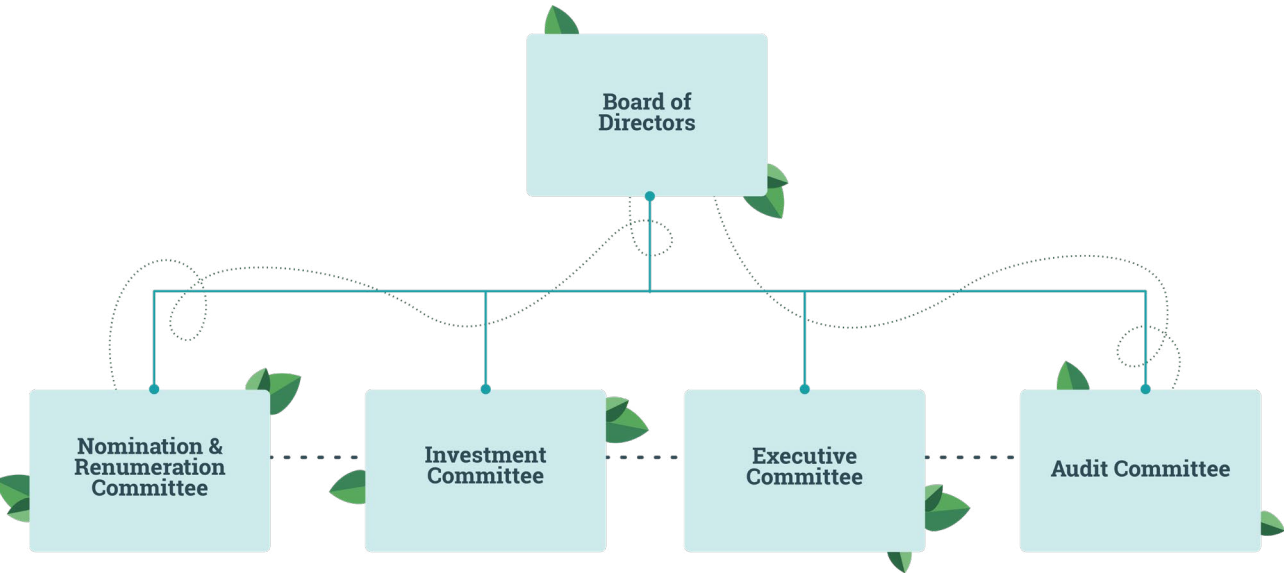
‘Good governance structure drives organizational performance while ensuring ethical and responsible actions towards shareholders, regulators and stakeholders’

Governance

Good governance structure drives the strategic direction and responsible monitoring of the organization while ensuring ethical and responsible actions towards shareholders, regulators and other stakeholders. Care Property

Invest recognizes the importance of correct and transparent corporate governance and intends to ensure clear communication and transparency about this issue with all stakeholders and parties involved. Sustainability is

not a one-dimensional issue, rather a topic that interacts with all dimensions of our organization. Care Property Invest wants to further define and embed sustainable management into existing governance structures.



The **Board of Directors** consists of a diverse group of experts with specific expertise ensuring the organization's societal purpose is accomplished. The Board of Directors makes strategic choices and is responsible for the monitoring of the organization, including ensuring transparency through the corporate governance report and governance charter. Additionally, the directors ensure accuracy and transparency in communication with stakeholders.

As from 2021, the Board of Directors will systematically monitor the Executive Committee on their sustainability responsibilities and validate material sustainability topics. The functioning of the Board of Directors is periodically evaluated in order to be able to adjust the composition of the Board of Directors, considering changing circumstances. Where appropriate, this can include changes in the composition of the Board of Directors and

introducing new Board members. The Board of Directors is assisted in this evaluation process by the Nomination and Remuneration Committee, which was established on February 14, 2018 within the Board of Directors. For more information concerning the nomination and selection process of the Board of Directors, we refer to chapter 11 'Corporate Governance Statement' of our 2020 annual report.

‘The Board of Directors makes strategic choices and is responsible for the monitoring of the organization, including ensuring transparency through the corporate governance report and governance charter.’

3 specialized Board Committees support and advise the Board of Directors in their specific expertise domains.

The Nomination and Remuneration Committee advises on variable remuneration, performance premiums, the remuneration policy and remuneration of directors. To stimulate the execution of sustainability ambitions, the Nomination and Remuneration Committee has added 25% qualitative criteria such as sustainability to the bonus management system. This system will provide an additional stimulus to integrate sustainability considerations in investment cases. **The Investment Committee** supervises financial decision-making regarding investments and divestments in accordance with our integrity policy. The Audit Committee is tasked with ensuring accurate and reliable financial information to internal and external stakeholders which provides a fair and clear picture.

