



Belgian Business Chamber Award 2024

The ways CIRIL leverages research and development to drive innovation in our real estate projects and contributes to sustainability goals while enhancing business growth

In cooperation with Ground, a Future-Fit Accredited Advisor, CIRIL is extensively working on a trajectory with VOKA regarding the effective implementation of Sustainable Development Goals(SDG) of the United Nations. In the course of the past years and in the years to come, CIRIL has already obtained the title of SDG Pioneer and SDG Champion showing its focus on innovation and sustainability.

The following short report shows how we as CIRIL are researching possible ways to monitor and grow in regards to sustainability and how we are implementing procedures on project basis to benchmark the envisioned goals we as a company want to reach.

This specifically to change our impact on the environment as a real estate developer in a positive way, because we believe sustainability will keep growing as an important factor in the decision of acquiring real estate and thus crucial to help ensure business growth.

We believe that researching, monitoring and setting new goals in regards to sustainability is the way to activate the search of specific innovations and new ways of building of all our colleagues and design teams.

The trajectory shown below was in the first place enrolled in Belgian Projects and this knowledge, together with the way of monitoring and the key takeaways were extensively transferred to the Polish projects of CIRIL. In return effective material innovations or good practices implemented in Poland are transferred to projects in Belgium.

Effectively enrolling this information is achieved by CIRIL-colleagues who are combining the follow up of Belgian and Polish projects to ensure a smooth alignment of way of working between the countries.

In this way CIRIL believes it is contributing to the implementation of a further introduction of a future-proof way of working in the Polish development market.

Via the link below you can find the extensive and detailed report of the progress CIRIL makes in becoming a Future-Fit company.

<https://democogroup.com/en/ciril/duurzaamheid>



Who is CIRIL?

As a real estate developer, CIRIL develops what can be improved, where cities can grow and people feel at home. We talk to people and ask what could be better. We give streets and city districts new opportunities for the future. We add what is missing and take away what is too much for a livable, fun and sustainable city.

We recognize the crucial role every business must play in creating a **Future-Fit Society** – one that is environmentally restorative, socially just and economically inclusive – and we are committed to playing our part. We aspire to become a Future-Fit Business because we believe that our long-term success is tied to the value we provide to society. That means we must eliminate all of the potential negative impacts associated with what we buy, create, sell, ...

In the real estate construction and development business, most of the buildings developed today rely on activities that have a huge negative environmental impact in the upstream value chain. During the production of traditional construction materials, large amounts of greenhouse gases are emitted, thus contributing to climate change. Also, many materials are responsible for an important abiotic depletion potential as non-renewable raw materials (minerals and fossil fuels) are extracted in order to be used in construction materials. Our industry also faces important challenges regarding to circular economy. Buildings will need to become circular: adaptable – versatile, convertible and expandable - to meet multiple purposes and designed for disassembly so that construction materials and components can be kept at their highest utility and value, at all times. These are industry-wide challenges and we commit to doing everything possible to tackle them.

In addition, we will seek to create positive impact wherever we can, to speed up society's transition to future-fitness through our own actions and by assisting others on the journey.

In particular, our real estate development projects aim to improve the sustainability of our cities and communities, in general, and the quality of life of our stakeholders, the residents of our projects and their direct and indirect neighbourhoods, in particular. We are building value to live, work and play. We develop what can be improved, where cities can grow and people feel at home.

We acknowledge that incremental improvement of the status quo isn't enough, so we intend to transform the way we do things. We will lead by example and encourage other businesses to do the same.

Strategy

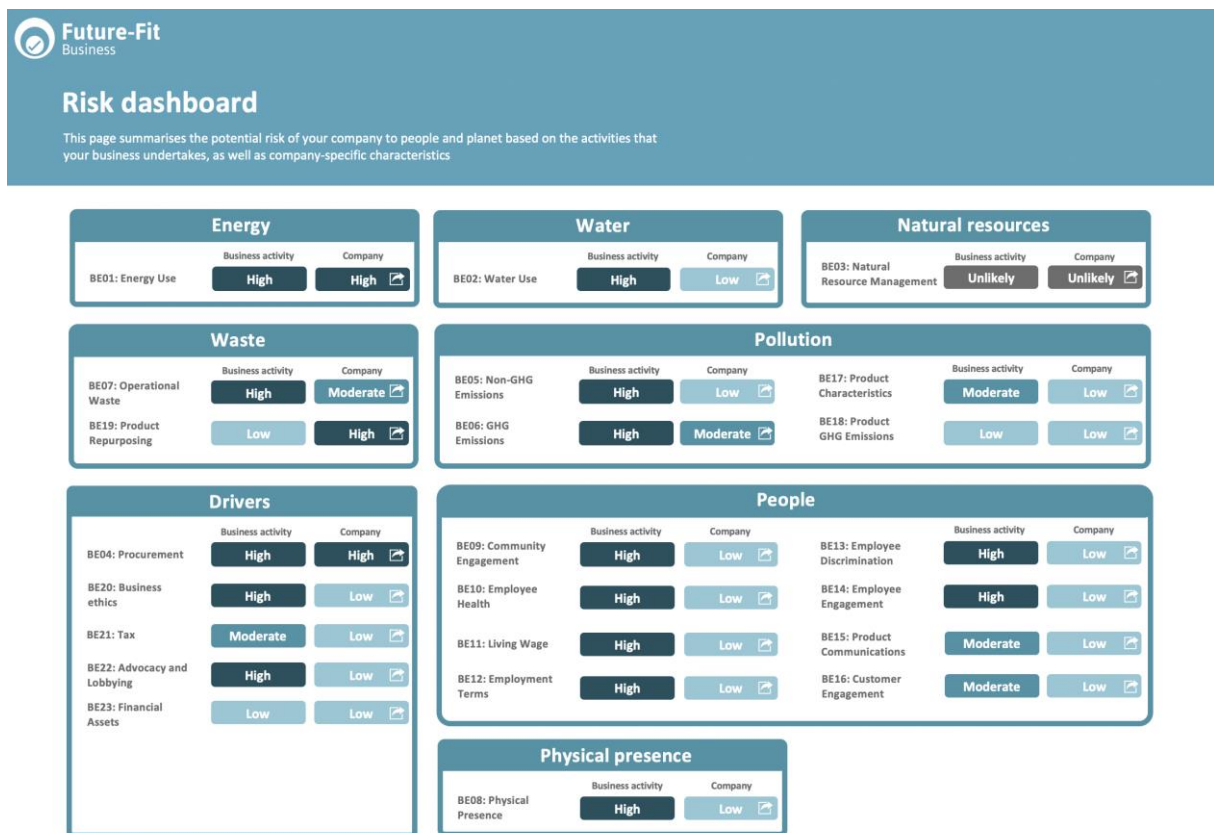
Assessment: Future-Fit

As a first step in the process of engaging in a growth of sustainability in CIRIL projects, it was important for our team to identify where our company’s negative and positive impact can be located in regards to global sustainability.

To do so the Future-Fit Risk Profiler was used as an academically approved tool .

This profiler ensures a holistic assessment on 23 well-defined goals and their financial materiality.

Following this profiler shown below, more extensive conclusions specifically for CIRIL and its projects are drawn and complementary assessments are done as indicated in *attachment 1 of this report*.



Above: CIRIL’s Future-Fit Risk Profiler dashboard



				Correlation Future-Fit Break-Even Goals with ESRS-topics												
				Environmental					Social				Governance			
				E1	E2	E3	E4	E5	S1	S2	S3	S4	G1			
				Climate Change	Pollution	Water & Marine Res	Biodiversity & Ecosystems	Resource use & Circular Economy	Own workforce	Workers in value chain	Communities	Consumers End-users	Business Conduct			
Risk Profiling for CIRIL																
Energy	BE01	Energy is from renewable sources	BE01	High												
Water	BE02	Water use is environmentally responsible and socially equitable	BE02	Low												
Natural Resources	BE03	Natural Resources are managed to safeguard ecosystems, communities and animals	BE03	Low	Unlikely											
	BE05	Operational Emissions do not harm people or the environment (other than GHG)	BE05	Moderate												
	BE06	Operations emit no greenhouse gases (Scope 1&2)	BE06	Moderate												
Pollution	BE18	Products emit no greenhouse gases (Downstream Scope 3)	BE18	Low												
	BE17	Products do not harm people or the environment	BE17	Moderate												
	BE07	Operational Waste is eliminated	BE07	Moderate												
Waste	BE19	Products can be repurposed	BE19	High												
Physical Presence	BE08	Operations do not encroach on ecosystems or communities	BE08	Low												
	BE09	Community health is safeguarded	BE09	Low												
	BE10	Employee health is safeguarded	BE10	Low												
	BE11	Employees are paid at least a living wage	BE11	Low												
People	BE12	Employees are subject to fair employment terms	BE12	Low												
	BE13	Employees are not subject to discrimination	BE13	Low												
	BE14	Employee concerns are actively solicited, impartially judged and transparently addressed	BE14	Low												
	BE15	Product communications are honest, ethical and promote responsible use	BE15	Low												
	BE16	Product concerns are actively solicited, impartially judged and transparently addressed	BE16	Low												
Drivers	BE04	Procurement safeguards the pursuit of future-fitness	BE04	High												
	BE23	Financial assets safeguard the pursuit of future-fitness	BE23	Low												
	BE22	Lobbying and corporate influence safeguard the pursuit of future-fitness	BE22	Low												
	BE21	The right tax is paid in the right place at the right time	BE21	Low												
	BE20	Business is conducted ethically	BE20	Low												
					Very high	High	Moderate	Moderate	Very high	Low	High	Moderate	Low	Moderate		

Above: CIRIL's Future-Fit Risk Profiler dashboard with correlation to the ESRS-topics.

