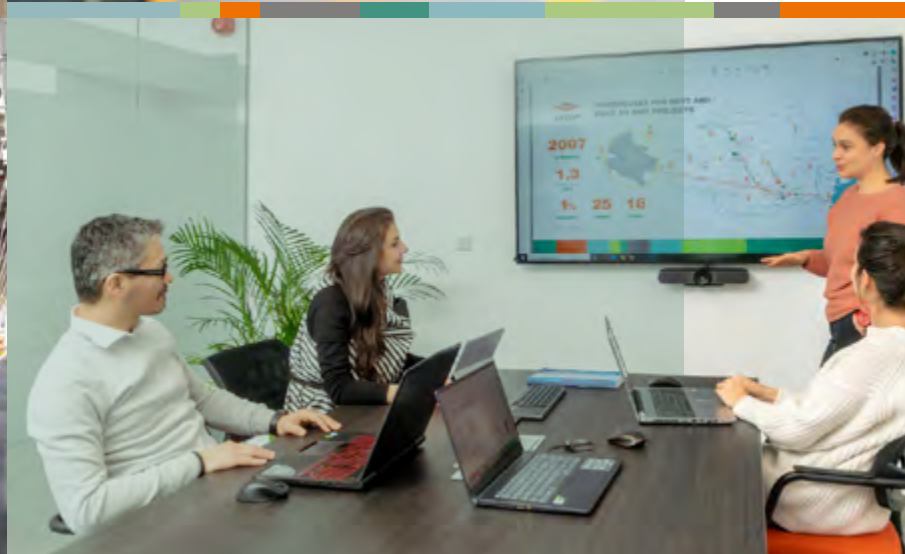




# 20

annual report



A home for  
the supply chain



**WDP**

WAREHOUSES WITH BRAINS

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## 1. CHAIRMAN'S MESSAGE TO THE SHAREHOLDERS



**“As a result of our deep-rooted position within the logistics landscape, bolstered by strong fundamentals, structural tailwinds and opportunities arising from the Covid-19 crisis, WDP is already sharpening its strategic 2019-23 growth plan. This is also supported by the confidence we enjoy from our stakeholders.”**

As the chairman of the Board of Directors, I take pride in another fantastic year for our company. Firstly, I would like to thank #TeamWDP for their organisational agility. Despite these turbulent times, our people have consistently continued to support our clients and work very professionally towards the set objectives.

I'd also like to thank our customers, partners, suppliers and all other stakeholders for their trust in our company. In these times, our focus is primarily on the health of all our teams and our stakeholders.

Despite the challenges posed by the health and economic crisis, WDP navigated safely through the Covid-19 pandemic. Over 500,000 m<sup>2</sup> of new construction projects were delivered to customers and 450 million euros were committed to new projects, so that by the end of the year 800,000 m<sup>2</sup> were under development. In the core countries where we are the market leader, we discovered enormous dynamics and resilience. Our commercial teams were able to lease a volume of 1.5 million square metres in the course of 2020, evenly spread across existing properties and new developments.

In addition, the foundations were further strengthened, as evidenced by the very strong operational and financial metrics, including an occupancy rate of almost 99% and a loan-to-value of 45%. This strong start has once again resulted in a nice increase in our EPRA Earnings per share of +8% to 1.00 euros, in line with the initial target. In 2021 WDP also wants to continue building on this momentum with a targeted EPRA earnings per share of 1.07 euros, further driven by external growth through new construction projects for our clients.

## CHAIRMAN'S MESSAGE TO THE SHAREHOLDERS

The crucial importance of logistics - and thus of logistics real estate - was confirmed in this corona crisis. A number of fundamental changes and trends have accelerated the importance of the logistics sector in recent years. These include the continued growth in e-commerce and omni-channel approach of companies, which may or may not be combined with an increased demand for food-related and pharmaceutical activities, technological advances and sustainability. Distribution networks were adapted accordingly and the demand for modern logistics infrastructure was confirmed and even inflated. The Covid-19 pandemic and its sudden impact have accelerated these key drivers within the sector and accentuated the critical role. WDP was able to respond immediately to these striking trends by means of a number of reference projects.

“

The global pandemic underlined the immense importance of a well-functioning logistics and flexible supply chain - our sector is considered critical by governments. WDP assumes its social role in this and thus aims to contribute to a sustainable post-Covid economy.

In terms of ESG, WDP took further steps as part of the implementation of its ESG Roadmap 2019-23, with the focus during 2020 on the Social and Governance component, including a formal training plan for all employees and a range of training courses, a healthy and safe working environment - especially during the current pandemic - and support for charitable activities. On the environmental front, the energy monitoring system was rolled out, the data from which will form the basis for the realisation of the WDP Climate Action Plan that will take concrete shape in 2021. Our sustainable focus can also count on green financing; this now accounts for more than a third of the total financing package.

Even at the end of this turbulent year, WDP can count on a robust and, above all, liquid balance sheet with over 700 million euros in unused credit lines. In addition, the balance sheet was further strengthened by an ABB of 200 million euros at the beginning of 2021. The shareholders' confidence in our company was once again underlined on the occasion of this capital increase - books were three times oversubscribed. Our market capitalisation has thus structurally surpassed the 5 billion euros mark, which is fuelling investor interest, increasing the share's liquidity, and further widening access to capital.

The evolution of the global pandemic and the generally expected negative economic impact in the short term call for vigilance. The macroeconomic and financing environment will continue to be erratic and volatile in 2021. So we remain cautious in the short term, but at the same time optimistic for the future.

In this context, WDP has increased its ambitions within the 2019-23 growth plan: the targeted investment volume by the end of 2023 has been increased by 500 million euros to 2.0 billion euros and should translate into a projected EPRA earnings per share of at least 1.25 euros in 2024 (previously 1.15 euros in 2023) and growth of 6% per year on average. The biggest challenges in achieving this ambitious growth are the acquisition of land that is becoming increasingly scarce due to more restrictive zoning and the highly competitive environment that has only been exacerbated by the increasing importance of logistics.

As always, we rely on the creativity and professionalism of our teams and partners to continue to develop more efficient solutions for our customers. In this way, we can contribute to the further development of the essential infrastructure for the post-Covid economy.

Rik Vandenberghe  
Chairman of the Board of Directors



## OPERATIONAL RESULTS IN 2020

98.6%

Occupancy rate

5.5m<sup>m²</sup>

Property portfolio surface area



175 mio euros

EPRA Earnings

+15%  
y/y

2.1%

Average cost  
of debt

1.00 euros

EPRA Earnings per share

+8%  
y/y

45.0%

Loan-to-value

~4.8 bn euros

Fair value of  
the property portfolioDevelopment pipeline  
of 541 million euros

5.9 years

Average duration  
of leases

0.80 euros

Gross dividend per share

+8%  
y/y

14.3 euros

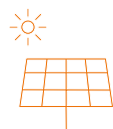
EPRA NTA per share

+12%  
y/y

## ESG IN 2020

80MWp

installed capacity  
1/3 of the property portfolio  
fitted with solar panels



33%

Green financing

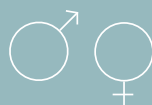
Sustainable certification  
of the property portfolio

17 buildings  
BREEAM

48 buildings  
EDGE

Warehouse of talent

54/46%



4%

Employee turnover



Training the brains

37hours



of training per employee  
on average

100,000 euros  
Charity

for vulnerable groups  
and social initiatives hit hard  
by Covid-19

Covid-19  
#TeamWDP

safe and healthy



Digital environment for teleworking  
Online sports and team building  
Re-boarding and safety in the office  
Focus on work/life balance

0.001% occupational accidents  
0 deaths

0

No violations of the Dealing Code,  
Employee Code of Conduct,  
nor violations of or convictions  
related to competition law or as a  
result of corruption or fraud.

Launch  
Supplier  
Code of Conduct

Reporting standards,  
ratings and indices

|           |              |   |
|-----------|--------------|---|
| EPRA sBPR | Gold         | ■ |
| GRI       | Core         | ■ |
| MSCI      | BBB          | ■ |
| ISS ESG   | Not Prime C- | ▲ |
| DJSI      | 42/100       | ▲ |

## 2020 AT A GLANCE

**Big box project in  
WDPort of Ghent**

“Trimodality for an efficient  
and sustainable supply chain”

[videolink](#)

Multimodal distribution centre of approximately 150,000 m<sup>2</sup> for retailers X<sup>2</sup>O Badkamers, Overstock Home and Overstock Garden in North Sea Port. The trimodality of the WDPort of Ghent ensures optimisation of the supply chain and a reduced ecological footprint.

**Close customer  
relationship with retailer  
Profi**

“Strategic real estate is a game changer for  
our customer and its supply chain”

125,000 m<sup>2</sup> of modern, refrigerated real estate for food distribution spread over three different locations in Romania for Profi.

**Fantastic progress in the  
2019-23 growth plan**

**“Today, as well as post-Covid-19,  
we are seeing continued demand  
for modern, logistics space”**

WDP identified an investment volume of 450 million euros in new projects in 2020, which brings the total volume of investments to the one billion euros mark - two-thirds of the initially targeted growth by 2023.

**Multi-layer distribution  
centre in the Netherlands**

“Efficient land use serves as the logistic  
driver for a sustainable future”

[videolink](#)

Innovative project for De Jong Verpakking provides 85,000 m<sup>2</sup> of production, storage and distribution space with offices, spread over two floors.

**Safe and operational  
throughout the  
Covid-19 pandemic**

**“The health and safety of our  
employees and stakeholders  
are paramount”**

Crisis does not stand in the way of real estate investments

#TeamWDP was able to safely continue all operational activities. With a robust balance sheet, a strong liquidity position, as well as a diversified property portfolio, which is crucial for the supply chain, WDP believes it is well positioned to weather the crisis caused by the Covid-19 pandemic.

## A SOLID REAL ESTATE PARTNER



Development of the property portfolio of the Jos De Pauw family in Belgium (Rederij De Pauw).

Expansion of the property portfolio in France.

Free float increases to 70%.

Entry into the Romanian market.

**Strategic 2011-13 growth plan:** Three pillars of growth: leases, CO<sub>2</sub>-neutral portfolio and acquisitions.

2006-09 GROWTH PLAN

2011-13 GROWTH PLAN

1977-1997

1999

2000

2001

2004

2006

2007

2008

2011

160 million euros

IPO property investment fund. Activities expand to Italy and Czech Republic.

280 million euros

The Netherlands is added as a new region.

450 million euros

**Strategic 2006-09 growth plan:** doubling the portfolio value to 700 million euros.

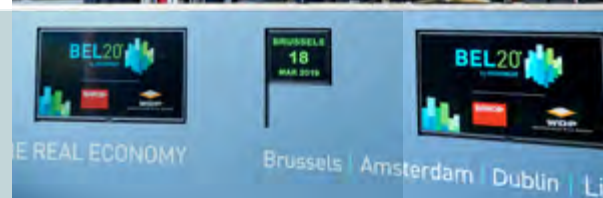
Launch of the solar energy project (30 MWp). 1 million m<sup>2</sup> in lettable space in the property portfolio.

1 billion euros





## A SOLID REAL ESTATE PARTNER



**Strategic 2013-16 growth plan:** portfolio expansion by 50% to 1.8 billion euros and cumulative growth of EPRA Earnings per share of 20 to 25%.

WDP shares also listed on Euronext Amsterdam. 2013-16 growth plan targets achieved one year early: portfolio of circa 2 billion euros and EPRA earnings of 0.71 euros per share.

WDP named 2017 Enterprise of the Year®. Investment volume target raised within the framework of the 2016-20 growth plan to 1.25 billion euros through further growth within existing geographical core markets.

**Strategic 2019-23 growth plan:** Target annual portfolio growth of 10% to 5 billion euros and an annual increase in EPRA earnings of 6% to 1.15 euros by 2023. WDP is included in BEL 20. Regional expansion to Germany. First ABB for a GVV/SIR. Legal form converted to NV/SA. Implementation of 2019-23 ESG Roadmap. Share split by factor 7.

## 2013-16 GROWTH PLAN

## 2016-20 GROWTH PLAN

## 2019-23 GROWTH PLAN

2013

2014

2015

2016

2017

2018

2019

2020

1.2 billion euros |

| 2 billion euros

2.1 billion euros

3.5 billion euros

4.2 billion euros

4.8 billion euros

Regulated Real Estate Company (GVV/SIR) status. Market capitalisation exceeds 1 billion euros.

**Strategic 2016-20 growth plan:** targeted portfolio growth by 1 billion to 3 billion euros and cumulative increase of 25% in earnings per share. WDP is included in the AMX index. Luxembourg as a new core market.

First Green Bond issue and further roll-out of the solar panel programme.

A robust balance sheet, strong liquidity, and a diversified portfolio support WDP during the Covid-19 pandemic. After two-thirds of the targeted investment volume being identified, WDP is sharpening its ambitions in the 2019-23 growth plan both in terms of investment volume (+500 million euros towards 2 billion euros) and EPRA earnings per share (from a minimum of 1.15 euro per share in 2023 to a minimum of 1.25 euro per share in 2024).

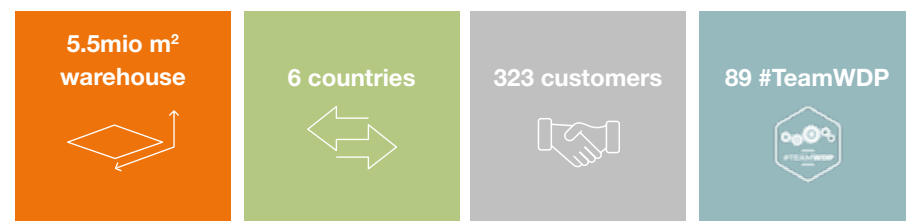


## OUR PROFILE



WDP develops and leases storage and distribution space for its own account in line with modern industry standards and sectoral trends. In addition, WDP invests directly in existing quality sites, always with a view to long-term letting. The Company is the market leader in the Benelux and Romania.<sup>1</sup> The long-term vision WDP applies to each property decision also underpins its relationship with all customers. First and foremost, WDP wants to be a partner to its customers, while developing a successful long-term relationship with them and supporting them in their activities. That is how we work together on a future-oriented growth scenario.

WDP is listed on Euronext Brussels (BEL 20) and Amsterdam (AMX) and adopts the REIT structure in Belgium (as GVV/SIR), in the Netherlands (as FBI) and in France (as SIIC). WDP is subject to the prudential supervision of the supervisory authority FSMA.

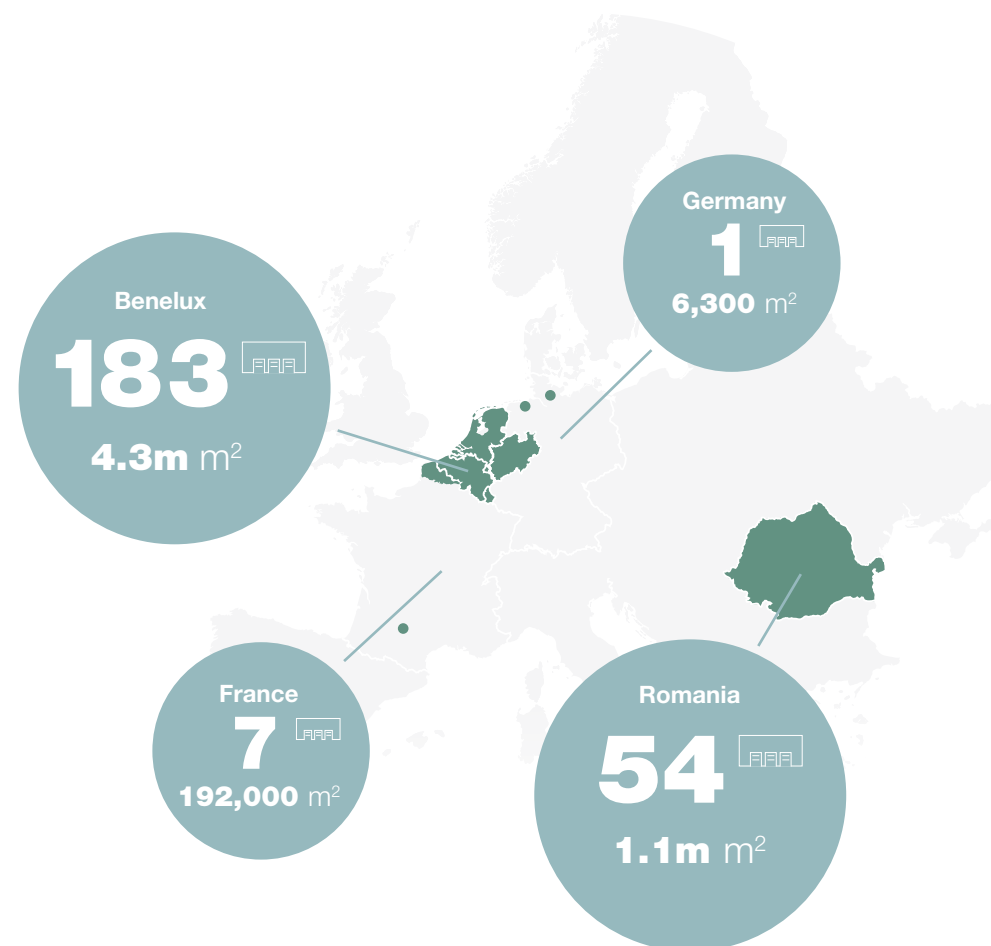


Pure player strategy

Belgium, the Netherlands, Luxembourg, France, Germany and Romania

Diversified customer portfolio spread across various sectors and geographies

WDP manages its property portfolio from its offices in Wolvertem (Belgium), Breda (the Netherlands) and Bucharest (Romania)



<sup>1</sup> This statement is based on a comparative calculation of the number of square metres of lettable area in the portfolio.

## PURPOSE, MISSION AND VISION



### Our vision

**We help our customers grow at the core of their supply chain through warehouses with brains.**



### Our mission

**We construct a sustainable shell around the logistics process. With smart warehouses, #TeamWDP and innovative entrepreneurship, we create value for our customers and shareholders.**

### Our purpose

A **home** for the **supply chain**

Warehouses are the linchpin in the supply chain of today's society. They are an indispensable storehouse for the food on our plates, medication when we are sick, the technological gadgets we cherish and all the other goods on which we depend every day. Our warehouses serve as a smart and flexible home that helps our customers organise their supply chains in an efficient, tailored and sustainable manner. To protect, produce, assemble and distribute their goods. The customer feels right at home at the core of an intelligent supply chain. Their home is our home. Our **warehouse with brains**.

## DOMINANT TRENDS



How WDP is responding to accelerated trends

### Resilient throughout the crisis

**The Covid-19 pandemic and its sudden impact caused a chain reaction that accentuated and accelerated the main drivers within the logistics sector. Consumers clearly became more dependent on an efficient supply chain and the demand for e-commerce, food and pharma-related activities increased rapidly and significantly. As a result entrepreneurs were forced to switch to an omnichannel approach to their logistics activities. This means logistics real estate is proving to be one of the most resilient and crucial real estate sectors throughout the pandemic.**

#### Logistics property plays a vital role

The outbreak of the pandemic was initially accompanied by the hoarding of food, medicines and hygiene products. The supply chain ran at full speed and its importance became very clear throughout society as a whole. Increased online sales and the accelerated shift to **omnichannel** service provision resulted in a growing demand for more and a different type of storage space. However, retailers who were forced to temporarily close their doors saw their sales vanish and their **unsold stock** pile up. Combined with an influx of new products, the demand for more

temporary storage capacity increased. Thirdly, the pandemic caused increasing uncertainty in supply and a related trend to build up 'safe' stock - just-in-time became **just-in-case**. These trends underline the vital importance of logistics (real estate) in the supply chain.

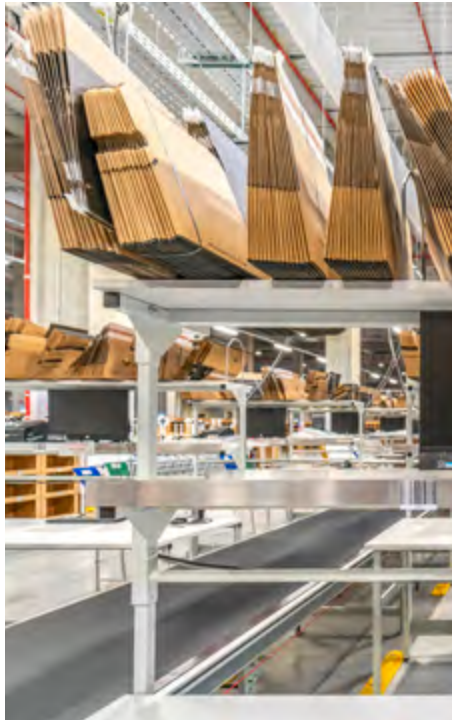
However, WDP considers a major regionalisation of global supply chains in Western Europe (**nearshoring**) unlikely: after all, supply chains are too complex and capital-intensive. What's more, moving production closer to the end customer is expensive and not always desirable from a regional perspective. Nevertheless, we are seeing activities that add value—such as personalisation and postponed manufacturing—increasing in warehouses. The benefits of nearshoring depend on the type of product, the level of automation and other costs. Reduced demand for price-sensitive products could promote a more regional and self-reliant approach. The location and infrastructure of Romania—the logistics gateway to Central Europe—could be interesting for nearshoring: the country benefits from low labour and electricity costs and has developed a strong manufacturing base. Real estate advisor Savills considers Romania to be the fourth best European country for alternative localisation of production hubs.

“

WDP remains vigilant - after all, the economic impact of this crisis is likely to have a significant impact in 2021. It is true that the logistics sector is viewed as one of the winners of this pandemic. But we prefer to remain cautious, especially within the various sub-segments. Continuous close contact with our customers remains important and ensures a good understanding of their real estate strategy. In this way, we provide an appropriate response that is in line with our own real estate targets. A win-win scenario.



## DOMINANT TRENDS



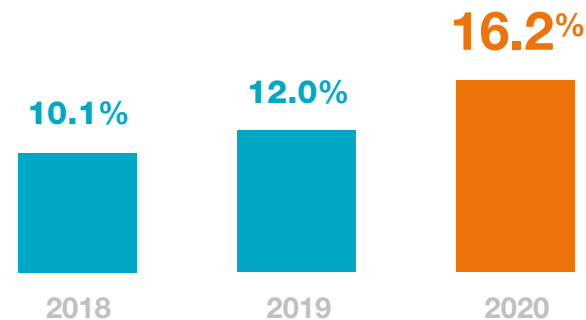
How WDP supports the growth of e-commerce

## Unprecedented growth in online purchases in 2020

**Online purchases have become an essential part of our daily lives since the first lockdown. More people discovered the advantages of online shopping, also for food, such as fast delivery, flexible returns and an endless range. The pandemic has thus created online sales levels higher than those expected for 2021 or for 2025 in some cases.**

### Boost for e-commerce in Western Europe

Online as a share of total retail



Source: CBRE, Savills and Centre for Retail Research

### E-commerce warehouses

An efficient supply chain forms the basis for online purchases, with real estate as one of the crucial elements. On average, e-commerce requires three times more space than offline sales channels. The share of dedicated e-commerce account for 10% of the WDP portfolio by the end of 2020. WDP is experiencing an increase in omnichannel activities within its portfolio, necessary for companies to remain competitive and to guarantee customer service.

## DOMINANT TRENDS



How the WDP properties are on the path to automation

## Is automation the future?

**Big data, robotisation and other new technologies are increasing the level of automation in the supply chain. However, their higher cost and complexity results in a slow integration and adoption rate. Nevertheless, automation offers a significant competitive advantage. Automation contributes to e-fulfilment and can increase the efficiency, safety and optimisation of the logistics chain.**

### Logistics real estate as the perfect framework

WDP observes a significant share in investments in automation, both within the existing portfolio and within the development pipeline. This can range from automated storage systems and conveyor belts to self-propelled mobile robots. The high costs, longer payback period and complexity of automation, mean that customers are open to longer leases (average of 11.9 years for the projects under development compared to 5.9 years for the existing portfolio). Warehouse automation will further challenge the design of the buildings - warehouses with brains.

### Not just any warehouse

More than 30% of WDP customers are active in food and pharma. However, their complexity within the supply chain should not be underestimated: an appropriate infrastructure, insulation, but also the right cooling, freezing and storage capacities are important. A critical understanding of this sector is required. WDP already has years of experience in cold stores for food and pharma-related logistics activities.



## Logistics kings

**The online market share of pharma and food retail lagged behind for years. However, the lockdown measures forced consumers online, accelerating growth in food, cosmetics, pharma and personal care. In the first half of 2020, the uptake for the food sector in the Netherlands was as much as five times higher than in the same period in 2019 - good for a total of 25%.**

How the pharmaceutical and food logistics sectors can count on WDP's knowledge



“ It feels good to expand our operations in a future-proof manner at the location we call home.

Henk de Jong - owner of De Jong Packaging



## Efficient land use as logistics driver

### Multi-layer distribution centre

De Jong Packaging is an ambitious company active in packaging for food, non-food, floriculture, e-commerce and fruit and vegetables. But above all, this company has particularly strong local roots. Its operations are still based in the same region where De Jong Packaging was originally founded. And the company wanted to keep it that way. The question is: how do you support impressive expansion with limited land in the local area? Answer: by innovating upwards.

### Rapid vertical growth

WDP is building a multi-storey distribution centre that will provide perfect support for De Jong Packaging's future ambitions. Driven by e-commerce, demand for corrugated cardboard packaging is growing rapidly. To keep up with this demand, De Jong Packaging plans to consolidate and expand its presence in the region.

Result: the company will have more than 85,000 m<sup>2</sup> of production, storage and distribution space including offices, spread over two floors. In itself this nothing special, except the plot being used is just 56,000 m<sup>2</sup> where as similar sized warehouses usually require a plot of 150,000 m<sup>2</sup>!

### An answer to many challenges

The production hall on the ground floor takes trucks up a ramp to the distribution hall on the first floor - including parking! Storage of goods in the newly built warehouse is fully automated.

Through innovative development, WDP offers a sustainable answer to rising land prices and increasingly scarce logistics plots. We reduce the building's footprint while greatly optimising storage and distribution capacity. Vertical innovation? A concept for the future.



### 3. STRATEGY AND VALUE CREATION



From crisis to opportunity



Logistics are  
crucial in this

“

Businesses are  
taking the next step  
in their supply chain



## OUR STRATEGY

### Value creation for all our stakeholders



### Pure player with a clear focus

Our strategy aims to create value for our customers, our shareholders and all stakeholders.

#### Strategic drivers



**#TeamWDP** is the beating heart of our company. We want our employees to grow and hone their skills, to feel good as part of a strong team that responds to customer needs. Doing business with integrity and in a sustainable manner form the basis of our daily actions.

Our **100% client-centric approach** ensures the development of sustainable buildings in strategic locations that help our customers grow and guarantees maximum occupancy of our warehouses.

With our smart warehouses, **we are responding to the logistics issues of today and tomorrow**. Smart financing ensures a stable and profitable WDP that creates value for all stakeholders.



## Human capital

It is important that our employees feel good and feel valued, and are given the space to develop their talent. WDP strives to promote the skills of its employees to facilitate a sustainable and dedicated team and to build capacity and continuity.

#TeamWDP's entrepreneurship combined with short, fast decision-making lines and the flat structure providing room for innovation, ensure a dynamic cooperation.

#TeamWDP is the anchorage point throughout the entire process: after the commercial team has drawn up the outlines of the lease agreement, the buildings are developed under the guidance of experienced project managers, after which the property managers relieve the client of the burden of managing them. WDP also maintains firm control over its financial, accounting and legal affairs.

## Good governance

Conducting business fairly and with integrity, open communication and transparent reporting ensure responsible business practices that balance the interests of different stakeholders and the community.

## Sustainable buildings

WDP provides a solution to the demand for modern, intelligent storage facilities. The customer wants an energy-efficient (and therefore cost-reducing) location that is strategically embedded to promote an optimal flow of goods. WDP offers a diverse portfolio of sustainable and state-of-the-art buildings that are always adapted to the needs of the sector.

## Geographical diversification

WDP sites are always chosen on the basis of their strategic location, for example, in the immediate vicinity of storage and distribution hubs and/or multimodal transport facilities. The majority of properties are located in the economic heart of north-western Europe, in the hinterland of the ports of Amsterdam and Rotterdam - the import and export gateways of Europe. The properties are spread along the Amsterdam-Rotterdam-Breda-Antwerp-Brussels-Lille logistics axis and extend to North Rhine-Westphalia and the ports of Bremen and Hamburg. In Central Europe, WDP is active in Romania, which serves as a gateway for supplying South-Eastern Europe.

## Smart financing

A healthy mix of equity and loan capital is used to finance real estate investments. The goal is to synchronise the issuance of new capital and the taking on of external financing. This is how the rhythm of investment is followed by the rhythm of financing.

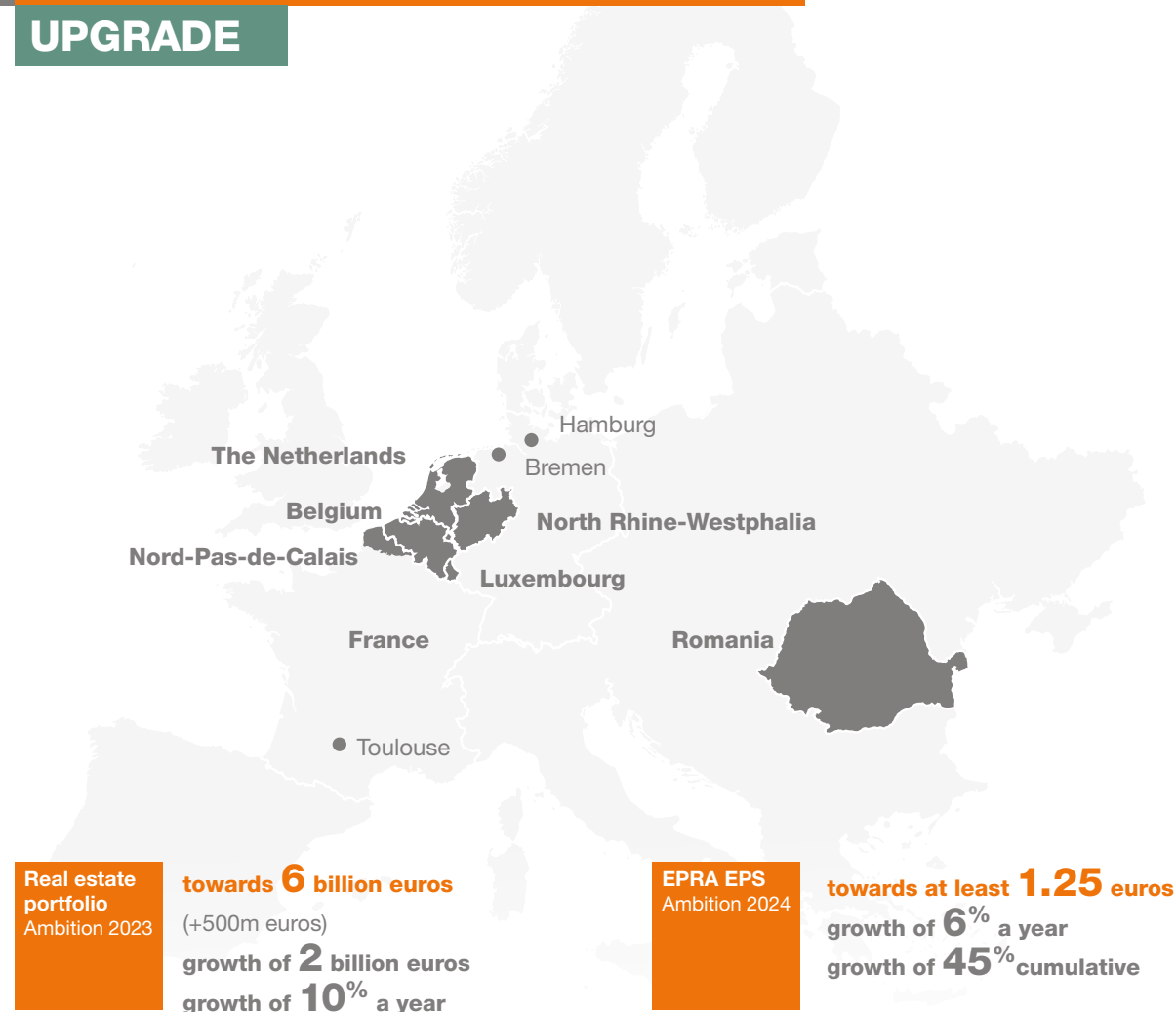
By reserving a portion of the profits, we create a financial buffer for the future and these funds can be reinvested in the further growth of WDP.

## Innovative solutions

The development of a new building or lease of an existing location is preceded by an analysis of the customer and its activities, and in close consultation we arrive at a suitable real estate solution. Jointly reflecting with the customer implies being open to and leading the way with innovative solutions regarding location, the type of building, goods flows, technology, etc.