On the 15th of June 2020, the Executive Committee was established. This committee is composed of 5 Executive Management members, including 3 members that take up a role of Board member. The committee is responsible for daily management and representation of daily management of the organization. Our CEO leads the Executive Committee and has a specific responsibility of leading, controlling and evaluating employee performance. A

‘As a result, the Board of Directors is systematically informed on sustainability developments, strategy, achievement of targets and can thus validate material sustainability topics and decisions.’

strong connection with daily developments of the business is important to our CEO as accessibility to clients and shareholders contributes to awareness of issues and opportunities around us. The CEO, CFO and COO's actions and leadership are reviewed and controlled by two other Managing Directors.

The creation of the Executive Committee is considered an opportunity to embed sustainability into Care Property Invest's governance. As from 2021, the Executive Committee will gradually include the discussion and monitoring of sustainability themes in its range of responsibilities. Consequently, sustainability risks, opportunities and their translation into Care Property Invest's strategy, action plan, budget and risk management are systematically built in as agenda items on executive meetings. Furthermore, the Executive Committee can set targets and follow up on their achievement. The Executive Committee is perfectly placed to take on this responsibility as the CEO, CFO and COO can ensure translation of decisions into their domains while ensuring communication

to the Board of Directors. Similar to traditional responsibilities, the Executive Committee will report to the Board of Directors on sustainability themes. As a result, the Board of Directors is systematically informed on sustainability developments, strategy, achievement of targets and can thus validate material sustainability topics and decisions.

Diversity

Diversity is an important element in good governance, it contributes to balanced decision-making as a result of multiple points of views. Therefore, diversity of the Board of Directors is of great importance to us. The Board of Directors consists of a mix of Executive and Non-Executive (Independent) Board members who each offer a diverse point of view based on their specific expertise and experience. The Board of Directors considers gender diversity, diversity in general and complementarity in terms of skills, experience, background and knowledge when defining the long-term values, core policies, standards and objectives. The Nomination and Remuneration

Committee also takes diversity ambitions within the Board of Directors into account when formulating advice regarding the appointment of directors, members of the Executive Committee and other leaders.

Integrity policy

The integrity policy is an integral part of our corporate culture and places particular emphasis on honesty, integrity, trustworthiness, credibility and compliance with ethical standards and specific applicable regulations. The integrity policy includes rules and procedures on conflicts of interest, incompatibility of mandates, the company code of ethics, rules on the prevention of market abuse and dealing codes and rules on abuse of corporate assets, anti-corruption and bribery. The Board of Directors appoints a compliance officer who monitors compliance with laws, regulations and rules of conduct applicable to Care

Property Invest, and in particular the rules relating to the integrity of our activities, by monitoring the various risks incurred by virtue of its statute and its activities. We closely monitor breaches on our integrity policy and code of ethics. For more details on our integrity policy, we refer to our [Integrity Policy](#) available on our website.

Corporate governance charter

The Board of Directors of Care Property Invest endorses the principles, rules and agreements set out in the corporate governance charter. These principles, rules and agreements determine how our organization is managed and controlled. Additionally, they define the corporate structure, and are based on transparency and accountability. Thanks to the transparency and accountability of these principles, we enhance the confidence of shareholders, investors and stakeholders in our organization. charter also includes the rules and code of conduct to prevent market abuse (the "Dealing Code"). Care Property Invest adheres to the Code 2020 for listed companies.

To effectively manage risk and implement compliance procedures throughout the entire organization, compliance training and communication will be provided to all employees as of 2021. In the context of the preparation of the Corporate Governance Declaration, part of the annual report, the Audit Committee examines, at least once a year, the

internal control and risk management systems established by the Executive Committee in order to ensure that the key risks are properly identified, managed and brought to the attention of the Board of Directors to ensure continuance in the operations.

For more details on governance and our corporate governance statement, we refer to chapter 11 'Corporate Governance Statement' of our 2020 annual report. Our [Dealing code](#) and [Corporate Governance Charter](#) may also be found on our website.

'Thanks to the transparency and accountability of these principles, we enhance the confidence of shareholders, investors and stakeholders in our organization.'