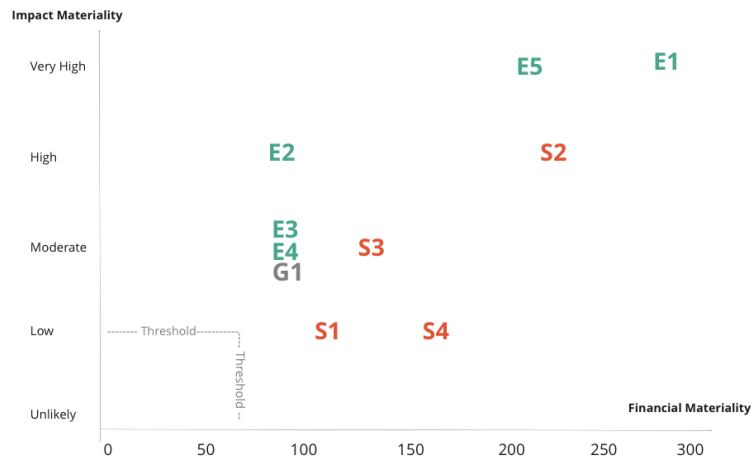
				Correlation Future-Fit Positive Pursuits with ESRS-topics												
				Environmental					Social				Governance			
				E1	E2	E3	E4	E5	S1	S2	S3	S4	G1			
				Climate Change	Pollution	Water & Marine Res	Biodiversity & Ecosystems	Resource use & Circular Economy	Own workforce	Workers in value chain	Communities	Consumers End-users	Business Conduct			
Company Name here																
Energy	PP01	Others depend less on non-renewable energy	PP01													
	PP02	More people have access to energy	PP02													
Water	PP03	Others contribute less to water stress	PP03													
	PP04	More people have access to clean water	PP04													
Natural Resources	PP05	Others depend less on inadequately-managed natural resources	PP05													
	PP06	Others generate fewer greenhouse gas emissions	PP06													
Pollution	PP07	Greenhouse gases are removed from the atmosphere	PP07													
	PP08	Others generate fewer harmful emissions	PP08													
	PP09	Harmful emissions are removed from the environment	PP09													
Waste	PP10	Others generate less waste	PP10													
	PP11	Waste is reclaimed and repurposed	PP11													
	PP12	Others cause less ecosystem degradation	PP12													
Presence	PP13	Ecosystems are restored, regenerated	PP13													
	PP14	Others cause less damage to areas of high social or cultural value	PP14													
	PP15	Areas of high social or cultural value are restored	PP15													
People	PP16	More people are healthy and safe from harm	PP16													
	PP17	People's capabilities are strengthened	PP17													
	PP18	More people have access to economic opportunity	PP18													
	PP19	Individual freedoms are upheld for more people	PP19													
	PP20	Social cohesion is strengthened	PP20													
Drivers	PP21	Infrastructure is strengthened in pursuit of future-fitness	PP21													
	PP22	Governance is strengthened in pursuit of future-fitness	PP22													
	PP23	Market mechanisms are strengthened in pursuit of future-fitness	PP23													
	PP24	Social norms increasingly support the pursuit of future-fitness	PP24													

Above: correlation between Positive Pursuits and the ESRS topics

In a next step the CIRIL-team has examined which financial risks and opportunities these positive and negative topics have.

This thorough assessment of impacts, risks and opportunities in the value chain of CIRIL has resulted in the matrix below indicating the Impact and Financial (positive or negative) Materiality of all topics.

Following this, a detailed overview of what things we can do to influence all topics using the Future-Fit Business Benchmark (see attachment 2).



Above: Matrix Impact-Financial Materiality of all relevant topics

With:

- E1: Climate change and energy
- E2: Pollution
- E3: Water and marine resources
- E4: Ecosystems and biodiversity
- E5: Resource use and circular economy
- S1: Own workforce
- S2: Workers in the value chain
- S3: Affected communities
- S4: End-users and customers
- G1: Governance

Policies Actions and Targets

With the information of the aforementioned assessment, specific actions, targets and ways to measure these were chosen by CIRIL.

For every development project these elements are set up, even before acquiring a plot or project, to analyze and ensure each acquired project will be in line of the goals CIRIL sets in Belgium or Poland while maintaining a financial feasible outcome. During the course of the projects all these elements are updated at specific milestones, to ensure that the actions and targets are kept at the wanted level.

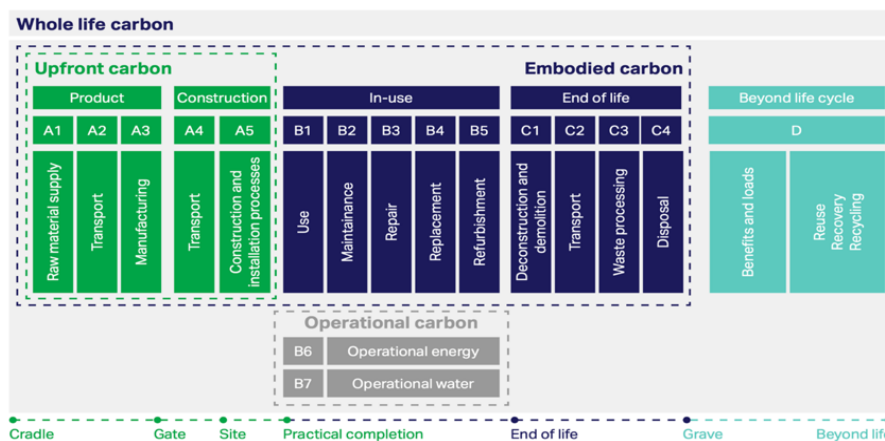
Carbon Strategy – Greenhouse Gas Emission Impact Mitigation

CIRIL developed a Carbon Strategy, based upon Carbon Accounting and following the methodology of the Net-Zero Carbon Standard of Science-Based Targets Initiative (Oct 2021).

This Carbon Strategy includes short-term targets to cut in half the emissions by 2030 (or at least reduce with 42%) and as a long-term target to reach Net-Zero by 2050 or earlier.

In the past years, CIRIL sees a reduction in carbon emissions due to a decrease of the number of delivered apartments with energy systems that run on fossil fuels. This change influenced by Belgian legislation, is also transferred to Polish projects by CIRIL, where the projects in development stage will also no longer be running on fossil fuels.

Seeing the emission is not solely based on the energy systems (but for example also on the different possibilities regarding mobility in the vicinity of the project, materials used during construction,...) CIRIL uses a Life Cycle Carbon Calculator (LCCC) as a tool to monitor and influence certain design decisions, which impact the carbon emission of the project during the whole life cycle of the project.



Above: whole life cycle stages, EN15978

The calculation is done for the separate elements or layers of a building, according to the visual below.



Above: the 7 layers of buildings: site, structure, skin, services, space plan, stuff, social

Dashboarding

The exhibits below show the dashboarding of a pilot project of CIRIL, the same dashboarding is used for Polish projects.

This dashboard is used as a pulse meter showing what impact certain design decisions have on carbon emission. The calculator makes a distinct division between the impact of the used materials, the techniques that are used during construction, the carbon emissions of implemented technical systems during the life-span of the building and the impact recycling the used materials will have. Before acquiring a project and during the development and construction stage of the investment, the carbon emission produced in each phase of the construction/life cycle of the project is monitored. This by asking specific questions about design decisions impacting each phase, which results in a calculation per phase and a total calculation.

Through this holistic approach not only obvious topics are covered such as which heating system is implemented, but also many other topics such as the possibilities of limiting concrete that emits large amounts of CO₂ when desiccating or using interchangeable finishing materials and flexibility of buildings are addressed in this calculation. Next to this the financial impact of this carbon impact is monetized as shown in the example below.

In this way well-thought-out decisions can be made in regards to a limiting the CO₂ emission of a project and if necessary alternatives can be sought in cooperation with the design team, manufacturers,... to improve this.