## 2019-23 GROWTH PLAN AMBITION

### UPGRADE

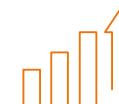


#### Disclaimer:

These forecasts are based on the current knowledge and assessment of the crisis, albeit subject to the further duration and evolution of the Covid-19 pandemic and the nature and effectiveness of the corresponding government measures and vaccination strategy, and except for a severe negative impact caused by future corona waves and/or lockdowns.

### 2020 scorecard

#### Dynamic portfolio development



## 1 billion euros

Identified investment volume per 31.12.2020

|                                   |                                                    |
|-----------------------------------|----------------------------------------------------|
| <b>155m euros</b><br>acquisitions | <b>173m euros</b><br>acquisitions                  |
|                                   | <b>18m euros</b><br>disposals                      |
| <b>860m euros</b><br>projects     | <b>800m euros</b><br>green and brownfield projects |
|                                   | <b>10m euros</b><br>solar panels                   |
|                                   | <b>50m euros</b><br>land reserve                   |
| <b>The Netherlands</b><br>55%     | <b>Romania</b><br>25%                              |
|                                   | <b>Belgium-Luxembourg-France</b><br>20%            |
| <b>50% repeat business</b>        | <b>50% new customers</b>                           |

## 2019-23 ESG AMBITION

Multi-year roadmap with action by WDP that contributes to a sustainable future and to the UN SDGs

### Sustainable employment practices

#### ESG action

|                              |                                                                    |   |
|------------------------------|--------------------------------------------------------------------|---|
| #TeamWDP training plan       |                                                                    | ○ |
| ESG KPI for each employee    | Implementation                                                     | ● |
|                              | Annual realisation of ESG KPI's by #TeamWDP: at least 90%          | ○ |
| Dedicated WDP job website    |                                                                    | ● |
| Employee satisfaction survey |                                                                    | ● |
| HSES Corporate Action Plan   | Annual audit                                                       | ○ |
|                              | 0 deaths<br>0.001% occupational accidents                          | ○ |
| Charity plan                 | Annual charitable activities benefiting various social initiatives | ○ |
| Covid-19                     | Focus on #TeamWDP and a good team spirit                           | ○ |



#### Employee development



#### Attracting and retaining talent



#### Health and safety



#### Company culture



#### Energy efficiency



#### Good governance



#### Digitisation

### Sustainable operational management

#### ESG-action

|                                                     |                                                                    |   |
|-----------------------------------------------------|--------------------------------------------------------------------|---|
| 100 MWp of solar power                              | 80 MWp installed                                                   | ○ |
|                                                     | 1/3 of the property portfolio equipped with solar panels           | ● |
| Energy monitoring system                            | Data for optimising energy consumption                             | ● |
| Green financing                                     | 33% of contracted financing                                        | ● |
| WDP Climate Action Plan                             |                                                                    | ○ |
| Certification                                       | 26% of the real estate portfolio green certified                   | ○ |
| Compliance training                                 |                                                                    | ○ |
| Code of Conduct                                     | For employees and suppliers                                        | ● |
| Delegation matrix                                   | Update, given the growth and internationalisation of the WDP Group | ● |
| Project Brains                                      | Optimisation of data flows and document management                 | ● |
|                                                     | Digital customer portal                                            | ○ |
| IT performance, data security and disaster recovery |                                                                    | ○ |

#### Reporting standards, ratings and indices

|         | Feb 2019     | 2020         | Progress | Ambition               |
|---------|--------------|--------------|----------|------------------------|
|         | Gold         | Gold         | ■        | Gold                   |
| GRI     | Core         | Core         | ■        | Core                   |
| MSCI    | BB           | BBB          | ▲        | A                      |
| ISS ESG | Not Prime D+ | Not Prime C- | ▲        | Prime C                |
|         | —            | 42/100       | ▲        | Inclusion in the index |

#### Progression

- in first phase ○
- in progress ●
- completed ○

# HOW WDP CREATES VALUE

## Input

A home for the **supply chain**

### FINANCIAL

**Value of the portfolio** (in millions of euros) **4,766**  
**Financing** (in millions of euros) **2,119.5**

### REAL ESTATE

**Surface area** (in m<sup>2</sup>) **5,490,697**  
**Warehouses** (in #) **245**  
**Development potential** (in m<sup>2</sup>) **>1,000,000**  
**Geographical diversification** **6 countries**

### SOCIAL

**#TeamWDP** (in #) **89**  
**Training and education** (in hours, per employee) **37**  
**Onboarding programme**  
**HSES Corporate Action Plan**

### ENVIRONMENTAL

**Additional LED relighting** (in m<sup>2</sup>) **205,000**  
**Green financing** (in million euros) **685**  
**Solar panels** (in MWp) **80**

#TEAMWDP



INNOVATIVE  
ENTREPRENEURSHIP



## Output

### FINANCIAL

**Operating result** (in million euros) **220.1**  
**EPRA earnings per share** (in euros) **1.00**  
**Dividend per share** (in euros) **0.80**  
**Retained earnings and stock dividend** (in million euros) **96.4**

### REAL ESTATE

**Property result** (in million euros) **242.7**  
**Occupancy rate** **98.6%**  
**Average lease duration (till first expiry date)** (in years) **5.9**  
**Repeat business** **50%**  
**Green certified buildings** **26%**  
**Class A warehouses** **58%**  
**Average age of properties (in years)** **7.3**

### SOCIAL

**Long-term partnerships** **100%**  
**Client retention** **90%**  
**Charity** (in euros) **100,000**

### ENERGY EFFICIENCY

**CO<sub>2</sub> avoidance** (in T CO<sub>2</sub>e) **27,498**

## Outcome and impact

Attractive and sustainable return for shareholders

Warehouses with brains allow clients to grow at the core of their supply chain

A home for #TeamWDP where development, engagement and well-being are key

Reliable long-term partnerships with our business partners guarantee quality and continuity

Contribution to the economic, social and environmental progress of society

## Contribution to SDGs



4 QUALITY EDUCATION

So that employees feel good in the company and continuously hone their skills.



7 AFFORDABLE AND CLEAN ENERGY

Towards CO<sub>2</sub>-neutral company operations, by means of energy reduction and renewable energy



8 DECENT WORK AND ECONOMIC GROWTH

Creating a safe and healthy living and working environment



11 SUSTAINABLE CITIES AND COMMUNITIES

Doing business fairly and with integrity with the aim of achieving a good balance between all stakeholders and the community



## 4. ESG



### Brains never stop learning

“

People who build on  
their skills are in charge  
of their own wellbeing



**37<sup>h</sup>**

training on average for every  
employee over the course of 2020

## VALUE CREATION THROUGH DIALOGUE AND CLEAR FOCUS

### Stakeholder engagement

What are stakeholders' expectations and how are they being met by WDP.

| Stakeholder                                                                                  | Our engagement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Clients</b>                                                                               | <ul style="list-style-type: none"> <li>Warehouses with brains</li> <li>2019-23 ESG Roadmap</li> <li>In-house knowhow: continuous interaction between the property, project and commercial managers of WDP and (future) clients</li> <li>Fast and flexible response to client demands</li> <li>Creation of long-term partnerships</li> <li>Continuous brainstorming with partners on innovation and sustainable solutions</li> </ul>                                                                                                                  |
| <b>#TeamWDP</b>                                                                              | <ul style="list-style-type: none"> <li>Pleasant working environment to support creativity, well-being and motivation for #TeamWDP</li> <li>Employee Code of Conduct</li> <li>Corporate engagement activities</li> <li>Statement #Healthyandsafe</li> <li>Annual and semi-annual feedback moments</li> <li>Training and coaching programmes</li> <li>Annual analysis of the remuneration policy</li> <li>An open culture with room for constructive feedback and innovation</li> </ul>                                                                |
| <b>Investors<br/>Financiers<br/>Shareholders<br/>Third-party<br/>benchmarks<br/>Analysts</b> | <ul style="list-style-type: none"> <li>Long-term investments and the creation of long-term cash flows</li> <li>Defined growth plan with quantified targets</li> <li>2019-23 ESG Roadmap</li> <li>Transparent communication and financial information</li> <li>Expansion of strong long-term relationships through continuous and intensive dialogue, such as annual roadshows and investor fairs, recurring moments of consultation and Investor Day</li> <li>Annual General Meeting</li> </ul>                                                      |
| <b>Suppliers</b>                                                                             | <ul style="list-style-type: none"> <li>Collaboration based on clear agreements and interaction</li> <li>Payment deadline compliance</li> <li>Creation of a long-term relationship</li> <li>HSES Team - HSES Corporate Action Plan</li> <li>Supplier Code of Conduct</li> <li>Statement #HealthyAndSafe</li> </ul>                                                                                                                                                                                                                                    |
| <b>Policymakers</b>                                                                          | <ul style="list-style-type: none"> <li>Continuous monitoring and compliance with current regulations</li> <li>Open dialogue via professional associations</li> <li>Open and proactive dialogue with local and national regulating associations during the project development cycle</li> </ul>                                                                                                                                                                                                                                                       |
| <b>Community</b>                                                                             | <ul style="list-style-type: none"> <li>Minimal impact of activities on the immediate environment</li> <li>Measures to reduce ecological impact</li> <li>Economic growth</li> <li>Employment</li> <li>Sustainable management</li> <li>Continuous dialogue between client, community and WDP</li> <li>Direct and transparent contact with the community (e.g. via an information evening) and with relevant stakeholders</li> <li>Support to campaigns for charity</li> <li>2019-23 ESG Roadmap</li> <li>Contribution to the infrastructure</li> </ul> |

| Stakeholder                                                                   | Engagement in 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Note                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Clients                                                                       | <ul style="list-style-type: none"> <li>◆ 50% repeat business</li> <li>◆ 90% of leases maturing in 2020, were renewed by the existing client</li> <li>◆ Dialogue with the client: <ul style="list-style-type: none"> <li>- the property team meets with each client at least twice a year</li> <li>- the sales team meets with each client at least once a year</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>◆ Reflection with the client: the multi-layered new construction project for De Jong is a striking example of how WDP reflects with the client on their innovation plans</li> </ul>                                                                                                                                                                                                                                                                                                                                                                            | More details under 5. <i>Transactions and realisations</i> , 7. <i>Financial results and property report</i>                                                                                                                         |
| #TeamWDP                                                                      | <ul style="list-style-type: none"> <li>◆ Training plan for each employee</li> <li>◆ The annual HSES Corporate Action Plan ensures a safe and healthy working environment</li> <li>◆ Safe and healthy during the Covid-19-pandemic</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>◆ Digital innovation</li> <li>◆ Annual feedback moments in open dialogue and interaction for all employees</li> <li>◆ Employee Code of Conduct</li> <li>◆ Digital collaboration driven by EI Plan</li> </ul>                                                                                                                                                                                                                                                                                                                                                   | More details under 4. <i>ESG</i> , <a href="#">press release Covid-19</a> , <a href="#">HSES Corporate Action Plan 2020</a> , <a href="#">#HealthyAndSafe</a> , <a href="#">EI Plan</a> and <a href="#">Employee Code of Conduct</a> |
| Investors<br>Financiers<br>Shareholders<br>Third-party benchmarks<br>Analysts | <ul style="list-style-type: none"> <li>◆ Annual 360° consultations with each partner bank</li> <li>◆ One-on-one and group discussions with approximately 200 institutional investors on the occasion of international roadshows, real estate events and various calls</li> <li>◆ Direct contact with the private investor through events such as Finance Avenue</li> <li>◆ Dialogue with the existing shareholder via the General Meeting</li> <li>◆ Press conference following the annual results with more than 100 dial-ins and replay webcast</li> </ul>                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>◆ Conference calls with analysts and investors following quarterly results</li> <li>◆ Active participation in ESG questionnaires and ISS, MSCI and DJSI assessments. Proactive interaction with ISS, MSCI and DJSI</li> <li>◆ Transparent communication on consensus and analyst expectations</li> </ul>                                                                                                                                                                                                                                                       | More details under 6. <i>ESG Shareholder rights</i> , <a href="#">Financial agenda</a>                                                                                                                                               |
| Suppliers                                                                     | <ul style="list-style-type: none"> <li>◆ The long-term relationships are supported by framework contracts with a selection of the existing contractors</li> <li>◆ Collaboration with a permanent pool of contractors, architects, engineering firms, legal advisers reflects the importance WDP places on long-term relationships</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>◆ The annual HSES Corporate Action Plan ensures a safe and healthy working environment, including during the Covid-19-pandemic</li> <li>◆ Supplier Code of Conduct</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                  | More details under Supplier Code of Conduct, <a href="#">press release Covid-19</a> , <a href="#">HSES Corporate Action Plan 2020</a> , <a href="#">#HealthyAndSafe</a>                                                              |
| Policymakers                                                                  | <ul style="list-style-type: none"> <li>◆ Regular local consultations were organised in cooperation with the competent authorities, for example for the projects in Lokeren and Breda</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>◆ WDP submitted 29 construction applications in 2020</li> <li>◆ Proactive interaction with FSMA and AFM</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                      |
| Community                                                                     | <ul style="list-style-type: none"> <li>◆ Sharing knowledge: <ul style="list-style-type: none"> <li>- Joost Uwents teaches at AMS and is a member of the General Council of Vlerick Business School. He is also a jury member for a graduate project at ASRE</li> <li>- Joost Uwents is a board member of Logistics in Wallonia and member of the Advisory Board of EPRA</li> <li>- Tony De Pauw is a member of FEB's Strategic Committee</li> <li>- Marc De Bosscher is chairman of EPRA's Proptech Committee</li> <li>- WDP hosted the workshop for the Master of Logistics course at the AMS</li> <li>- Mickaël Van den Hauwe is Treasurer of the BE-REIT Association and is member of the Regulatory &amp; taxation committee of EPRA</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>◆ Regular local consultations were organised in cooperation with the competent authorities, for example for the projects in Lokeren and Breda</li> <li>◆ Dedicated website for the project in Lokeren with status of the works</li> <li>◆ WDP submitted 29 construction applications in 2020</li> <li>◆ The Board of Directors and #TeamWDP collected 100,000 euros to benefit vulnerable groups and social initiatives hard hit by Covid-19</li> <li>◆ Among other things, biodiversity is central to the development of the Alloga site in Veghel</li> </ul> | More details under <a href="#">Membership and associations</a> , <a href="#">website Lokeren project</a> , <a href="#">Charity</a>                                                                                                   |

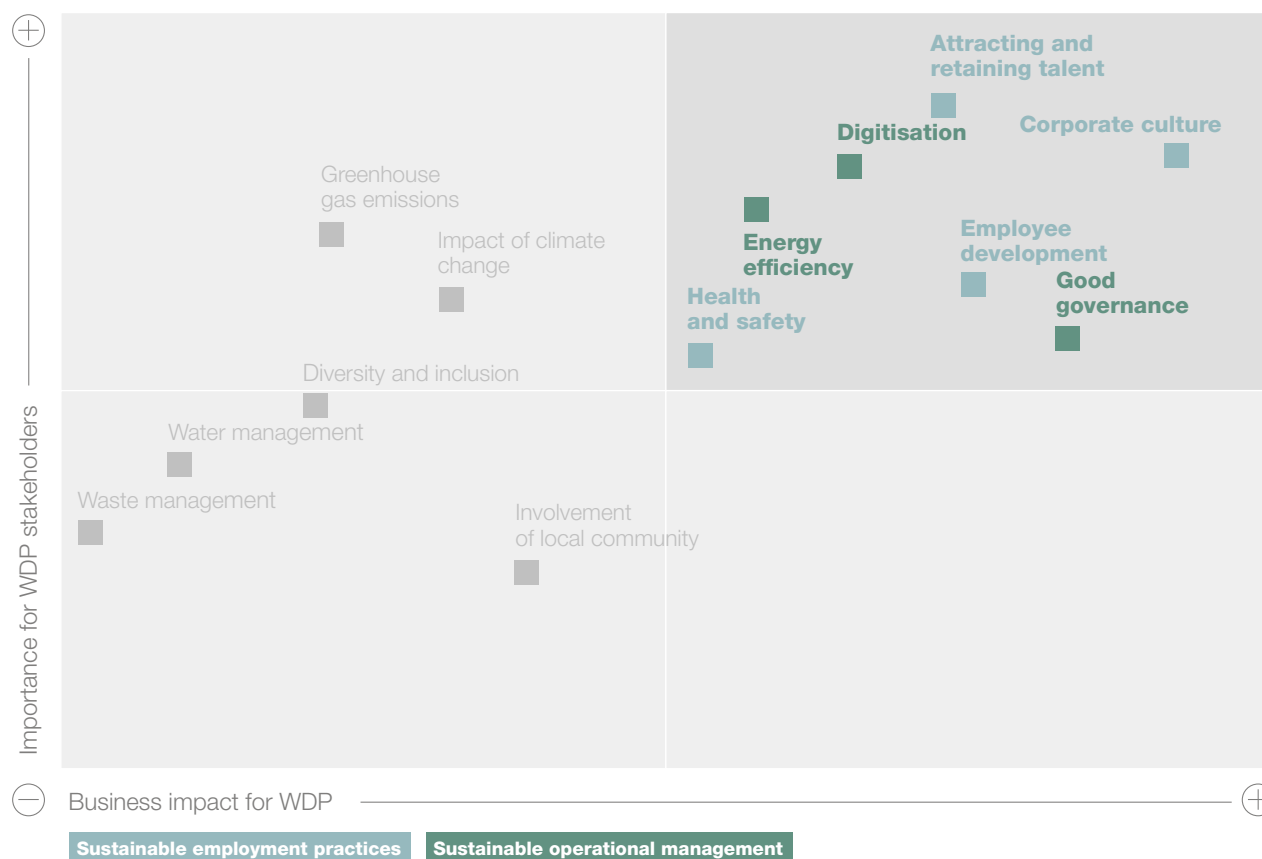
WDP has opted for membership in various associations and societies and did not make any monetary contributions to political parties or campaigns in 2020.

## ESG materiality analysis

WDP examined the main aspects regarding ESG for its relevant stakeholders in autumn 2018. This included testing the importance of these materialities for the stakeholders, as well as the potential impact of each materiality for WDP, taking into account the opportunities resulting from it, or the risks associated with it.

The result of this analysis is a matrix that shows a clear divide and leads us to the seven focus themes that are currently most relevant for WDP - the WDP ESG Framework.

This working framework was created using the United Nations Sustainable Development Goals (SDGs) as a guide. As well as the analysis of industry trends and developments, other ESG frameworks, reporting standards (such as the European Public Real Estate Association (EPRA), Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB)) and leading rating and research agencies (such as Vigeo, MSCI, ISS and the Dow Jones Sustainability Index (DJSI)) were also taken into consideration.



## WDP ESG Framework

This framework outlines the seven focus themes that create a clear working framework for WDP's ESG policy. They also form the basis for the multi-year WDP ESG Roadmap

in which all underlying actions can be found with the associated managers and deadlines. This is applied within #TeamWDP, which is also reflected in everyone's KPIs.



### WDP's contribution to the United Nations' SDGs

The United Nations' goals guide us. WDP aims to contribute to those SDGs that are deemed most relevant to the company and its operations.





## Decision-making process

ESG is inherently part of WDP's day-to-day activities and is consequently one of the core tasks of the Board of Directors and Management Committee. The interaction between the teams and these governing bodies guarantees internal dynamics and a clear policy. Within the Board of Directors, Joost Uwents is responsible for ESG.



### Board of Directors

- ◆ Drafts a sustainability policy and incorporates this into its company strategy
- ◆ Includes the proposals formulated by the Management Committee in its company strategy
- ◆ Meets at least six times and discusses ESG at least once a year

### Management Committee

- ◆ Presents a proposal for a sustainability strategy and KPIs
- ◆ Continuous evaluation of the sustainability strategy
- ◆ Submits proposals on sustainable development and reports at regular intervals on the progress of implementation of the WDP Group sustainability strategy to the Board of Directors
- ◆ Reports annually based on the ESG report included in the annual financial report
- ◆ Meets at least quarterly to discuss ESG

Sustainability engineer

HSES Team

ESG Team

## ESG TOPICS



### Corporate culture

#### Accomplishments in 2020

##### Covid-19: clear focus on #TeamWDP and internal collaboration



Digital office tools



Online teambuilding events



Safe re-boarding



Regular online heads-up of internal projects



##### Renewal of WDPConnect!

The platform is the corporate anchor for all internal information and was upgraded to make navigation more intuitive, expand content and increase awareness within the team.

# 100,000 euros

##### Charity

for vulnerable groups and social initiatives hit hard by Covid-19. This amount was collected via 15% of the second quarter 2020 salary of the Board of Directors and CEOs, a non-binding contribution by #TeamWDP and then doubled by WDP.



### Objectives

#### WDP ESG Roadmap

Annual update as part of the updated environment

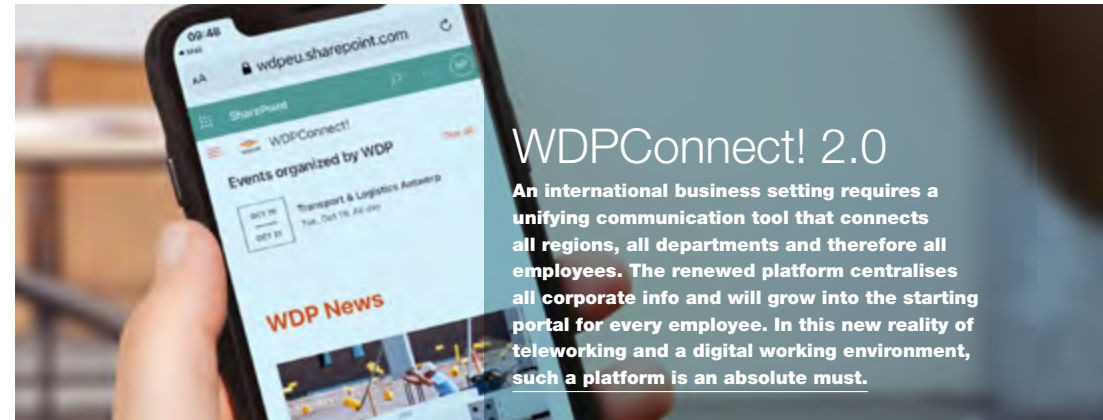
#### Preserving the corporate culture

Team events  
Workshops

#### Charity by #TeamWDP

#### #TeamWDP

Based on the spirit of a family business, a **flexible, flat corporate structure** and **hands-on** and **can-do entrepreneurship** are inherent to WDP's DNA. We stay on the ball and support long-term partnerships with all stakeholders. This corporate culture requires enterprising people with like-minded motivation, where every employee within #TeamWDP contributes to the company's success.



## WDPConnect! 2.0

An international business setting requires a unifying communication tool that connects all regions, all departments and therefore all employees. The renewed platform centralises all corporate info and will grow into the starting portal for every employee. In this new reality of teleworking and a digital working environment, such a platform is an absolute must.

Promoting this corporate culture starts with the **onboarding process** for new staff, providing space to get to know WDP's values. A visit to a construction site or an existing property immerses them in the day-to-day operation of the company.

A united corporate culture is furthermore conveyed through **team spirit**, **synergies** in the organisation and **streamlined processes** across national boundaries and business units. The linking communication platform WDPConnect! ensures that #TeamWDP continues to be informed of all news, internal communications and practical info. The company strives for continuous and ad hoc **multidisciplinary and interdisciplinary** reflection. That

means each person is introduced to everyone else's job content, which automatically increases each employee's engagement and the mutual respect for each other's work. New initiatives or tools are also integrated into the corporate processes more quickly when they are mutually promoted by staff rather than imposed by the management.

Of course, this characteristic process filters through in each of the focus themes of the WDP ESG Framework.

## ESG TOPICS



## Attracting and retaining of talent

**Warehouse of talent**

As a growing organisation, WDP wishes to attract the right talent and integrate it into the company and the corporate culture. This is the only way to guarantee WDP Group is future-proof, to increase the company's resilience and to facilitate its continual growth. A **good mixture of different talents, cultures and personalities** is of the utmost importance. WDP is looking for staff with the right skills, that best fit the corporate culture and activities, with due regard to objective selection procedures and diversity.

The **family atmosphere** within the company ensures that staff are seen as individuals and are not purely viewed in terms of their professional performance. It is vital that everyone on the team feels good and valued and has space to deploy their talents. WDP employees receive leeway for their own initiative, and management does its utmost to feed and stimulate the ideas of its people, rather than pushing through top-down decisions. The innovative, flat organisational structure ensures a continuous dynamic and fosters **involvement, responsibility and ownership**. **Ongoing education and continuous involvement** in the company and its projects stimulate professional and personal development.

**New talent**

A brief but thorough selection process, clear information and attention for the right match are the basis of successful recruitment. The onboarding procedure wishes to provide close understanding to the business of WDP:

- ◆ an extensive onboarding procedure, a well-equipped workplace and the right tools;
- ◆ allocation of a mentor for each new employee to show them around the company informally;
- ◆ personal introductory talks with colleagues from all departments across country borders, including meeting the compliance officer for a further explanation and a formal

introduction to WDP policies (e.g. Dealing Code and Code of Conduct);

- ◆ a visit to building sites and/or a visit to the clients accompanied by one of the project managers or the property manager; and
- ◆ feedback interviews with the HR person responsible after one month and after six months.

**Ownership | diversity of thoughts**

- ◆ interdisciplinary and multidisciplinary project groups;
- ◆ a project leader, who works with a number of staff in order to complete a project successfully, is allocated to each project group.

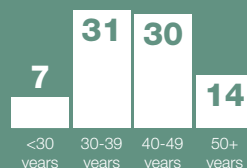
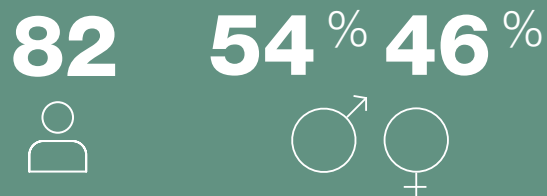
**Resulting from the #TeamWDP satisfaction survey 2020:****Atmosphere at work****8.5/10****The job meets expectations****8.4/10****Satisfied with work-life balance****7.9/10****Satisfied with personal development****7.8/10**



## Attracting and retaining of talent (cont.)

### Diversity beyond gender

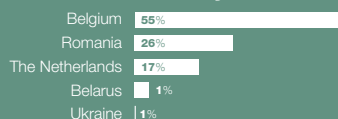
#### Employees



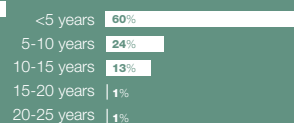
#### Educational background



#### Nationality



#### Seniority



7% females in STEM positions<sup>1</sup>

Administrative staff – Joint Committee 200  
Workers – Joint Committee 124

WDP BE adheres to the relevant national  
CAO (collective labour agreement)

### Accomplishments in 2020

**Onboarding package**  
for new employees in Belgium  
and the Netherlands



**Dedicated WDP HR job website**  
focused on onboarding, corporate  
culture, #TeamWDP and development



**Covid-19 bonus for #TeamWDP**  
1 week extra pay as a thank-  
you for the ongoing effort and  
results achieved despite the  
coronavirus crisis



### Objectives

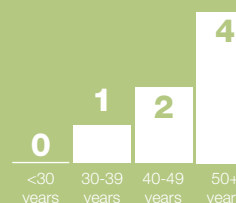
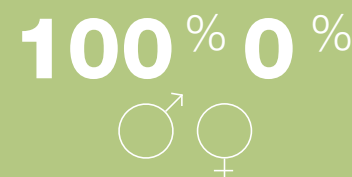
Satisfaction survey for all employees to be integrated into an online feedback form

#### WDP Management Committee



**7**  
members

assisted by a dedicated team of  
In-House Group Shared Services



#### Seniority

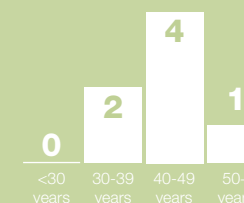
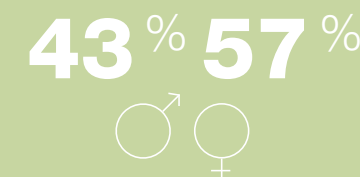


#### In-House Group Shared Services

Project development  
Finance  
HR  
Investor relations

Special projects  
Marketing  
Corporate legal

**7**  
responsables



#### Seniority

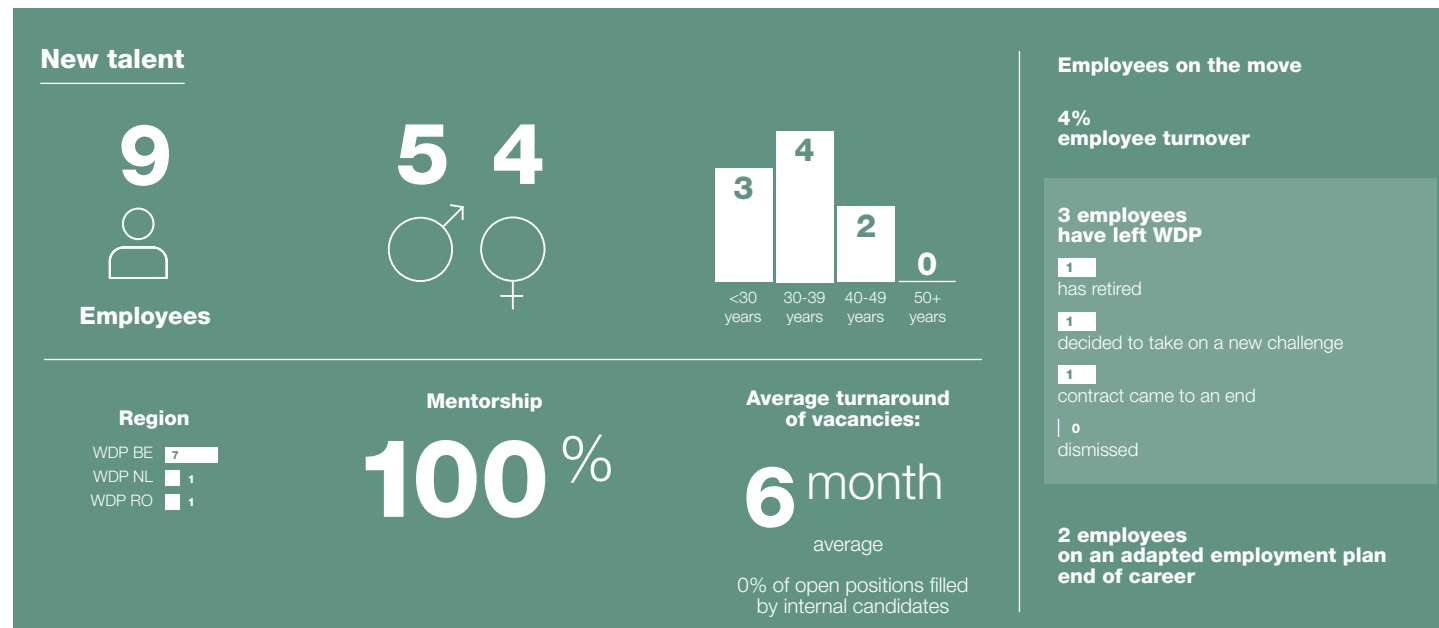


<sup>1</sup> STEM stands for Science, Technology, Engineering and Mathematics.

## ESG TOPICS



## Attracting and retaining of talent (cont.)

**Fair and balanced remuneration**

WDP applies a remuneration policy that is based on three principles: straightforward, transparent and in keeping with the corporate strategy. As is the case with the remuneration of the members of the Management Committee, the remuneration of employees consists of a fixed and a variable remuneration, where relevant supplemented with non-statutory benefits such as a company car, a smartphone and group insurance (defined contribution). The concrete details of these three

components always depends, of course, on aspects such as the job and social insurance regime of the person in question, as well as the local regulations to which the employee is subjected. Obviously, the remuneration is based on the **“equal pay for equal work” principle**. On an annual basis, WDP compares its remuneration policy with that of other listed and non-listed real estate companies and other non-real estate companies with a similar scope and interest. We are currently using the services of the internationally recognised

payment consultant Willis Towers Watson for this purpose. This way, WDP can be assured that it is offering its employees compensation packages in line with market conditions.

Variable remuneration for employees consists of:

- ♦ a payment linked to individual performance goals; and
- ♦ a payment linked to collective performance goals, resulting directly from WDP's 2019-23 growth plan and

the WDP ESG Roadmap. The EPRA earnings per share and the occupancy rate, among other things, determine to what degree the collective variable remuneration is awarded and paid to staff. **Each employee was also assigned an ESG target.**

The payment of the variable remuneration takes place depending on the place of employment, bearing in mind local legislation and the job and social insurance regime of the employee, in cash, via the assignment of warrants in the context of a warrant plan, via a non-recurrent result-based benefit and/or via a contribution to the group insurance.

As is the case with regard to the directors and the members of the Management Committee, there is currently no share or share option scheme for the staff of WDP.

In principle, all our staff are employed on the basis of a **permanent employment contract**; a fixed-term contract for temporary replacement is provided in exceptional cases. WDP also offers opportunities of part-time work or adapted employment plans.