EPRA Content Table

Sustainability – environmental indicators		Chapter	GRI Indicator
Elec-Abs	Total electricity consumption	Environmental performance	302-1
Elec-LfL	Like-for-like total electricity consumption	Environmental performance	302-1
DH&C-Abs	Total district heating & cooling consumption	Environmental performance	302-1
DH&C -LfL	Like-for-like total district heating & cooling consumption	Environmental performance	302-1
Fuels-Abs	Total fuel consumption	Environmental performance	302-1
Fuels-LfL	Like-for-like total fuel consumption	Environmental performance	302-1
Energy-Int	Building energy intensity	Environmental performance	302-3, CRE1
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	Environmental performance	305-1
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	Environmental performance	305-2
GHG-Dir-LfL	Like-for-like total direct greenhouse gas (GHG) emissions	Environmental performance	305-1
GHG-Indir-LfL	Like-for-like total indirect greenhouse gas (GHG) emissions	Environmental performance	305-2
GHG-Int	Greenhouse gas (GHG) intensity from building energy consumption	Environmental performance	305-4, CRE3
Water-Abs	Total water consumption	Environmental performance	303-1
Water-LfL	Like-for-like total water consumption	Environmental performance	303-1
Water-Int	Building water intensity	Environmental performance	CRE2
Waste-Abs	Total weight of waste by disposal route		306-2
Waste-LfL	Like-for-like total weight of waste by disposal route		306-2 ¹
Cert-Tot	Type and number of sustainably certified assets	Environmental performance	CRE8

1 Care Property Invest does not have access to portfolio data regarding waste for 2019.

Sustainability – social indicators		Chapter	GRI Indicator
Diversity-Emp	Employee gender diversity	Table on social indicators	405-1
Diversity-Pay	Gender pay ratio	Table on social indicators	405-2
Emp-Training	Employee training and development	Table on social indicators	404-1
Emp-Dev	Employee performance analysis	Table on social indicators	404-3
Emp-Turnover	Employee turnover	Table on social indicators	401-1
Emp-New hires	Employee new hires	Table on social indicators	401-1
H&S-Emp	Employee health and safety	Table on social indicators	403-2, 403-9
H&S-Asset	Asset health and safety assessments	Table on social indicators	416-1
H&S-Comp	Asset health and safety compliance	Table on social indicators	416-2
Comty-Eng	Community engagement, impact assessments and development programmes	Table on social indicators	413-1
Gov-Board	Composition of the highest governance body	Table on social indicators	102-22
Gov-Selec	Process for nominating and selecting the highest governance body	Governance	102-24
Gov-Col	Process for managing conflicts of interest	Governance Annual financial report 2020 (AR) p. 94-102	102-25

GRI Content Table

GRI 102: GENERAL DISCLOSURES		Chapter	Comment
1. ORGANIZATIONAL PROFILE			
102-1	Name of the organization		Care Property Invest NV
102-2	Activities, brands, products, and services	Annual Financial Report 2020 (AR) p.32-39	Care Property Invest is a public regulated real estate company (public RREC) under Belgian law. Care Property Invest helps care businesses to realize their projects by offering good quality and socially responsible real estate tailored to the needs of the end users, on the basis of a solid organization. For its shareholders, it always aims for stable long-term returns. Pursuing operations for the private sector in investment properties (e.g. design- build- Finance and Maintain). For the public sector the focus is on the refinancing of existing buildings and investing in healthcare real estate.
102-3	Location of headquarters		Horstebaan 3, 2900 Schoten, Belgium
102-4	Location of operations	Our social role in healthcare housing for elderly and disabled people	Belgium, The Netherlands and Spain
102-5	Ownership and legal form		Public limited liability company. Public regulated real estate company under Belgian law
102-6	Markets served	AR p.32-39	Housing for elderly people and people with disabilities
102-7	Scale of the organization	Key facts Our social role in healthcare housing for elderly and disabled people	
102-8	Information on employees and other workers	Engaging our people Tables on social indicators	
102-9	Supply chain	Innovation in our portfolio	
102-10	Significant changes to the organization and its supply chain	AR p.87 and following	In 2014, the last of 2 purpose changes took place that expanded the original geographical constraint, restricted to the Flanders and Brussels-Capital Region only, to the entire European Economic Area (EEA). As from the financial year 2020, the charter has been adapted to the new Code 2020 and the Belgian Construction Certification Association (BCCA), which entails a number of minor changes regarding the functioning of the committee, as well as a further refinement of its mission.
102-11	Precautionary principle or approach	Innovation in our portfolio	
102-12	External initiatives	Our contribution to the UN Sustainable Development Goals	
102-13	Membership of associations	Our responsibility	UN Global Compact
2. STRATEGY			
102-14	Statement from senior decision maker	Letter to the stakeholders AR letter to shareholders p.24-26	
102-15	Key impacts, risks, and opportunities	Our sustainability commitment and priorities Risk management AR p.8-22	
3. ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	Engaging our people Governance	