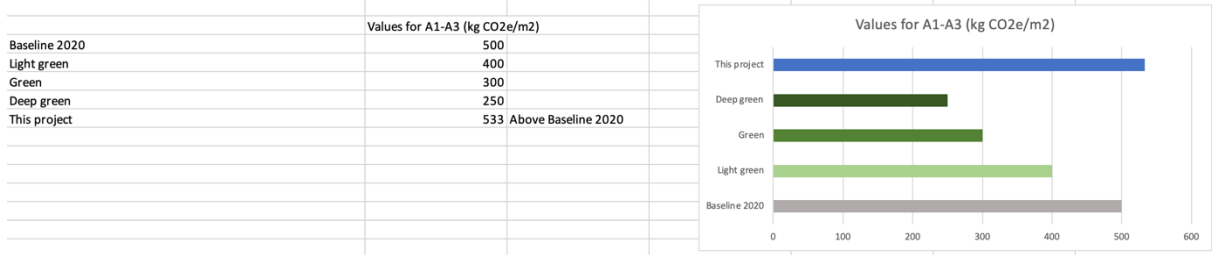
Life Cycle Carbon Emissions calculation



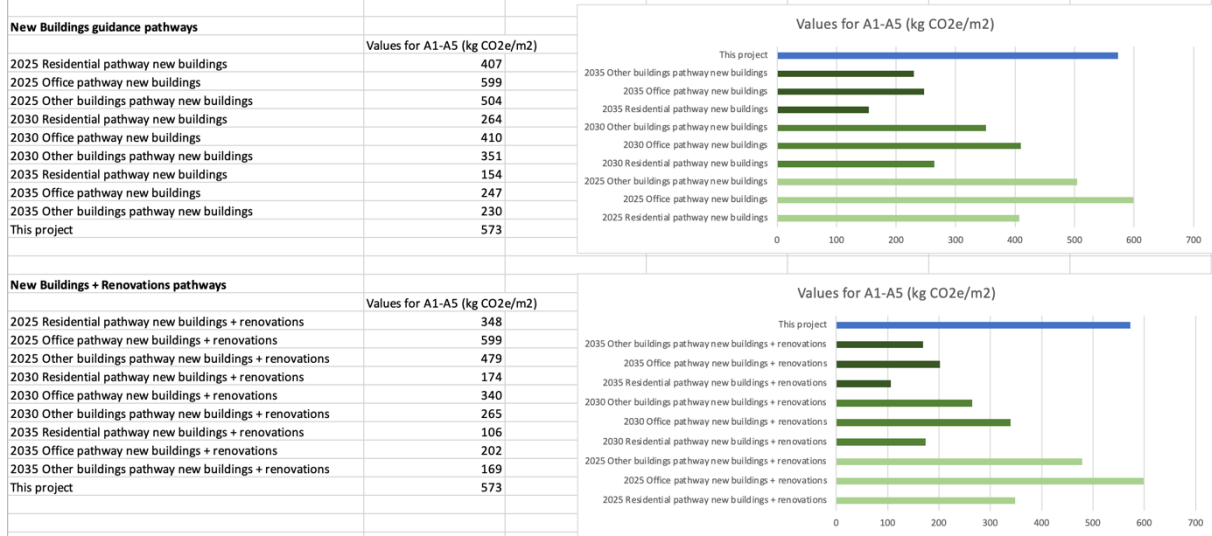
Approximate calculation methode based on generic values and references.
Prepared by GRUUND www.GRUUND.be

Template version	2023.1.0						
Developer (Company)	CIRIL (authorised)						
Developer (Person)	Gert Voets						
Project name	Stadsterras fase 2 nieuwbouw						
Project location	Mortsel						
Date calculation	45149						
Main function	Multifunctional building for mixed use						
Gross underground surface area (m2)	0						
Gross surface area (m2) (above-ground)	13262						
Total gross surfact area	13262						
Carbon Intensity (kg CO2e per m2)	Products	Construction	In use		End-of-life	Beyond life	
	A1-A2-A3	A4-A5	B1-B5	B6	C	D	
Structure	280	8	0		3	0	
Skin	100	1	25		2	0	
Space plan	42	0	42		1	0	
Services	97	1	97	65	2	-80	
Stuff	14		72		0	0	
Site emissions		30					
Total (CO2e/m2)	533	40	236	65	8	-80	
Total (CO2e/m2)	573					882	
Total A-B-C (CO2e/m2)							
Biogenic Carbon Storage per m2	0						
Avoided emissions per m2 compared to natural gas (PV generation)	-80						
Circularity, avoided emissions per m2	0						

Carbon Intensity A1-A3 compared to references, mentioned in "Decarbonizing Construction, Guidance for investors and developers to reduce embodied carbon", WBCSD

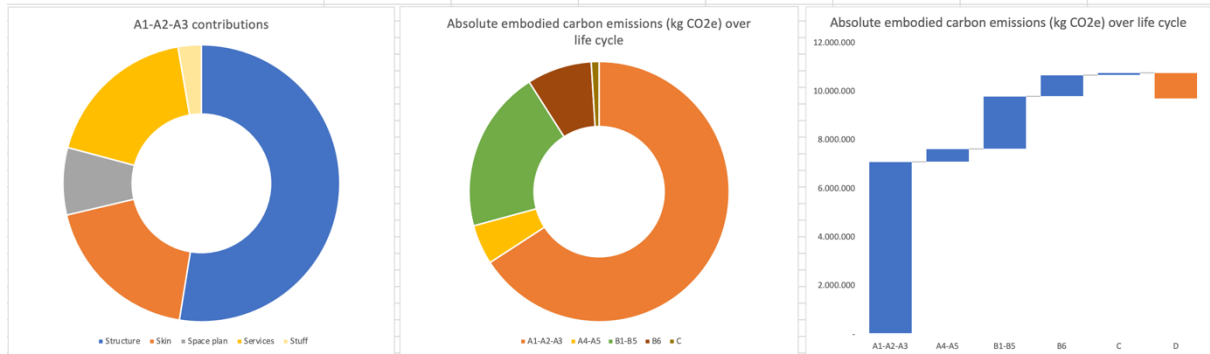


Carbon Intensity A1-A5 compared to the Science-based targets buildings sector, decarbonization pathway (draft guidance, May 2023)





	Products	Construction	In use		End-of-life	Beyond life		
Absolute embodied carbon emissions (kg CO2e) over life cycle	A1-A2-A3	A4-A5	B1-B5	B6	C	D		
Structure	3.713.360	106.096	-		37.134	0		
Skin	1.326.200	13.262	331.550		26.524	0		
Space plan	554.930	-	554.930		11.099	0		
Services	1.280.747	13.262	1.280.747	865.810	25.615	-1.062.432		
Stuff	191.300				3.826	0		
Site emissions		397.860						
Total (CO2e/m2) including beyond life (D)	7.066.537	530.480	2.167.227	865.810	104.197	-1.062.432		9.671.819
Total (CO2e/m2)		7.597.017		865.810	104.197			
Total A-B-C (CO2e/m2)					10.734.251			10.734.251
Biogenic Carbon Storage						0		
Avoided emissions compared to natural gas						-1.062.432		
Circularity, avoided emissions						0		
Pavements outside building envelope	592		1.184		59,2			1.835
Total life cycle impact (kg CO2e) over whole life cycle (without beyond life (D))								10.736.086



Monetisation of carbon impact		Reference value for carbon impact EURO per ton		120					
	A1-A2-A3	A4-A5	B1-B5	B6	C	D			
Building	€ 847.984,45	€ 63.657,60	€ 260.067,25	€ 103.897,16	€ 12.503,66			€	1.288.110,12
Pavements outside the building envelope								€	220,22
Total impact								€	1.288.330,34
Beyond life impact						€ (127.491,84)			

Disclaimer:
This estimation is meant for self-assessment purposes.

This approximate model is prepared by:
www.GRUUND.be

Above: detailed example of the used Life Cycle Carbon Emission Calculation

As a general conclusion, the principles of the United Nations' Triple Strategy provide the right guidance for the benchmark CIRIL does. CIRIL's strategy is in line with these following principles.

“The real estate and construction sector will need to completely decarbonise by 2050 in order to realise its contribution to the achievement of the Paris Agreement. Building emissions will need to be addressed along their lifecycle through a **Triple Strategy**:

- **reducing energy demand** of buildings during the **operational phase** (through behaviour change and increased energy efficiency),
- **decarbonising the power supply** (electrification through use of zero-carbon heating and cooling technologies, renewable sources), and
- **addressing embodied carbon** (through reducing the upfront carbon emissions at production stage of building materials, maximizing the refurbishment of existing buildings, maximise potential for renovation and reuse at end-of-life stage, future adaptation and circularity).”