## ESG TOPICS



## Health and safety

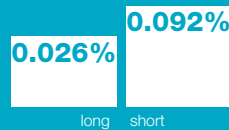
## Accomplishments in 2020

0.001%

workplace accidents

0

deaths



absence due to illness

0

incidents of non-compliance with regulations concerning health and safety

100%

100% health and safety evaluation

1

prevention adviser

1

first aider

## HSES Corporate Action Plan

- ◆ On-site promotion of HSES, including stickers on sprinkler tanks
- ◆ HSES audit of a WDP building site in the Netherlands
- ◆ Working with third parties: procedure rolled out in Belgium
- ◆ Intervention and evacuation procedures for all WDP offices

Work-life balance  
20% of all staff works part-time

- ◆ Flexible work
- ◆ In Belgium, the Netherlands and Romania, periods of maternity leave, adoption leave, paternity leave, parental leave, care leave and time credit (in Belgium only) are provided for by law.

## Covid-19

- ◆ Corona parental leave
- ◆ Digital environment for teleworking
- ◆ Online sports and team building
- ◆ Prevention measures in the office: mouth masks, respect for social distancing, hand hygiene, respiratory hygiene, hygienic workplace
- ◆ Care for work-life balance: surprise box for homeworkers, crafts for employees' children, weekly update on everyone's health for everyone

## HSES concerns everyone

A safe and healthy living and working environment for #TeamWDP, clients, investors, suppliers and the wider community is essential to WDP's operational management. WDP continues to systematically improve health, physical and mental well-being and safety at work, taking into account specific risks and hazards.

All employees, regardless of their position, are expected to help in the identification and the prevention of safety and health hazards in order to create a safe, healthy and carefree working environment for #TeamWDP and all stakeholders.

The WDP HSES Team consists of property managers (at least one from each platform), a representative of the project managers, the prevention officer and the CTO, and rolls out an annual [HSES Action Plan](#) step by step.

From #TeamWDP, the initiatives of the Office Well-being Team and the Move Team contribute to a healthy and sporty atmosphere in the office – and, of course, to team spirit. WDP ensures a good work-life balance, for example thanks to certain forms of flexible or part-time work.



## Objectives

At least one HSES audit for existing buildings, projects or WDP offices

Compliance with the relevant Covid-19 guidelines

Additional systematic integration of HSES in the operating activities

More about  
#HealthyAndSafe



## ESG TOPICS



## Health and safety (cont.)

## Flexible work at WDP

Flexible working is organised at WDP on the basis of common sense, mutual trust and consultation. A recurring fixed teleworking day is not permitted so as not to impede the communication, creativity, and agility of the teams. However, flexible working is possible on an ad hoc basis and occasionally, for example due to private reasons, weather conditions, etc., or because this contributes to a more efficient schedule for the day.

It goes without saying that during the corona crisis, in line with governmental measures, WDP expanded (mandatory) telework opportunities for as long as necessary.



## HSES is more than just a policy

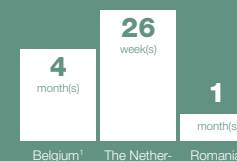
**A clear and driven HSES policy supports the company's operations. Clear awareness and communication within and by #TeamWDP ensure that WDP can continue its operations unhindered during the corona crisis and that building sites can remain open safely.**

## Theme-based leave: provided by law per child

## Maternity leave



## Parental leave



## Adoption leave



## Care leave



## Paternity leave



<sup>1</sup> per child up to 12 years  
<sup>2</sup> per child up to 8 years  
<sup>3</sup> per child up to 7 years

**Time credit** in Belgium

**Corona parental leave** in Belgium: unlimited take-up between 1 May and 30 September 2020

## ESG TOPICS



## Employee development

## Accomplishments in 2020

100 %



of employees evaluated annually

947 euros

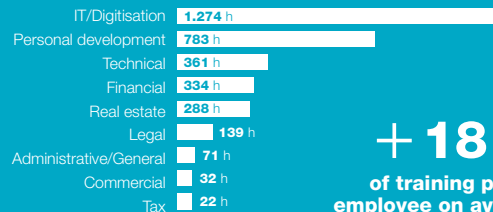


for training per employee on average

37 hours



of training per employee on average



+ 18 hours  
of training per  
employee on average



## Training for #TeamWDP

Salesforce  
Power BI  
Sharepoint  
OneNote  
Document Management System  
Online Marketing

## Remuneration

of each employee  
linked to achieving an  
ESG target



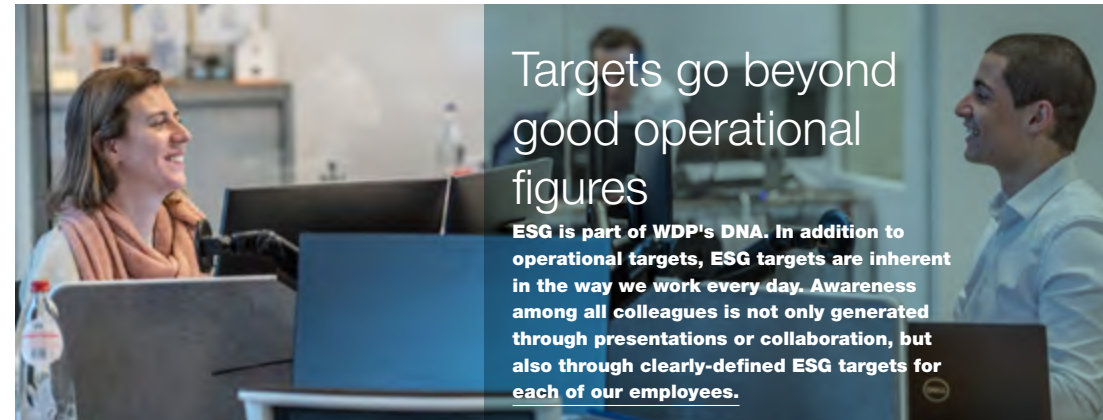
## Objectives

Online feedback form for each employee

Yearly achievement of ESG targets  
by #TeamWDP: minimum 90%

## Growing together

The continuous development, growth and motivation of all employees ensures that they **feel good** within the company and that they can continue to expand their



Targets go beyond  
good operational  
figures

ESG is part of WDP's DNA. In addition to operational targets, ESG targets are inherent in the way we work every day. Awareness among all colleagues is not only generated through presentations or collaboration, but also through clearly-defined ESG targets for each of our employees.

**competencies.** WDP strives to promote the skills of its employees to facilitate a sustainable team and continuously build capacity. However, employee development should not be focused purely on the required job-related skills, but also on the development of soft skills.

**Personalised development plans** and opportunities for internal mobility promote strong performance and development for both employees and the company. **Individual or group trainings** (of which 22 hours of mandatory training and 17 hours non-mandatory)<sup>2</sup> help build and share expertise, such as through in-house Learn@lunch sessions. Moreover,

WDP also provides individual **coaching projects**, for example to develop specific competencies, both technical and soft skills or adapted employment plans (part-time work, Werkbaar Werk).

All employees have annual formal **feedback moments** with their direct supervisors. In addition to the evaluation and assessment of individualised performance targets, these also pay extensive attention to job performance, team atmosphere, work resources, training and further personal development. Regular informal chats give everyone an opportunity to offer or receive additional feedback.

## ESG TOPICS



## Digitisation

**Efficiency and added value**

The integration of new digital technologies should lead to an improvement of the corporate processes, the optimisation of the cooperation between the different teams across the different countries, as well as the quality and service for all

stakeholders. Each project is logically based on the most efficient approach, supported by (new) innovative, digital tools that offer added value for both employees and clients.

**Accomplishments in 2020****Project Brains**

Optimisation of data flows through a document management system and integration of the data and software landscape

Optimisation of corporate processes

# WDP XPLQRE

**WDP Xplore**

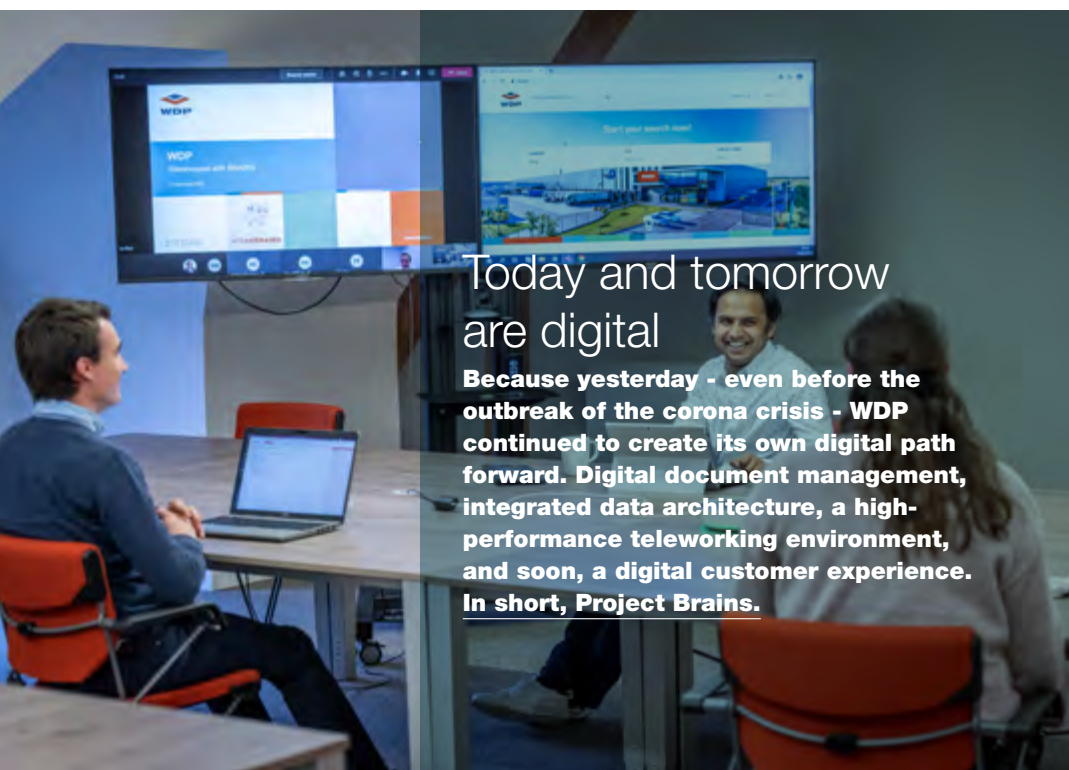
Customer-focused next generation marketing

A 360° virtual tool that enables clients to walk through a digital distribution centre

**Objectives**

**Continued roll-out of Project Brains across all WDP platforms.**

**Digital customer portal**



Today and tomorrow  
are digital

**Because yesterday - even before the outbreak of the corona crisis - WDP continued to create its own digital path forward. Digital document management, integrated data architecture, a high-performance teleworking environment, and soon, a digital customer experience. In short, Project Brains.**



## Energy efficiency

WDP strives as much as possible to reduce the CO<sub>2</sub> emissions from its buildings by means of various initiatives in the existing portfolio and for new construction projects. Where possible, WDP also invests in alternative energy sources.

### Energy efficient buildings

A standard [WDP new-build warehouse](#) is reviewed and updated annually - its energy efficiency is one of the priority considerations. Energy efficiency is also top-of-mind as far as WDP's own offices are concerned.



## Objectives

### WDP Climate Action Plan

WDP will draft a climate plan with specific actions and targets, taking into account the 2030 climate goals for the European Union and the European Green Deal 2050. The results of the energy monitoring system are the basis to set the goals and outlines of the plan.

Because knowledge is power

**The Energy Monitoring System provides a clear and detailed view of the energy consumption of our clients and our company. It forms the perfect basis for a high-performance strategy that will support our energy goals and our clients' sustainability goals.**

### Accomplishments in 2020

**205,000** m<sup>2</sup>



**in the property portfolio  
relighted with LED**



Relighting with LEDs at existing locations, under the impetus of Green leases, among other things

**80** MWp



**Solar energy at 85 locations**

Additional capacity of 10 MWp is scheduled

**1/3**

in the property portfolio are equipped with solar panels

### Energy monitoring system

Full rollout across all countries in which WDP operates  
Provide data to client and dialogue to optimise energy consumption

**Ambition 100** MWp

**2020 27,498** T CO<sub>2</sub>e-prevention

**26** %

**Class A  
green certified  
warehouses**

### Certification

**BREEAM**

+ 2 locations  
In total 17 WDP locations

**EDGE**

+ 48 locations  
Certification of the full  
Romanian property portfolio

### Green financing

**205 million euros** IFC

Financing package for EDGE-certified logistics new-build projects in Romania

**150 million euros** EBRD

Financing package for a pre-let development pipeline and further growth of WDP's activities in Romania



## ESG TOPICS



## Energy efficiency (cont.)

## Green financing strategy

The WDP Green Finance Framework offers the option to issue Green Bonds, Green Private Placements or Green Loans based on clear and transparent criteria for investments in renewable energy, measures to optimise energy efficiency or other energy-friendly projects.



## Clear trend to redevelopment

WDP is also breathing new life into older, underutilised locations. These brownfield developments address the scarcity of free space. In addition to redeveloping such sites into modern new-build warehouses with new, sustainable technologies, such projects often also involve cleaning up the (formerly) polluting site. This reduces the site's ecological footprint and also contributes to the health of the employees who will occupy the building and the environment around it.

## Multimodal locations

WDP is convinced that the future of logistics lies in multimodal solutions. WDP strategically plans its warehouses in locations where hubs for road, shipping, rail and air traffic can be or have already been developed. WDP aims to generate added value from these multimodal locations through the creation of synergies between clients, regions, cities, ports, public services, etc. to achieve smart logistics (such as bundling or agrologistics).

**132,000** m<sup>2</sup>

brownfield projects under development

**720,000** m<sup>2</sup>

with direct access to roads, water, rail and/or air

## Less energy consumption

- ◆ Complete wall and roof insulation
- ◆ LED lighting with dimming and motion detection
- ◆ LED relighting project in existing portfolio
- ◆ Highest energy-efficient heating, insulation and air-conditioning systems

## Green energy

- ◆ Solar panels
- ◆ Green electricity
- ◆ Heat pump (optional)

## Less water consumption

- ◆ Re-use of rainwater in the sanitary installations
- ◆ Movement sensors on taps and urinals

## Energy monitoring system

- ◆ Monitoring via measuring equipment at main water, gas and electricity connections
- ◆ Possibility for detailed monitoring and active installation control

## Certification (optional)

- ◆ BREEAM
- ◆ EDGE

## Electrical charging stations

## Biodiversity

## Construction following EPB standards in Belgium

## Waste

- ◆ Facilities for separated waste sorting
- ◆ Reducing waste volume and aiming for circular decomposition in development

## Green lease

Green investments by WDP in its property portfolio at the request of our customers or on our own initiative, combined with an adjustment to the rental terms and conditions and reduced energy consumption.

## Energy-efficient WDP corporate offices

## WDP HQ

Geothermal heat pump  
Electrical charging stations

## WDP Netherlands

Municipal DH&C (District Heating and Cooling)  
Energy class A  
Electrical charging stations

## WDP Romania

LEED certified  
Electrical charging stations

ESG TOPICS



Good governance

Accomplishments in 2020

Supplier Code of Conduct

There is no doubt our suppliers play an important role in successfully achieving our sustainability goals and our aim of contributing to a sustainable world. This code defines the principles that we expect our suppliers to uphold: respect for human rights, fair and proper working conditions, health and safety, environment, and ethical conduct.

Grievance mechanism

#Speak up  
A clear reporting procedure allows employees to report their concerns or incidents.

#ShareYourThoughts  
Reporting procedure for all stakeholders, easily accessible through our website.

In both reporting procedures, WDP guarantees respect for dialogue, solution-focussed, discretion.

0

infringements

of the Dealing Code, Employee Code of Conduct, nor infringements of or convictions related to competition law or as a result of corruption or fraud.

Implementing a holistic approach around e-mail security and anti-malware

Reporting standards, ratings and indices



GRI

MSCI

ISS ESG



2020

Gold

Core

BBB

Not Prime C-

42/100

Progress

■

■

■

▲

▲

Ambition

Gold

Core

A

Prime C

Inclusion in the index



WDP Supplier Code of Conduct

**Our suppliers are not only expected to provide quality work and economic added value. It is equally important that they subscribe to the ethical values that are self-evident for WDP. Our principles and our striving for mutual dialogue have been formalised in the Supplier Code of Conduct and the Grievance Mechanism.**

Proper conduct

Doing business **honestly and correctly, open communication and transparent reporting** with regard to good governance all guarantee responsible business practices. In this way, WDP takes aims for a good balance between the interests of the different stakeholders and the community.

Transparent reporting

An improved and high-quality report on good governance is only possible if WDP develops a long-term vision that safeguards sustainable employment practices and sustainable business practices, as has been formulated and described in the specific focus themes.

This vision is also reflected in the choice WDP has made regarding recognition of international standards for reporting and ESG rating agencies. On the one hand, WDP has opted for EPRA and GRI, given their sector relevance and international recognition. On the other hand, ISS and MSCI were chosen. They use a framework that monitors a broad spectrum of environmental, social and governance topics and trends with a material impact or different industries and companies.



Objectives

Compliance training

**Recurrent training regarding the behavioural principles and values set out in the Code of Ethics, the Code of Conduct, the Corporate Governance Charter and also in terms of HSES and risk management.**

**Optimisation as regards cyber security and data integrity.**

# El Plan

## Digital partnership



Digital is the new normal. Data is the new fuel for an optimal customer experience. WDP is thus also fully committed to a digital customer experience, underpinned by a strong, intelligent data architecture.

### 100% digital: better processes and tools

But the digital narrative only adds up if there is tangible added value for customers and employees. Efficient cooperation and high-quality customer service, that's the goal! By connecting and integrating each tool within a 100% digital platform, WDP improves its processes, tools and the available data.

### Supported by #TeamWDP

A successful digital platform can only be built with the full support of #TeamWDP. To fire up our colleagues, we created a unique creative challenge. In times of teleworking, corona measures and a new work situation, this was crucial to enable constructive communication, organise training and encourage participation.

“ El Plan is bursting with ambition. It is the way ahead. But it won't work unless everyone is on board. Will we all manage? Life is for the daring, #TeamWDP will have to prove themselves.

El Profesor of WDP

### Code name: El Plan

First step: announcing 'El Plan'. A playful miniseries based on Netflix's La Casa de Papel. In the miniseries, El Profesor gives regular updates and #TeamWDP gets to know El Profesor 's gang - colleagues sharing their experiences. El Plan/La Casa de WDP quickly became this project's in-house code name. New episodes are released regularly and inject a good dose of fun into WDP's digital transformation.

## 5. TRANSACTIONS AND REALISATIONS



Out with the old,  
in with the new



**132,000**m<sup>2</sup>

brownfield under development

“

Brownfield developments give  
a new, sustainable future to  
outdated sites



## TRANSACTIONS AND REALISATIONS

98.6%

Occupancy rate



## Confirmation of trust



13%

Leases  
expired in 202097%  
renewed90%  
renewed by  
existing customers

10%

Leases  
expiring in 202157%  
already renewed

99%

Rent collection 2020<sup>1</sup>

## PROJECTS IN 2020



COMPLETED



UNDER DEVELOPMENT



POTENTIAL

## Surface area

534,000 m<sup>2</sup>805,000 m<sup>2</sup>>1,000,000 m<sup>2</sup>

## Investments

359 million euros

541 million euros  
of which 367 million euros still need  
to be invested

## Gross initial rental yield

7.1%

6.1% in Western Europe  
8.1% in Romania

6.5%

6.0% in Western Europe  
8.5% in Romania

## Average lease term

10 years

12 years



54 million euros



Acquisitions

<sup>1</sup> Percentage of  
rents collected.



## TRANSACTIONS AND REALISATIONS

# Belgium

## Leuven

Vaart 25-26

**Sold** Responding to the demand for more accommodation in this part of the city, the existing Hungaria building will be converted into a residential tower block under a collaboration agreement with property developer L.I.F.E. As part of this project, WDP in collaboration with L.I.F.E. is selling this site in phases.<sup>1</sup> 80% of the surface area has already been sold. The phased delivery of I Love Hungaria started in the autumn of 2019.

## Londerzeel

Technologielaan 3



**Acquisition** WDP became the owner of the Sip-Well site in Londerzeel. The site comprises approximately 11,000 m<sup>2</sup> of built-up area with additional future development potential. This purchase enables WDP to strengthen its presence at the industrial estate – after all, it is adjacent to the WDP location at Weversstraat 2, which is leased by Colfridis and is centrally located in the middle of the WDP cluster of buildings in the Londerzeel industrial zone. Sip-Well will continue to lease the premises for a period of 15 years.

With an overall investment value of 9.4 million euros, this acquisition was achieved through a contribution in kind of the site to WDP.<sup>2</sup>

<sup>1</sup> See the [press release](#) dated 14 January 2021.

<sup>2</sup> See the [press release](#) dated 30 April 2015.

## Heppignies

rue de Capilône 6c

**Completed project** WDP has built a new distribution centre for the Belgian hypermarket chain Cora on its existing site in Heppignies. Cora leases

approximately 32,000 m<sup>2</sup> for a period of six years. The investment budget for this project is approximately 16 million euros.



## TRANSACTIONS AND REALISATIONS

**Nijvel**

rue de l'industrie 30

**✓ Completed project** At the request of tenant WEG EUROPE, this warehouse site was expanded by approximately 2,000 m<sup>2</sup>. WDP's investment budget is approximately 1 million euros.

WEG EUROPE has signed a four-year lease for this expansion in line with the lease for the existing building.

**Heppignies**

rue de Capilône 6c

**🔄 Project under development** A new phase in the successful redevelopment of the former Beecham site, where Trafic will expand its existing warehouse with approximately 13,000 m<sup>2</sup> of new storage space. The completion of this new section is planned for the summer of 2021 and will be leased by Trafic for a period of nine years. WDP projects an investment budget of approximately 5 million euros.

**Courcelles**

rue de Liège 25

**🔄 Project under development** The existing premises will be expanded with a surface area of approximately 2,200 m<sup>2</sup> (completion planned for the second quarter of 2021). The entire site will then be leased to Conway, which already leases the WDP warehouse site at Jumet. Conway was looking for a larger warehouse to facilitate the growth of its activities and will move to the Courcelles site based on a nine-year lease. The investment budget for this expansion amounts to approximately 2 million euros.

**Geel**

Hagelberg 12



**🔄 Project under development** The existing distribution centre of Distrilog, located in the industrial zone Geel-ENA23<sup>3</sup>, is being expanded with an additional surface area of approximately 8,000 m<sup>2</sup> and will be ready to hand over by the end of 2022. The term for this new area will be aligned with the existing lease contract for the site as a whole, which has a term of six years. The investment budget amounts to approximately 4 million euros.

<sup>3</sup> Economisch Netwerk Albertkanaal (ENA - Economic Network Albert Canal).

## TRANSACTIONS AND REALISATIONS

## Genk


[video link](#)

**Acquisition** WDP has acquired approximately 130,000 m<sup>2</sup> of land in Genk for future development for pre-letting purposes. The investment for this acquisition amounts to 9 million euros.

## Asse - Mollem

Zone 5 no. 191, 192, 320, 321

**Completed project** Redevelopment and expansion of the distribution centre for press distributor AMP, which amounts to a project with a total of 9,000 m<sup>2</sup>. The investment budget for WDP amounts to more than 4 million euros. AMP leases the renovated premises based on a four-year lease.

## Heppignies

**Project under development** A new warehouse will be expanded with approximately 2,000 m<sup>2</sup> (completion is planned for the first quarter of 2022). WDP's investment in this expansion amounts to approximately 5 million euros.



## WDPort of Ghent

**Project under development** A multi-modal distribution centre covering approximately 150,000 m<sup>2</sup> will be added to the WDPort of Ghent multi-tenant logistics park at North Sea Port. Retailers X<sup>2</sup>O Badkamers, Overstock Home and Overstock Garden have committed to a long-term lease. The distribution centre will be realised with a 29-71 joint venture partnership between WDP and the sharehold-

ers of these retailers. The total investment for this project amounts to approximately 80 million euros<sup>4</sup>. WDP will start this development after obtaining the building permit, which is expected during the spring of 2021. The implementation will be phased over a one-and-a-half-year period.

## Asse – Mollem

Zone 5 no. 191, 192, 320, 321

**Project under development** Final phase of the redevelopment and expansion of the distribution centre for the press distributor AMP, representing an additional surface area of approximately 3,200 m<sup>2</sup>. After delivery (planned for the third quarter of 2021), AMP will lease over 20,000 m<sup>2</sup> of new warehouse space under an eight-year lease. The investment budget for this second phase is approximately 2 million euros.



4 Based on 100% of the investment.

## TRANSACTIONS AND REALISATIONS

## Lokeren

Industrial Park E17/4

**Project under development** WDP will build a unique logistics warehouse site for Barry Callebaut at this new industrial park. This site will accommodate the new Global Distribution Centre (GDC) for Barry Callebaut. The warehouse site will consist of a new logistics low bay and a fully automated high bay (together totalling a surface area of more than 60,000 m<sup>2</sup>).

Delivery is planned for the third quarter of 2021. For this project, WDP estimates the investment budget will be approximately 100 million euros (including the automation investments) with returns in line with market rates for this type of high-end project. Barry Callebaut will rent this new GDC under a long-term lease.



## Londerzeel

Weversstraat 27-29

**Project under development** A state-of-the-art, sustainable and innovative new construction project will be built on the existing WDP site to be redeveloped at the Weversstraat in Londerzeel. Colruyt will use it for distribution. The new distribution centre will further optimise efficiency when it

comes to the flow of goods thanks to its strategic location along the A12 motorway that connects Brussels and Antwerp. WDP will develop this new warehouse of approximately 20,000 m<sup>2</sup>. Delivery is planned for the second quarter of 2021. The investment budget is approximately 9 million euros<sup>5</sup>.

<sup>5</sup> This excludes an investment amount of 6 million euros for the land already under ownership.



## TRANSACTIONS AND REALISATIONS

# The Netherlands



## Ridderkerk - Nieuw Reijerwaard

**✓ Completed project** A new 26,000 m<sup>2</sup> distribution centre is under development for Kivits Groep Holding, a full-service logistics service provider for the PFV sector. Kivits rents the property under a 15-year lease. The site expands WDP's existing PFV portfolio in the Barendrecht region. WDP's investment budget amounts to approximately 30 million euros.

## Ridderkerk - Nieuw Reijerwaard

**P Acquisition** WDP invested approximately 15 million euros for the acquisition of 47,500 m<sup>2</sup> of land for future development.

## Drachten

Dopplerlaan 1



[video link](#)

## Nieuwegein

Brigadedok

**P Acquisition** Further expansion of the partnership with food service wholesaler Sligro Nederland by means of a sale-and-lease-back of the existing, recently renovated warehouse in Drachten in the Netherlands. This location has a surface area of approximately 27,500 m<sup>2</sup> and is leased by Sligro under a long-term 20-year lease. The investment budget for this transaction amounts to approximately 17 million euros.

**✓ Completed project** A brand-new, state-of-the-art distribution centre of approximately 15,000 m<sup>2</sup> for Caldic Ingredients, an international distributor and producer of ingredients for the food industry. The investment budget amounts to approximately 12 million euros. Caldic rents the site under a 10-year lease.





## TRANSACTIONS AND REALISATIONS

**Eindhoven**

Park Forum

✓ **Completed project** To accommodate further growth, the existing Brocacef site was doubled in size with construction of a new warehouse of approximately 10,000 m<sup>2</sup>. Brocacef signed a 10-year lease for this property. The investment budget for this project is approximately 10 million euros.

**Ridderkerk - Nieuw Reijerwaard**

🔄 **Project under development** The new distribution centre for Kivits Groep Holding, which was completed and commissioned at the end of 2020, will immediately be expanded to cover a surface area of approximately 4,500 m<sup>2</sup> (completion is planned for the first quarter of 2021) that will be leased for a period of 15 years as an extension of the existing space. The investment budget for this extension amounts to over 2 million euros.

**Bleiswijk**

Snelliuslaan 13

[video link](#)

✓ **Completed project** A new warehouse with a total surface area of approximately 17,000 m<sup>2</sup> was built for logistics service provider Drake & Farrell. Drake & Farrell rented this new site under a 5.5-year lease. The investment budget amounts to approximately 16 million euros.

**Breda**

🔄 **Project under development** The redevelopment of the buildings that were previously leased by Euro Pool System into a warehouse of approximately 13,000 m<sup>2</sup> for an PFV company. The investment for the new construction site amounts to approximately 10 million euros. Delivery is planned by the end of 2021.

**Kerkrade**

Steenbergstraat

✓ **Completed project** Construction of a new turn-key European distribution centre for Berner Produkten, a tools and materials wholesaler for its distribution in the Benelux and Rhine-Ruhr regions. The new premises have a

surface area of approximately 28,000 m<sup>2</sup> and are rented by Berner Produkten under a 15-year lease. WDP's investment amounts to 25 million euros.

**Nieuwegein**

Divisiedok 1

✓ **Completed project** The existing building of approximately 37,500 m<sup>2</sup> for Bol.com is expanded with a surface area of 12,500 m<sup>2</sup>. WDP's investment

budget for this expansion amounts to 15 million euros. The premises are rented under a five-year lease.



## TRANSACTIONS AND REALISATIONS


[video link](#)
[video link](#)
[video link](#)
[video link](#)
**'s-Hertogenbosch**

Ketelaarskampweg - Zandzuigerstraat

**Completed project** The acquired site, which was once the home for the Total Fina and metal trader Huiskens-van Erp depots and an Essent combined heat and power plant, was fully remediated and redeveloped in a sustainable manner. This site is leased in the long term to three parties: Sanitairwinkel.nl, an (online) distributor of sanitary products; Spierings Smart Logistics, a local logistics service provider; and international logistics service provider ID Logistics. The BCT container terminal in the immediate vicinity offers opportunities for sustainable transport between road and sea. This location has a surface area of approximately 55,000 m<sup>2</sup>. WDP's investment budget amounts to more than 33 million euros<sup>6</sup>.

**Rozenburg**

Incheonweg 11-13

**Completed project** The existing WDP site has been equipped with a multistorey car park with approximately 390 parking places for various clients. The investment budget for this project amounts to 4 million euros.

**Breda**

Heilaarstraat 263

**Completed project** The final part of this site is redeveloped and is directly connected to the newly built warehouse for Lidl, which rents this expansion of approximately 5,000 m<sup>2</sup> under a nine-year lease. The investment budget for this redevelopment amounts to approximately 3 million euros.

**Bleiswijk**

Prismalaan 17-19

**Completed project** Development of a flexible and dividable new warehouse of approximately 22,000 m<sup>2</sup> in which CEVA Logistics accommodate its activities for one year during the redevelopment of its current site in The Hague. The investment budget amounts to approximately 13 million euros.

<sup>6</sup> This excludes an investment of 15 million euros for the land that is already owned.

## TRANSACTIONS AND REALISATIONS

**Maastricht**

Habitatsingel 59

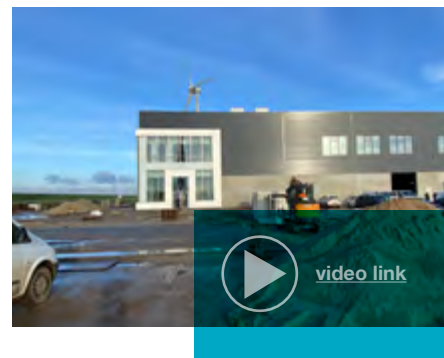
**✓ Completed project** The partnership with hotel and catering wholesaler Sligro (following the acquisition of new warehouses in Deventer, Drachten and Breda) was extended with the completion of the approximately 16,000 m<sup>2</sup> building in Maastricht. This investment amounts to 16 million euros. Sligro rents this location under a 15-year lease.

**Bleiswijk**

Prismalaan West 31

[video link](#)

**🔄 Project under development** During the first quarter of 2021, Boland, a specialist in party supplies, is expected to move into a new warehouse with a surface area over 16,000 m<sup>2</sup> under a 10.5-year lease. The budget for this new construction project amounts to approximately 18 million euros.

**Heerlen**

Argonstraat 14-16

**✓ Completed project** Expansion of the existing warehouse site with a surface area of approximately 26,000 m<sup>2</sup> for the distribution of healthcare products by CEVA Logistics. WDP's investment amounts to approximately 14 million euros.

**Dordrecht**

**🔄 Project under development** A turnkey project for a new construction site of approximately 48,000 m<sup>2</sup> for shoe manufacturer Crocs Europe. Delivery is planned for the first quarter of 2021. The investment for this project amounts to approximately 56 million euros.

**Heerlen**

Argonstraat 10-12

**🔄 Project under development** WDP has started work on the expansion of the CEVA Logistics' pharma hub. Covering an area of approximately 26,000 m<sup>2</sup>, this expansion will increase the total leased surface area to 52,000 m<sup>2</sup>. It is scheduled for delivery during the fourth quarter of 2021. The investment for this phase amounts to approximately 15 million euros.

**Breda**

**🔄 Project under development** The expansion of the new warehouse for Lidl with an additional surface area of 31,000 m<sup>2</sup>. The delivery is expected in the second quarter of 2023. Lidl will rent this expansion under a long-term 10-year lease. This investment amounts to approximately 22 million euros.