GRI 102: GENERAL DISCLOSURES		Chapter	Comment
4. GOVERNANCE			
102-18	Governance structure	Governance	Since 1 January 2020, Care Property Invest applies the new Belgian Corporate Governance Code (the 'Code 2020'), in accordance with the Royal Decree of 12 May 2019 specifying the corporate governance code to be complied with by listed companies. The Code 2020 is also available on the website of the Belgian Official Gazette and on www.corporategovernancecommittee.be. Therefore, this Statement also refers to our intentions regarding the application of the recommendations of the Code 2020 as from 1, January 2020..
		Corporate Governance Statement in AR p.77-113	The Board of Directors of Care Property Invest subscribes to governance principles based on transparency and accountability. This enhances the shareholders' and investors' trust in Care Property Invest. From establishment onwards, Care Property Invest has considered fair and correct business conduct as a main priority. In addition, Care Property Invest attaches great importance to a good balance between the interests of the shareholders and those of the other parties that are directly or indirectly involved with the undertaking. The Board of Directors guarantees frequent updating of the Charter. On 18 March 2020, the Charter was updated and adapted to the Code 2020.
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder engagement	
102-22	Composition of the highest governance body and its committees	Tables on social indicators	EPRA: Gov-Board
		Corporate governance statement in AR p.77-113	On 31 December 2020, the Board of Directors consisted of eleven members, five of whom were independent Directors who met the conditions of the Article 7:87 BCCA). There are five Managing (Executive)Directors and six Non-Executive Directors. The five Managing Directors are members of the Executive Committee.
102-24	Nominating and selecting the highest governance body	Corporate governance	EPRA: Gov-Selec.
		Corporate governance statement in AR p.77-113	In order to guarantee the continued functioning of the Board of Directors, preventing several Directors from resigning at the same time, the Board of Directors defined a schedule according to which the Directors are to resign periodically. The Directors were appointed at the Ordinary General Meeting of 16 May 2018 for a period of three years and four years until after the Ordinary General Meetings in 2021 and 2022. Their appointment may be revoked at any time by the General Meeting. The Directors are eligible for reappointment.
102-25	Conflicts of interest	Governance AR p. 97 - 102	EPRA: Gov-Col
5. STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	Stakeholder engagement	
102-41	Collective bargaining agreements	Tables on social indicators	
102-42	Identifying and selecting stakeholders	Stakeholder engagement	
102-43	Approach to stakeholder engagement	Stakeholder engagement	
102-44	Key topics and concerns raised	Stakeholder engagement	

GRI 102: GENERAL DISCLOSURES		Chapter	Comment
6. REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	AR p. 147-152	
102-46	Defining report content and topic boundaries	Letter to the stakeholders	
102-47	List of material topics	The SDGs at the basis of our sustainable priorities	
102-48	Restatements of information	Environmental Performance	Investment portfolio becomes scope 3 in line with EPRA requirements of 2017
102-49	Changes in reporting	Environmental Performance	Investment portfolio becomes scope 3 in line with EPRA requirements of 2017
		Tables on social indicators	Executive committee as of 15/06/2020
102-50	Reporting period	Cover page	
102-51	Date of most recent report		The most recent report with economic, environmental and social information is the 2020 Sustainability Report
102-52	Reporting cycle		Annual
102-53	Contact point for questions regarding the report		info@carepropertyinvest.be
102-54	Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with the GRI Standards: Core option
102-55	GRI content index	GRI Content Table	
102-56	External assurance		The sustainability report is not externally assured

Topic-specific standards

GRI 200: ECONOMIC PERFORMANCE		Chapter	Comment
201-1	Direct economic value generated and distributed	AR p.40	
GRI 302: ENERGY			
302-1	Energy consumption within the organization	Environmental performance	EPRA: Elec-Abs, Elec-LfL, DH&C-Abs, DH&C-LfL, Fuels-Abs, Fuels LfL.
			In accordance with sector practices, energy consumption is expressed in kWh
302-2	Energy consumption outside of the organization	Environmental performance	In accordance with sector practices, energy consumption is expressed in kWh
			EPRA: Energy-Int.
302-3	Energy intensity	Environmental performance	In accordance with sector practices, energy consumption is expressed in kWh
			In accordance with sector practices, energy consumption is expressed in kWh
302-4	Reduction of energy consumption	Environmental performance	In accordance with sector practices, energy consumption is expressed in kWh
302-5	Reductions in energy requirements of products and services	Innovation in our portfolio	In accordance with sector practices, energy consumption is expressed in kWh