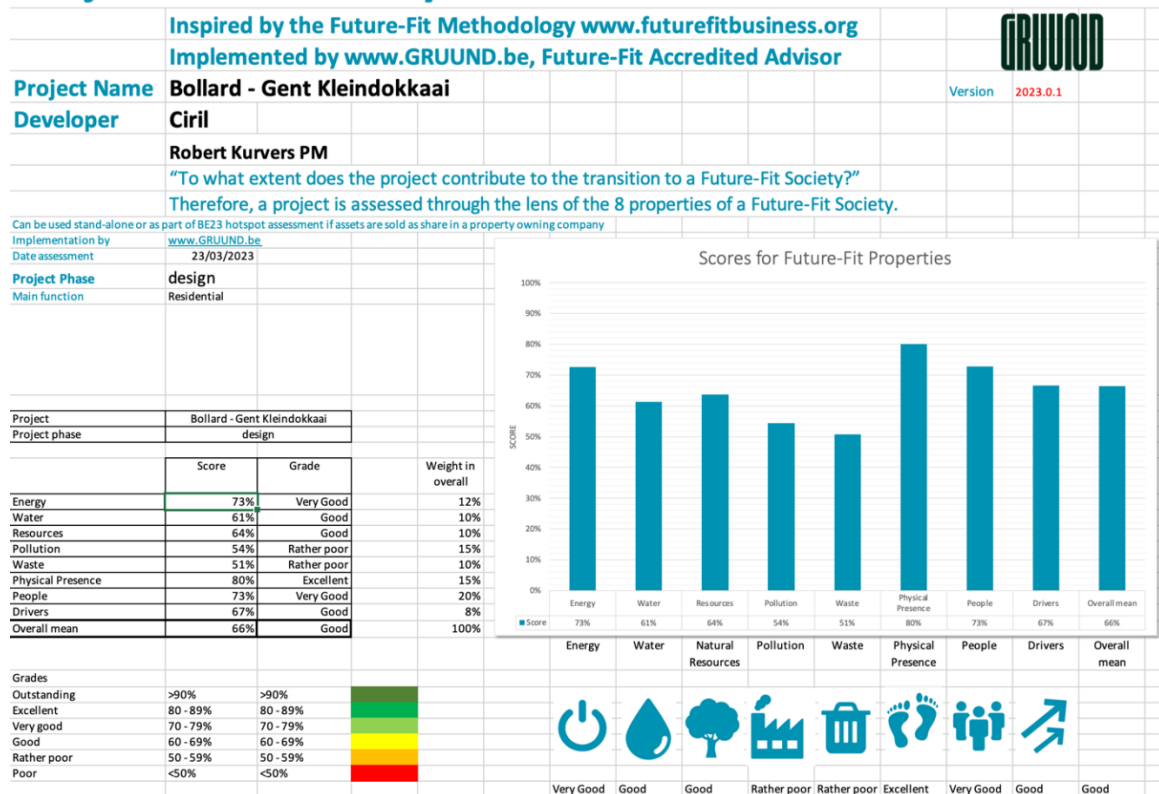
Project Sustainability Assessment (PSA)

Seeing sustainability is not only measured by the amount of carbon emission, CIRIL is also implementing a general *Project Sustainability Assessment* on each project. Just like the

above-mentioned assessment, this assessment is also conducted before acquiring a project (as a benchmark to see if the project will meet the standards CIRIL sets) and at specific milestone moments of the project.

This PSA is being used to evaluate projects through the lens of the 8 important properties of a Future-Fit Society. Objectives are pre-set and should be approached with some flexibility, partly because each project context presents specific challenges.

Project Sustainability Assessment Dashboard "PSA2023"



Above: the PSA-dashboard of Gent, Kleindokkaai, as an example

Each section of this assessment conducts a thorough investigation of what the current project is and is not focusing on, by asking very specific questions and scoring the project for each positive element withheld.

For example regarding the chapter water, the assessment not only evaluates the way rainwater is captured (size of vegetation roofs, water gardens, size of rainwater tanks,..) and reused, but also how the use of potable water is limited (use of water limiting showers and toilets, reuse of grey water, groundwater extraction,...).

This not only makes it possible to benchmark the project towards the defined standard, but also obligates the CIRIL team to think and evaluate all possibilities during the design and construction stage of a development project and gives CIRIL the possibility to modify certain elements where the results are below the set standard.

The following objectives are pre-set for CIRIL's new-developed Belgian projects as of 2023 and will be approached with flexibility.



For Polish projects these standards aren't set at the same level yet, but the projects are assessed in the same way and the objectives are given as a guideline for good practices.

For future projects in Poland the goal is to gradually raise the standard towards these general objectives.

Domain	Minimum score	Comments
Energy	80 % (new buildings)	Energy demand for heating and cooling is suggested to be lower than 30 kWh/m ² New buildings are always all-electric (except for emergency power) Building renovation: search for a pragmatic path for energy demand
Water	70%	Provide more storage capacity for rain water For buildings with more than 4 floors, consider treatment of grey waste water for reuse in toilet flushing. Maximum softening of non-built areas
Natural Resources	70%	Assess the applicability of bio-based materials
Pollution	70%	Make an indicative approximation of embodied carbon. Avoid steel and concrete wherever possible
Waste	Not yet specified	Apply the principles of circular building, where it is possible: adaptability (versatility, convertibility, expandability) and design for disassembly (ease of access, independence (7 layers), avoidance of unnecessary treatments, simplicity, standardization, safety of disassembly)
Physical Presence	80%	Contribute to nature-inclusive viable, walkable and bikeable cities
People	75%	Stimulate social interaction
Drivers	80%	Implement a Supplier Code of Conduct for Tier 1 and 2 Search for partnerships for the goals to improve leverage and impact across the upstream value chain Communicate on sustainability
Overall score	75%	With not more than one domain with a score that is lower than "very good"



Ciril.

Conclusion

This report is a brief summary of very elaborate and academically based research CIRIL has been doing in the passed years. This for the purpose of substantiating clearly on which topics CIRIL actively wants to focus in the following years in regards to sustainably creating business growth.

As indicated the shown assessments give a clear idea of the general approach of CIRIL's urge to set specific goals in regards to sustainability and find a way to benchmark and monitor the new and existing projects in Belgium, Poland and Portugal in a way that is understandable and applicable for all involved parties.

Given the aforementioned practices are still less known in Poland, CIRIL believes the growth and evolution accomplished in this market can be high.

These assessments are used as an overarching element for CIRIL, but motivate the whole team in all countries to search for specific innovations that can positively impact these assessments. When such elements are discovered, they are also shared between the different business units to facilitate growth in all projects of CIRIL.

Attachment 1: Conclusions of the Future-Fit Risk Profiler

	ESRS-topic	Impact materiality according to the Future-Fit Risk Profiler	Explanation
E1	Climate change and Energy	Very high	Energy-use and carbon emissions of developed buildings, embodied carbon of construction materials (Scope 3), ...
E2	Pollution	High	Life-cycle impact of construction materials
E3	Water and marine resources	Moderate	Water stewardship in buildings, in construction phase and in use-phase, ...
E4	Biodiversity and ecosystems	Moderate	Impact of construction materials (life-cycle), biodiversity in the built environment, ...
E5	Resource use and circular economy	Very high	Resource intensity (virgin materials) of buildings, limited life-time, mono-functionality of buildings, ...
S1	Own workforce	Low	High standards
S2	Workers in the value chain	High	Human and labour rights in the upstream value chain (raw materials sourcing, manufacturing of construction materials, sub-contractors and contractors at the construction site)
S3	Affected communities	Moderate	Neighbours of construction sites can experience inconvenience; Neighbours of construction materials manufacturing companies and mining of raw materials can experience disturbance.
S4	End-users and consumers	Low	End-users generally experience the positive impact of the projects (better living conditions, quality of life, ...)
G1	Business conduct	Moderate	In upstream value chain

Hereunder, the most important identified aspects of negative impact materiality are mentioned.

Negative Impact Materiality	Material issues
E1 – Climate change	<p>The real estate value chain is responsible for a very significant share of global greenhouse gas emissions.</p> <p>If a developer sells properties where heating systems still operate with fossil fuels, there is a significant impact in the use phase of the buildings. CIRIL decided to no longer develop new projects with fossil fuel heating systems.</p> <p>The second most important category of greenhouse gas emissions is found in the production of the materials used in constructions. So-called embodied carbon is an important aspect of negative impacts related to climate change. CIRIL calculates the life-cycle impact of buildings, including embodied carbon, initiated try-outs with bio-based materials (e.g. Cross-laminated timber) in a step-by-step approach to lower the embodied carbon of its developments.</p> <p>We explicitly refer to the carbon accounting mapped for CIRIL and the mitigation strategy that is being developed.</p>
E2 – Pollution	<p>Pollution, other than greenhouse gas emissions, occurs mainly in the upstream value chain. Raw materials are mined in large quantities, materials are produced with high contents of primary raw materials, ... These activities often take place in</p>