## TRANSACTIONS AND REALISATIONS

## The Hague

Westvlietweg

**Project under development** Redevelopment of the existing premises for CEVA Logistics into a brand-new distribution centre of approximately 26,000 m<sup>2</sup>. During construction works, CEVA Logistics is temporarily accommodated in a new warehouse to be built in Bleiswijk. Delivery of the premises in The Hague is planned for the third quarter of 2021. WDP's investment budget amounts to more than 19 million euros. CEVA Logistics will lease the site under a five-year lease.



## De Lier

**Project under development** A multi-layer distribution centre for packaging specialist De Jong Packaging. The growing demand for corrugated cardboard packaging (driven, among other things, by e-commerce), combined with the need for more efficient land use, form the basis for this innovative project. On approximately 56,000 m<sup>2</sup> of land, De Jong Packaging will have no less than 83,000 m<sup>2</sup> of production, storage and distribution space, including offices, spread over two floors. The new building is commissioned based on a long-term lease after completion (expected at the end of 2022) and represents an investment of approximately 60 million euros by WDP.

The building will be constructed next to the existing De Jong Packaging building in De Lier in the centre of the Dutch Westland region. The existing buildings already owned by WDP<sup>7</sup> are outdated and will be demolished to make way for this new storage and production site. De Jong Packaging will be able to expand its production and supply of packaging for food, non-food, floriculture, e-commerce and fruit and vegetables at the site.

7 WDP acquired the site and its buildings in 2017 from the former owner, The Greenery.

## TRANSACTIONS AND REALISATIONS



## Veghel

**Project under development** WDP is developing a new, state-of-the-art XXL Pharma Logistics Distribution Centre for Alloga, part of Alliance Healthcare Nederland, and market leader in Europe in the field of specialist services for supply chain solutions for the health care sector.

This innovative distribution centre will be built on the Foodpark business park in Veghel and will meet the high demands required for pharmaceutical logistics buildings. After all, the XXL Pharma Logistics location will be completely ambient climate-controlled and equipped for GDP storage<sup>8</sup> with refrigeration and freezer cells.

In addition, the site will be constructed to comply with the TAPA-A<sup>9</sup> security certificate. In terms of sustainability, the site can count on a BREEAM 'very good' certificate. The new building will be constructed in accordance with BENG<sup>10</sup> and equipped with a gas-free 'all-electric' climate system, solar panels, triple high-efficiency glazing, controlled LED lighting and an energy monitoring system. The staff will be able to use three covered bicycle sheds with charging stations and over 70 charging points for electric vehicles. Water management and biodiversity are also points of attention in constructing this location: an indigenous

herb garden with water features and nesting boxes will promote integration in the existing ecosystem.

The site, with a total surface area of more than 70,000 m<sup>2</sup> of distribution hall and offices and ample parking space, has been leased for 10 years to Alloga and Alliance Healthcare. It will house its new distribution centre and head office. The delivery for this international pharmaceutical distributor is planned for the second quarter of 2023. WDP will deliver this project on a turnkey basis for an investment amounting to approximately 65 million euros.

<sup>8</sup> Good Distribution Practice, chiefly known by the abbreviation GDP, refers to the guidelines for the proper distribution of medicines and related products for human use.

<sup>9</sup> The TAPA Security Requirements are recognised worldwide as the industry standard for cargo facilities and transportation security.

<sup>10</sup> Nearly Energy Neutral Buildings (BENG) is a minimum requirement for new buildings as of 1 January 2021 in the Netherlands.



## TRANSACTIONS AND REALISATIONS

# Luxembourg<sup>11</sup>



## Bettembourg (Eurohub Sud)

**✓ Completed project** Third WDP distribution centre in the Eurohub Sud logistics zone in Bettembourg-Dudelange in Luxembourg. The building of approximately 25,000 m<sup>2</sup> operates as a multi-tenant location for Sobolux – which is part of the logistics group Ziegler – (10,000 m<sup>2</sup>), retail service provider Trendy Foods (10,000 m<sup>2</sup>) and parcel delivery

company FedEx (5,000 m<sup>2</sup>). Both Ziegler and FedEx are already tenants of WDP in other regions. Trendy Foods was added to the WDP client portfolio as a new tenant. The building is rented under a long-term lease. WDP's investment for this project amounts to approximately 12 million euros.

## Bettembourg (Eurohub Sud)

### Project under development

Construction of the fourth building at this location with a surface area of 25,000 m<sup>2</sup>. The delivery is planned for the second quarter of 2021. The commercialisation of this space has already started. The investment budget for this new warehouse amounts to approximately 13 million euros. This construction work is the final part of the redevelopment of the Eurohub Sud multimodal logistics zone. In total, WDP Luxembourg will have approximately 100,000 m<sup>2</sup> of newly built warehouses in its portfolio at this location.


[video link](#)

## Contern (Eurohub Centre)

### Project under development

WDP is constructing a new distribution centre of approximately 15,000 m<sup>2</sup> in the Eurohub Centre logistics zone in Luxembourg, which is located in the immediate vicinity of the cargo airport. Half of this new warehouse is currently leased to DB Schenker for a period of 10 years. DB Schenker is already a client of WDP in the Netherlands (Venlo) and this lease allows it to expand its partnership with WDP. DB Schenker will start its activities in Contern by the end of 2021 (subject to the completion of the permit procedure). The investment budget for the total project amounts to approximately 10 million euros. The commercialisation of the remaining available space is well under way.


[video link](#)

<sup>11</sup> The investment amount is equal to WDP's proportional share in WDP Luxembourg, i.e. 55%.

## TRANSACTIONS AND REALISATIONS

# Germany

## Bottrop

**Acquisition** The WDP and VIB joint venture WVI<sup>12</sup> acquired an existing multi-tenant site of approximately 13,000 m<sup>2</sup> in Bottrop (North Rhine-Westphalia), which has been leased for 10 years. The property, which is suitable for renting to third parties, is located very centrally in the Ruhr area between Duisburg and Gelsenkirchen in a commercial zone with a direct connection to the motorway.

## Gelsenkirchen


[video link](#)

**Acquisition** The WDP and VIB joint venture WVI anticipates the acquisition of the 8-ha plot of land during the first quarter of 2021 after the remediation works are completed. The building permit has already been obtained and a contractor has been selected. The commercialisation of this project, comprising two logistics buildings with a surface area of approximately 20,000 m<sup>2</sup> each, is in full swing. Based on the strong market demand, the first phase of development of 20,000 m<sup>2</sup> will start in the second quarter of 2021.

# Romania



## Bucharest - Stefanestii de Jos



**Completed project** A new state-of-the-art logistics site for Auchan. The new buildings with a total surface area of approximately 77,000 m<sup>2</sup> will be partially fitted out with a climate-

conditioned zone and will be rented by Auchan under a seven-year lease. The investment budget amounts to approximately 45 million euros.

<sup>12</sup> Both companies hold a 50% stake in this joint venture.

## TRANSACTIONS AND REALISATIONS

## Roman

 **Project under development**

Modifications will be made to the existing WDP location for food retailer Profi, which also comprise an expansion in the form of a distribution centre of approximately 12,000 m<sup>2</sup>. This will increase the total surface area for Profi to over 50,000 m<sup>2</sup>. The delivery of this new section is planned for the third quarter of 2021. WDP foresees an investment of approximately 14 million euros. Profi will lease this part under a long-term 15-year lease.

## Sibiu

 **Completed project**

A newly built warehouse of approximately 4,000 m<sup>2</sup> for Aeronamic Eastern Europe SRL, a supplier for the wind energy sector, under a long-term 10-year lease. This investment amounts to approximately 4 million euros.

## Bucharest - Stefanestii de Jos

 **Completed project**

Realisation of a distribution centre of around 2,600 m<sup>2</sup> for burotics specialist Lecom. The investment budget amounts to approximately 1 million euros. Lecom leases the building under a 10-year lease.

## Slatina

 **Completed project**

WDP has expanded the existing production site of automotive tyre producer Pirelli with a newly built state-of-the-art warehouse of approximately 62,000 m<sup>2</sup>. Pirelli will rent the new logistics building under a 15-year lease. The investment budget amounts to approximately 40 million euros.

## Bucharest - Stefanestii de Jos

 **Completed project**

Construction of a new warehouse of approximately 10,000 m<sup>2</sup> for wheel manufacturer Alcar. The investment budget amounts to approximately 5 million euros. Alcar has signed a five-year lease.



## Bucharest - Stefanestii de Jos

 **Completed project**

Development of a new warehouse with a surface area of 2,000 m<sup>2</sup> for Aggreko, world leader in the field of equipment for temporary power generation, heating, cooling and dehumidifying. The warehouse is being rented under a 10-year lease. WDP's investment budget for this project amounts to approximately 2 million euros.



## TRANSACTIONS AND REALISATIONS

## Deva

**✓ Completed project** Distribution centre for Carrefour, under a 10-year lease, which handles the deliveries to its supermarkets. The site is located at the junction of the A1 and E79 motorways between Bucharest and Timisoara. The new warehouse meets this retailer's need for more space as part of its expansion strategy and for workflow optimisation. The distribution centre with a surface area of approximately 45,000 m<sup>2</sup> was developed in line with Carrefour's sustainability requirements with part of the warehouse equipped as a climate-conditioned zone. The investment budget for this project amounts to approximately 24 million euros.



## Bucharest - Stefanestii de Jos

**🔄 Project under development** The existing location for Decathlon will be expanded with a surface area of approximately 10,000 m<sup>2</sup> in warehouse storage. Delivery is planned for the first quarter of 2021. The investment for this expansion amounts to approximately 5 million euros. Decathlon has signed up for a 10-year lease.

## Craiova

**🔄 Project under development** A new warehouse of approximately 58,000 m<sup>2</sup> is being built for Profi, which is already a WDP client in Romania. Upon completion, the retailer will rent the location under a 10-year lease. Delivery is planned for the second quarter of 2021. WDP foresees an investment of approximately 33 million euros.

## Timisoara

**🔄 Project under development** WDP will develop a new warehouse for Profi in Timisoara by the end of 2021. This distribution centre will have a surface area of approximately 57,000 m<sup>2</sup> and will be operational by the end of 2021. To this end, Profi has signed up for a 10-year lease. WDPs' investment amounts to approximately 38 million euros.



## TRANSACTIONS AND REALISATIONS

## Buzau

**✓ Completed project** A new warehouse for Ursus Breweries, one of the largest breweries in Romania. Ursus Breweries will use the Buzau site to supply its clients in the capital. The site is located to the north east of Bucharest. The new distribution centre of approximately 21,000 m<sup>2</sup> is located next to the existing brewery. It is rented under a 10-year lease. The investment budget for WDP amounts to approximately 13 million euros.



## Bucharest - Stefanestii de Jos

**🔄 Project under development** The WDP logistics park is being expanded to include a new distribution centre for the Polish online shoe retailer Eobuwie. Eobuwie will centralise distribution for the Romanian market from this location. Upon completion, Eobuwie will have a distribution hall of approximately 15,600 m<sup>2</sup> at its disposal. Delivery is expected in the third quarter of 2021. The future tenant has signed up for a five-year lease. WDP foresees an investment amount of approximately 8 million euros.

## Bucharest - Stefanestii de Jos

**🔄 Project under development** As part of its plans to expand its e-commerce activities, clothing specialist LPP wishes to have more warehouse space at this location. WDP will add approximately 22,000 m<sup>2</sup> to its existing distribution centre. The investment amounts to approximately 10 million euros. This extension is planned to be delivered by the third quarter of 2021. LPP has signed for a long-term nine-year lease.

## Paulesti

**🔄 Project under development** The Swedish manufacturer Rosti, a specialist in injection moulding, is moving to a new construction site of approximately 11,000 m<sup>2</sup> on the WDP site in Paulesti. Rosti will rent the premises after completion under a five-year lease. Delivery is planned for the first quarter of 2021. WDP foresees an investment budget of approximately 7 million euros.

## Cluj

**🔄 Project under development** A new construction project of circa 2,200 m<sup>2</sup> for parcel distributor FedEx, which represents an investment amount of approximately 2 million euros. FedEx will rent the site under a 10-year lease. Delivery is planned for the third quarter of 2021.



## TRANSACTIONS AND REALISATIONS

| Acquisitions       |                                                       |                                                              |               |                                               |                                         |
|--------------------|-------------------------------------------------------|--------------------------------------------------------------|---------------|-----------------------------------------------|-----------------------------------------|
| Location           |                                                       | Tenant                                                       |               | Lettable surface area<br>(in m <sup>2</sup> ) | Investment budget<br>(in million euros) |
| <b>2019-23</b>     |                                                       |                                                              |               |                                               |                                         |
| BE                 | Genk                                                  | land reserve                                                 |               | 130,000                                       | 9                                       |
| BE                 | Londerzeel, Technologielaan 3                         | Sip-Well                                                     |               | 11,000                                        | 9                                       |
| <b>BE</b>          |                                                       |                                                              |               | <b>141,000</b>                                | <b>18</b>                               |
| <b>2019-23</b>     |                                                       |                                                              |               |                                               |                                         |
| NL                 | Ridderkerk, Nieuw Reijerwaard                         | land reserve                                                 |               | 47,500                                        | 15                                      |
| NL                 | Drachten, Dopplerlaan 1                               | Sligro                                                       |               | 27,500                                        | 17                                      |
| <b>NL</b>          |                                                       |                                                              |               | <b>75,000</b>                                 | <b>32</b>                               |
| <b>2019-23</b>     |                                                       |                                                              |               |                                               |                                         |
| DE                 | Bottrop                                               | Various                                                      |               | 13,000                                        | 5                                       |
| <b>DE</b>          |                                                       |                                                              |               | <b>13,000</b>                                 | <b>5</b>                                |
| <b>Total</b>       |                                                       |                                                              |               | <b>229,000</b>                                | <b>54</b>                               |
| Completed projects |                                                       |                                                              |               |                                               |                                         |
| Location           |                                                       | Tenant                                                       | Delivery date | Lettable surface area<br>(in m <sup>2</sup> ) | Investment budget<br>(in million euros) |
| <b>2019-23</b>     |                                                       |                                                              |               |                                               |                                         |
| BE                 | Asse - Mollem, Zone 5 no. 191, 192, 320, 321          | AMP                                                          | 2Q20          | 9,000                                         | 4                                       |
| BE                 | Heppignies, rue de Capilône 6C                        | Cora                                                         | 1Q20          | 32,000                                        | 16                                      |
| BE                 | Nijvel, rue de l'industrie 30                         | WEG                                                          | 4Q20          | 2,000                                         | 1                                       |
| <b>BE</b>          |                                                       |                                                              |               | <b>43,000</b>                                 | <b>22</b>                               |
| <b>2016-20</b>     |                                                       |                                                              |               |                                               |                                         |
| LU                 | Bettembourg (Eurohub Sud 3)                           | Trendy Foods / Sobolux / FedEx                               | 2Q20          | 25,000                                        | 12                                      |
| <b>LU</b>          |                                                       |                                                              |               | <b>25,000</b>                                 | <b>12</b>                               |
| <b>2019-23</b>     |                                                       |                                                              |               |                                               |                                         |
| NL                 | Bleiswijk, Prismalaan 17-19                           | CEVA Logistics                                               | 2Q20          | 22,000                                        | 13                                      |
| NL                 | Bleiswijk, Snelliuslaan 13                            | Drake & Farrell                                              | 3Q20          | 17,000                                        | 16                                      |
| NL                 | Breda, Heilaarstraat 263                              | Lidl                                                         | 3Q20          | 5,000                                         | 3                                       |
| NL                 | Eindhoven, Park Forum                                 | Brocacef                                                     | 1Q20          | 10,000                                        | 10                                      |
| NL                 | Heerlen, Argonstraat 14-16                            | CEVA Logistics                                               | 4Q20          | 26,000                                        | 14                                      |
| NL                 | Kerkrade, Steenbergstraat                             | Berner Produkten                                             | 1Q20          | 28,000                                        | 25                                      |
| NL                 | Maastricht, Habitatsingel 59                          | Sligro                                                       | 1Q20          | 16,000                                        | 16                                      |
| NL                 | Nieuwegein, Brigadedok                                | Caldic                                                       | 1Q20          | 15,000                                        | 12                                      |
| NL                 | Nieuwegein, Divisiedok 1                              | Bol.com                                                      | 3Q20          | 12,500                                        | 15                                      |
| NL                 | Ridderkerk, Nieuw Reijerwaard                         | Kivits Groep Holding                                         | 4Q20          | 26,000                                        | 30                                      |
| NL                 | Nieuwegein, Divisiedok                                | Various                                                      | 2Q20          | 10,000                                        | 4                                       |
| NL                 | 's-Hertogenbosch, Ketelaarskampweg - Zandzuigerstraat | Sanitairwinkel.nl / Spierings Smart Logistics / ID Logistics | 3Q20          | 55,000                                        | 33                                      |
| <b>NL</b>          |                                                       |                                                              |               | <b>242,500</b>                                | <b>192</b>                              |

## TRANSACTIONS AND REALISATIONS

## Completed projects

| Location       |                                | Tenant                   | Delivery date | Lettable surface area<br>(in m <sup>2</sup> ) | Investment budget<br>(in million euros) |
|----------------|--------------------------------|--------------------------|---------------|-----------------------------------------------|-----------------------------------------|
| <b>2016-20</b> |                                |                          |               |                                               |                                         |
| RO             | Bucharest - Stefanestii de Jos | Auchan                   | 1Q20          | 77,000                                        | 45                                      |
| RO             | Buzau                          | Ursus Breweries          | 4Q20          | 21,000                                        | 13                                      |
| RO             | Deva                           | Carrefour                | 4Q20          | 45,000                                        | 24                                      |
| RO             | Sibiu                          | Aeronamic Eastern Europe | 1Q20          | 4,000                                         | 4                                       |
| <b>2019-23</b> |                                |                          |               |                                               |                                         |
| RO             | Bucharest - Stefanestii de Jos | Alcar                    | 2Q20          | 10,000                                        | 5                                       |
| RO             | Bucharest - Stefanestii de Jos | Lecom                    | 2Q20          | 2,600                                         | 1                                       |
| RO             | Bucharest - Stefanestii de Jos | Aggreko                  | 2Q20          | 2,000                                         | 2                                       |
| RO             | Slatina                        | Pirelli                  | 3Q20          | 62,000                                        | 40                                      |
| RO             |                                |                          |               | <b>223,600</b>                                | <b>134</b>                              |
| <b>Total</b>   |                                |                          |               | <b>534,100</b>                                | <b>359</b>                              |

## Projects under development

| Location       |                                              | Tenant                                                         | Planned<br>delivery date | Lettable surface area<br>(in m <sup>2</sup> ) | Investment budget<br>(in million euros) |
|----------------|----------------------------------------------|----------------------------------------------------------------|--------------------------|-----------------------------------------------|-----------------------------------------|
| <b>2019-23</b> |                                              |                                                                |                          |                                               |                                         |
| BE             | Asse - Mollem, Zone 5 no. 191, 192, 320, 321 | AMP                                                            | 3Q21                     | 3,200                                         | 2                                       |
| BE             | Courcelles, rue de Liège 25                  | Conway                                                         | 2Q21                     | 2,190                                         | 2                                       |
| BE             | Geel, Hagelberg 12                           | Distrilog                                                      | 1Q22                     | 8,000                                         | 4                                       |
| BE             | Heppignies                                   | Fully let                                                      | 1Q22                     | 2,000                                         | 5                                       |
| BE             | Heppignies, rue de Capilône 6                | Trafic                                                         | 2Q21                     | 13,000                                        | 5                                       |
| BE             | Lokeren, industrial estate E17/4             | Barry Callebaut                                                | 3Q21                     | 60,000                                        | 92                                      |
| BE             | Londerzeel, Weversstraat 27-29               | Colruyt                                                        | 2Q21                     | 20,000                                        | 9                                       |
| BE             | WDPort of Ghent                              | X <sup>2</sup> O Badkamers / Overstock Home / Overstock Garden | 1Q23                     | 150,000                                       | 23                                      |
| BE             |                                              |                                                                |                          | <b>258,390</b>                                | <b>141</b>                              |
| <b>2019-23</b> |                                              |                                                                |                          |                                               |                                         |
| LU             | Bettembourg (Eurohub Sud 4)                  | In commercialisation                                           | 2Q21                     | 25,000                                        | 13                                      |
| LU             | Contern                                      | DB Schenker + in commercialisation                             | 4Q21                     | 15,000                                        | 10                                      |
| LU             |                                              |                                                                |                          | <b>40,000</b>                                 | <b>23</b>                               |
| <b>2019-23</b> |                                              |                                                                |                          |                                               |                                         |
| NL             | Bleiswijk, Prismalaan West 31                | Boland                                                         | 1Q21                     | 16,400                                        | 18                                      |
| NL             | Breda                                        | Lidl                                                           | 2Q23                     | 31,000                                        | 22                                      |
| NL             | Breda                                        | Fruit and vegetable company                                    | 4Q21                     | 13,000                                        | 10                                      |
| NL             | De Lier, Jogchem van der Houtweg             | De Jong Verpakking                                             | 4Q22                     | 83,000                                        | 54                                      |
| NL             | The Hague, Westvlietweg                      | CEVA Logistics                                                 | 3Q21                     | 26,000                                        | 19                                      |
| NL             | Dordrecht                                    | Crocs Europe                                                   | 1Q21                     | 48,000                                        | 56                                      |
| NL             | Heerlen, Argonstraat 10-12                   | CEVA Logistics                                                 | 4Q21                     | 26,000                                        | 15                                      |
| NL             | Ridderkerk, Nieuw Reijerwaard                | Kivits Groep Holding                                           | 1Q21                     | 4,500                                         | 2                                       |
| NL             | Veghel                                       | Alloga / Alliance Healthcare                                   | 2Q23                     | 71,000                                        | 65                                      |
| NL             |                                              |                                                                |                          | <b>318,900</b>                                | <b>261</b>                              |

## TRANSACTIONS AND REALISATIONS

## Projects under development

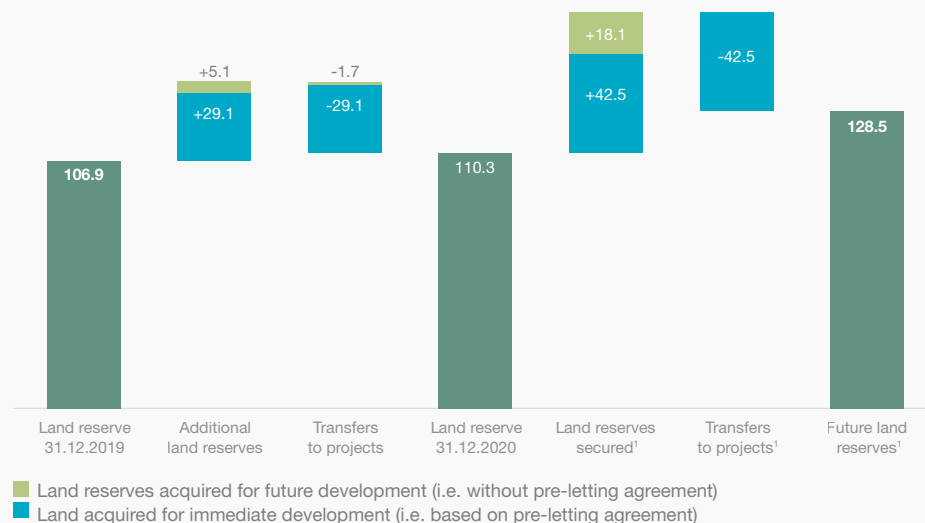
| Location     |                                | Tenant    | Planned delivery date | Lettable surface area (in m <sup>2</sup> ) | Investment budget (in million euros) |
|--------------|--------------------------------|-----------|-----------------------|--------------------------------------------|--------------------------------------|
|              | <b>2019-23</b>                 |           |                       |                                            |                                      |
| RO           | Bucharest - Stefanestii de Jos | Decathlon | 1Q21                  | 10,000                                     | 5                                    |
| RO           | Bucharest - Stefanestii de Jos | LPP       | 3Q21                  | 22,000                                     | 10                                   |
| RO           | Bucharest - Stefanestii de Jos | Eobuwie   | 3Q21                  | 15,640                                     | 8                                    |
| RO           | Cluj                           | FedEx     | 3Q21                  | 2,198                                      | 2                                    |
| RO           | Craiova                        | Profi     | 2Q21                  | 58,000                                     | 33                                   |
| RO           | Paulesti                       | Rosti     | 1Q21                  | 11,000                                     | 7                                    |
| RO           | Roman                          | Profi     | 3Q21                  | 12,000                                     | 14                                   |
| RO           | Timisoara                      | Profi     | 2Q22                  | 57,000                                     | 38                                   |
| <b>RO</b>    |                                |           |                       | <b>187,838</b>                             | <b>116</b>                           |
| <b>Total</b> |                                |           |                       | <b>805,128</b>                             | <b>541</b>                           |

of which 367 million  
euros remains to  
be invested at  
31 December 2020

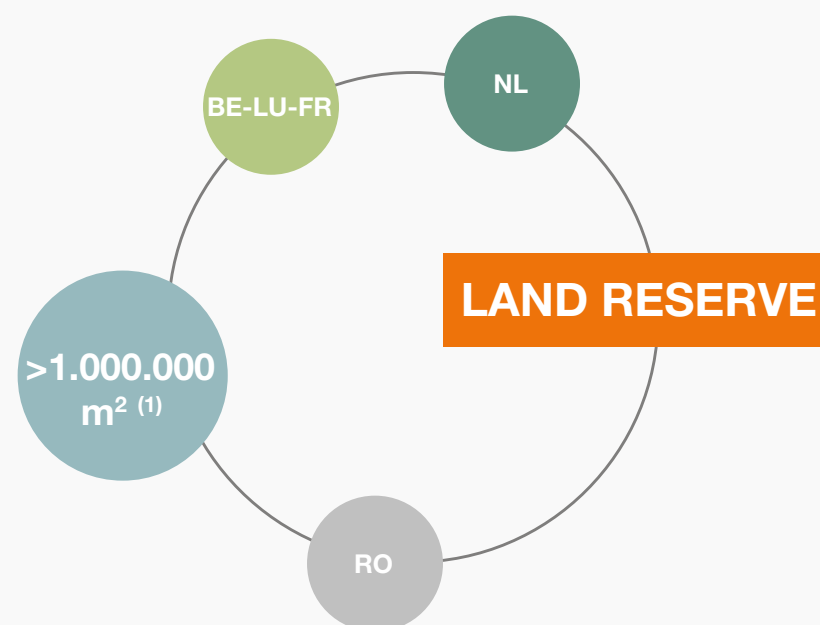
## TRANSACTIONS AND REALISATIONS

## Further potential

### Continuous replenishment of land potential



1 Not yet reflected in the balance sheet.



1 Potential built-up surface area.





“The long-term relationship that WDP builds with its client is one of the main reasons why we opted for this property partner. WDP immediately understood what we were looking for and is still involved in our evolving story today.

Jean-François Mace - CEO Decathlon Romania



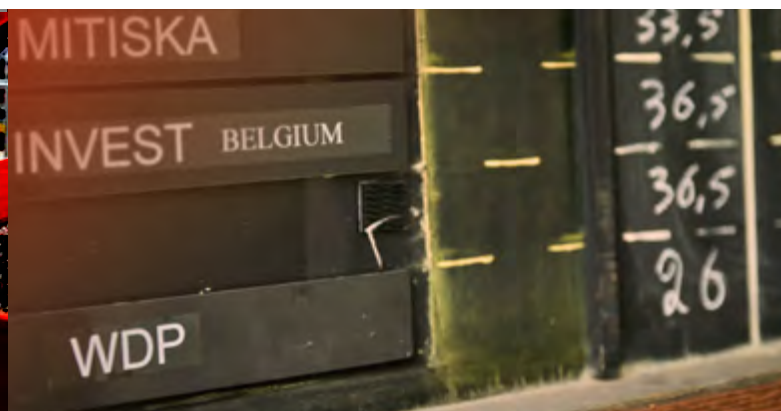
## WDP and Decathlon: a Romanian success story

Decathlon began its journey in Romania in 2005. The retailer started out small, but the Romanian branch has since grown into a renowned sports supplier for the entire country. Today, the shops in Greece and Bulgaria are also supplied from this location and distribution towards Ukraine and Serbia is planned for the future. Customers from no fewer than 23 countries can use the services of the call centre in Romania.

This expansion called for a reliable real estate partner. Local expertise, direct and rapid communication, an impressive track record and a proactive approach led Decathlon to decide on a WDP distribution centre. Decathlon sought and found a reliable and committed long-term partner for the complete realisation process for the new premises, which was to serve as the foundation for its ambitious plans and future growth.

Decathlon is not only enthusiastic about the flawless cooperation; it was also encouraged by the rapid realisation, unusual in Romania, and the excellent quality of the premises. With an area of 40,000 m<sup>2</sup>, Decathlon can count on perfect support for its business plan in the long-term, free from real estate concerns.

## 6. SHARES AND BONDS



There are no winners  
in a lockdown

“

And yet, the WDP  
share remained  
attractive



**25%**

total share return

**+142%**

investor interest

(source: Euronext, based on the number of transactions/trading volume in 2020)



## The share

By emphasising the creation of long-term cash flows, in combination with the high earnings distribution obligation, a GVV/SIR such as WDP provides investors with a full-fledged, profitable, liquid alternative to direct ownership of property. Due to the scale of its property portfolio, WDP provides shareholders with a substantial economies of scale in well-defined regions as well as healthy diversification. WDP's policy is geared towards having the dividend track its EPRA earnings per share.

Euronext Brussels and Amsterdam  
IPO: 28.06.1999  
Listing: continuous  
ISIN code: BE09743449814  
Liquidity provider: Kempen & Co and KBC Securities



## Figures per share

|                                                 | 31.12.2020    | 31.12.2019    | 31.12.2018    |
|-------------------------------------------------|---------------|---------------|---------------|
| Number of shares in circulation at closing date | 174,713,867   | 172,489,205   | 161,429,730   |
| Free float                                      | 75%           | 75%           | 75%           |
| Market capitalisation (in euros)                | 4,937,413,881 | 3,996,821,367 | 2,656,672,128 |
| Traded volume in shares                         | 67,393,146    | 65,984,303    | 41,646,577    |
| Average daily volume (in euros)                 | 6,812,194     | 5,533,360     | 2,543,078     |
| Free float velocity <sup>1</sup>                | 51.1%         | 50.7%         | 34.4%         |
| Stock exchange price over the period            |               |               |               |
| highest                                         | 31.4          | 23.1          | 17.7          |
| lowest                                          | 17.0          | 16.3          | 13.3          |
| closing                                         | 28.3          | 23.2          | 16.5          |
| IFRS NAV <sup>2</sup> (in euros)                | 13.5          | 12.2          | 9.8           |
| EPRA NTA (in euros) ▼                           | 14.3          | 12.8          | 10.2          |
| Dividend pay-out ratio                          | 83%           | 84%           | 82%           |
| EPRA Earnings/share <sup>3</sup> (in euros)     | 1.00          | 0.93          | 0.86          |
| EPRA Earnings/share <sup>4</sup> (in euros)     | 0.96          | 0.88          | 0.83          |
| Gross dividend/share (in euros)                 | 0.80          | 0.74          | 0.69          |
| Net dividend/share (in euros)                   | 0.56          | 0.52          | 0.48          |

The Alternative Performance Measures (APM) adopted by WDP—including the EPRA key performance indicators—are accompanied by a symbol (▼) and are provided with their definition and reconciliation under 10. Reporting according to recognised standards.

- 1 The number of shares traded per year divided by the total number of free float shares at the end of the year.
- 2 IFRS NAV: the IFRS NAV is calculated by dividing the shareholders' equity as per IFRS by the total number of dividend-entitled shares on the balance sheet date. This is the net value according to Belgian GVV/SIR legislation.
- 3 Calculated on the weighted average number of shares over the period.
- 4 Based on the number of shares entitled to dividend for the 2020 financial year (payable in 2021). The number of shares entitled to dividend amounts to 181,900,449 due to the increase in capital via the contribution in kind of 9 million euros in January 2021 and the increase in capital via accelerated private placement for 200 million euros in early February. For more information, please refer to 7. Financial results and property report – Management of financial resources.

## SHARES AND BONDS

### Share price

The WDP share price evolved from 23.17 euros on 31 December 2019 to approximately 17 euros in March 2020 as a consequence of the outbreak of the coronacrisis. However, the share price quickly recovered, recording a closing price on 31 December 2020 of 28.26 euros.

In this respect, WDP was once again able to build on its reputation and traditional strengths. Firstly, there is the importance that potential investors and shareholders attach to the added value that WDP offers. This includes our market leadership in logistics and semi-industrial properties in the Benelux and the high degree of stability in generated earnings, combined with our growth plan. Added to this is the fact that WDP is a self-managed company, with management conducted in-house for the sole benefit of our shareholders and other stakeholders. In addition, the size of our property portfolio immediately offers investors the advantages of scale in well-defined regions. And an attractive dividend, of course.

### Long-term price trend and return

The total return<sup>1</sup> on WDP shares in 2020 was +25.2%.