GRI 303: WATER AND EFFLUENTS		Chapter	Comment
303-1	Water withdrawal by source	Environmental performance	EPRA: Water-Abs, Water-LfL
GRI 305: EMISSIONS			
305-1	Direct (Scope 1) GHG emissions	Environmental performance	EPRA: GHG-Dir-Abs, GHG-Dir-LfL
305-2	Energy indirect (Scope 2) GHG emissions	Environmental performance	EPRA: GHG-Indir-Abs, GHG-Indir-LfL
305-4	GHG emissions intensity	Environmental performance	
305-5	Reduction of GHG emissions	Environmental performance	
GRI 306: EFFLUENTS AND WASTE			
306-2	Waste	Environmental performance	EPRA: Waste-Abs, Waste-LfL
GRI 307: ENVIRONMENTAL COMPLIANCE			
307-1	Non-compliance with environmental laws and regulations		There were no cases of non-compliance
GRI 401: EMPLOYMENT			
401-1	New employee hires and employee turnover	Tables on social indicators	EPRA: Emp-New hires, Emp-Turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		N/A
GRI 402: LABOR MANAGEMENT RELATIONS			
402-1	Minimum notice periods regarding operational changes		Care Property Invest applies the Belgian legislation on legal notice periods
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
403-1	Occupational health and safety management system	Tables on social indicators	
403-2	Hazard identification, risk assessment, and incident investigation	Tables on social indicators	EPRA: H&S-Emp
403-9	Work-related injuries	Tables on social indicators	EPRA: H&S-Emp

GRI 404: TRAINING AND EDUCATION		Chapter	Comment
404-1	Average hours of training per year per employee	Tables on social indicators	EPRA: Emp-Training
404-2	Programmes for upgrading employee skills and transition assistance programmes	Engage our people	
404-3	Percentage of employees receiving regular performance and career development reviews	Tables on social indicators	EPRA: Emp-Training
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governance bodies and employees	Tables on social indicators	EPRA: Diversity-Emp
405-2	Ratio of basic salary and remuneration of women to men	Tables on social indicators	EPRA: Diversity-Pay
GRI 406: NON-DISCRIMINATION			
406-1	Incidents of discrimination and corrective actions taken		There were no cases of discrimination
GRI 413: LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programmes	Tables on social indicators	EPRA: Comty-Eng
GRI 419: SOCIOECONOMIC COMPLIANCE			
419-1	Non-compliance with laws and regulations in the social and economic area		There were no cases of non-compliance

Sector-specific disclosures

CRE: CONSTRUCTION AND REAL ESTATE		Chapter	Comment
CRE1	Building energy intensity	Environmental performance	EPRA: Energy-Int
CRE2	Building water intensity	Environmental performance	EPRA: Water-Int
CRE3	Greenhouse gas emissions intensity from buildings	Environmental performance	EPRA: GHG-Int
CRE8	Type and number of sustainability certification, rating and labelling schemes	Environmental performance	EPRA: Cert-Tot

TCFD Content Table

TCFD	Chapter	Comment
1. GOVERNANCE		
Disclose the organization's governance around climate-related risks and opportunities.		
a)	Describe the Board of Director's oversight of climate-related risks and opportunities.	Governance
b)	Describe management's role in assessing and managing climate-related risks and opportunities	Governance
2. STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.		
a)	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Risk management
b)	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	Risk management
c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	By 2023, we aim to increase coverage of our energy monitoring system to 80%. Gathering more objective data will allow us to carry out scenario analysis in the future.
3. RISK MANAGEMENT		
Disclose how the organization identifies, assesses, and manages climate-related risks.		
a)	Describe the organization's processes for identifying and assessing climate-related risks.	Risk management Our sustainability commitment and priorities
b)	Describe the organization's processes for managing climate-related risks.	Risk management
c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Risk management
4. METRICS & TARGETS		
a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Environmental performance
b)	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Environmental performance
c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Our buildings
		Our responsibility



Annex I – Reporting Parameters

This sustainability report is based on the EPRA sBPR guidelines and is in accordance with the Euronext ESG Guidelines and the Global Reporting Initiative’s (GRI) standard: Core level. Consideration has been given to the GRI’s industry-specific supplement for the construction and real estate sector.