	<p>regions where regulations are less stringent than ours, resulting in environmental pollution. Today, there are many unknowns regarding this pollution, all the way up the value chain. The High Impact Commodity List (Science-base Targets network for nature, see below) shows material negative impact.</p> <p>The task will be to be able to obtain more information about the life-cycle of materials, year after year, and be able to manage the pollution that takes place there. CIRIL will carry out LCA's (life-cycle assessments), ask for EPD's (environmental product declarations) and so on.</p>
E3 – Water and marine resources	<p>Awareness around prudent use of water is rapidly increasing as we see the impact of climate change more and more clearly.</p> <p>Water stewardship across the entire value chain of real estate and construction means efficient management of water flows, avoiding water pollution, avoiding water withdrawals in areas with drought problems or water stressed areas. CIRIL can act as a good steward in the developed projects.</p> <p>However, the biggest potential negative impact is in the upstream value chain, namely in the extraction of raw materials and manufacture of products and materials used in the buildings.</p>
E4 – Biodiversity and ecosystems	<p>Negative impacts on biodiversity and ecosystems occur mainly in the upstream value chain of property development: in the extraction of raw materials and production of materials. There is insufficient transparency about this today. Focusing on the use of materials with a lower ecological footprint and building with bio-based materials (sourced in sustainably managed forests) are important focal points for the future.</p> <p>The High Impact Commodity List (Science-base Targets network for nature, see below) shows material negative impact.</p>
E5 – Resource use and circular economy	<p>The real estate sector faces several significant challenges related to resource use and the transition to a circular economy:</p> <p>Resource Depletion: The real estate sector is a major consumer of natural resources, including materials such as minerals, steel, concrete, and energy for heating, cooling, and lighting buildings. As global demand for resources continues to rise, the real estate sector faces the risk of resource scarcity and price volatility, which can impact construction costs and project viability.</p> <p>Waste Generation: Mining of resources, production of materials, construction and demolition activities generate vast amounts of waste, including construction debris, demolition rubble, and discarded building materials. The disposal of construction waste contributes to environmental pollution and greenhouse gas emissions, while also representing a missed opportunity for resource recovery and reuse.</p> <p>The transition to a circular economy presents challenges for CIRIL to minimize resource use, reduce waste, and promote resource efficiency throughout the lifecycle of buildings. This includes adopting principles such as designing for disassembly and reuse, incorporating recycled and renewable materials into construction projects, and implementing strategies for waste reduction and recycling.</p>
S1 – Own workforce	<p>The negative impact in relation to own employees is undoubtedly limited, given good social and working conditions, etc. Still, there are some challenges related to work-life balance.</p>
S2 – Workers in the value chain	<p>Labour conditions in the upward value chain are undoubtedly an important material issue. Due diligence of the upward value chain is therefore in order. This is an exercise that will be tackled step by step.</p>



	<p>A significant group of people in the upstream value chain are the workers at the construction sites of CIRIL's projects, engaged by contractors and subcontractors. Secondly, workers at construction materials manufacturing companies are considered, here. For those workers, we generally have no information available.</p>
S3 – Affected Communities	<p>Negative impact on communities is mainly present in the upstream value chain, in mining operations, in materials production (within and especially outside Europe), in factories making materials and appliances for the construction industry.</p> <p>We distinguish two main stakeholder groups among affected communities, namely:</p> <ul style="list-style-type: none"> - Communities affected by activities of companies in the upstream value chain, especially for mining activities, production of steel, aluminium, glass, ceramics, ... and other technical materials that are used in the construction sector; - Communities in the neighbourhood of the real estate projects that the company develops.
S4 – End-users and consumers	<p>End-users are an extremely important target group for CIRIL. They are directly affected by the way CIRIL develops real estate projects. S4 is therefore a material topic anyway, even if there only seems to be potentially a negative impact on most fronts. CIRIL aims to improve the quality of life of the end-users, not to hinder it... (see positive impact)</p>
G1 – Business conduct	<p>Unethical business practices in the value chain of the entire real estate sector can have several potential negative impacts on society:</p> <ul style="list-style-type: none"> - Displacement and Gentrification potentially disrupting social cohesion, cultural identity, and local economies, exacerbating inequalities and creating social tensions. - Housing Affordability Crisis: Speculative real estate practices, collusion among developers, or market manipulation can contribute to skyrocketing housing prices and exacerbate the housing affordability crisis. - Exploitation of Workers: Unethical labor practices, such as worker exploitation, unsafe working conditions, can harm construction workers and laborers in the real estate sector. - Environmental Degradation: Unethical development practices, such as deforestation, habitat destruction, or pollution of air and water resources, can degrade the environment and harm ecosystems. Irresponsible land use planning, unsustainable construction practices, and lack of environmental safeguards can lead to habitat loss, biodiversity decline, and ecosystem degradation, impacting natural resources and ecological resilience. - Corruption and Bribery: Corruption and bribery in the real estate sector can undermine transparency, accountability, and the rule of law, fostering a culture of impunity and eroding public trust in institutions. <p>By being aware of this, CIRIL prevent negative impacts that may occur in the upstream value chain through its procurement policy.</p>

CIRIL's positive impact along the ESRS-topics:

Positive Impact Materiality	Material issues
E1 – Climate change	<p>Through the realisation of its projects, the company aims to adapt the environment to the changing climate with more extreme weather events, longer droughts, more severe storms, increasingly frequent heat waves, and so on.</p>

	<p>CIRIL makes the urban environment more resilient to climate change and support the comfort of residents. These aspects of climate adaptation are ways to bring positive impact.</p>
E2 – Pollution	<p>CIRIL can have a positive impact on society in relation to pollution in the upstream value chain by implementing various strategies aimed at reducing environmental degradation, improving public health, and promoting social equity. Here are several areas where real estate developers can make a positive difference:</p> <ul style="list-style-type: none"> - Environmental Conservation and Restoration, such as brownfield redevelopment. By rehabilitating degraded land and ecosystems, CIRIL can mitigate pollution and contribute to biodiversity conservation, soil stabilization, and carbon sequestration. - Promotion of Sustainable Transportation: CIRIL can prioritize projects that support sustainable transportation options, such as mixed-use developments with pedestrian-friendly amenities and bike-friendly infrastructure. By reducing reliance on private vehicles and promoting walking, cycling, and public transit, CIRIL can help reduce air pollution, traffic congestion, and greenhouse gas emissions. - Green Building and Healthy Living: CIRIL can design and construct buildings that prioritize occupant health and well-being, such as energy-efficient, healthy, and environmentally friendly buildings. By incorporating features like daylighting, natural ventilation, low-toxicity materials, and indoor air quality monitoring systems, CIRIL can create healthier indoor environments that reduce pollution exposure and enhance quality of life for residents and occupants. <p>By focusing on these areas, CIRIL leverages its influence to not only mitigate pollution in the upstream value chain but also contribute to broader societal goals related to environmental sustainability, public health, and social equity.</p>
E3 – Water and marine resources	<p>The positive impact CIRIL can have with regard to water is to make developed areas more rainwater-robust and climate-adaptive than they were before. There is clearly also an interface here with strengthening biodiversity and ecosystems and with climate resilience.</p>
E4 – Biodiversity and ecosystems	<p>Redevelopment of urban areas offer opportunity to strengthen ecosystems and biodiversity. This is actively addressed from the start of project design and development.</p>
E5 – Resource use and circular economy	<p>When CIRIL designs fully circular buildings with a low carbon footprint - possibly bio-based – with the ability to demount, repurpose, reuse, ... it increases the long-term value of that property.</p>
S1 – Own workforce	<p>Providing good working conditions, taking care of social welfare, investing in training, encouraging mutual cooperation, etc. enhances the development and development opportunities of employees. This also benefits CIRIL as a company.</p>
S2 – Workers in the value chain	<p>Attention to human and labour rights in the upstream value chain can ensure that many more people earn adequate wages and have access to social services. CIRIL can thereby strengthen the social foundation of more people. CIRIL promotes fair labor practices and prioritizes the well-being of workers in their supply chains. Employees are more likely to be engaged and motivated when they work for companies that demonstrate a commitment to ethical business practices and employee welfare, which can contribute to higher productivity and organizational success.</p>

	Social Impact and Community Development: Improving labor and human rights in the upstream value chain can have positive social impacts on workers and communities.
S3 – Affected Communities	<p>When CIRIL succeeds in contributing to sustainable cities and communities (Future-Fit Cities) through project development, many stakeholders benefit, especially residents and people living in that neighbourhood. Projects are therefore a lever for developers to have positive impact.</p> <p>We distinguish two main stakeholder groups among affected communities, namely:</p> <ul style="list-style-type: none"> - Communities affected by activities of companies in the upstream value chain, especially for mining activities, production of steel, aluminium, glass, ceramics, ... and other technical materials that are used in the construction sector; - Communities in the neighbourhood of the real estate projects that CIRIL develops. <p>CIRIL’s real estate development projects aim to improve the sustainability of cities and communities, in general, and the quality of life of stakeholders, the residents of the projects and their direct and indirect neighbourhoods, in particular. CIRIL aims to add value to live, work and play. CIRIL develops what can be improved, where cities can grow and people feel at home. “That is how we, at CIRIL, <i>build value</i>”.</p>
S4 – End-users and consumers	CIRIL’s objective is mainly to have a positive impact on the end user's living, working and living conditions.
G1 – Business conduct	<p>Ethical business practices by CIRIL contributes to several positive impacts on society:</p> <p>Ethical business practices contribute to positive societal outcomes by addressing housing needs, providing affordable housing, empowering communities, creating economic opportunities, protecting the environment, promoting social equity, and enhancing quality of life. By embracing ethical principles and values, CIRIL can align its business interests with the broader interests of society, driving sustainable development and shared prosperity for all.</p>

Attachment 2: Measuring progress using the Future-Fit Benchmark regarding Break-Even goals

BE01	Energy is from renewable sources
Where to go?	A Future-Fit Business ensures that all energy consumed – as electricity, heat or fuel – is derived from renewable energy sources: solar, wind, ocean, hydropower, geothermal resources, and biomass.
Risk level	High
ESRS Reference	E1
Data Gathering	Good
Progress	Electricity, heating, mobility



	2021		2022		2023	
	total (kWh)	renewable	total (kWh)	renewable	total (kWh)	renewable
Natural Gas	41.894	-	36.967		28871	
Elect Hasselt	49.700	9.393	42.877	9.519	27161	6029,742
Antwerp heat	37.500	2.835	37.500	3.330	37500	8325
Antwerp elekt (excl H	9.161	1.731	10.196	2.264	10691	2373,402
Antwp heat from air		22.500		22.500		22500
EV charging			14427	3202,794	1998	443,556
mobility (diesel)	87696,86		104182,55		79799,4	
	225.952	36.460	246.150	40.815	186020,4	39671,7
		16,1%		16,6%		21,3%

Fitness 2023:
Amount renewable energy / Total energy = 21,3 %

Pathway
 To be implemented:
 Purchase of green electricity, preferably with bundled REC's.
 Phase-out cars running on diesel and introduce electric vehicles.