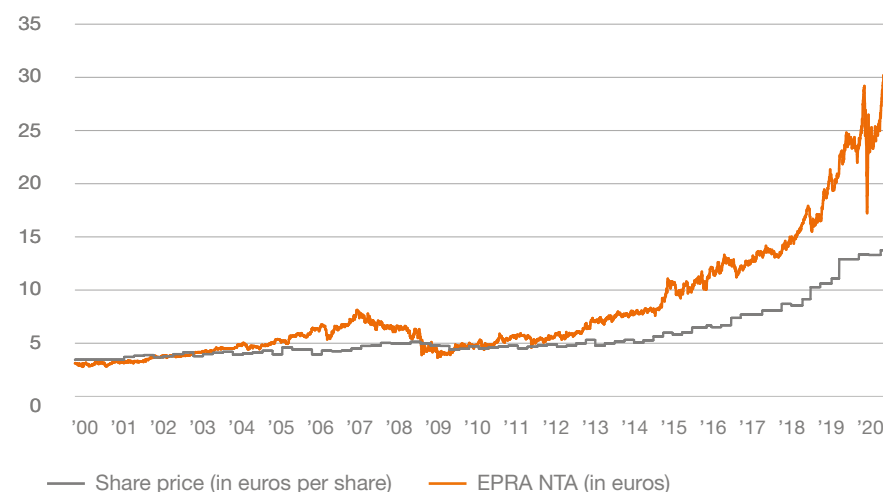
Data provided by EPRA further show that WDP — with a total annualised return of +12.0% since the IPO at the end of June 1999 — continues to outperform European property indexes (+7.5%), investment properties in the eurozone (+8.9%) and Belgian investment properties (+8.3%).

WDP remains committed to generating strong cash flow as the basis for an attractive dividend. The GVV/SIR also firmly believes that the quality of the property portfolio and the tenants, plus the fact that a high dividend is paid out every year, continues to offer a promising future.

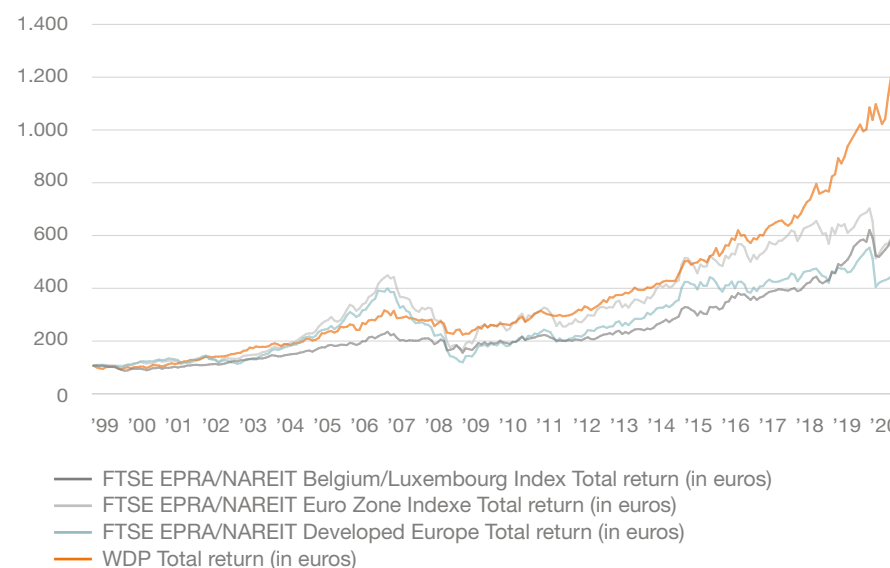
<sup>1</sup> The return on a share over a specific period is equal to the gross yield. This gross yield is the sum of the following components:

- the difference between the share price at the end and at the start of the period;
- the gross dividend (i.e. the dividend before deduction of the advance levy);
- the gross yield of the dividend obtained when reinvested in the same share.

### Share price versus EPRA NTA



### WDP share return versus EPRA indexes





## SHARES AND BONDS

## Shareholding

|                                                               | Number of shares<br>(declared) | Date of the<br>statement | (in %)         |
|---------------------------------------------------------------|--------------------------------|--------------------------|----------------|
| Free float                                                    | 138,273,933                    |                          | 76.02%         |
| BlackRock-related companies <sup>1</sup>                      | 9,448,417                      | 12.02.2021               | 5.19%          |
| AXA Investment Managers S.A. <sup>1</sup>                     | 4,738,986                      | 02.11.2018               | 2.61%          |
| Other shareholders under the statutory threshold <sup>2</sup> | 124,086,530                    | 12.02.2021               | 68.22%         |
| Jos De Pauw family (Reference Shareholder) <sup>3</sup>       | 43,626,516                     | 08.02.2021               | 23.98%         |
| <b>Total number of shares</b>                                 | <b>181,900,449</b>             |                          | <b>100.00%</b> |

This summary reflects the situation on the date of this annual report.

- <sup>1</sup> The percentage is determined under the assumption that the number of shares has not changed since the most recent declaration of transparency, and taking into account the total number of outstanding shares in WDP.
- <sup>2</sup> The number of publicly held shares was determined under the assumption that since the declarations of transparency, nothing has changed with regard to the composition of the share portfolio of the shareholders obligated to report major holdings by virtue of the Belgian Law of 2 May 2007 on disclosure of major holdings in issuers whose shares are admitted for trading on a regulated market and with various provisions.
- <sup>3</sup> On 26 October 2012, the Reference Shareholder, the Jos De Pauw family, assigned all of its shares, held in mutual concert, in joint ownership under the family company structure RTKA, which institutionalised the existing mutual concert. The holders of voting rights are the members of the company RTKA, namely Robert, Tony, Kathleen and Anne De Pauw, to the exclusion of all other right holders in respect to the participation.

## Bonds

WDP also relies on the debt capital market to finance its investment projects.

The table below shows the outstanding listed bonds as of 31 December 2020.

| Issuer                | ISIN-code    | Nominal<br>amount (in<br>million euros) | Duration<br>(in years) | Maturity date | Issue price | Indicative price<br>on 31.12.2020 |
|-----------------------|--------------|-----------------------------------------|------------------------|---------------|-------------|-----------------------------------|
| <b>Listed bonds</b>   |              |                                         |                        |               |             |                                   |
| WDP SA                | BE0002248178 | 37.1                                    | 10                     | 1 April 2026  | 100.0%      | 101.5%                            |
| WDP SA                | BE0002249184 | 22.9                                    | 10                     | 1 April 2026  | 100.0%      | 99.5%                             |
| WDP SA                | BE0002234038 | 54.4                                    | 7                      | 02 July 2022  | 99.4%       | 101.5%                            |
| WDP SA                | BE0002235043 | 37.8                                    | 7                      | 02 July 2022  | 100.0%      | 99.5%                             |
| WDP SA                | BE0002216829 | 125.0                                   | 7                      | 13 June 2021  | 101.9%      | 100.8%                            |
| <b>Unlisted bonds</b> |              |                                         |                        |               |             |                                   |
| WDP SA                | n.r.         | 100.0                                   | 11                     | 29 March 2029 | 100.0%      | n.r.                              |
| WDP SA                | n.r.         | 50.0                                    | 11                     | 18 March 2031 | 100.0%      | n.r.                              |



**SHARES AND BONDS****Financial calendar**

|                 |                                                                                    |
|-----------------|------------------------------------------------------------------------------------|
| 14 April 2021   | Registration date for participation in the Annual General Meeting on 28 April 2021 |
| 21 April 2021   | Publication of Q1 2021 results                                                     |
| 22 April 2021   | Deadline to confirm participation in the Annual General Meeting on 28 April 2021   |
| 28 April 2021   | Annual General Meeting on the 2020 financial year                                  |
| 29 April 2021   | Ex-dividend date 2020                                                              |
| 30 April 2021   | 2020 dividend record date                                                          |
| 21 May 2021     | 2020 dividend payment date                                                         |
| 30 July 2021    | Publication of HY 2021 results and publication of the Interim Report               |
| 20 October 2021 | Publication of Q3 2021 results                                                     |
| 28 January 2022 | Publication of 2021 annual results                                                 |
| 27 April 2022   | Annual General Meeting on the 2021 financial year                                  |



“WDP was able to refocus on its core business and to actively reinvest its assets. WDP’s experience and focus on its interests as a tenant ensured construction was balanced with added value for all parties.

Adriëtte Broeders - Sligro Head of Property



## Smart financing by Sligro

### Sale-and-lease-back

Imagine your company enters into a strategic partnership with Heineken to manage the logistics of its beer and cider products? It would be key to optimise your network of distribution centres, in the right locations and with the required specifications.

Sligro, the renowned catering wholesaler for food professionals has a wealth of experience in this field. WDP has partnered up with Sligro on this project for a sale-and-lease-back of part of its commercial property.

### High expectations, smart financing

The integration of Sligro and Heineken required a substantial investment, including the purchase of four new sites. The company opted for sale-and-lease-back through WDP to free up resources for further investments rather than tying them up in bricks and mortar.

### Added value in many areas

Sligro completed the logistics sites under its own management and then sold them to WDP. The transaction was coupled to a 15-year lease. This was a deliberate choice, since WDP's experience and attention to Sligro's needs as a tenant ensured a balanced partnership with added value for both sides.

Sligro chose WDP because of:

- ◆ the reliable, long-standing cooperation between the two companies.
- ◆ WDP's many years of experience in sale-and-lease-back.
- ◆ WDP's client-oriented approach in which tailor-made professional advice makes the difference.

About  
Sale-and-lease-back



## 7. FINANCIAL RESULTS AND PROPERTY REPORT



Green finance delivers  
sustainable buildings



**33%**

Green financing

**26%**

Class A – green  
certified warehouses

“

And supports the  
sustainability strategies  
of our customers



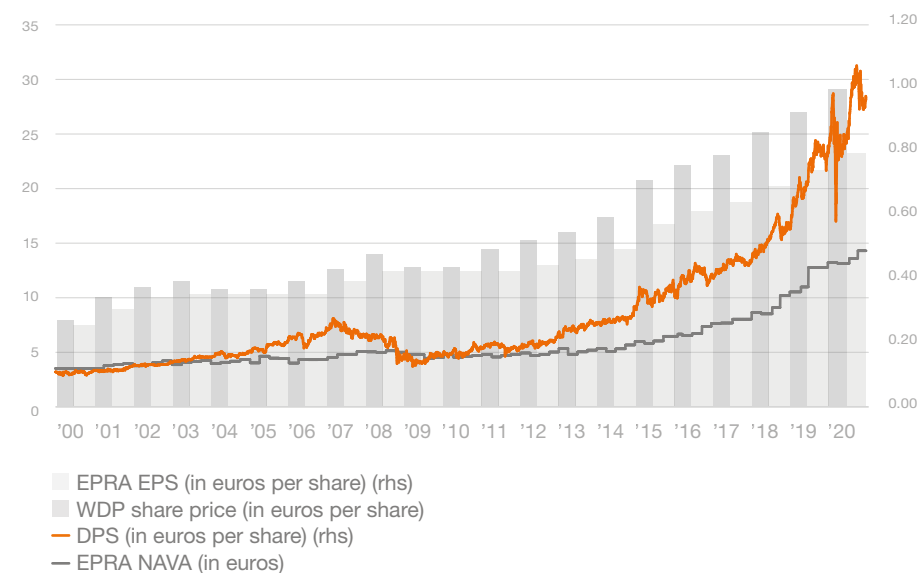
## FINANCIAL RESULTS

### EPRA KEY PERFORMANCE MEASURES<sup>1</sup>

| in euros (x 1,000)                                  | 31.12.2020 | 31.12.2019 |
|-----------------------------------------------------|------------|------------|
| EPRA Earnings (in euros per share)                  | 1.00       | 0.93       |
| EPRA NTA (in euros per share)                       | 14.3       | 12.8       |
| EPRA NRV (in euros per share)                       | 15.7       | 13.7       |
| EPRA NDV (in euros per share)                       | 13.5       | 12.2       |
| EPRA Net Initial Yield (in %)                       | 5.4        | 5.6        |
| EPRA Topped-up Net Initial Yield (in %)             | 5.4        | 5.6        |
| EPRA vacancy rate (in %)                            | 1.5        | 2.1        |
| EPRA Cost Ratio (incl. direct vacancy costs) (in %) | 10.6       | 9.5        |
| EPRA Cost Ratio (excl. direct vacancy costs) (in %) | 10.2       | 9.1        |

<sup>1</sup> The definition and reconciliation of the EPRA key performance measures are to be consulted in chapter 10. Reporting according to recognised standards.

### Share performance



**174.5 mio** euros **+15%**  
EPRA Earnings

**~4.8 bn** euros  
Fair value of the property portfolio

**1.00** euro **+8%**  
EPRA Earnings per share

**5.9** year  
Average lease contract term

**0.80** euro **+8%**  
Gross dividend per share

**98.6** %  
Occupancy rate

**90.7** %  
Operating margin

**2.3** %  
Like-for-like rental growth

## CONSOLIDATED KEY FIGURES

### Key figures

|                                                                                                   | 2011      | 2012      | 2013      | 2014      | 2015      | 2016      | 2017      | 2018       | 2019       | 2020       |
|---------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Operational</b>                                                                                |           |           |           |           |           |           |           |            |            |            |
| Fair value of property portfolio (including solar panels) (in million euros)                      | 989.4     | 1,163.1   | 1,273.1   | 1,567.3   | 1,930.0   | 2,203.8   | 2,669.8   | 3,449.6    | 4,175.8    | 4,766.5    |
| Total surface area (in m <sup>2</sup> ) (including concession land)                               | 4,281,504 | 4,793,766 | 4,849,454 | 5,701,562 | 6,613,567 | 7,309,128 | 8,767,182 | 11,843,174 | 12,475,388 | 13,170,851 |
| Lettable area (in m <sup>2</sup> )                                                                | 1,659,621 | 2,018,150 | 2,137,602 | 2,432,230 | 3,081,943 | 3,375,482 | 3,756,983 | 4,485,050  | 5,038,303  | 5,490,697  |
| Gross rental yield (including vacancies) <sup>1</sup> (in %)                                      | 8.3       | 8.0       | 8.2       | 8.0       | 7.6       | 7.5       | 7.1       | 6.7        | 6.3        | 6.1        |
| Average lease term (until first break) <sup>2</sup> (in years)                                    | 7.2       | 7.2       | 7.3       | 7.1       | 6.5       | 6.3       | 6.2       | 5.8        | 6.0        | 5.9        |
| Occupancy rate <sup>3</sup> (in %)                                                                | 96.7      | 97.3      | 97.4      | 97.6      | 97.5      | 97.0      | 97.4      | 97.5       | 98.1       | 98.6       |
| Operating margin (in %)▼                                                                          | 91.7      | 91.3      | 91.8      | 91.8      | 92.1      | 93.3      | 92.5      | 91.3       | 91.6       | 90.7       |
| <b>Result (in million euros)</b>                                                                  |           |           |           |           |           |           |           |            |            |            |
| Property result                                                                                   | 69.1      | 81.3      | 89.0      | 101.8     | 129.1     | 139.7     | 154.5     | 187.9      | 216.6      | 242.7      |
| Operating result (before the result on the portfolio)                                             | 63.3      | 74.3      | 81.8      | 93.5      | 119.0     | 130.2     | 142.8     | 171.6      | 198.3      | 220.1      |
| Financial result (excluding change in the fair value of financial instruments)▼                   | -18.9     | -21.3     | -21.4     | -25.4     | -27.1     | -30.3     | -25.7     | -33.0      | -40.2      | -38.7      |
| EPRA Earnings▼                                                                                    | 44.3      | 52.1      | 59.6      | 67.3      | 90.9      | 100.8     | 121.4     | 134.4      | 152.4      | 174.5      |
| Result on the portfolio (including share joint ventures) – Group share▼                           | 2.7       | 1.7       | -0.7      | 19.7      | 47.4      | 31.2      | 101.5     | 208.3      | 277.4      | 187.9      |
| Variations in the fair value of the financial instruments – Group share                           | -17.3     | -18.5     | 20.8      | -19.4     | 7.8       | 1.8       | 16.5      | -9.0       | -29.9      | -31.0      |
| Depreciation and write-down on solar panels (including the share of joint ventures) – Group share | n.r.      | n.r.      | n.r.      | -2.9      | -3.4      | -3.5      | -4.2      | -4.8       | -6.2       | -6.8       |
| Net result (IFRS) – Group share                                                                   | 29.7      | 35.3      | 79.7      | 64.7      | 142.7     | 130.2     | 235.2     | 328.8      | 393.7      | 324.6      |

1 Calculated by dividing the annualised contractual gross (cash) rents by the fair value. The fair value is the value of the property portfolio after the deduction of transaction costs (mainly transfer tax).

2 Including solar panels that are accounted for at the remaining weighted average term for green energy certificates.

3 Calculated based on the rental values of leased properties and unleased surface areas, including revenue from solar panels. This does not include projects under construction and/or renovations.



## CONSOLIDATED KEY FIGURES

|                                                                         | 2011    | 2012    | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    |
|-------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Financial</b>                                                        |         |         |         |         |         |         |         |         |         |         |
| Balance sheet total (in million euros)                                  | 1,018.9 | 1,181.1 | 1,283.1 | 1,570.3 | 1,907.3 | 2,182.6 | 2,675.3 | 3,483.3 | 4,222.8 | 4,790.4 |
| Shareholders' equity (in million euros)                                 | 453.3   | 520.6   | 576.7   | 682.5   | 829.4   | 1,091.7 | 1,238.4 | 1,580.5 | 2,103.9 | 2,353.9 |
| Net financial debt (in million euros)                                   | 547.0   | 644.1   | 686.8   | 863.6   | 1,041.8 | 1,045.6 | 1,348.6 | 1,696.0 | 1,851.2 | 2,108.2 |
| Loan-to-value (in %)▼                                                   | 54.7    | 55.6    | 54.4    | 56.0    | 55.2    | 48.4    | 51.3    | 50.0    | 45.0    | 45.0    |
| Gearing ratio (proportional) (in line with GVV/SIR Royal Decree) (in %) | 55.1    | 56.1    | 55.5    | 56.7    | 56.8    | 50.5    | 53.1    | 51.8    | 46.7    | 46.6    |
| Net debt / EBITDA (adjusted) (in x)▼                                    | 8.1     | 8.1     | 8.1     | 8.8     | 8.5     | 7.9     | 8.6     | 9.0     | 8.0     | 8.3     |
| Average cost of debt (in %)▼                                            | 4.0     | 3.6     | 3.6     | 3.5     | 2.9     | 2.8     | 2.6     | 2.4     | 2.2     | 2.1     |
| Interest Coverage Ratio <sup>4</sup> (in x)                             | 3.1     | 3.4     | 3.6     | 3.3     | 4.2     | 4.1     | 5.2     | 4.6     | 4.5     | 4.9     |
| <b>Details per share (in euros)</b>                                     |         |         |         |         |         |         |         |         |         |         |
| Gross dividend                                                          | 0.42    | 0.44    | 0.46    | 0.49    | 0.57    | 0.61    | 0.64    | 0.69    | 0.74    | 0.80    |
| EPRA Earnings▼                                                          | 0.49    | 0.52    | 0.55    | 0.59    | 0.71    | 0.76    | 0.80    | 0.86    | 0.93    | 1.00    |
| Result on the portfolio (including share joint ventures) – Group share▼ | 0.03    | 0.02    | -0.01   | 0.17    | 0.37    | 0.23    | 0.67    | 1.33    | 1.69    | 1.08    |
| Variations in the fair value of the financial instruments – Group share | -0.19   | -0.19   | 0.19    | -0.17   | 0.06    | 0.01    | 0.11    | -0.06   | -0.18   | -0.18   |
| Depreciation and write-down on solar panels – Group share               | n.r.    | n.r.    | n.r.    | -0.03   | -0.03   | -0.03   | -0.03   | -0.03   | -0.04   | -0.04   |
| Net result (IFRS) – Group share                                         | 0.33    | 0.36    | 0.74    | 0.56    | 1.12    | 0.98    | 1.55    | 2.10    | 2.40    | 1.87    |
| EPRA NTA▼                                                               | 4.8     | 4.9     | 5.1     | 5.6     | 6.4     | 7.3     | 8.3     | 10.2    | 12.8    | 14.3    |
| IFRS NAV <sup>5</sup>                                                   | 4.2     | 4.3     | 4.7     | 5.0     | 5.9     | 6.9     | 8.0     | 9.8     | 12.2    | 13.5    |
| Share price                                                             | 5.3     | 6.7     | 7.5     | 9.0     | 11.6    | 12.1    | 13.3    | 16.5    | 23.2    | 28.3    |

Some figures are subject to rounding adjustments. Consequently, it may occur that figures shown as totals in certain tables are not precise arithmetic totals of preceding figures.

The Alternative Performance Measures (APM), used by WDP, are accompanied by a symbol (▼). The definition and reconciliation can be consulted under 10. *Reporting according to recognised standards* and 13. *Annexes - Alternative performance measures*.

4 Defined as the operating result (before the result on the portfolio) divided by interest charges, minus interest income and dividends collection, minus compensation for financial leasing and others.

5 IFRS NAV: Net asset value or intrinsic value before profit distribution of the current year in accordance with the IFRS balance sheet. The IFRS NAV is calculated as the shareholders' equity as per IFRS divided by the number of shares entitled to dividend on the balance sheet date.

## NOTES TO THE INCOME STATEMENT 2020

### Consolidated results

in euros (x 1,000)

|                                                                                     | FY 2020        | FY 2019        | Δ y/y (abs.)   | Δ y/y (%)    |
|-------------------------------------------------------------------------------------|----------------|----------------|----------------|--------------|
| Rental income, net of rental-related expenses                                       | 228,449        | 201,971        | 26,477         | 13.1%        |
| Indemnification related to early lease terminations                                 | 0              | 961            | -961           | n.r.         |
| Income from solar energy                                                            | 16,472         | 14,689         | 1,783          | 12.1%        |
| Other operating income/costs                                                        | -2,218         | -1,055         | -1,162         | n.r.         |
| <b>Property result</b>                                                              | <b>242,703</b> | <b>216,566</b> | <b>26,137</b>  | <b>12.1%</b> |
| Property charges                                                                    | -8,325         | -7,245         | -1,080         | 14.9%        |
| General Company expenses                                                            | -14,314        | -11,034        | -3,281         | 29.7%        |
| <b>Operating result (before the result on the portfolio)</b>                        | <b>220,064</b> | <b>198,287</b> | <b>21,776</b>  | <b>11.0%</b> |
| Financial result (excluding changes in the fair value of the financial instruments) | -38,674        | -40,216        | 1,542          | -3.8%        |
| Taxes on EPRA Earnings                                                              | -2,620         | -1,724         | -896           | n.r.         |
| Deferred taxes on EPRA Earnings                                                     | -779           | -975           | 197            | n.r.         |
| Share in the result of associated companies and joint ventures                      | 1,257          | 610            | 647            | n.r.         |
| Minority interests                                                                  | -4,733         | -3,607         | -1,126         | 31.2%        |
| <b>EPRA Earnings</b>                                                                | <b>174,516</b> | <b>152,374</b> | <b>22,141</b>  | <b>14.5%</b> |
| Variations in the fair value of investment properties (+/-)                         | 186,417        | 285,353        | -98,936        | n.r.         |
| Result on the disposal of investment property (+/-)                                 | 408            | 10             | 399            | n.r.         |
| Deferred taxes on the result on the portfolio (+/-)                                 | -2,727         | -7,972         | 5,245          | n.r.         |
| Share in the result of associated companies and joint ventures                      | 3,574          | 2,507          | 1,067          | n.r.         |
| <b>Result on the portfolio</b>                                                      | <b>187,672</b> | <b>279,897</b> | <b>-92,225</b> | <b>n.r.</b>  |
| Minority interests                                                                  | 232            | -2,475         | 2,707          | n.r.         |
| <b>Result on the portfolio - Group share</b>                                        | <b>187,904</b> | <b>277,423</b> | <b>-89,519</b> | <b>n.r.</b>  |
| Change in the fair value of financial instruments                                   | -31,049        | -29,883        | -1,167         | n.r.         |
| <b>Change in the fair value of financial instruments</b>                            | <b>-31,049</b> | <b>-29,883</b> | <b>-1,167</b>  | <b>n.r.</b>  |
| Minority interests                                                                  | 0              | 0              | 0              | n.r.         |
| <b>Change in the fair value of financial instruments - Group share</b>              | <b>-31,049</b> | <b>-29,883</b> | <b>-1,167</b>  | <b>n.r.</b>  |
| Depreciation and write-down on solar panels                                         | -7,270         | -6,526         | -744           | n.r.         |
| Share in the result of associated companies and joint ventures                      | 0              | 0              | 0              | n.r.         |
| <b>Depreciation and write-down on solar panels</b>                                  | <b>-7,270</b>  | <b>-6,526</b>  | <b>-744</b>    | <b>n.r.</b>  |
| Minority interests                                                                  | 510            | 344            | 166            | n.r.         |
| <b>Depreciation and write-down on solar panels - Group share</b>                    | <b>-6,761</b>  | <b>-6,183</b>  | <b>-578</b>    | <b>n.r.</b>  |
| <b>Net result (IFRS)</b>                                                            | <b>328,601</b> | <b>399,470</b> | <b>-70,869</b> | <b>n.r.</b>  |
| Minority interests                                                                  | -3,991         | -5,738         | 1,747          | n.r.         |
| <b>Net result (IFRS) - Group share</b>                                              | <b>324,610</b> | <b>393,732</b> | <b>-69,122</b> | <b>n.r.</b>  |

## NOTES TO THE INCOME STATEMENT 2020

## Key ratio's

| in euros (per share)                                                         | FY 2020     | FY 2019     | Δ y/y (abs.) | Δ y/y (%) |
|------------------------------------------------------------------------------|-------------|-------------|--------------|-----------|
| EPRA Earnings <sup>1</sup>                                                   | 1.00        | 0.93        | 0.08         | 8.1%      |
| Result on the portfolio - Group share <sup>1</sup>                           | 1.08        | 1.69        | -0.61        | n.r.      |
| Change in the fair value of financial instruments - Group share <sup>1</sup> | -0.18       | -0.18       | 0.00         | n.r.      |
| Depreciation and write-down on solar panels - Group share <sup>1</sup>       | -0.04       | -0.04       | 0.00         | n.r.      |
| Net result (IFRS) - Group share <sup>1</sup>                                 | 1.87        | 2.40        | -0.53        | n.r.      |
| EPRA Earnings <sup>2</sup>                                                   | 0.96        | 0.88        | 0.08         | 8.6%      |
| Proposed payout                                                              | 145,520,359 | 127,642,012 | 17,878,348   | 14.0%     |
| Dividend payout ratio (versus EPRA Earnings) <sup>3</sup>                    | 83.4%       | 83.8%       | -0.4%        | n.r.      |
| Gross dividend                                                               | 0.80        | 0.74        | 0.06         | 8.1%      |
| Net dividend                                                                 | 0.56        | 0.52        | 0.04         | 7.7%      |
| Weighted average number of shares                                            | 173,802,120 | 164,047,016 | 9,755,104    | 5.9%      |
| Number of shares entitled to dividend <sup>4</sup>                           | 181,900,449 | 172,489,205 | 9,411,244    | 5.5%      |

1 Calculation based on the weighted average number of shares.

2 Calculation based on the number of shares entitled to dividend.

3 The dividend payout ratio is calculated in absolute terms based on the consolidated result. Dividend is distributed based on the statutory result by WDP NV/SA.

4 As a result of the capital increase through contribution in kind for 9 million euros in January 2021 and the capital increase through accelerated private placement for 200 million euros in early February, the number of shares entitled to a dividend for the 2020 financial year (payable in 2021) is 181,900,449. For more information, please refer to 7. Financial results and property report - Management of financial resources.

## Property result

The property result for 2020 amounts to 242.7 million euros, an increase of 12.1% compared to last year (216.6 million euros). This increase is driven by continued portfolio growth in 2019-20, primarily through new pre-let projects in the growth markets of the Netherlands and Romania. Without changes in the portfolio, rental income levels increased by 2.3% as a result of the indexation of leases and an increase in the occupancy rate. The property result also includes 16.5 million euros of income from the solar panels, compared to 14.7 million euros last year, an increase not only due to higher installed capacity but also on an organic basis, as a result of above-normal irradiation during 2020.

## Operating result (before the result on the portfolio)

The operating result (before the result on the portfolio) amounts to 220.1 million euros for 2020, an increase of 11.0% compared to the same period last year (198.3 million euros). Property and other general company expenses amounted to 22.6 million euros for 2020, an increase of 4.4 million euros year-on-year. As far as the evolution of the company's general expenses is concerned, they are fully in line with the growth of the portfolio and the budget communicated at the start of the year. However, these also include an additional cost in Q4 2020 of 1.5 million euros, as WDP has made accelerated investments during 2020, the year of the Covid-19 pandemic, in the digitisation of a number of business processes as well as in a digital communication platform for customers that will be rolled out later this year. The operating margin nevertheless remains high at 90.7%.

## Financial result (excluding changes in the fair value of the financial instruments)

The financial result (excluding changes in the fair value of the financial instruments) amounts to -38.7 million euros for 2020, an improvement of 3.7% compared to last year (-40.2 million euros). The higher amount of outstanding financial debts has been offset by the positive effect of the extension at lower interest rate hedges and the fixed rate debt, which generated annual savings of 4 million euros from 2020 onwards. This financial result includes the recurring cost of -2.5 million euros for land under

## NOTES TO THE INCOME STATEMENT 2020

concession, which in accordance with IFRS 16 are accounted for through the *Financial result* with effect from the 2019 financial year.

The total financial debt (in accordance with IFRS) amounted to 2,119.5 million euros on 31 December 2020, compared to 1,854.8 million euros in the same period last year. The average cost of debt comes to 2.1% for 2020, compared to 2.2% in 2019.

### Share in the result of associated companies and joint ventures

The result of 1.3 million euros for 2020 primarily stems from the underlying result of the core activities of the Luxembourg joint venture.

### EPRA Earnings

WDP EPRA Earnings for 2020 amount to 174.5 million euros. This result marks an increase of 14.5% compared to the result of 152.4 million euros in 2019. EPRA Earnings per share increased year-on-year by 8.1% to 1.00 euro, including a 5.9% increase in the weighted average number of shares outstanding. This increase in EPRA Earnings is mainly due to the strong growth of the WDP portfolio in 2019-20 from pre-let projects in the growth markets of the Netherlands and Romania, as well as a decrease in financing costs.

### Result on the portfolio (including the share of joint ventures) – Group share

The result on the portfolio (including the share of joint ventures and after tax) – Group share for 2020 amounts to 187.9 million euros or +1.08 euros per share. For the same period last year, this result amounted to +277.4 million euros or +1.69 euros per share. This breaks down by country as follows: Belgium (+65.9 million euros), the Netherlands (+116.0 million euros), France (+3.4 million euros), Romania (-0.9 million euros), Germany (+0.6 million euros) and Luxembourg (+2.9 million euros). The result for the Netherlands relates to an increase of the registration costs (transfer tax) from 6% to 8% as from 1 January 2021, which has been deducted by calculation of the fair value – WDP has recognised this impact of -41.7 million euros in accounts per 31 December 2020 (fourth quarter).

The revaluation of the portfolio (excluding deferred taxes on the portfolio result and the result on the disposal of investment property) amounts to 191.7 million euros. This revaluation is driven by the yield shift in the existing portfolio and by the latent capital gains on the projects (both completed and under development).

### Changes in the fair value of financial instruments – Group share

Changes in the fair value of financial assets and liabilities – Group share<sup>1</sup> amount to -31.0 million euros or -0.18 euros per share during 2020 (versus -29.9 million euros or -0.18 euros per share in 2019). This negative impact stems from the change in fair value of the interest rate hedges concluded (Interest Rate Swaps) as at 31 December 2020, as a result of a decrease in long-term interest rates during 2020.

The change in the fair value of these interest rate hedges has been fully accounted for in the profit and loss account, not in shareholders' equity. Since this impact involves a non-cash and unrealised item, it is excluded from the financial result in the analytical presentation of the results and is shown separately in the profit and loss account.

### Depreciation and write-down on solar panels (including the share of joint ventures) – Group share

The solar panels are valued on the balance sheet at fair value based on the revaluation model in accordance with IAS 16 *Tangible fixed assets*. In compliance with IAS 16, WDP must include a depreciation component in its IFRS accounts according to the residual life of the PV installations. The depreciation is calculated based on the fair value from the previous balance sheet date. This newly calculated net book value is subsequently revalued at the fair value. This revaluation is booked directly in the shareholders' equity to the extent that it still exceeds the historical cost price, plus accumulated depreciations. If it does not, then it is entered in the profit and loss account. The depreciation component and write-down amounts to -6.8 million euros. Since this impact involves a non-cash and unrealised item, it is excluded from the financial result in the analytical presentation of the results and is shown separately in the profit and loss account.

<sup>1</sup> Changes in the fair value of financial assets and liabilities - Group share (non-cash item) are calculated on the basis of the mark-to-market (M-t-M) value of interest rate hedges concluded.