Organizational boundaries

Care Property Invest limits its sustainability report to healthcare real estate properties owned by the organization, in accordance with the principles of the Greenhouse Gas Protocol. The data is calculated based on information retrieved by Care Property Invest from our energy monitoring system installed in our investment properties. The data collection is complemented by physical invoices when there is insufficient data available. As we do not have the possibility to retrieve data from our assisted living apartments, these are systematically excluded from the scope.

Only our investment portfolio, 32 sites (183,885 m²), out of 124 sites in our total portfolio (435,420 m²), is included in the monitoring scope. The initial portfolio of apartments in leasehold to PCSWs are not taken into account, since each flat has its own individual private energy and water meter which are fully controlled by the tenant. These private meters cannot be monitored by Care Property Invest, due to complicated data collection and privacy considerations of the tenant. The initial portfolio concerns the finance leases that the Company concluded until 2014, with

a balance sheet value (finance lease receivables) of €157.5m and a generated rental income stream of €14,5m as per 31/12/2020.

Per exception, for the indicators ‘asbestos’, ‘soil pollution’ and ‘flooding zones’, the entire portfolio excluding projects under development, is included in the scope (392,660 m²).

Corporate data covers our daily activities within our administrative head offices (505 m²). This data is directly retrieved from our Human Resources (HR) department.

Coverage

The proportion of properties included in each EPRA indicator is mentioned. The ambition for Care Property Invest is to equip 80% of its portfolio¹ with an energy monitoring system. We strive to increase our reporting coverage every year.

Coverage is expressed as % m² versus the total m². Coverage for EPRA indicators in the section ‘Environmental Performance’ is calculated based on the investment portfolio (183,885 m²). This excludes the assisted living apartments, all having individual meters directly controlled by each individual tenant. Coverage for the indicators ‘total certificates’, ‘asbestos’, ‘soil pollution’ and ‘flooding zones’ are based on m² versus the entire portfolio excluding projects under development (392,660 m²) as, here, data were available.

Missing information is primarily related to waste production since these data are limitedly monitored by most of our operators. In the coming years, we will increase awareness on this subject, and attempt to report on these data in the future.

Reported environmental data concerning our head offices are covering 100% of our own operations.

Human Resources data are reported for our head offices. The scope of HR data collection in terms of headcount, turnover and trainings is 100%.

The distinction between landlords and tenants in not applicable to Care Property invest.

Estimation of landlord-obtained utility consumption

No estimations were performed on landlord-obtained utility consumption. Only data covering a full year were reported to ensure reliability of the reported data.

'Care Property Invest limits its sustainability report to healthcare real estate properties owned by the organization, in accordance with the principles of the Greenhouse Gas Protocol.'



Boundaries – Reporting on landlord and tenant consumption

All data on our portfolio's energy consumption was obtained via the operator's integrated energy monitoring system, energy accounting system or utility suppliers.

Normalization

Normalization is used in the context of fuel consumption and models the relationship between fuel (gas) consumption and outside air temperature. This enables a like-for-like comparison of energy consumption between different periods. The comparison is based on degree-days.

Intensity ratios were measured by using both the buildings' total floor area and the available beds per building as a denominator.

Direct and indirect carbon emissions

Measurement of our CO2 emissions was based on the guidelines of the Greenhouse Gas Protocol, the DEFRA and IEA GHG Conversion factors for company reporting.

GHG emissions resulting from our portfolio were measured using the location-based method.

Direct carbon emissions

Care Property Invest's headquarters' (505 m²) and total investment portfolio (183,885 m²) GHG emissions are considered scope 1 and 2 (direct emissions).

Indirect carbon emissions

Care Property Invest has no operational control over consumption in its portfolio. These buildings are directly

managed by our care providers GHG emissions are considered as indirect emissions (scope 3).

Energy certificates

The identification of EPC certificates covers 100% of Care Property Invest's total portfolio, excluding the projects under development (392,660 m²). Assisted living apartments in Belgium have one certificate per apartment, while In the Netherlands one certificate is awarded per building. The impacted percentage is calculated based on the m² for which a certificate is identified versus the m² of the operational portfolio (total portfolio excl. projects under development).

¹ The initial portfolio of apartments in leasehold to PCSWs are not taken into account, since there are individual private meters per flat, directly controlled by each individual tenant, with very limited control by Care Property Invest.

Sustainability Report **2020**

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