BE02	Water use is environmentally responsible and socially equitable
Where to go?	A Future-Fit Business protects freshwater resources by minimizing water consumption in its commercial and industrial activities, and by ensuring its discharges do not degrade the water quality of receiving watersheds
Risk Level	Low
ESRS Reference	E3
Data Gathering	No Data gathered
Progress	<p>Waste water treatment All the discharge from domestic waste water from toilets, washbasins and showers is collected in public sewers, leading to appropriate (inter)communal/regional treatment plants.</p> <p>Water Stewardship The region where the offices are located is increasingly subject to water stress as water resources are being overexploited, long periods without precipitation are becoming more frequent and a gradual reduction of groundwater resources is occurring. It is therefore important to collect rainwater locally as much as possible and use it for purposes where drinking water quality is not required. This way, less drinking water is needed to be purchased and less pressure is put on water resources. Working in this way is contributing to water stewardship.</p> <p>In the company's offices, drinking water is used for toilet flushing. So, a high-value product is used for a low-value application.</p> <p>Water Stewardship in projects being developed Water stewardship in the projects that are being developed is very relevant. See Project Sustainability Assessment (PSA) (PAT's).</p>
Pathway	Not applicable

BE03	Natural resources are managed to respect the welfare of ecosystems, people and animals
Where to go?	A Future-Fit Business preserves the health of all natural resources it owns or manages, as well as that of all ecosystems and communities impacted by sourcing activities it conducts itself.
Risk level	Unlikely
ESRS Reference	E1, E2, E3, E4, E5, S3
Data gathering	Not applicable
Progress	The company does not manage or is involved in the sourcing of natural resources. This is an issue for the upstream value chain and thus covered by BE04 Procurement.
Pathway	Not applicable

BE04	Procurement safeguards the pursuit of future-fitness (upstream supply chain)						
Where to go?	A Future-Fit Business seeks to reduce – and eventually eliminate – any negative environmental and social impact caused by the goods and services it depends upon, by continuously striving to anticipate, avoid and address issue-specific hotspots in its supply chains.						
Risk level	High						
ESRS Reference	E1, E2, E3, E4, E5, S2, S3						
Data gathering	<p>In progress</p> <p>To anticipate the negative impacts that its procured goods and services could be contributing to, a company should develop a clear understanding of the size, nature and complexity of its supply chains. A hotspot assessment is a way to determine possible negative impacts which could undermine progress toward a Future-Fit Society.</p> <p>Such a hotspot assessment is being undertaken, not yet covering all areas of the Future-Fit Society. First focus is on the emission of greenhouse gases in the upstream value chain, upstream scope 3 emissions.</p>						
Progress	<p>In general, the following steps are undertaken / to be undertaken:</p> <ul style="list-style-type: none"> - Supply Chain Mapping - Potential hotspot assessment <ul style="list-style-type: none"> o Identification of the potential hotspot for each issue area o Assessment of the potential hotspot intensity o Informed prioritisation of which impacts to address first - Address hotspots in line with No use, no excuse, commit to reduce approach. <p>The 8 properties, in short:</p> <p>Energy Most energy that is used in the upstream value chain is non-renewable and emits greenhouse gases. Assessed provisionally with generic data, most often not specific data.</p> <p>Water Not yet assessed</p> <p>Natural Resources Potential hotspots occur in the mining of metals and minerals that are being used in the buildings.</p> <p>Pollution – other than greenhouse gases Not yet assessed</p> <p>Pollution by greenhouse gases - Upstream Scope 3 Greenhouse Gas Emissions The upstream scope 3 emissions are subject to inventory, with mostly 2022 as a reference year, sometimes 2021 according to the availability of date. See Carbon Accounting Scope 1, 2 and 3.</p> <p>Waste An assessment to see whether waste is generated in the upstream value chain, has not yet been undertaken.</p> <p>Physical Presence Not yet assessed</p> <p>People An assessment to see whether human rights are violated in the upstream value chain, has not yet been undertaken.</p> <p>Drivers Not yet assessed</p> <p>Fitness Scores:</p> <table border="1" data-bbox="395 1957 1291 2031"> <thead> <tr> <th data-bbox="395 1957 663 2011">Domain</th> <th data-bbox="668 1957 794 2011">Fitness 2022</th> <th data-bbox="799 1957 1291 2011"></th> </tr> </thead> <tbody> <tr> <td data-bbox="395 2011 663 2031">Energy</td> <td data-bbox="668 2011 794 2031">0%</td> <td data-bbox="799 2011 1291 2031">No assessment undertaken, yet</td> </tr> </tbody> </table>	Domain	Fitness 2022		Energy	0%	No assessment undertaken, yet
Domain	Fitness 2022						
Energy	0%	No assessment undertaken, yet					

	Water	0%	No assessment undertaken, yet
	Natural Resources	0%	No assessment undertaken, yet
	Pollution other than GHG	0%	No assessment undertaken, yet
	Pollution GHG	50%	Hotspot assessment conducted (Scope 3 emissions), actual hotspots confirmed, strategy developed to address them
	Waste	0%	No assessment undertaken, yet
	Physical presence	0%	No assessment undertaken, yet
	People	0%	No assessment undertaken, yet
	Drivers	0%	No assessment undertaken, yet
Pathway	<p>In general The company will engage its suppliers, create awareness, detect and address hotspots in order to continually improve the value chain where we are part of and gradually pull suppliers and other stakeholders along in its wake.</p> <p>Pollution by greenhouse gases was detected as high-risk hotspot. Therefore, an Upstream Scope 3 Greenhouse Gas Emission Inventory has been made and a Reduction Strategy is in place, in line with Science Based Targets. See Carbon Strategy Scope 1, 2 & 3</p> <p>Life-cycle impact of materials (natural resources) In order to have a better idea on the environment impact of materials that are being used in buildings, (LCA) Life Cycle Analysis can be done.</p> <p>In addressing the potentially negative impact in the upstream value chain, the company will act as an <i>early adopter</i>. In the coming years, there will be an increasingly explicit focus on the following aspects, among others:</p> <ul style="list-style-type: none"> - Human Rights in the upstream value chain - Circularity and circular building: reuse of materials, recycling of materials, circular inflow - Waste management at the construction sites - Sustainable procurement - Partnerships 		

BE05	Operational emissions (other than GHG) do not harm people or the environment
Where to go?	A Future-Fit Business eliminates all forms of harmful emissions from its operations – gaseous, liquid and solid
Risk level	Low
ESRS Reference	S2
Data gathering	Not applicable
Progress	The company's operational activities do not have any harmful emissions (other than greenhouse gases) – gaseous, liquid and solid.
Pathway	Not applicable

BE06	Operations emit no GHGs
Where to go?	A Future-Fit Business emits net zero GHGs as a result of its own operational activities, including energy it consumes.
Risk level	Moderate
ESRS Reference	E1
Data gathering	The GHG inventories for 2022 (as reference year) and 2023 are available
Progress	<p>Totals: Scope 1 + 2 in 2021: 40 tCO₂e Scope 1 + 2 in 2022: 43 tCO₂e (=reference) Scope 1 + 2 in 2022: 33 tCO₂e</p>



	<p>Fitness: 23 % (=reference year as a starting point)</p> <p>Note: In scope for BE06: Scope 1 + 2 Out of scope for BE06: upstream scope 3 emissions (which are included in BE04)</p>
Pathway	<p>The company has developed a Carbon Strategy, based upon the Carbon Accounting for Scope 1, 2 and 3, and following the methodology of the Net-Zero Carbon Standard of Science-Based Targets Initiative (published in Oct 2021). The Carbon Strategy will include short-term targets reduce the emissions with 42% by 2030 and long-term targets to reach Net-Zero by 2050 or earlier.</p> <p>General targets, in line with the Net-Zero Standard:</p> <ul style="list-style-type: none"> - Reduction with 42% by 2030 for Scope 1, 2 and 3 - Reduction with 95% (Scope 1 & 2) and 90% (Scope 3) by 2050 <p>See PAT's in this report.</p>