**NOTES TO THE INCOME STATEMENT 2020**

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**Net result (IFRS) – Group share**

The EPRA Earnings along with the result on the portfolio, changes in the fair value of financial instruments and the depreciation and write-down on solar panels produce a net result (IFRS) – Group share of 324.6 million euros in 2020 (compared to the same period last year, when this figure was 393.7 million euros).

The difference between the net result (IFRS) – Group share of 324.6 million euros and the EPRA Earnings of 174.5 million euros can mainly be attributed to the positive fluctuation in the value of the portfolio and the negative fair value variations in the interest rate hedging instruments.



## NOTES TO THE BALANCE SHEET 2020

### Consolidated balance sheet

in euros (x 1,000)

|                                                                | 31.12.2020       | 31.12.2019       | Δ y/y (abs.)   | Δ y/y (%)    |
|----------------------------------------------------------------|------------------|------------------|----------------|--------------|
| Intangible fixed assets                                        | 1,193            | 422              | 771            | n.r.         |
| Investment property                                            | 4,566,601        | 4,002,340        | 564,261        | 14.1%        |
| Other tangible fixed assets (including solar panels)           | 126,719          | 125,244          | 1,475          | 1.2%         |
| Financial fixed assets                                         | 6,929            | 4,743            | 2,186          | 46.1%        |
| Trade receivables and other fixed assets                       | 2,747            | 4,162            | -1,415         | -34.0%       |
| Participations in associated companies and joint ventures      | 24,346           | 19,707           | 4,639          | 23.5%        |
| <b>Fixed assets</b>                                            | <b>4,728,536</b> | <b>4,156,619</b> | <b>571,917</b> | <b>13.8%</b> |
| Assets held for sale                                           | 15,543           | 5,779            | 9,764          | n.r.         |
| Trade receivables                                              | 12,073           | 15,364           | -3,291         | n.r.         |
| Tax receivables and other current assets                       | 17,232           | 34,249           | -17,017        | n.r.         |
| Cash and cash equivalents                                      | 11,240           | 3,604            | 7,636          | n.r.         |
| Accruals and deferrals                                         | 5,781            | 7,175            | -1,394         | n.r.         |
| <b>Current assets</b>                                          | <b>61,869</b>    | <b>66,171</b>    | <b>-4,302</b>  | <b>n.r.</b>  |
| <b>Total assets</b>                                            | <b>4,790,405</b> | <b>4,222,790</b> | <b>567,615</b> | <b>13.4%</b> |
| Capital                                                        | 188,130          | 185,746          | 2,384          | 1.3%         |
| Issue premiums                                                 | 923,843          | 876,849          | 46,994         | 5.4%         |
| Reserves                                                       | 917,352          | 647,590          | 269,762        | 41.7%        |
| Net result for the financial year                              | 324,610          | 393,732          | -69,122        | -17.6%       |
| <b>Shareholders' equity attributable to Group shareholders</b> | <b>2,353,935</b> | <b>2,103,917</b> | <b>250,018</b> | <b>11.9%</b> |
| Minority interests                                             | 49,858           | 45,944           | 3,914          | 8.5%         |
| <b>Shareholders' equity</b>                                    | <b>2,403,793</b> | <b>2,149,861</b> | <b>253,932</b> | <b>11.8%</b> |
| Non-current financial debt                                     | 1,740,284        | 1,568,199        | 172,085        | 11.0%        |
| Other non-current liabilities                                  | 197,847          | 139,276          | 58,571         | 42.1%        |
| <b>Non-current liabilities</b>                                 | <b>1,938,131</b> | <b>1,707,475</b> | <b>230,656</b> | <b>13.5%</b> |
| Current financial debt                                         | 379,170          | 286,629          | 92,541         | 32.3%        |
| Other current liabilities                                      | 69,311           | 78,826           | -9,514         | -12.1%       |
| <b>Current liabilities</b>                                     | <b>448,481</b>   | <b>365,454</b>   | <b>83,027</b>  | <b>22.7%</b> |
| <b>Liabilities</b>                                             | <b>2,386,612</b> | <b>2,072,929</b> | <b>313,683</b> | <b>15.1%</b> |
| <b>Total liabilities</b>                                       | <b>4,790,405</b> | <b>4,222,790</b> | <b>567,615</b> | <b>13.4%</b> |

## NOTES TO THE BALANCE SHEET 2020

## Key ratio's

| in euros (x share)            | 31.12.2020 | 31.12.2019 | Δ (abs.) | Δ (%) |
|-------------------------------|------------|------------|----------|-------|
| IFRS NAV                      | 13.5       | 12.2       | 1.3      | 10.5% |
| EPRA NTA                      | 14.3       | 12.8       | 1.5      | 11.8% |
| Share price                   | 28.3       | 23.2       | 5.1      | 22.0% |
| Premium/Discount vs. EPRA NTA | 97.4%      | 81.0%      | 16.4%    | n.r.  |

| in euros (x million)                                              |         |         |       |        |
|-------------------------------------------------------------------|---------|---------|-------|--------|
| Fair value of the portfolio (including solar panels) <sup>1</sup> | 4,766.5 | 4,175.8 | 590.7 | 14.1 % |
| Loan-to-value                                                     | 45.0%   | 45.0%   | -0.1% | n.r.   |
| Gearing ratio (proportional) <sup>2</sup>                         | 46.6%   | 46.7%   | -0.1% | n.r.   |
| Net debt / EBITDA (adjusted)                                      | 8.3x    | 8.0x    | 0.3x  | n.r.   |

- 1 Based on 100% of the fair value for the fully consolidated entities (including WDP Romania) and the proportionate share for the joint ventures (i.e. 55% for Luxembourg and 50% for Germany).
- 2 For the method used to calculate the gearing ratio, please refer to the Belgian Royal Decree on GVV's/SIRs.

Property portfolio<sup>2</sup>

According to independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate, the fair value<sup>3</sup> of the WDP property portfolio according to IAS 40 amounted to 4,644.1 million euros on 31 December 2020, compared to 4,054.8 million euros at the start of the financial year (including *Assets held for sale*). Together with the valuation at fair value of the investments in solar panels<sup>4</sup>, the total portfolio value amounts to 4,766.5 million euros, in comparison to 4,175.8 million euros at the end of 2019.

This value of 4,766.5 million euros includes 4,276.9 million euros in completed properties (standing portfolio)<sup>5</sup>. Projects under development represent a value of 256.8 million euros. In addition, there are the land reserves at Schiphol, Bleiswijk and Breda and land potential in Romania, representing a fair value of 110.3 million euros.

The investments made in solar panels were valued at a fair value of 122.4 million euros as at 31 December 2020.

Overall, the portfolio is valued at a gross rental yield of 6.1%<sup>6</sup>. The gross rental yield after deduction of the estimated market rental value for the non-let portions is 6.0%.

## NAV per share

The EPRA NTA per share amounted to 14.3 euros on 31 December 2020. This represents an increase of 1.5 euros compared to an EPRA NTA per share of 12.8 euros on 31 December 2019 as a result of profit generation, dividend distribution and portfolio revaluation. The IFRS NAV per share<sup>7</sup> amounted to 13.5 euros on 31 December 2020, compared to 12.2 euros on 31 December 2019.

- 2 Under IFRS 11 *Joint arrangements*, the joint ventures are incorporated using the equity accounting method. With regard to portfolio reporting statistics, the proportionate share of WDP in the Luxembourg's portfolio (55%) and the German portfolio (50%) is shown.
- 3 For the exact valuation method, we refer to the BE-REIT press release of 10 November 2016.
- 4 Investments in solar panels are valued in accordance with IAS 16 by applying the revaluation model.
- 5 Including a right of use of 51 million euros, related to the land held through a concession in accordance with IFRS 16.

- 6 Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unlet parts by the fair value. The fair value is the value of the investment properties after deduction of transaction costs (mainly transfer tax).
- 7 The IFRS NAV is calculated as shareholders' equity as per IFRS divided by the total number of shares entitled to dividend on the balance sheet date. This is the net value according to Belgian GVV/SIR legislation.

## NOTES TO THE BALANCE SHEET 2020

**Contribution to the Treasury**

In 2020, WDP and its subsidiaries together paid 49.9 million euros in social, fiscal and sector-specific taxes to the treasury.

| in euros (x 1,000)                                                         | FY 2020       | FY 2019       |
|----------------------------------------------------------------------------|---------------|---------------|
| Corporate tax                                                              | 635           | 472           |
| Exit tax                                                                   | 8             | 408           |
| Advance levy                                                               | 36,718        | 33,405        |
| Subscription fee                                                           | 2,306         | 1,952         |
| Social security contribution (employers' contribution)                     | 920           | 868           |
| Non-recoverable VAT                                                        | 1,262         | 840           |
| Property tax and other taxes related to immovable goods borne by the owner | 4,879         | 3,862         |
| Transfer taxes                                                             | 2,766         | 2,876         |
| Other taxes                                                                | 412           | 344           |
| <b>Total</b>                                                               | <b>49,907</b> | <b>45,027</b> |

## STATUS REGARDING POLICY RELATED TO DUTCH REIT STATUS

### History

Since 1 November 2010, WDP has held FBI (Fiscale Beleggingsinstelling) status via its subsidiary, WDP Nederland N.V. (WDP NL). The conditions for FBI qualification depend, among other things, on the activities of the subsidiary as well as its shareholder structure; for example, at least 75% of a non-listed FBI such as WDP NL must be owned by natural persons, tax-exempt entities, or a listed FBI. At the time, the Dutch tax authorities confirmed, in a fiscal ruling, that the parent entity of WDP NL, WDP, as GVV/SIR (then BEVAK) is an entity that is effectively exempt from income tax. This is because the corporate income tax payable by WDP is as good as zero in both absolute and relative terms, as its activities are de facto exempt from corporate income tax.<sup>8</sup>

Over the past few years, WDP NL was in talks – at the request of the Dutch tax administration – regarding a different approach to the shareholder test. Even though WDP was and still is of the opinion that the relevant policies, regulations and jurisprudence has not changed, it has constructively cooperated in examining whether WDP itself – in relation to the shareholder test – could qualify as an FBI. Hence, WDP is of the opinion – aside from the fact that it is not subject to corporate income tax, taking into account the fiscal transparency model of a GVV/SIR – that as a GVV/SIR, it is operating under a regime that is objectively comparable to that of an FBI and that it should be able to pass this shareholder test. Negotiations between WDP and the Dutch tax administration to investigate how this could be implemented in concrete terms to ensure the continued application of WDP NL's FBI status have always been held in a constructive atmosphere.

These negotiations were subsequently suspended when the Dutch coalition agreement of October 2017 included a resolution to no longer permit direct investment in Dutch property through FBIs – including WDP, via its subsidiary, WDP Nederland N.V. – from 2020 in relation to the planned abolition of dividend tax. At the start of October 2018, the Dutch government announced that it would retain the dividend tax and also keep the current FBI system intact. After which the talks resumed.

### Recent developments

At the beginning of 2020, the Dutch tax authorities indicated that, for now, they were unable to provide a precise interpretation of the shareholder test, in view of the fact that this interpretation would depend on the outcome of thousands of appeals between the Dutch tax authorities and foreign investment funds concerning the refund of dividend tax. In 2020, one of the most important cases on this point resulted in a ruling by the European Court of Justice and a subsequent ruling by the Dutch Supreme Court. WDP believes the ruling supports its analysis that it meets the shareholder test.

Furthermore, the Dutch government is currently investigating whether specific adjustments to the property FBI regime are possible and feasible by means of an evaluation, and possibly through policy and/or regulation amendments in 2021.

Also, at the beginning of 2020 in a new letter to WDP and as previously communicated,<sup>2</sup> the Dutch tax administration has indicated that they will withdraw the previously granted tax ruling as of 1 January 2021, and that as of that time "WDP NL will be bound to comply with all requirements as applicable within the Netherlands for the status of FBI, including the shareholder requirements."

### WDP Vision

WDP is of the opinion that the facts and circumstances and the legal framework in which the tax ruling was granted have not changed, and that – in the absence of any material changes to the policies and/or regulations on FBIs – WDP NL continues to be entitled to FBI status. WDP wishes to maintain constructive and open dialogue with the Dutch tax authorities, but will also contemplate subsequent steps. In addition, WDP, its advisors and the other companies in its sector will closely monitor all developments in relation to the FBI regime, for which the strategy and policy of the Dutch government is currently unclear.

<sup>8</sup> The limited amount of corporate income tax paid is related to non-deductible expenditure.

<sup>9</sup> See the [press release](#) of 21 February 2020.

**STATUS REGARDING POLICY RELATED TO DUTCH REIT STATUSREIT-STATUUT**

WDP points out that the business environment facilitated by the FBI regime has resulted in WDP investing around 2 billion euros in the Netherlands over the past ten years, and would like to draw attention to a selection of notable figures: i) around 1 billion euros of this total has found its way towards liquidity on the Dutch property market, largely via sale-and-lease-back agreements with Dutch companies in the aftermath of the financial crisis, when bank financing was unavailable in the Netherlands but WDP was able to attract international capital through its FBI status, ii) over 1 billion euros made its way directly into the construction sector with an immediate impact on the real economy, and iii) solar panels were installed on nearly half the sites, resulting in a total capacity of 40 MWp – a development supporting the Netherlands in the achievement of its climate objectives.

WDP favours a simple and transparent solution, focusing on maintaining – with a few adjustments – the property FBI for stock-listed companies as is the case in other EU member states in which a REIT regime applies. This means a competitive business environment can be created for the property sector, in which the necessary investments are made in infrastructure and in which that infrastructure is made more sustainable. One example of such an environment is the thriving Belgian REIT sector and its contribution to society.

Over time and via the EPRA (European Public Real Estate Association), WDP believes that steps can be taken towards an EU REIT, which may be able to strike the right balance between facilitating cross-border investments and protecting national interests such as safeguarding the tax base.

**Financial impact**

WDP estimates the difference between the fiscally transparent status of FBI and the regular tax regime (pro forma) at 4 million euros or 2% of projected EPRA Earnings per share (1.00 euro for 2020). Despite the fact that a tax ruling is not an absolute requirement to apply for the FBI regime and that WDP believes it meets all the conditions and the circumstances and facts are unchanged and that WDP will file its tax return as an FBI, given the current important uncertainty from 2021 onwards, WDP will process a provision in its consolidated accounts as if it were not an FBI in the Netherlands.



## MANAGEMENT OF FINANCIAL RESOURCES

### Financing policy

The financing policy of the WDP Group is geared towards optimal financing of the company with an ideal mix of debt and shareholders' equity, and the availability of adequate resources to complete ongoing projects and capitalise on any opportunities that arise.

The key objectives within this context are the following:

- ◆ a proactive management of the capital structure;
- ◆ a balance of equity capital and borrowed capital;
- ◆ a good diversification of the various sources of financing;
- ◆ a good spread of the maturities of the liabilities;
- ◆ an adequate liquidity risk;
- ◆ a sustainable long-term relationship with all financing partners;
- ◆ an active financial risk control including interest risk, liquidity risk and counter-party risk.

The scale on which WDP practices its business activities, in combination with strict regulations which, as GVV/SIR, is subject to compliance and the high degree of visibility on the rental flows, gives WDP a competitive edge in the search for appropriate sources of financing. This is extremely important in the continuously changing financing environment high creditworthiness and diversification are key.

### Key financial data

| in euros (x 1,000)                                                           | 31.12.2020 | 31.12.2019 |
|------------------------------------------------------------------------------|------------|------------|
| Loan-to-value (in %)▼                                                        | 45.0       | 45.0       |
| Gearing ratio (proportionate) (in line with the GVV/SIR Royal Decree) (in %) | 46.6       | 46.7       |
| Net debt / EBITDA (adjusted) (in x)▼                                         | 8.3        | 8.0        |
| Interest Coverage Ratio <sup>1</sup> (in x)                                  | 4.9        | 4.5        |
| Average cost of debt (in %)                                                  | 2.1        | 2.2        |
| Average remaining term of outstanding debts (in years)                       | 4.6        | 4.2        |
| Average remaining term of long-term credit facilities (in years)             | 5.2        | 4.8        |
| Hedge ratio (in %)▼                                                          | 90         | 85         |
| Average remaining term of interest rate hedges <sup>2</sup> (in years)       | 6.9        | 7.1        |

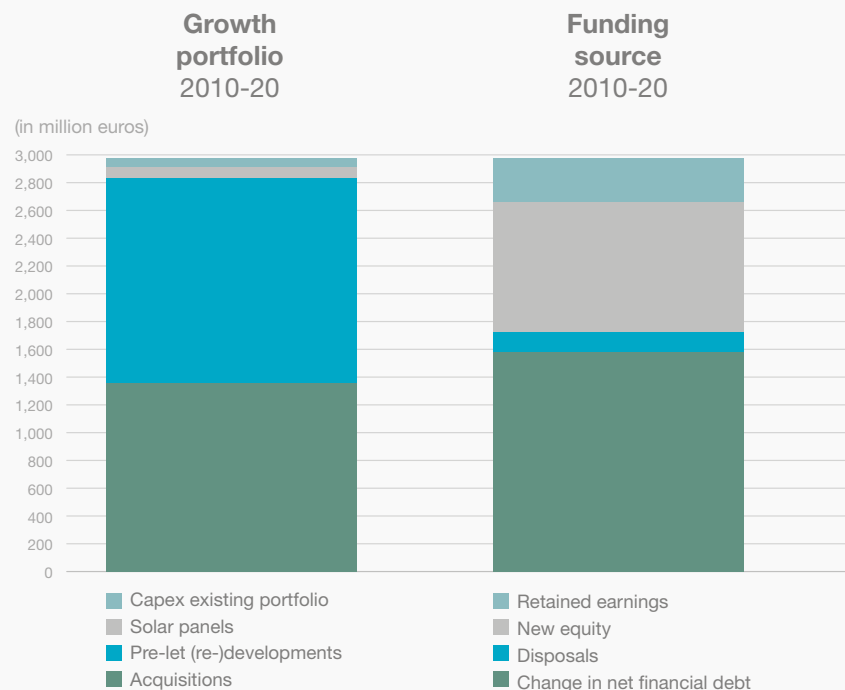
The Alternative Measures (APM), used by WDP, are accompanied by a symbol (▼).

The definition and reconciliation can be consulted under 13. *Annexes - Alternative performance measures*.

- 1 Defined as operating result (before the result on the portfolio) divided by interest charges less interest and dividends collected less the fee for financial leasing and other.
- 2 Remaining term of debt at fixed rate and interest rate hedges entered into to hedge the debt against interest rate fluctuations.

## MANAGEMENT OF FINANCIAL RESOURCES

## Matching of assets and liabilities



## Debt structure

As far as possible WDP endeavours to guarantee a matching of its assets and liabilities throughout the cycle. In this respect, the portfolio generates a gross return of approximately 6%, based on a very high visibility with an average duration of the leases (including solar panels) of 5.9 years until first break, and 6.9 years until final maturity. These are then financed by debt that today carries an average cost of approx. 2%, based on a high hedging ratio with long-term hedging instruments (6.9 years on average).

This high spread between yield and cost ensures an adequate basis for meeting financial expenses, resulting into an Interest Coverage Ratio of 4.9x. Moreover, the visibility on both the income and expenses results in a robust cash flow profile.

## Gearing ratio

The use of debt is legally limited via the Belgian GVV/SIR Royal Decree. For instance, the gearing ratio cannot exceed 65% (both on a consolidated and statutory level) and moreover, dividend distributions to the shareholders are only permitted if the defined limit is not exceeded given that they must be used at that time to bring the debt ratio back down below 65%. Debts are used to optimise returns for shareholders, but must be applied with prudence taking numerous factors into account, such as access to refinancing capital, capacity to cover interest costs, quality of the portfolio, the term of the leases and the portion of projects under development. WDP prefers a financial policy where the gearing ratio is lower than 50% based on the current valuation of the portfolio.

As at 2020 year-end, the loan-to-value came to 45.0% and the gearing ratio (proportionate) to 46.6%, compared to 45.0% and 46.7%, respectively, as at 31 December 2019.

## MANAGEMENT OF FINANCIAL RESOURCES

### Maturity dates

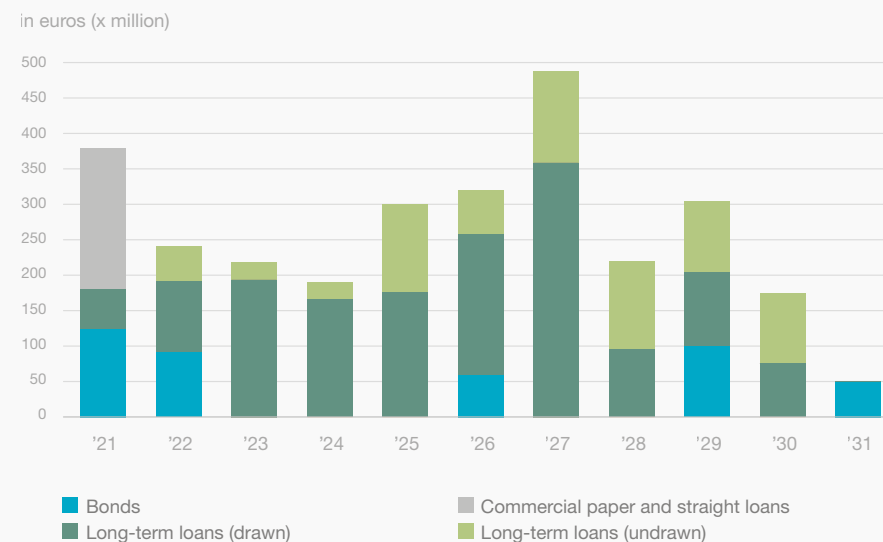
The majority of the debt instruments used are bullet type instruments, which implies that over the term, interest payments are due on the principal sum and that full repayment of the capital is due on the final maturity date. The maturity dates are evenly distributed over time. 38% of the debt is debt between one and five years and 44% expire after more than five years. The other short-term financial debts of 379.2 million euros include the commercial paper programme (191.5 million euros), short-term straight loans (9.2 million euros) and long-term financing maturing within the year (178.5 million euros). The latter (mainly the retail bond of 125 million euros) will be refinanced from the existing free credit lines.

The weighted average term of WDP's outstanding financial debt on 31 December 2020 was 4.6 years.<sup>1</sup> If only the total drawn and undrawn long-term credit facilities are taken into account, the weighted average term is 5.2 years. At 2019 year-end, this was 4.2 and 4.8 years, respectively.

At 31 December 2020, the total of undrawn and confirmed long-term credit lines is in excess of 700 million euros<sup>2</sup>.

The chart hereafter show the maturity dates of the debts.

### Credit line maturity schedule

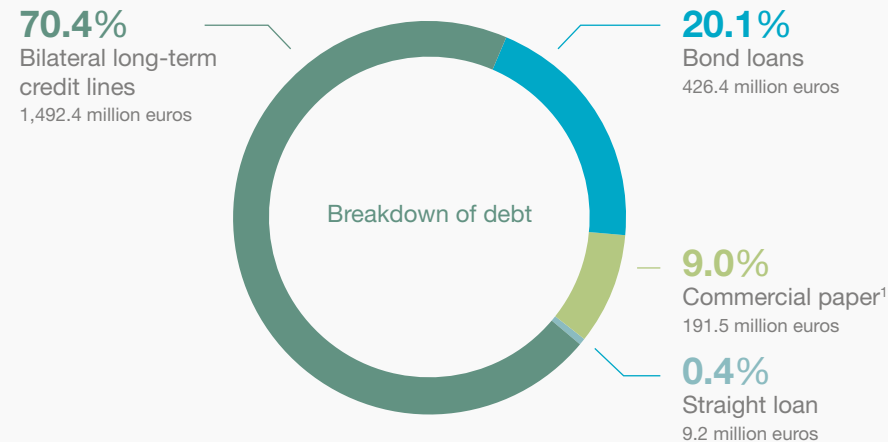


<sup>1</sup> Including the short-term debt: this mainly includes the commercial paper programme that is fully covered by back-up facilities.

<sup>2</sup> Excluding the credit facilities to hedge the commercial paper programme.

## MANAGEMENT OF FINANCIAL RESOURCES

## Outstanding consolidated financial debt as at 31.12.2020

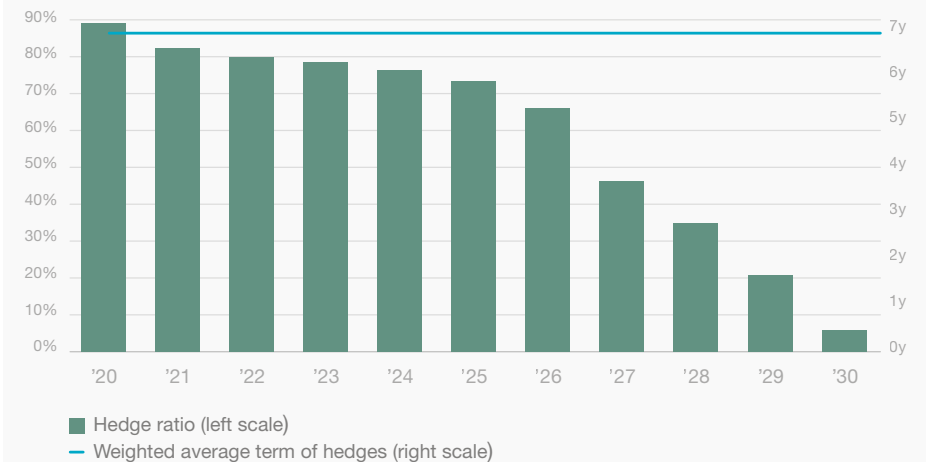


## Hedges

WDP's risk policy regarding interest rates, aims to overcome the fluctuations in interest rates as far as possible and to optimise the cost of the debt. This is done through a centrally managed macro-hedging policy, in which interest derivatives are used solely for the hedging of financial debts.

The hedge ratio, which measures the percentage of financial debt with a fixed or floating interest rate and subsequently hedges this by means of Interest Rate Swaps (IRS), came to 89.6% as at 31 December 2020.<sup>3</sup> For a consistent debt position this hedging ratio changes into 82.8% in 2021 and 80.3% in 2022<sup>3</sup>. However, WDP's result is still subject to fluctuations (see 7. *Financial results and property report - Outlook* for a sensitivity analysis with respect to the short-term interest rates).

## Evolution in hedge ratio



## Covenants and securities

The contractual provisions of the credit facilities generally stipulate that WDP remains qualified as a regulated real estate company (GvV) in Belgium, including a maximum gearing ratio of 65%, that there is a minimum Interest Coverage Ratio of 1.5x, that the value of speculative (i.e. without pre-letting) development projects may amount to a maximum of 15% of the book value of the portfolio and that the financial debts at subsidiary level may amount to a maximum of 30% of the total outstanding financial debts. WDP confirms that all of these conditions were met throughout the entire 2020 financial year. The Interest Coverage Ratio was 4.9x, the rate of speculative developments was 0.1% at the end of 2020 and the debt at subsidiary level was 4% of the total outstanding financial debt.

<sup>3</sup> The GvV/SIR's hedging policy implicitly assumes the long-term maturity of existing interest rate hedges on the condition that the absolute level of outstanding debt is maintained. See also note 9. *Risk factors* and note XIV. *Financial instruments*.

## MANAGEMENT OF FINANCIAL RESOURCES

### Implementation of the financing strategy during 2020

#### Financing policy in 2020

2020 saw the achievement of a net investment volume of approx. 392 million euros. In advance, an appropriate financing strategy was outlined in order to meet the investment requirements, and to safeguard the solid capital structure of the company.

Thus, the net capital expenditures were financed with new shareholders' equity capital in an amount of approximately 96 million euros (by means of the optional dividend and the retained earnings) and the balance by means of issuance of new borrowings, which could also be used to reinforce the buffer of unused credit lines to more than 700 million euros. This also anticipated the maturity dates for loans in 2021.

The company boosted its financial resources over 2020 as follows:

- ◆ Approximately 700 million euros in additional bank financing from a number of Belgian and foreign banks, including:

#### *New IFC financing package of 205 million euros<sup>4</sup>*

WDP and IFC, a member of the World Bank Group, have concluded a new financing package of around 205 million euros. This financing concerns term loans with a maturity of up to nine years and will be used exclusively to finance the new logistics projects in Romania that are EDGE<sup>5</sup> certified.

#### *New EBRD financing package of 150 million euros<sup>6</sup>*

WDP and the European Bank for Reconstruction and Development (EBRD) have concluded a new financing package of around 150 million euros. This financing concerns a seven-year term loan that will be deployed to fund the existing pre-let development pipeline and further growth of WDP's activities in Romania.

<sup>4</sup> See [press release](#) of 22 April 2020.

<sup>5</sup> EDGE stands for Excellence in Design for Greater Efficiencies and is a certification programme for green buildings that focuses on resource efficiency. EDGE supports developers and builders to quickly and cost-effectively reduce energy and water consumption or energy absorbed by materials. EDGE certificates are issued worldwide and are an initiative of IFC, part of the World Bank Group.

- ◆ Optional dividend of approximately 50 million euros<sup>7</sup>

WDP's shareholders opted for 55.5% of their shares (in line with last year) for a contribution of dividend rights in exchange for new shares instead of payment of the dividend in cash. This result led to a capital increase for WDP of approximately 50 million euros through the creation of 2,224,662 new shares, assuming an issue price of 22.27 euros per share.

- ◆ Extension of hedges

In 2020, WDP was able to extend a total notional amount of 50 million euros of hedges maturing in 2022 to 2031 at a lower interest rate. The effect of this extension is an annual saving of around 0.4 million euros from 2021. This extension was again effected in a cash-neutral manner, which is to say, without incurring severance payments or other costs.

### Financial risks

In 2020, WDP has again continuously monitored the potential impact of financial risks and has taken the necessary measures to manage these risks. These risks include the counterparty risk (insolvency or credit risk affecting financial partners), liquidity risk (non-availability of financing or very expensive financing options) and risks related to interest, budget, agreements and exchange rates.

<sup>6</sup> See [press release](#) of 16 July 2020.

<sup>7</sup> See [press release](#) of 27 May 2020.



## MANAGEMENT OF FINANCIAL RESOURCES

### Significant events after the balance sheet date

#### ◆ Capital increase through contribution in kind for 9 million euros<sup>8</sup>

At the beginning of 2021, WDP acquired the Sip-Well site in Londerzeel through a contribution in kind against payment of 348,975 new WDP shares. The transaction has led to a 9.4 million euros increase in shareholders' equity.

#### ◆ Capital increase through accelerated private placement for 200 million euros<sup>9</sup>

In February 2021, WDP launched a capital increase in cash within the authorised capital with cancellation of the statutory preferential rights of existing shareholders (partly in favour of WDP's current Reference Shareholder, the management body RTKA, the family company owned by the Jos De Pauw family) and without granting an irreducible allocation right to existing shareholders. The capital increase was achieved through an exempt accelerated private placement with international institutional investors with the composition of an order book (ABB or an accelerated bookbuild).

The gross amount of this capital increase amounted to 200 million euros via the issue of 6,837,607 new shares at an issue price of 29.25 euros per share. The 6,837,607 new shares, including the 683,761 new shares related to the pre-allocation to the Jos De Pauw Family, allocated to an amount of 20 million euros, in accordance with the fixed subscription obligation, which corresponds to approximately 3.91% of the outstanding capital prior to the capital increase, were placed with qualified and/or institutional investors at an issue price of 29.25 euros per share. The issue price represents a discount of 3.3% compared with the last trading price on Wednesday 3 February 2021 of 30.24 euros.

Upon completion of this capital increase and the issuance of 6,837,607 new shares at a total issue price of 200,000,004.75 euros (specifically 7,833,916.07 euros capital and 192,166,088.68 euros issue premium), the total capital of WDP as at 8 February 2021 amounted to 208,405,199.33 euros, represented by 181,900,449 fully paid ordinary shares.

<sup>8</sup> See [press release](#) of 14 January 2021.

<sup>9</sup> See [press releases](#) of 3 and 8 February 2021.

## PROPERTY REPORT

### Review of the consolidated property portfolio

#### Description of the portfolio as at 31.12.2020

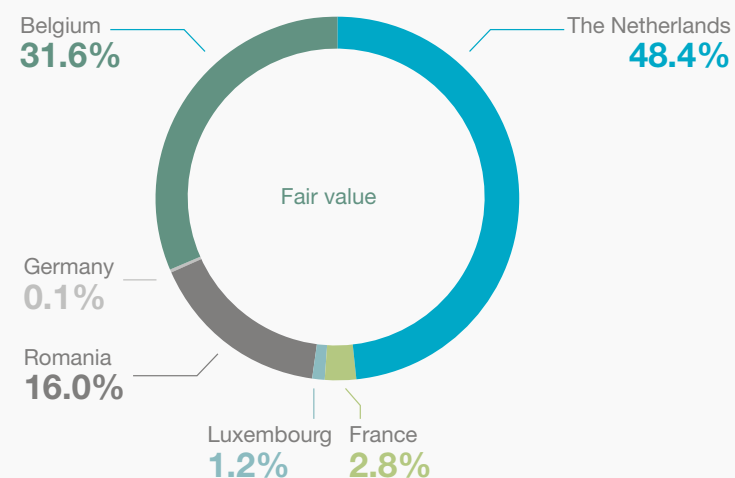
Independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate valued the WDP property portfolio (including *Assets held for sale* and excluding solar panels) in accordance with IAS 40 at a fair value<sup>1</sup> of 4,644.1 million euros on 31 December 2020. The fair value at the end of 2019 amounted to 4,054.8 million euros.

The portfolio breaks down as follows:

#### Fair value

| in euros (x million)       | Belgium        | The Netherlands | France       | Luxembourg  | Romania      | Germany    | Total          |
|----------------------------|----------------|-----------------|--------------|-------------|--------------|------------|----------------|
| Existing buildings         | 1,330.8        | 2,111.6         | 128.8        | 49.5        | 635.7        | 4.4        | 4,260.9        |
| Projects under development | 101.0          | 95.6            | –            | 4.2         | 56.1         | –          | 256.9          |
| Land reserve               | 18.0           | 41.5            | 0.5          | –           | 50.3         | –          | 110.3          |
| Assets held for sale       | 16.1           | –               | –            | –           | –            | –          | 16.1           |
| <b>Total</b>               | <b>1,465.9</b> | <b>2,248.6</b>  | <b>129.3</b> | <b>53.7</b> | <b>742.1</b> | <b>4.4</b> | <b>4,644.1</b> |

#### Geographical breakdown of the fair value of the portfolio



<sup>1</sup> The fair value at which the investment property is measured consists of the investment value less transaction costs. The average theoretical local transaction costs deducted from the investment value are as follows, by country: Belgium: 2.5%, Netherlands: 8.2%, France: 4.8%, Luxembourg: 7.0%, Germany: 7.5% and Romania: 1.5%.

## PROPERTY REPORT

## Portfolio statistics by country

|                                                           | Belgium   | The Netherlands | France  | Luxembourg | Romania   | Germany | Total      |
|-----------------------------------------------------------|-----------|-----------------|---------|------------|-----------|---------|------------|
| Number of lettable sites                                  | 78        | 102             | 7       | 3          | 54        | 1       | 245        |
| Gross lettable area (in m <sup>2</sup> )                  | 1,818,001 | 2,332,841       | 191,636 | 50,119     | 1,091,813 | 6,287   | 5,490,697  |
| Land (in m <sup>2</sup> )                                 | 3,744,282 | 4,205,958       | 436,681 | 83,357     | 4,688,282 | 12,291  | 13,170,851 |
| Fair value (in million euros)                             | 1,465.9   | 2,248.6         | 129.3   | 53.7       | 742.1     | 4.4     | 4,644.1    |
| % of the total fair value                                 | 32%       | 48%             | 3%      | 1%         | 16%       | 0%      | 100%       |
| % variation in the fair value                             | 4.8%      | 5.0%            | 2.6%    | 8.6%       | 0.4%      | 0.0%    | 4.2%       |
| Vacancy rate (EPRA) <sup>1,2</sup>                        | 2.5%      | 0.7%            | 7.2%    | 1.2%       | 1.2%      | 0.0%    | 1.5%       |
| Average lease length till first break (in y) <sup>2</sup> | 4.1       | 6.2             | 3.7     | 9.1        | 6.7       | 4.3     | 5.7        |
| WDP gross initial yield <sup>3</sup>                      | 5.9%      | 5.6%            | 5.9%    | 6.0%       | 7.8%      | 6.3%    | 6.1%       |
| Effect of vacancies                                       | -0.1%     | 0.0%            | -0.4%   | -0.1%      | -0.1%     | 0.0%    | -0.1%      |
| Adjustments gross to net rental income (EPRA)             | -0.3%     | -0.3%           | -0.2%   | -0.4%      | -0.1%     | -0.2%   | -0.3%      |
| Adjustments for transfer taxes                            | -0.1%     | -0.4%           | -0.3%   | -0.4%      | -0.1%     | -0.4%   | -0.3%      |
| EPRA net initial yield <sup>1</sup>                       | 5.3%      | 4.9%            | 5.1%    | 5.1%       | 7.5%      | 5.6%    | 5.4%       |

1 Financial performance indicator calculated according to EPRA's (European Public Real Estate Association) Best Practices Recommendations. Please see [www.epra.com](http://www.epra.com).

2 Excluding solar panels.

3 Calculated by dividing the annualised contractual gross (cash) rents and the rental value of the unlet properties by the fair value. The fair value is the value of the property investments after deduction of transaction costs (mainly transfer tax).

## Changes in fair value during 2020

In 2020, WDP invested a total amount of 70.3 million euros in new acquisitions. In addition, 330.4 million euros was spent on the completion of pre-let projects for own account and investments in the existing portfolio.

The change in the valuation of the investment properties amounted to an additional +287.9 million euros during 2020 on a portfolio of approximately 4.6 billion euros. The gross rental yield based on the contractual rent, after the addition of the estimated market rental value for the unlet parts, amounts to 6.1% at 31 December 2020, compared to 6.3% at the end of 2019.

## Value and composition of the rental portfolio

The total surface area comprises 1,317.1 hectares, including 95.6 hectares granted in concession. The balance of 1,221.5 hectares has a fair value of 1,211.7 million euros or 26% of the total fair value. This results in an average land value of 99 euros per m<sup>2</sup>, excluding transaction costs. This area also includes the land reserves, particularly in Belgium, the Netherlands and Romania.

## PROPERTY REPORT

## Designated use as at 31.12.2020

|                                                       | Built-up area (in m²) | Estimated rental value<br>(in million euros) | Estimated average rental value<br>per m² (in euros) | % of total rental value |
|-------------------------------------------------------|-----------------------|----------------------------------------------|-----------------------------------------------------|-------------------------|
| Warehouses                                            | 4,444,335             | 209.1                                        | 47.1                                                | 82%                     |
| Offices at warehouses                                 | 359,540               | 29.7                                         | 82.6                                                | 12%                     |
| Miscellaneous (mixed-use, parking and archive spaces) | 686,823               | 17.1                                         | 24.9                                                | 7%                      |
| <b>Total</b>                                          | <b>5,490,697</b>      | <b>255.9</b>                                 | <b>46.6</b>                                         | <b>100%</b>             |

## Historic gross rental yield of the WDP portfolio

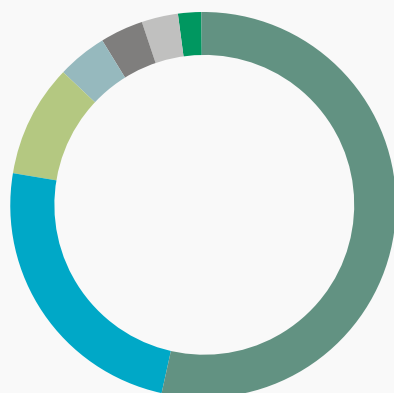


## Development of the property portfolio during 2020

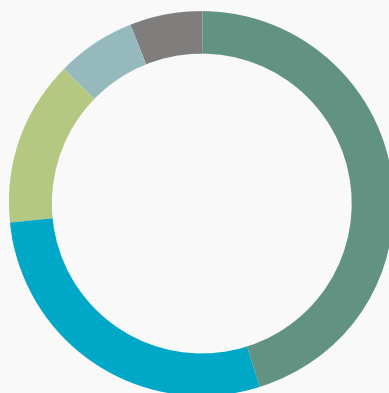


## PROPERTY REPORT

Breakdown of property portfolio by property type (based on fair value)



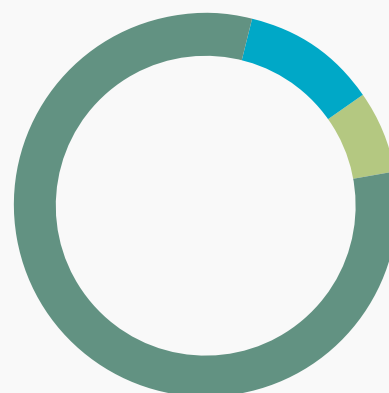
53.8% General warehouse  
 24.2% Big box/XXL (> 50.000 m²)  
 9.3% Manufacturing  
 4.2% Cross-dock  
 3.6% Future redevelopment  
 3.0% High bay/Multiple floor  
 1.9% Other

Breakdown of fair value by age<sup>1</sup>

45.1% 0 to 5 years  
 28.5% 5 to 10 years  
 13.8% 10 to 15 years  
 6.6% 15 to 20 years  
 6.0% older than 20 years

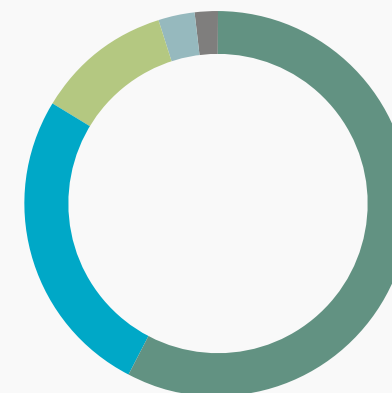
<sup>1</sup> Buildings undergoing significant renovations are considered new once their renovations are complete..

Breakdown of total rental value by intended use



81.7% Warehouses  
 11.6% Offices at warehouses  
 6.7% Miscellaneous (mixed-use, parking and archive spaces)

Breakdown of property portfolio by property quality type (based on fair value)



57.7% Class A warehouse  
 26.1% Class A green certified warehouse<sup>2</sup>  
 11.3% Class B warehouse  
 3.1% Class C warehouse  
 1.8% Other

<sup>2</sup> Class A green certified warehouse refers to the class A BREEAM and class A EDGE certified warehouses within the WDP portfolio.



## PROPERTY REPORT

### Rental situation of the available buildings

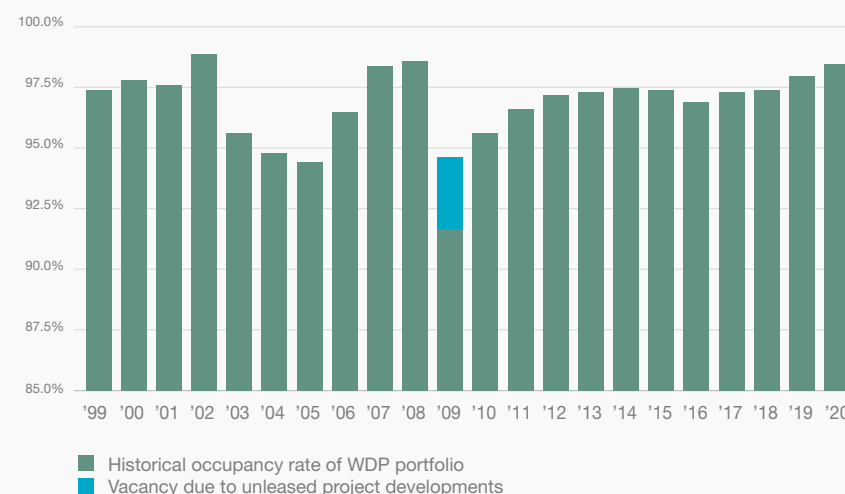
The occupancy rate of the WDP portfolio came to 98.6% at 2020 year-end (including solar panels)<sup>2</sup>. This represents the outcome of WDP's commercial strategy, which is aimed at developing long-term relationships with clients and supports the company's performance with a high operating margin.

The development of long-term partnerships with clients is further reflected in the fact that the average remaining term of the leases is 6.9 years. Assuming the first termination date, the average remaining duration is 5.7 years.

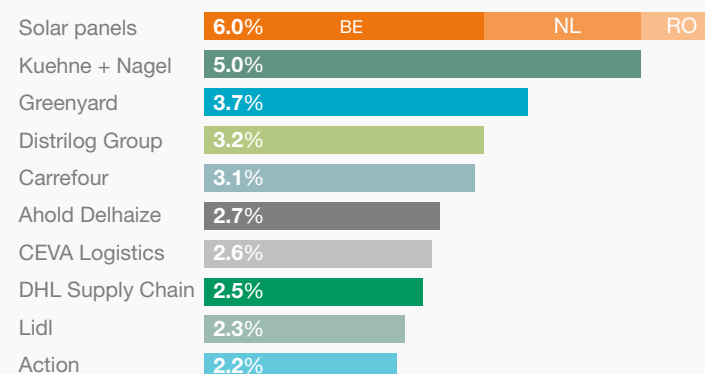
If income from the solar panels<sup>3</sup> is also taken into account, the average remaining duration until final maturity is 7.1 years. Assuming the first termination date, the average remaining duration is 5.9 years.

The share of the ten most important tenants is 33% and each make use of several WDP locations.

### Historical occupancy rate of WDP portfolio (including solar panels)



### Top-10 tenants



<sup>2</sup> Excluding solar panels, the occupancy rate is 98.5%.

<sup>3</sup> See explanatory note XIII. Other tangible fixed assets.

## PROPERTY REPORT

## Rental income 2020 by end user category



- 22 % Industrial
- 14 % FMCG
- 13 % Retail (Food)
- 11 % Food, fruit & vegetables
- 9 % Retail (Non-Food)
- 7 % Post & parcel delivery
- 6 % Automotive
- 5 % Other
- 5 % Wholesale
- 5 % Healthcare
- 3 % Technology, media & telecom



**65%**  
3PL

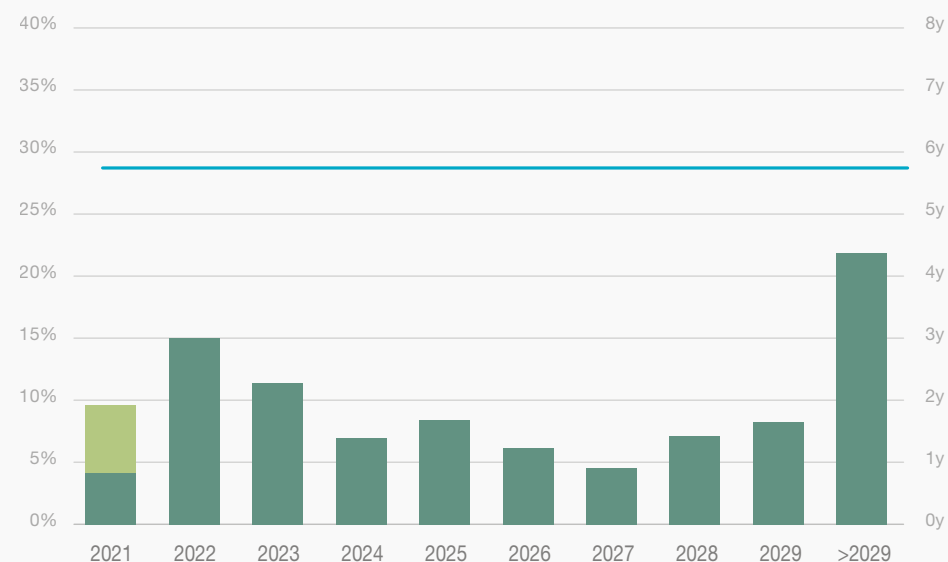
**35%**  
end user

dedicated e-commerce

**10%**



## Rental income expiry dates (until next termination date)



- % already extended as at 31.12.2020 (left scale)
- % of rental income falling due (including solar power) (left scale)
- Average lease duration (until next termination date) (including solar energy) (right scale)

## PROPERTY REPORT

## Overview of projects under development

The projected out-of-pocket cost for completion of these projects is estimated at approx. 541 million euros, approx. 367 million euros of which still remains to be

invested. WDP expects to achieve a total return on investment of 6.5% (an initial gross rental yield of approx. 6.0% in Western Europe and 8.5% in Romania).

|                                              | Country | Type            | Lettable area<br>(in m²) | Projected<br>delivery | Pre-leased | Tenant                                               | Investment budget<br>(in million euros) <sup>1</sup> | Projected<br>yield |
|----------------------------------------------|---------|-----------------|--------------------------|-----------------------|------------|------------------------------------------------------|------------------------------------------------------|--------------------|
| Asse - Mollem, Zone 5 nr. 191, 192, 320, 321 | BE      | Redevelopment   | 3,200                    | 3Q21                  | 100%       | AMP                                                  | 2                                                    |                    |
| Courcelles, rue de Liège 25                  | BE      | New development | 2,190                    | 2Q21                  | 100%       | Conway                                               | 2                                                    |                    |
| Geel, Hagelberg 12                           | BE      | New development | 8,000                    | 1Q22                  | 100%       | Distrilog                                            | 4                                                    |                    |
| Heppignies                                   | BE      | New development | 2,000                    | 1Q22                  | 100%       | Fully let                                            | 5                                                    |                    |
| Heppignies, rue de Capilône 6                | BE      | New development | 13,000                   | 2Q21                  | 100%       | Trafic                                               | 5                                                    |                    |
| Lokeren, Industrieterrein E17/4              | BE      | New development | 60,000                   | 3Q21                  | 100%       | Barry Callebaut                                      | 92                                                   |                    |
| Londerzeel, Weversstraat 27-29               | BE      | Redevelopment   | 20,000                   | 2Q21                  | 100%       | Colruyt                                              | 9                                                    |                    |
| WDPort of Ghent                              | BE      | New development | 150,000                  | 1Q23                  | 100%       | X²O Badkamers / Overstock<br>Home / Overstock Garden | 23                                                   |                    |
| <b>BE</b>                                    |         |                 | <b>258,390</b>           |                       |            |                                                      | <b>141</b>                                           |                    |
| Bettembourg (Eurohub Sud 4)                  | LU      | New development | 25,000                   | 2Q21                  | 0%         | In commercialisation                                 | 13                                                   |                    |
| Contern                                      | LU      | New development | 15,000                   | 4Q21                  | 60%        | DB Schenker + in<br>commercialisation                | 10                                                   |                    |
| <b>LU</b>                                    |         |                 | <b>40,000</b>            |                       |            |                                                      | <b>23</b>                                            |                    |
| Bleiswijk, Prismalaan West 31                | NL      | New development | 16,400                   | 1Q21                  | 100%       | Boland                                               | 18                                                   |                    |
| Breda                                        | NL      | New development | 31,000                   | 2Q23                  | 100%       | Lidl                                                 | 22                                                   |                    |
| Breda                                        | NL      | New development | 13,000                   | 4Q21                  | 100%       | Fruit and vegetable company                          | 10                                                   |                    |
| De Lier, Jogchem van der Houtweg             | NL      | Redevelopment   | 83,000                   | 4Q22                  | 100%       | De Jong Verpakking                                   | 54                                                   |                    |
| Den Haag, Westvlietweg                       | NL      | Redevelopment   | 26,000                   | 3Q21                  | 100%       | CEVA Logistics                                       | 19                                                   |                    |
| Dordrecht                                    | NL      | New development | 48,000                   | 1Q21                  | 100%       | Crocs Europe                                         | 56                                                   |                    |
| Heerlen, Argonstraat 10-12                   | NL      | New development | 26,000                   | 4Q21                  | 100%       | CEVA Logistics                                       | 15                                                   |                    |
| Ridderkerk, Nieuw Reijerwaard                | NL      | New development | 4,500                    | 1Q21                  | 100%       | Kivits Groep Holding                                 | 2                                                    |                    |
| Veghel                                       | NL      | New development | 71,000                   | 2Q23                  | 100%       | Alloga / Alliance Healthcare                         | 65                                                   |                    |
| <b>NL</b>                                    |         |                 | <b>318,900</b>           |                       |            |                                                      | <b>261</b>                                           |                    |
| Bucharest - Stefanestii de Jos               | RO      | New development | 10,000                   | 1Q21                  | 100%       | Decathlon                                            | 5                                                    |                    |
| Bucharest - Stefanestii de Jos               | RO      | New development | 22,000                   | 3Q21                  | 100%       | LPP                                                  | 10                                                   |                    |
| Bucharest - Stefanestii de Jos               | RO      | New development | 15,640                   | 3Q21                  | 100%       | Eobuwie                                              | 8                                                    |                    |
| Cluj                                         | RO      | New development | 2,198                    | 3Q21                  | 100%       | Fedex                                                | 2                                                    |                    |
| Craiova                                      | RO      | New development | 58,000                   | 2Q21                  | 100%       | Profi                                                | 33                                                   |                    |
| Paulesti                                     | RO      | New development | 11,000                   | 1Q21                  | 100%       | Rosti                                                | 7                                                    |                    |
| Roman                                        | RO      | New development | 12,000                   | 3Q21                  | 100%       | Profi                                                | 14                                                   |                    |
| Timisoara                                    | RO      | New development | 57,000                   | 2Q22                  | 100%       | Profi                                                | 38                                                   |                    |
| <b>RO</b>                                    |         |                 | <b>187,838</b>           |                       |            |                                                      | <b>116</b>                                           |                    |
| <b>Total</b>                                 |         |                 | <b>805,128</b>           |                       | <b>96%</b> |                                                      | <b>541</b>                                           | <b>6.5%</b>        |

1 For the redevelopment projects, this does not factor in the value of the redevelopment projects before the start of the renovation. Taking into account the proportionate share of WDP in the portfolio of WDP Luxembourg (55%).

## PROPERTY REPORT

## Key data of the properties

The sites listed in this overview were all inspected during 2020 by the independent property experts Stadim, JLL, Cushman & Wakefield, CBRE and BNP Paribas Real Estate.

|                                              | Year of construction (last renovation/ expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|----------------------------------------------|---------------------------------------------------|-----------------------|--------------------|----------------------------|
| <b>Belgium (100% owned by WDP)</b>           |                                                   | <b>1,818,001</b>      | <b>73,007,277</b>  | <b>97.5%</b>               |
| <b>WDP NV</b>                                |                                                   |                       |                    |                            |
|                                              | 1998-1999 (2013)                                  | 24,990                | 1,258,430          | 100%                       |
| Aalst, Tragel 47                             |                                                   |                       |                    |                            |
| Aalst, Wijngaardveld 3B                      | 1992 (2005)                                       | 17,998                | 457,772            | 100%                       |
| Aalst, Wijngaardveld 3A                      | 2005 (2015)                                       | 4,584                 | 296,142            | 100%                       |
| Aarschot, Nieuwlandlaan B19                  | 2009                                              | 8,603                 | 432,064            | 98%                        |
| Asse - Kobbegem, Broekooi 280                | 1989                                              | 12,100                | 456,215            | 100%                       |
| Asse - Mollem, Z.5 191, 192, 320, 321        | 1967 (2020)                                       | 33,147                | 1,539,122          | 98%                        |
| Asse - Mollem, Z.5 191, 192, 320, 321        | in progress                                       | n.r.                  | n.r.               | n.r.                       |
| Asse - Zellik, Z.4 Broekooi 180              | 1975 (1993)                                       | 30,364                | 405,358            | 100%                       |
| Asse - Zellik, Z.4 Broekooi 290 (building 2) | 1995                                              | 7,862                 | 456,118            | 100%                       |
| Asse - Zellik, Z.4 Broekooi 295 (building 1) | 2017                                              | 30,383                | 1,710,123          | 100%                       |
| Asse - Mollem, Z.5 200                       | 2011                                              | 3,287                 | 342,800            | 100%                       |
| Asse - Mollem, Z.5 340                       | 1989 (2005)                                       | 5,993                 | 289,974            | 100%                       |
| Asse - Zellik, Z.4 Broekooi 170              | 2004                                              | 13,271                | 513,146            | 100%                       |
| Asse - Kobbegem, Brusselsesteenweg 347       | 1993 (2003)                                       | 31,083                | 1,026,100          | 100%                       |
| Beersel - Lot, Heideveld 64                  | 2001                                              | 7,275                 | 311,210            | 100%                       |
| Beersel, Stationsstraat 230                  | 2005                                              | 5,149                 | 241,030            | 100%                       |
| Beringen - Paal, Industrieweg 135            | 2002 (2008)                                       | 10,626                | 398,952            | 100%                       |
| Boom, Industrieweg 1C                        | 2000-2001                                         | 36,626                | 1,577,397          | 88%                        |
| Boortmeerbeek, Industrieweg 16               | 1991 (2011)                                       | 26,493                | 635,382            | 83%                        |
| Bornem, Oude Sluisweg 32                     | 2011                                              | 108,905               | 4,768,710          | 96%                        |
| Bornem, Rijksweg 17                          | 1996 (2004)                                       | 11,911                | 358,024            | 72%                        |
| Bornem, Rijksweg 19                          | 2004 (2013)                                       | 22,325                | 1,143,452          | 97%                        |
| Courcelles, rue de Liège 25                  | 2007 (2013)                                       | 30,514                | 892,137            | 94%                        |
| Courcelles, rue de Liège 25                  | in progress                                       | n.r.                  | n.r.               | n.r.                       |
| Geel, Hagelberg 12                           | 2012                                              | 13,465                | 610,986            | 100%                       |
| Geel, Hagelberg 12                           | in progress                                       | n.r.                  | n.r.               | n.r.                       |
| Geel, Hagelberg 14                           | 2009                                              | 24,064                | 997,599            | 100%                       |
| Genk, Brikkenovenstraat 48                   | 2008 (2010)                                       | 35,056                | 1,493,974          | 98%                        |

|                                                       | Year of construction (last renovation/ expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|-------------------------------------------------------|---------------------------------------------------|-----------------------|--------------------|----------------------------|
| Genk, Brikkenovenstraat 50                            | 2009                                              | 19,180                | 827,378            | 100%                       |
| Gent - Evergem, Amerigo Vespuccistraat 2              | 2016 (2019)                                       | 34,420                | 1,563,351          | 100%                       |
| Gent - Evergem, Amerigo Vespuccistraat 2B             | 2017                                              | 9,210                 | 417,693            | 100%                       |
| Gent - Evergem, Ferdinand Magellaanstraat             | in progress                                       | n.r.                  | n.r.               | n.r.                       |
| Grimbergen, Eppegemsesteenweg 31²                     | 1978 (2013)                                       | 66,346                | 1,246,968          | 97%                        |
| Grimbergen, Industrieweg 16                           | 2008                                              | 15,409                | 616,677            | 100%                       |
| Heppignies - Fleurus, rue de Capilône 6               | 2016 (2019)                                       | 47,280                | 1,449,100          | 100%                       |
| Heppignies - Fleurus, rue de Capilône 6               | in progress                                       | n.r.                  | n.r.               | n.r.                       |
| Heppignies - Fleurus, rue de Capilône 6C              | 2020                                              | 32,941                | 945,210            | 100%                       |
| Jumet, Zoning Industriel 2ième rue                    | 1995 (2005)                                       | 6,386                 | 247,757            | 0%                         |
| Kontich, Satenrozen 11-13                             | 1985 (2006)                                       | 56,725                | 2,957,387          | 100%                       |
| Kortenberg, A. De Conincklaan 2-4                     | 1997 (2012)                                       | 6,182                 | 272,948            | 100%                       |
| Lokeren, bedrijventerrein E17/4                       | in progress                                       | n.r.                  | n.r.               | n.r.                       |
| Londerzeel, Nijverheidsstraat 13                      | 2015                                              | 11,506                | 1,258,981          | 100%                       |
| Londerzeel, Nijverheidsstraat 15                      | 1989 (2013)                                       | 18,329                | 520,041            | 100%                       |
| Londerzeel, Weversstraat 15                           | 2007                                              | 11,075                | 711,825            | 100%                       |
| Londerzeel, Weversstraat 17                           | 2010                                              | 7,640                 | 342,922            | 100%                       |
| Londerzeel, Weversstraat 2                            | 2014                                              | 16,311                | 724,526            | 100%                       |
| Londerzeel, Weversstraat 21                           | 1996                                              | 6,765                 | 259,943            | 100%                       |
| Londerzeel, Weversstraat 27-29                        | in progress                                       | n.r.                  | n.r.               | n.r.                       |
| Luik - Flémalle, rue de l'Arbre Saint-Michel 99       | 2011 (2014)                                       | 7,877                 | 431,698            | 100%                       |
| Luik - Hermalle-sous-Argenteau, rue de Trilogiport 27 | 2016                                              | 30,012                | 713,324            | 100%                       |
| Machelen, Rittwegerlaan 91-93                         | 2001 (2006)                                       | 17,282                | 1,000,000          | 100%                       |
| Mechelen, Zandvoortstraat 3                           | 2005                                              | 32,817                | 1,227,281          | 100%                       |
| Nijvel, chaussée de Namur 66                          | 1974 (2011)                                       | 11,201                | 424,185            | 98%                        |
| Nijvel, rue Buisson aux loups 8                       | 2013                                              | 14,557                | 354,412            | 100%                       |
| Nijvel, rue de l'Industrie 30                         | 1990 (2020)                                       | 29,521                | 1,197,524          | 100%                       |
| Nijvel, rue du Bosquet 12                             | 2007                                              | 11,592                | 464,955            | 83%                        |
| Puurs, Schoonmansveld 1                               | 1994 (2018)                                       | 48,704                | 1,139,697          | 86%                        |
| Rumst - Terhagen, Polder 5                            | 1950s (2007)                                      | 30,606                | 439,448            | 98%                        |
| Sint-Katelijne-Waver, Drevendaal 1                    | 1991 (2007)                                       | 20,957                | 1,029,349          | 100%                       |
| Sint-Katelijne-Waver, Drevendaal 3                    | 1996 (1997)                                       | 22,575                | 1,557,583          | 100%                       |
| Sint-Katelijne-Waver, Fortsesteenweg 19 en 27         | 2016                                              | 27,223                | 892,472            | 100%                       |
| Sint-Katelijne-Waver, Strijbroek 10                   | 1989 (2007)                                       | 2,103                 | 372,133            | 100%                       |
| Ternat, Industrielaan 24                              | 1977 (2010)                                       | 26,126                | 644,012            | 86%                        |

## PROPERTY REPORT

|                                                                                                                                                        | Year of construction (last renovation/ expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------|--------------------|----------------------------|
| Tongeren, Heesterveldweg 17A                                                                                                                           | 2019                                              | 6,278                 | 336,680            | 100%                       |
| Vilvoorde, Havendoklaan 10                                                                                                                             | 2015                                              | 8,200                 | 371,475            | 94%                        |
| Vilvoorde, Havendoklaan 12                                                                                                                             | 1977 (2001)                                       | 13,863                | 897,392            | 100%                       |
| Vilvoorde, Havendoklaan 13                                                                                                                             | 2006                                              | 10,606                | 371,913            | 96%                        |
| Vilvoorde, Havendoklaan 18                                                                                                                             | 1994 (2001)                                       | 76,399                | 4,057,742          | 100%                       |
| Vilvoorde, Havendoklaan 19                                                                                                                             | 2002 (2010)                                       | 11,706                | 572,211            | 99%                        |
| Vilvoorde, Jan Frans Willemsstraat 95                                                                                                                  | 2004 (2006)                                       | 11,243                | 361,654            | 100%                       |
| Vilvoorde, Willem Elsschotstraat 5                                                                                                                     | 1995 (2016)                                       | 24,205                | 824,758            | 100%                       |
| Westerlo - Oevel, Nijverheidsstraat 12                                                                                                                 | 2018                                              | 41,150                | 1,686,153          | 100%                       |
| Willebroek, Koningin Astridlaan 14                                                                                                                     | 2015                                              | 1,770                 | 193,989            | 100%                       |
| Willebroek, Koningin Astridlaan 16                                                                                                                     | 2008 (2015)                                       | 56,208                | 2,858,136          | 100%                       |
| Willebroek, Victor Dumonlaan 32                                                                                                                        | 2015                                              | 31,195                | 1,626,099          | 100%                       |
| Willebroek, Victor Dumonlaan 4                                                                                                                         | 1991 (2018)                                       | 32,184                | 1,418,913          | 100%                       |
| Zaventem, Fabriekstraat 13                                                                                                                             | 1984 (1993)                                       | 7,854                 | 445,533            | 100%                       |
| Zaventem, Leuvensesteenweg 573                                                                                                                         | 2001                                              | 19,148                | 1,071,404          | 80%                        |
| Zelev, Lindestraat 7                                                                                                                                   | 2003 (2008)                                       | 41,246                | 1,509,891          | 99%                        |
| Zonhoven, Vogelsancklaan 250                                                                                                                           | 1977                                              | 45,735                | 1,552,959          | 100%                       |
| Zwevegem - Harelbeke, Blokkestraat 101                                                                                                                 | 1980                                              | 74,383                | 1,411,852          | 100%                       |
| Zwijndrecht, Vitshoekstraat 12                                                                                                                         | 2006 (2013)                                       | 49,696                | 1,893,121          | 100%                       |
| Rental income was still received for properties that were sold in 2020 that will be sold in 2021 or that were projects in progress at the end of 2020. | n.r.                                              | 0                     | 682,400            | n.r.                       |