BE07	Operational waste is eliminated																																																																								
Where to go?	A Future-Fit Business seeks to eliminate operational waste completely, and ensures that all by-products are repurposed. Organic waste may be composted and returned to the soil, and materials that can be reused must be reclaimed																																																																								
Risk level	Moderate																																																																								
ESRS Reference	E5																																																																								
Data gathering	Imprecise data is available																																																																								
	<p>Waste generation at the offices is in the scope.</p> <table border="1"> <thead> <tr> <th colspan="2">CIRIL</th> <th colspan="2">2022</th> <th colspan="2">2023</th> </tr> <tr> <th>Waste</th> <th>site</th> <th>Total amount waste (kg)</th> <th>Recyclable amount (kg)</th> <th>Total amount waste (kg)</th> <th>Recyclable amount (kg)</th> </tr> </thead> <tbody> <tr> <td>Regular office waste for incineration</td> <td>Antwerpen</td> <td>572</td> <td></td> <td>572</td> <td></td> </tr> <tr> <td>Regular office waste for incineration</td> <td>Hasselt</td> <td>382</td> <td></td> <td>1082</td> <td></td> </tr> <tr> <td>Industrial waste</td> <td>Hasselt</td> <td>448</td> <td></td> <td>519</td> <td></td> </tr> <tr> <td>PMD</td> <td>Hasselt</td> <td>10</td> <td>10</td> <td>25</td> <td>25</td> </tr> <tr> <td>Paper</td> <td>Hasselt</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Paper and cardboard</td> <td>Antwerpen</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>1412</td> <td>10</td> <td>2198</td> <td>25</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>Progress:</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>-56%</td> <td></td> </tr> </tbody> </table> <p>Amount of waste non-recyclable: 1402 kg (imprecise) in reference year 2022 Fitness= - 56 %</p>	CIRIL		2022		2023		Waste	site	Total amount waste (kg)	Recyclable amount (kg)	Total amount waste (kg)	Recyclable amount (kg)	Regular office waste for incineration	Antwerpen	572		572		Regular office waste for incineration	Hasselt	382		1082		Industrial waste	Hasselt	448		519		PMD	Hasselt	10	10	25	25	Paper	Hasselt					Paper and cardboard	Antwerpen							1412	10	2198	25											Progress:						-56%	
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Pathway	More refined data is needed.																																																																								

BE08	Operations do not encroach on ecosystems or communities
Where to go?	A Future-Fit Business preserves the health of all areas of high biological, ecological, social or cultural value – both by protecting them where the company is already active, and by avoiding further expansion into new areas if degradation is possible.
Potential risk level	Low
ESRS Reference	E4, S3
Data gathering	
Progress	<p>The offices (and real estate projects) are situated in dedicated areas for residential purpose, office and mixed-use activities in the cities.</p> <p>No activities have an effect on pristine ecosystems, such as wetlands or forests, or on high cultural or ecological value.</p> <p>No local communities are negatively affected by the company's activities or presence.</p>



Pathway	<p>Gardens and (unpaved) spaces surrounding buildings might be developed to stimulate bio-diversity and to protect against urban heat island effect.</p> <p>Projects are subject to Project Sustainability Assessments. See BE23 Target indicators are subject of evaluation.</p>
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BE09	Community health is safeguarded
Where to go?	A Future-Fit Business seeks to anticipate, avoid and address the concerns of all local communities whose wellbeing may be affected by its operational activities
Potential risk level	Low
ESRS Reference	S3
Data gathering	appropriate
Progress	<p>People living in the neighbourhood of where the projects are developed may be affected by the company's activities. There might be a potential of negative impact during the construction phase. Therefore, appropriate measures are in place.</p> <p>Minimal Nuisance Plan Neighbours can be impacted by the projects while they are in the construction phase. Therefore, long before the construction works start, the company opens dialogue with the neighbourhood and listens to their wishes and concerns. Then, a customized minimal nuisance plan is developed, tailored to unique neighbourhoods and projects. Prevention, management and adjustment is set up in partnership with the contractors.</p> <p>During the entire building process, the company serves as a mediator between contractor(s) and the local residents, as an appropriate point of contact for the neighbourhood. The company keeps an eye on the effects of the measures during each step of the process. Quick changes can be made when a planned approach might not have the desired outcome.</p> <p>A customized approach is designed, based on 5 potential nuisance topics: noise, dust and mud, safety, traffic mobility and communication.</p> <p>Fitness criteria:</p> <ul style="list-style-type: none"> - Ensure legitimacy: fulfilled - Ensure positive outcomes: fulfilled - Ensure accessibility: fulfilled - Reduce uncertainty: fulfilled - Ensure fairness: fulfilled - Ensure transparency: fulfilled - Improve continuously: fulfilled - Engage actively: fulfilled <p>Fitness: 100%</p>
Pathway	<p>Projects are also subject to Project Sustainability Assessments. Target indicators are subject of evaluation.</p>

BE10	Employee health is safeguarded
Where to go?	A Future-Fit Business safeguards the health of its employees by ensuring physically safe work environment, having zero tolerance for harassment and bullying, and by nurturing emotional and mental wellbeing
Potential risk level	Low
ESRS Reference	S1
Data gathering	
Progress	<p>Fitness criteria for reporting company:</p> <ul style="list-style-type: none"> - Physical safety: fulfilled - Mental wellbeing: fulfilled - Physical activity: fulfilled - Nutrition: fulfilled - Smoking: Communal areas, inside, are smoke-free. Outside areas are not smoke-free - Support for lost time: fulfilled



	Fitness score: 90%
Number of employees:	<20 employees
Pathway	Continuous attention is needed regarding to mental health (stress, potential work overload, burn-out prevention).

BE11	Employees are paid at least a living wage
Where to go?	A Future-Fit Business pays all workers in all regions enough to meet their basic needs and secure essential services for themselves and their families
Risk level	Low
ESRS Reference	S1
Data Gathering	Belgium
Progress	All employees live in Belgium All employees are paid at least a living wage. Fulfilled Fitness score: 100%
Pathway	Not applicable

BE12	Employees are subject to fair employment terms
Where to go?	A Future-Fit Business ensures that all its workers are treated fairly. Contracts between employer and employee afford individuals the basic protection, freedoms and rights expected in a prosperous and just society.
Potential risk level	Low
Reference	S1
Data gathering	Good
Progress	Fitness criteria: <ul style="list-style-type: none"> - Child labour: fulfilled - Fair employment status: fulfilled - Freedom of association: fulfilled - Fair working hours: fulfilled - Holiday: fulfilled - Maternity, paternity and parental leave: partially fulfilled, not all conditions cover all genders, yet Paternity leave ("vaderschaps-geboorteverlof" in dutch) is limited to fifteen days (until end 2022) and twenty days as of January 2023. Fitness score: 80%
Pathway	There is no intention to change the current policy for paternity leave, which is common use in Belgium.

BE13	Employees are not subject to discrimination
Where to go?	A Future-Fit Business proactively investigates and monitors key practices – such as recruitment, pay structures, hiring, performance assessment and promotions – to ensure that no discrimination occurs, however unintentional it may be.
Potential risk level	Low
ESRS Reference	S1
Data gathering	
Progress	Both direct and indirect discrimination The company actively and explicitly addresses this issue through many voluntary initiatives, not only towards employees. Fitness criteria: <ul style="list-style-type: none"> - Adoption of an anti-discrimination policy: fulfilled - Directive and preventive measures: fulfilled - Corrective measures: fulfilled - Monitoring: fulfilled Fitness score: 100%

Pathway	Remain vigilant on applying the policy
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BE14	Employee concerns are actively solicited, impartially judged and transparently addressed
Where to go?	A Future-Fit Business takes steps to minimize employee concerns, and implements internal controls to identify and deal fairly with any issues that do arise.
Risk level	Low
ESRS Reference	S1
Data gathering	
Progress	<p>Fitness criteria fulfilled:</p> <ul style="list-style-type: none"> - Ensure legitimacy: ok - Ensure positive outcomes: ok - Ensure accessibility: ok - Reduce uncertainty: ok - Ensure fairness: ok - Transparency: ok - Engage actively: ok - Improve continuously: ok <p>Fitness score: 100%</p>
Pathway	Remain vigilant on applying the policy

BE15	Product communications are honest, ethical and promote responsible use
Where to go?	A Future-Fit Business does everything it can to help customers make responsible decisions regarding the purchase, use and (in the case of physical goods) post-use processing of its products. In addition, it markets its products honestly and ethically to appropriate audiences.
Risk level	low
ESRS Reference	S4
Data gathering	To be gathered
Progress	<p>The buyers of the property developed by the company are the main target group where communication is the subject of this study.</p> <p>Communication to this target group is provided, prior to a purchase agreement, through the sales charge book, sales plans and general commercial and marketing information. In Belgium, strict regulations already apply via the Breyne Act. Upon delivery of a real estate object, an extensive as-built dossier and a post-intervention dossier are made available in which a lot of information is made available.</p> <p>All major user groups are identified: fulfilled Communication plans are in place: fulfilled Communications support informed purchase decisions: fulfilled Communications support the proper use of products: fulfilled Communications support the proper post-use treatment of goods: not fulfilled</p> <p>Fitness score: 75%</p>
Pathway	As part of the circular buildings work train, communication will be provided regarding post-use treatment of building parts, materials and components.

BE16	Product Concerns are actively solicited, impartially judged and transparently addressed
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Where to go?	A Future-Fit Business gives voice to its customers by actively soliciting any concerns they have, impartially investigating them, and fairly and transparently acting to address legitimate grievances.
Risk level	Low
ESRS Reference	S4
Data gathering	To be gathered
Progress	<p>The company puts in place control structures to ensure that its customer concerns mechanisms satisfy all of the following criteria:</p> <ul style="list-style-type: none"> - Major user groups of products are identified: fulfilled - Concern mechanisms meet minimum requirements <ul style="list-style-type: none"> o Ensure legitimacy: fulfilled o Ensure positive outcomes: fulfilled o Ensure accessibility: fulfilled o Reduce uncertainty: fulfilled o Ensure fairness: fulfilled o Ensure transparency: fulfilled o Engage actively: fulfilled o Improve continuously: fulfilled <p>Fitness: 100%</p>
Pathway	

BE17	Products do not harm people or the environment
Where to go?	A Future-Fit Business ensures all of the goods and services it offers are completely benign to people and nature, both as a result of their use and (in case of physical goods) at their end of life.
Risk level	Low
ESRS Reference	E1, E2, E3, E4, E5, S1, S2, S3, S4
Data	
Progress	<p>The company ensures that any goods and services it provides do not lead to environmental degradation, ecosystem disruption, or negative impacts on people's physical and mental wellbeing.</p> <p>Supplementary goods: packaging, marketing materials and giveaways, ...</p> <p>The question here is whether buildings, building parts, building components might induce any harm to people or the environment.</p> <p>A fully worked-through analysis would be conducting Life Cycle Assessments of the buildings, where all building elements are assessed for harmful substances anywhere during the lifecycle and where appropriate alternatives can be suggested.</p> <p>Although no Life Cycle Assessments are conducted, materials used in the buildings that the company develops comply with the strict regulatory framework which exists in Belgium and Europe. However, for some building components, the use of certain materials that might be substances of concern (e.g. blown poly-urethane insulation in floors in end-of-life stage) are still allowed by the regulator. Therefore, further assessment is useful to determine which materials might be harmful although they are still allowed to be used.</p> <p>Fitness sold goods – use phase: 0% Fitness sold goods – end of life: 0% Fitness supplementary goods – use phase: 100% Fitness supplementary goods – end of life: 100 % Due to incomplete assessment, the fitness score for sold goods remains 0%.</p>
Pathway	A further study will be carried out in 2025 on which typical building materials might be the subject of concern. The aim is then to exclude these through provisions in specifications.

BE18	Products emit no greenhouse gases
Where to go?	A Future-Fit Business sells no goods or services that emit greenhouse gases as a direct consequence of their use.
Risk level	Low

	The risk level was graded as “low”, because the current policy already foresees the development of all-electric buildings.
ESRS Reference	E1
Data gathering	See Scope 3 downstream emissions, “use of sold products”, in the carbon accounting
Progress	The projects that were delivered in 2023, generally, have gas boilers for room heating and domestic hot water. New projects, that are in design phase, are designed to run all-electric. Fitness: 0% (as the buildings sold in 2023 still make use of fossil fuels)
Pathway	All future buildings will be “all-electric” buildings, that do no longer use fossil fuel, that run on (preferably) renewable energy. See carbon strategy Fitness score will increase as soon as all-electric projects reach delivery status.

BE19	Products can be repurposed
Where to go?	A Future-Fit Business does all it can to ensure that the physical goods it provides to others can be repurposed at the end of their useful life.
Risk level	High
ESRS Reference	E5
Data gathering	
Progress	<p>In scope are:</p> <ul style="list-style-type: none"> - Sold goods: (with all of its components) - Supplementary goods: such as packaging, marketing materials, giveaways, ... <p>Fitness criteria: A post-use component is fit for repurposing if <u>all</u> of the following are true:</p> <ul style="list-style-type: none"> - It can be separated from other components - The user has access to Recovery services or Take-back services - Reuse or recycle: the provider of the recovery service can recover the components as a new raw material without the release of harmful substances <p>Not OK is, if it can only be taken in a waste incinerator (with or without heat recovery).</p> <p>The challenge here is to bring real estate to the market from which the building components can be repurposed or at least be recycled when it reaches the end-of-life stage. Bringing into practice the principles of Circular Buildings is in the center of this challenge. The company is aware of this challenge, will gradually improve circular performance of the buildings but has not yet circular measurement in place.</p> <p>Design Principles for Adaptability</p> <ul style="list-style-type: none"> - Versatility: the ability to accommodate different functions with minor system changes (e.g. Parking space can be used as farmers market or public plaza for events) - Convertibility: the ability to accommodate substantial changes in user needs by making modifications (e.g. Offices designed and constructed to enable conversion to residential occupancy) - Expandability: the ability of a design or the characteristics of a system to accommodate a substantial change that supports or facilitates the addition of new space, features, capabilities and capacities (e.g. Additional floor level on top of existing structure) <p>Design Principles for Disassembly</p> <ul style="list-style-type: none"> - Ease of access to components and services (connections should be visible and exposed wherever possible) - Independence (building systems or “layers” stand independently, especially if their design life is different) - Avoidance of unnecessary treatments and finishes - Supporting re-use (circular economy) business models - Simplicity - Standardization - Safety of disassembly <p>Incomplete assessment as <u>no measurement of circularity</u> of the buildings is in place, yet.</p> <p>Fitness score: 0 % (cannot be measured, yet)</p>



	Although certain aspects of circularity are already put into practice, no measurement of circularity is in place, yet.
Pathway	Gradually, more and more principles of circular economy in general and circular buildings will be applied.

BE20	Business is conducted ethically
Where to go?	A Future-Fit Business actively seeks to anticipate, avoid and address ethical breaches that may arise as a result of its activities.
Risk level	Low
ESRS Reference	G1
Data gathering	Good
Progress	The company has performed a hotspot assessment An ethics policy is in place in line with the fitness criteria, which applies to and had been communicated to the employee(s). Appropriate control processes are in place to ensure that employee(s) are equipped to anticipate, avoid and spot ethical breaches, and raise concerns when they occur. Fitness: 100%
Pathway	

BE21	The right tax is paid in the right place at the right time
Where to go?	A Future-Fit Business commits publicly to a responsible tax policy, and works continuously to ensure that it lives up to this policy, across all its areas of business.
Risk level	Low
ESRS Reference	G1
Data gathering	
Progress	There is a simple and therefore transparent business structure with activity only in Belgium. The spirit of the conditions covered by this objective is implicit . In the near future, a more explicit formulation will also be made in the form of a tax policy. Tax policy, implementation and compliance: ... /8 (single-country company) Transparency: ... / 4 Tax rate and disclosure: ... / 4 Total: ... / 16 Fitness: % (measurement will be applicable from next report on)
Pathway	

BE22	Lobbying and advocacy safeguard the pursuit of future-fitness
Where to go?	A Future-Fit Business never seeks to influence market dynamics in ways that may contribute to hindering society's progress toward future-fitness
Risk level	Low
ESRS Reference	G1
Data gathering	
Progress	The influence includes efforts to shape the public discourse through activities such as advertising, public relations, social media, and participation in influential forums, including trade associations and advocacy groups. The company actively advocates opinions that contribute to society's progress towards future-fitness, both regarding social and environmental issues. Requirements: <ul style="list-style-type: none"> - Lobbying and advocacy policy requirements - Control processes for contributions



	<ul style="list-style-type: none"> - Disclosure requirements for third-party contributions/influencers. <p>A lobbying and advocacy policy is being drafted that gives attention to all aspects that belong here. This lobbying and advocacy policy will be integrated in the general Code of Conduct.</p> <p>Progress: % (will be applicable from next report on)</p> <p>Memberships with third-party contributions / influencers:</p> <ul style="list-style-type: none"> - VOKA (Chamber of Commerce) - UPSI/BVS (Real Estate industry association representing the interests of the industry)
Pathway	

BE23	Financial Assets safeguard the pursuit of future-fitness
Where to go?	A Future-Fit Business implements investment policies and related internal controls that continuously seek to improve the future-fitness of both the financial assets it owns, and any that it manages or controls on behalf of third-party asset owners
Risk level	Low
ESRS reference	G1
Data gathering	In process
Progress	<p>All the projects that are currently planned, in construction or in delivery stage are subject to an assessment with the Project Sustainability Assessment tool that is particularly developed to assess real estate development project through the lens of the 8 properties of the Future-Fit Society. The assessment gives the answer to the question whether and to what extent the projects safeguard the pursuit of future-fitness.</p> <p>The company already formulated ambitions for the grades at the different domains, applicable for projects that are in an early development stage.</p> <p>Progress: An appropriate hotspot assessment has been undertaken. The assessment identifies that potential hotspots may exist. A detailed analysis of all potential hotspots has been undertaken. The analysis confirms that actual hotspots do exist. Steps are being taken to address identified hotspots.</p> <p>Fitness score = 50%</p> <p>See PAT's on in this report.</p>
Context Indicators	Total value of financial assets
Pathway	Conduct the assessment for all the projects in development, construction or in delivery stage. Level up the ambitions, step by step, in the next years.