**The Netherlands (100% owned by WDP)** **2,332,841** **110,722,685** **99.3%**

| WDP Nederland N.V.                                 |             |        |           |      |
|----------------------------------------------------|-------------|--------|-----------|------|
| Alblasserdam, Nieuwland Parc 121                   | 2015        | 8,707  | 881,211   | 100% |
| Alkmaar, Berenkoog 48                              | 1990        | 7,872  | 441,947   | 100% |
| Alphen aan den Rijn, Antonie Van Leeuwenhoekweg 35 | 2007 (2012) | 13,837 | 613,018   | 72%  |
| Alphen aan den Rijn, Eikenlaan 32-34               | 2012        | 24,429 | 641,756   | 83%  |
| Alphen aan den Rijn, H. Kamerlingh Onnesweg 3      | 1996 (2015) | 4,048  | 212,819   | 100% |
| Alphen aan den Rijn, J. Keplerweg 2                | 2005        | 16,048 | 978,396   | 100% |
| Amersfoort, Basicweg 1-3                           | 1992        | 11,679 | 789,595   | 100% |
| Amsterdam, Kaapstadweg 25                          | 2018        | 15,112 | 1,300,193 | 100% |
| Amsterdam, Marostraat 81                           | 2008        | 2,597  | 886,498   | 100% |
| Arnhem, Delta 57                                   | 2019        | 20,687 | 1,136,627 | 100% |
| Barendrecht, Dierensteinweg 30/A                   | 2017        | 26,034 | 1,544,598 | 100% |

|                                      | Year of construction (last renovation/ expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|--------------------------------------|---------------------------------------------------|-----------------------|--------------------|----------------------------|
| Barendrecht, Dierensteinweg 30/B     | 2016                                              | 18,899                | 1,192,230          | 100%                       |
| Barendrecht, Dierensteinweg 30/C1+C2 | 2018                                              | 31,751                | 1,822,828          | 100%                       |
| Barendrecht, Spoorwegemplacement 1   | 1995                                              | 27,720                | 377,005            | 100%                       |
| Barneveld, Nijverheidsweg 50-52      | 1981 (2013)                                       | 34,883                | 2,318,671          | 100%                       |
| Bleiswijk, Brandpuntlaan Zuid 12     | 2018                                              | 12,354                | 820,926            | 100%                       |
| Bleiswijk, Brandpuntlaan Zuid 14     | 2018                                              | 32,374                | 1,397,272          | 100%                       |
| Bleiswijk, Prismalaan Oost 17-19     | 2020                                              | 23,420                | 794,428            | 83%                        |
| Bleiswijk, Prismalaan West 43        | 2019                                              | 10,505                | 686,124            | 100%                       |
| Bleiswijk, Snelliuslaan 13           | 2020                                              | 17,466                | 12,272             | 100%                       |
| Bleiswijk, Snelliuslaan 15           | 2019                                              | 9,063                 | 390,946            | 100%                       |
| Bleiswijk, Spectrumlaan 29-31        | 2018                                              | 6,144                 | 414,956            | 100%                       |
| Bleiswijk, Spectrumlaan 31           | 2018                                              | 7,537                 | 477,579            | 100%                       |
| Bleiswijk, Spectrumlaan 7-9          | 2014                                              | 10,678                | 696,171            | 100%                       |
| Bodegraven, Schumanweg 4             | 1970 (2003)                                       | 6,379                 | 218,246            | 100%                       |
| Breda, Hazeldonk 6462 en 6464        | 1994 (2006)                                       | 37,913                | 1,188,304          | 100%                       |
| Breda, Heilaartstraat 263            | 2019                                              | 64,915                | 2,377,408          | 100%                       |
| Breda, IABC 5301                     | 1995                                              | 737                   | 328,566            | 100%                       |
| Breda, Kapittelweg 10                | 2020                                              | 25,911                | 468,048            | 100%                       |
| Breda, Leursebaan 260                | 2016                                              | 16,778                | 845,129            | 100%                       |
| Breda, Prinsenhil 1-3                | 1989                                              | 16,955                | 707,345            | 100%                       |
| Den Bosch, Ketelaarskampweg 11       | 2020                                              | 54,282                | 486,341            | 95%                        |
| De Lier, Jogchem van der Houtweg 20  | 1979                                              | 22,160                | 660,703            | 100%                       |
| Deventer, Nering Bögelweg 40         | 2019                                              | 25,405                | 920,119            | 100%                       |
| Drachten, Dopplerlaan 10             | 2020                                              | 28,318                | 467,544            | 100%                       |
| Duiven, Innovatie 1                  | 1997 (2006)                                       | 27,556                | 1,930,780          | 100%                       |
| Duiven, Typograaf 2                  | 2008                                              | 3,558                 | 574,130            | 100%                       |
| Echt - Susteren, Fahrenheitweg 1     | 2014                                              | 131,807               | 4,203,206          | 100%                       |
| Echt, Fahrenheitweg 24               | 2018                                              | 14,707                | 636,495            | 100%                       |
| Eindhoven, Achtseweg Noord 20        | 1994 (2017)                                       | 31,381                | 1,582,489          | 100%                       |
| Eindhoven, Park Forum 1129           | 2014                                              | 20,756                | 1,384,526          | 100%                       |
| Harderwijk, Archimedesstraat 9       | 2015                                              | 35,019                | 1,434,191          | 100%                       |
| Hasselt, Hanzeweg 18-22              | 2018                                              | 28,561                | 646,468            | 100%                       |
| Hasselt, Hanzeweg 21                 | 2015                                              | 20,502                | 872,871            | 100%                       |
| Hasselt, Hanzeweg 29                 | 2015                                              | 20,340                | 212,833            | 100%                       |
| Hasselt, Hanzeweg 31                 | 2015                                              | 11,392                | 700,826            | 100%                       |
| Heerlen, Argonstraat 14-16           | 2020                                              | 26,043                | 3,040,426          | 100%                       |
| Heerlen, Earl Bakkenstraat 7-15      | 2017                                              | 51,927                | 0                  | 100%                       |
| Heinenoord, Sikkell 11-13            | 2019                                              | 22,126                | 1,201,171          | 100%                       |
| Helmond, Sojadijk 2                  | 2011                                              | 13,025                | 829,230            | 100%                       |



## PROPERTY REPORT

|                                         | Year of construction (last renovation/ expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|-----------------------------------------|---------------------------------------------------|-----------------------|--------------------|----------------------------|
| Kerkrade, Steenbergstraat 25            | 2020                                              | 26,326                | 1,362,391          | 100%                       |
| Klundert, Energieweg 4                  | 2018                                              | 18,682                | 933,337            | 100%                       |
| Maastricht, Habitatsingel 59            | 2020                                              | 16,789                | 1,058,181          | 100%                       |
| Maastricht-Aachen-Beek, Engelandlaan 30 | 2011 (2012)                                       | 25,004                | 522,687            | 100%                       |
| Moerdijk, Transitoweg 5                 | 2000                                              | 42,370                | 1,621,986          | 100%                       |
| Nieuwegein, Brigadedok 1                | 2020                                              | 16,423                | 459,644            | 100%                       |
| Nieuwegein, Divisiedok 1                | 2020                                              | 15,105                | 92,827             | 100%                       |
| Nieuwegein, Inundatiedok 34             | 2010 (2012)                                       | 38,508                | 2,037,160          | 100%                       |
| Oosterhout, Denariusstraat 15d          | 2017                                              | 11,522                | 535,222            | 100%                       |
| Oss, Keltenweg 70                       | 2012                                              | 17,141                | 1,299,862          | 100%                       |
| Oss, Menhirweg 15                       | 2010 (2012)                                       | 11,074                | 646,189            | 100%                       |
| Papendrecht, Nieuwland Parc 140         | 2015                                              | 16,866                | 1,112,654          | 100%                       |
| Raamsdonksveer, Zalmweg 27              | 1980 (2011)                                       | 9,745                 | 307,142            | 100%                       |
| Ridderkerk, Handelsweg 20 en 25         | 2005 (2008)                                       | 43,194                | 5,925,696          | 100%                       |
| Ridderkerk, Selderijweg 90              | 2020                                              | 21,307                | 0                  | 100%                       |
| Roosendaal, Aanwas 9                    | 2012                                              | 9,551                 | 967,823            | 100%                       |
| Roosendaal, Borchwerf 23                | 1994                                              | 16,780                | 819,307            | 100%                       |
| Rozenburg, Incheonweg 11-13             | 2018                                              | 22,547                | 2,109,667          | 100%                       |
| Schiphol Logistic Parc, Incheonweg 7    | 2012                                              | 12,574                | 1,273,969          | 100%                       |
| Schiphol Logistic Parc, Pudongweg 3     | 2015                                              | 16,814                | 1,490,319          | 100%                       |
| Schiphol Logistic Parc, Pudongweg 1     | 2020                                              | 0                     | 70,960             | 54%                        |
| Schiphol, Folkstoneweg 65               | 2000                                              | 8,845                 | 482,143            | 100%                       |
| Soesterberg, Centurionbaan              | 2015                                              | 7,419                 | 572,814            | 100%                       |
| Tiel, Medel 1A                          | 2014                                              | 72,937                | 3,855,689          | 100%                       |
| Tilburg, Hermesstraat 1                 | 2007                                              | 47,962                | 2,553,519          | 100%                       |
| Tilburg, Marga Klompeweg 11             | 2000 (2011)                                       | 20,717                | 900,862            | 100%                       |
| Tilburg, Siriusstraat 7-9               | 2009                                              | 17,762                | 1,260,087          | 100%                       |
| Utrecht, Ruimtweg 1-5                   | 1980 (1998)                                       | 15,770                | 627,477            | 100%                       |
| Utrecht, Rutherfordweg 1                | 1992 (2011)                                       | 12,139                | 790,159            | 100%                       |
| Veghel, Doornhoek 3765                  | 2006 (2011)                                       | 9,820                 | 673,999            | 100%                       |
| Veghel, Eisenhowegweg 15                | 2017                                              | 19,417                | 1,085,629          | 100%                       |
| Veghel, Kennedylaan 19                  | 2002 (2013)                                       | 21,020                | 1,038,426          | 100%                       |
| Veghel, Kennedylaan 20                  | 2018                                              | 12,377                | 712,593            | 100%                       |
| Veghel, Marshallweg 1                   | 1990 (2017)                                       | 46,163                | 1,444,626          | 100%                       |
| Veghel, Marshallweg 2                   | 2018                                              | 16,747                | 1,058,074          | 100%                       |
| Venlo, Ampèrestraat 7-9                 | 2008 (2012)                                       | 32,550                | 1,482,664          | 100%                       |
| Venlo, Edisonstraat 9                   | 1990                                              | 26,135                | 742,528            | 100%                       |
| Venlo, Logistiekweg 1-3                 | 2017                                              | 53,061                | 2,061,428          | 100%                       |
| Venray, Newtonstraat 8                  | 2013                                              | 17,746                | 662,259            | 100%                       |

|                                                                                                                                                                                                                                                                                                        | Year of construction (last renovation/ expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------|--------------------|----------------------------|
| Venray, Wattstraat 2-6                                                                                                                                                                                                                                                                                 | 2013                                              | 43,226                | 2,022,636          | 100%                       |
| Voorhout, Loosterweg 33                                                                                                                                                                                                                                                                                | 1987 (2007)                                       | 38,578                | 624,583            | 100%                       |
| Wijchen, Bijsterhuizen 2404                                                                                                                                                                                                                                                                            | 2010                                              | 16,260                | 1,500,670          | 100%                       |
| Zaltbommel, Heksenkamp 7-9                                                                                                                                                                                                                                                                             | 2012                                              | 10,620                | 721,587            | 100%                       |
| Zwolle, Galvaniweg 1                                                                                                                                                                                                                                                                                   | 1984                                              | 52,634                | 2,477,276          | 100%                       |
| Zwolle, Lippestraat 15                                                                                                                                                                                                                                                                                 | 2009 (2014)                                       | 20,109                | 1,462,190          | 100%                       |
| Zwolle, Mindenstraat 7                                                                                                                                                                                                                                                                                 | 2002 (2012)                                       | 26,601                | 1,332,589          | 100%                       |
| Zwolle, Paderbornstraat 21                                                                                                                                                                                                                                                                             | 2015                                              | 47,996                | 2,605,565          | 100%                       |
| Zwolle, Pommerenstraat 2                                                                                                                                                                                                                                                                               | 2019                                              | 36,775                | 1,595,568          | 100%                       |
| Three properties generating rental income in 2020 have a fair value of less than 2.5 million euros. These are the properties in Bodegravenat Schumanweg 1C, in Meppel at Oeverlandenweg 8 and in Zwolle on Hessenpoort. In addition, rental income was received for properties that were sold in 2020. |                                                   |                       |                    |                            |
|                                                                                                                                                                                                                                                                                                        | n.r.                                              | 20,836                | 982,564            | n.r                        |

## WDP Development NL N.V.

|                                  |             |      |      |      |
|----------------------------------|-------------|------|------|------|
| Bleiswijk, Prismalaan West 31    | in progress | n.r. | n.r. | n.r. |
| Breda                            | in progress | n.r. | n.r. | n.r. |
| Breda                            | in progress | n.r. | n.r. | n.r. |
| De Lier, Jogchem van der Houtweg | in progress | n.r. | n.r. | n.r. |
| Den Haag, Westvlietweg 7-8       | in progress | n.r. | n.r. | n.r. |
| Dordrecht                        | in progress | n.r. | n.r. | n.r. |
| Heerlen, Argonstraat 10-12       | in progress | n.r. | n.r. | n.r. |
| Ridderkerk, Nieuw Reijerwaard    | in progress | n.r. | n.r. | n.r. |
| Veghel                           | in progress | n.r. | n.r. | n.r. |

## France (100% owned by WDP)

191,636 6,855,294 92.8%

## WDP France SARL

|                                                         |             |        |           |      |
|---------------------------------------------------------|-------------|--------|-----------|------|
| Lille - Roncq, avenue de l'Europe 17                    | 2003 (2006) | 13,251 | 513,326   | 95%  |
| Neuville-en-Ferrain, rue de Reckem 33                   | 2006        | 13,434 | 516,186   | 100% |
| Vendin-le-Vieil, rue Calmette - rue des frères Lumière  | 2004        | 28,177 | 814,966   | 91%  |
| Lille - Seclin, rue Marcel Dassault 16B                 | 2008        | 13,224 | 544,453   | 100% |
| Lille - Libercourt, Zone Industrielle - le Parc à stock | 2008 (2016) | 60,393 | 2,447,601 | 98%  |
| Labastide-Saint-Pierre, Zac du Grand Sud                | 2017        | 43,975 | 1,326,201 | 100% |
| Lille - Templemars, route d'Ennetières 40               | 1989 (2008) | 19,182 | 692,561   | 100% |

## PROPERTY REPORT

|                                                                            | Year of construction (last renovation/ expansion) | Lettable area (in m <sup>2</sup> ) | Rental income 2020 | Occupancy rate <sup>1</sup> 31.12.2020 |
|----------------------------------------------------------------------------|---------------------------------------------------|------------------------------------|--------------------|----------------------------------------|
| <b>Romania (80% owned by WDP)</b>                                          |                                                   | <b>1,091,813</b>                   | <b>37,815,914</b>  | <b>98.8%</b>                           |
| <b>WDP Romania SRL</b>                                                     |                                                   |                                    |                    |                                        |
| Apahida (Cluj), Constructorilor 26, Logistic Parc 1 Building 1             | 2017                                              | 5,121                              | 226,551            | 100%                                   |
| Apahida (Cluj), Constructorilor 33-35, Logistic Parc 2 Building 1          | 2018                                              | 21,212                             | 936,203            | 100%                                   |
| Apahida (Cluj), Industriilor 1A, Logistic Parc 1 Building 4                | 2018                                              | 41,647                             | 1,743,561          | 100%                                   |
| Apahida (Cluj), Industriilor 1b-c, Logistic Parc 1 Building 2              | 2017 (2018)                                       | 9,693                              | 441,088            | 100%                                   |
| Apahida (Cluj), Industriilor 1c, Logistic Parc 1 Building 3                | 2018 (2019)                                       | 29,633                             | 1,843,683          | 100%                                   |
| Apahida (Cluj)                                                             | in progress                                       | n.r.                               | n.r.               | n.r.                                   |
| Ariceştii Rahtivani (Prahova), Ariceştii Rathivani Village 874, Building 1 | 2015                                              | 7,856                              | 352,982            | 100%                                   |
| Ariceştii Rahtivani (Prahova), Ariceştii Rathivani Village 874, Building 2 | 2015                                              | 12,397                             | 737,269            | 100%                                   |
| Ariceştii Rahtivani (Prahova), Ariceştii Rathivani Village 874, Building 3 | 2018                                              | 4,383                              | 313,783            | 100%                                   |
| Braila, Zona libera Braila II, Building 1                                  | 2015 (2016)                                       | 43,987                             | 2,817,765          | 100%                                   |
| Brazi-sat Negoiesti (Prahova), Basarab 2, Building 1                       | 2018 (2019)                                       | 35,077                             | 1,340,695          | 100%                                   |
| Budeşti (Racovita - Valcea), Drumul Faurecia 1, Building 1                 | 2016 (2018)                                       | 17,320                             | 1,223,464          | 100%                                   |
| Budeşti (Racovita - Valcea), Drumul Faurecia 1, Building 2                 | 2017                                              | 8,034                              | 489,604            | 100%                                   |
| Buzau (Buzau), Transilvaniei street, Building 1                            | 2020                                              | 40,077                             | 0                  | 100%                                   |
| Ciinceni (Ilfov), Transalkim street 3, Building 1                          | 2015                                              | 12,086                             | 528,021            | 100%                                   |
| Codlea (Brasov), Vulcanului 33, Building 1                                 | 2016 (2018)                                       | 25,496                             | 759,824            | 100%                                   |
| Craiova                                                                    | (in progress)                                     | n.r.                               | n.r.               | n.r.                                   |
| Deva (Hunedoara), Building 1                                               | 2020                                              | 44,874                             | 0                  | 100%                                   |
| Dragomireşti Vale (Ilfov), Piersicului/D116 1, Logistic Parc 1 Building 1  | 2017 (2018)                                       | 19,229                             | 855,446            | 100%                                   |
| Dragomireşti Vale (Ilfov), Tarla /DE116 63, Logistic Parc 2 Building 1     | 2018                                              | 23,780                             | 1,340,334          | 100%                                   |
| Dragomireşti Vale (Ilfov), Tarla /DE116 63, Logistic Parc 3 Building 1     | 2020                                              | 10,244                             | 425,788            | 100%                                   |

|                                                                             | Year of construction (last renovation/ expansion) | Lettable area (in m <sup>2</sup> ) | Rental income 2020 | Occupancy rate <sup>1</sup> 31.12.2020 |
|-----------------------------------------------------------------------------|---------------------------------------------------|------------------------------------|--------------------|----------------------------------------|
| Dumbravita (Timis), DJ 691, km 7-142 DJ 691, km, Logistic Parc 1 Building 1 | 2017                                              | 6,025                              | 281,507            | 100%                                   |
| Dumbravita (Timis), DJ 691, km 7-142 DJ 691, km, Logistic Parc 1 Building 2 | 2018                                              | 5,987                              | 278,495            | 100%                                   |
| Dumbravita (Timis), DJ 691, km 7-142 DJ 691, km, Logistic Parc 1 Building 4 | 2017                                              | 8,273                              | 456,006            | 100%                                   |
| Dumbravita (Timis), DJ 691, km 7-142 DJ 691, km, Logistic Parc 2 Building 1 | 2018                                              | 16,165                             | 601,394            | 100%                                   |
| Dumbravita (Timis), DJ 691, km 7-142 DJ 691, km, Logistic Parc 3 Building 1 | 2009                                              | 33,334                             | 1,285,073          | 100%                                   |
| Dumbravita (Timis), DJ 691, km 7-142 DJ 691, km, Logistic Parc 3 Building 3 | 2008 (2015)                                       | 9,488                              | 379,389            | 98%                                    |
| Ghimbav (Brasov), DE 301/305, KM 0+500, Building 1                          | 2018                                              | 19,526                             | 390,741            | 100%                                   |
| Oarja (Arges), Autostrada A1 KM 102-10, Building 1                          | 2011 (2017)                                       | 16,147                             | 606,633            | 100%                                   |
| Oarja (Arges), Autostrada A1 KM 102-10, Building 2                          | 2011 (2018)                                       | 8,762                              | 478,007            | 100%                                   |
| Oarja (Arges), Autostrada A1 KM 102-10, Building 3                          | 2017 (2018)                                       | 57,998                             | 2,127,939          | 100%                                   |
| Oradea (Bihor), Anghel Saligny 15, Logistic Parc 1 Building 1               | 2018 (2019)                                       | 7,852                              | 300,506            | 100%                                   |
| Oradea (Bihor), Ogorului 214, Logistic Parc 1 Building 2                    | 2018                                              | 15,742                             | 1,002,355          | 100%                                   |
| Oradea (Bihor), Petre P. Carp 20, Logistic Parc 3 Building 1                | 2019                                              | 34,389                             | 1,139,014          | 100%                                   |
| Paulesti (Prahova), Buda 22, Building 1                                     | 2018                                              | 4,870                              | 249,159            | 100%                                   |
| Paulesti (Prahova), Buda 22, Building 2                                     | 2019                                              | 10,880                             | 93,242             | 100%                                   |
| Paulesti                                                                    | (in progress)                                     | n.r.                               | n.r.               | n.r.                                   |
| Roman (Neamt), Magurei 2, Building 1                                        | 2017 (2018)                                       | 44,389                             | 1,841,874          | 100%                                   |
| Sibiu, Barcelona fn, Building 1                                             | 2016                                              | 8,247                              | 513,199            | 100%                                   |
| Sibiu, Barcelona fn, Building 2                                             | 2016                                              | 17,457                             | 252,000            | 100%                                   |
| Sibiu, Barcelona fn, Building 4                                             | 2020                                              | 4,509                              | 133,438            | 100%                                   |
| Slatina (Ilt), Draganesti 35A, Building 1                                   | 2019                                              | 63,835                             | 1,523,934          | 100%                                   |
| Stefanestii de Jos (Ilfov), Sinaia 50, Logistic Parc 1 Building 1           | 2017                                              | 29,788                             | 1,093,166          | 100%                                   |
| Stefanestii de Jos (Ilfov), Sinaia 50B, Logistic Parc 1 Building 2          | 2017 (2019)                                       | 17,981                             | 1,004,303          | 63%                                    |
| Stefanestii de Jos (Ilfov), Sinaia 50B, Logistic Parc 2 Building 1          | 2019                                              | 59,035                             | 2,057,936          | 100%                                   |

## PROPERTY REPORT

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Year of construction (last renovation/expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------|--------------------|----------------------------|
| Stefanestii de Jos (Ilfov), Sinaia 50B, Logistic Parc 2 Building 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2019                                             | 21,723                | 713,557            | 100%                       |
| Stefanestii de Jos (Ilfov), Sinaia 8-8a, Logistic Parc 2 Building 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | (in progress)                                    | 25,023                | 557,811            | 100%                       |
| Stefanestii de Jos (Ilfov), Sinaia 8-8a, Logistic Parc 2 Building 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | (in progress)                                    | 61,224                | 474,199            | 100%                       |
| Stefanestii de Jos (Ilfov), Sinaia 8-8a, Logistic Parc 2 Building 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | (in progress)                                    | 9,816                 | 71,826             | 100%                       |
| Stefanestii de Jos (Ilfov), Sinaia 8-8a, Logistic Parc 2 Building 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | (in progress)                                    | 8,612                 | 184,390            | 100%                       |
| Stefanestii de Jos (Ilfov)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (in progress)                                    | n.r.                  | n.r.               | n.r.                       |
| Timisoara                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | (in progress)                                    | n.r.                  | n.r.               | n.r.                       |
| Six properties generating rental income in 2020 have a fair value of less than 2.5 million euros. These are the properties in Codlea (Brasov), at Vulcanului 33, Building 2; in Dumbravita (Timis), at DJ 691, km 7-142 DJ 691, km, Logistic Parc 1 Building 3; in Dumbravita (Timis), at DJ 691, km 7-142 DJ 691, km, Logistic Parc 3 Building 2; in Mihail Kogalniceanu (Constanta), at DN 2A, KM 181, Building 1 and in Sibiu, at Theodor Mihaly 3-5, Building 3, and Stefanestii de Jos (Ilfov), Sinaia 50B, Logistic Parc 2 Building 6. |                                                  |                       |                    |                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | n.r.                                             | 19.560                | 692.897            | n.r.                       |
| <b>Luxembourg (55% owned by WDP)³</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                  | <b>50,119</b>         | <b>2,043,860</b>   | <b>98.8%</b>               |

## WDP Luxembourg SA

|                                                  |               |        |         |      |
|--------------------------------------------------|---------------|--------|---------|------|
| Dudelange, Z.A.E. Wolser G, 311-315 (building 1) | 2014          | 14,794 | 721,562 | 100% |
| Dudelange, Z.A.E. Wolser G, 321-325 (building 2) | 2018          | 18,213 | 966,662 | 100% |
| Dudelange, Z.A.E. Wolser G, 331-335 (building 3) | 2020          | 17,112 | 355,636 | 97%  |
| Dudelange, Z.A.E. Wolser G, 341-345 (building 4) | (in progress) | n.r.   | n.r.    | n.r. |
| Contern                                          | (in progress) | n.r.   | n.r.    | n.r. |

|                                    | Year of construction (last renovation/expansion) | Lettable area (in m²) | Rental income 2020 | Occupancy rate¹ 31.12.2020 |
|------------------------------------|--------------------------------------------------|-----------------------|--------------------|----------------------------|
| <b>Germany (50% owned by WDP)⁴</b> |                                                  | <b>6,287</b>          | <b>75,973</b>      | <b>100.0%</b>              |
| <b>WVI GmbH</b>                    |                                                  |                       |                    |                            |
| Bottrop - Am Rhein-Herne-Kanal 7   | 1986 (2010)                                      | 6,287                 | 75,973             | 100%                       |
| <b>Total</b>                       |                                                  | <b>5,490,697</b>      | <b>230,521,004</b> | <b>98.5%</b>               |

- 1 The occupancy rate is calculated based on the rental values of the leased properties and the non-leased space. This does not include projects under development and/or renovations.
- 2 The site in Grimbergen is held in joint ownership with another GVV/SIR, Montea Comm. VA, as an undivided interest based on a 50-50 split. WDP NV/SA is therefore a co-owner of this site.
- 3 The figures from WDP Luxembourg SA indicate the proportionate share of WDP in the portfolio (55%).
- 4 The figures from WVI GmbH indicate the proportionate share of WDP in the portfolio (50%).

## REVIEW OF THE LOGISTICS PROPERTY MARKET

### Belgium and Luxembourg

Confidence in logistics and semi-industrial property remained high and steady with a record take-up in 2020 of over 1.7 million m<sup>2</sup> and this at the time of the pandemic. The continuing demand for modern logistics space is supported by players committed to omni-channel, by the food and pharmaceutical sectors and by the crucial role of logistics service providers. Furthermore, demand has been further supported by an increase in temporary and strategic storage capacity to bridge the ongoing supply chain uncertainty. With a project pipeline that stays away from speculative development, the vacancy rate fell 100 basis points from 2019 to just 1.25%. Immediately available space is particularly scarce around Antwerp, Brussels and Liege, at 1.53%, 0.35% and 0.58% respectively. New developments for 2021, totalling 440,000 m<sup>2</sup>, are also largely pre-let. The scarcity combined with limited availability of land positions, coupled with strong demand, will put upward pressure on land prices and rental levels. In the Brussels periphery, top rental prices rose from 52 euros/m<sup>2</sup>/year to 55 euros/m<sup>2</sup>/year and from 46 euros/m<sup>2</sup>/year to 48 euros/m<sup>2</sup>/year along the A12/E19 motorway. Average rents are following a similar trend. Backed by sustained interest and an acceleration of several market trends, initial yields fell to 4.25%.

### The Netherlands

Although the pandemic has put pressure on consumer confidence and daily spending, players in the food sector or those using an omni-channel approach have been able to take advantage of the stay-at-home economy. At the end of 2020, the Dutch statistics office (CBS) saw an increase in online retail sales of over 56% compared to the previous year. The turnover of the pure e-commerce players increased by just under 45%, and those who opted for a multi-channel approach could count on as much as 72% in increased turnover. The continuing growth of online activities also keeps the demand for logistics real estate high. The total investment volume in logistics real estate will be over 4 billion euros in 2020, almost 50% higher than the previous record set in 2017. Strong demand puts further pressure on initial yields to around 3.7%. Falling demand from the traditional retail and automotive sectors is being absorbed by strong demand from the e-commerce and food sectors. As a result, the total take-up in 2020 was only 9.2% lower than the previous year.

The trend of locating logistics warehouses closer to major consumption centres is expected to continue through 2021. Rent levels are driven up in regions with limited real estate availability, such as in the Eindhoven region, where the vacancy rate in 2020 was barely 1.4%. The average vacancy rate for the Netherlands is 4.7%. Prime yields are situated in the Netherlands around 3.5%. Future demand will also be driven by further sustainability of logistics centres. This is evidenced in the increasing interest in redevelopment, so-called brownfield sites. Newly built plots - greenfield sites - may struggle to obtain a permit because of the stricter nitrogen regulations and the PFAS regulations.

### France

Driven by increasing demand due to e-commerce and urban logistics, real estate occupancy was up 8% compared to the ten-year average. However, compared to 2019, the take-up of logistics real estate decreased by 10% to a total of 3.6 million m<sup>2</sup>. The vacancy rate in France today is 5.7% on average and varies greatly from region to region (e.g. Lille: 11.4% versus Rhône-Alpes: 1.3%). The most southern and eastern part of the country, in particular, have to contend with a very limited supply. On a national level, rental levels per m<sup>2</sup> per annum remain stable with an upward trend in urban logistics, a trend that is mainly manifested at the microclimate level. In 2020, 4.4 billion euros will be invested in logistics real estate, a decrease of around 30% compared to 2019 but an increase of more than 65% compared to the ten-year average. The investment market for logistics real estate has developed into a mature investment category in recent years and the continuing demand is no longer in any doubt. In the fourth quarter, a third of the total investment volume was invested in this sector. Sustained demand is putting initial yields under pressure. As a result, the prime initial yield fell further to 3.75%.

### Germany

The German logistics property market can count on a robust take-up of 6.9 million m<sup>2</sup>, down just 1% compared to 2019. Demand is dominated by e-tailers with a market share of 20%, well above the average of the past five years (13.5%). One third of the total take-up is realised in the all-time top five, particularly the regions of Berlin, Düsseldorf,

## REVIEW OF THE LOGISTICS PROPERTY MARKET

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Rhine-Main, Hamburg and Munich. Top rents remain stable at around 6.35 euros per m<sup>2</sup> per month, although average rents increased by 4% to 5.16 euros per m<sup>2</sup> per month. This assumes a slight increase in the future, driven again by limited availability and greater demand for more sustainable real estate. The imbalance in supply and demand continues to put pressure on yields: the prime yield now stands at 3.4% compared to 3.6% a year earlier. Due to the continuing demand in the market for sustainable projects and the increasing scarcity of land, interest in redevelopment is growing here too.

### Romania

Despite strong economic growth of 4.2% in 2019, the pandemic caused a contraction of 5.2%. Nevertheless, the trend that started in 2015 - with an annual average increase for the industrial and logistics sector of 10% - continues. In 2020, 574,000 m<sup>2</sup> of new construction developments were completed, mainly in and around Bucharest (65%), followed by regional developments in major cities such as Deva, Oradea and Sibiu. This increases the total area of logistics property in Romania to over 5.1 million m<sup>2</sup>. 2020 also saw the highest take-up ever, namely 932,000 m<sup>2</sup> - an increase of 94% compared to 2019. The vacancy rate in Romania is 6.0% (7.0% in Bucharest), a slight increase compared to 2019. The average rent per square metre per year is about 3.5-3.9 euros per month. The prime initial yield remains stable at around 7.5%.

Source: CBS, CBRE, Colliers and WDP Research

## OUTLOOK

The forecasts described below contain the expectations for the 2021 financial year with regard to the consolidated EPRA earnings and WDP's consolidated balance sheet. The basis for their drafting and preparation is similar to that of the outlook for the 2020 and 2019 financial years and is in accordance with the WDP's accounting policy and IFRS.

These forecasts were drawn up on the basis of information available on 31 December 2020. The forecasts with regard to the consolidated balance sheet and the EPRA Earnings are predictions that will depend on changes in the economy, the financial markets and property markets. This prospective information and these forecasts, opinions and estimates prepared by WDP relating to its currently expected future performance and the market in which WDP operates do not constitute a commitment for the company. By their very nature, 'forward-looking statements' imply inherent risks, uncertainties and assumptions (both general and specific), including a risk that these statements will not prove to be accurate.

### Assumptions concerning elements that WDP cannot influence directly

- ◆ **Inflation:** a weighted average inflation rate of 1.1% on the indexation of the leases in 2021, based on the economic consensus expectations as per 31 December 2020.
- ◆ **Interest rates:** an average level of one, three and six-month Euribor rates of -0.56%, -0.54% and -0.52% respectively.
- ◆ **Financial hedging instruments:** given their volatility, variations in their market values were not taken into account. These changes are irrelevant to the forecasts associated with the EPRA Earnings.
- ◆ **Valuation of real estate portfolio and solar panels:** no predictions are made regarding the variations in the fair value of the real estate portfolio and solar panels. This would be unreliable and subject to a multitude of external factors over which the company has no influence. These variations are also not relevant to the outlook for EPRA earnings.
- ◆ **External events:** It is assumed that no material changes will occur in the (geo)political and/or economic climate which could have a material impact on the Group, as well as no serious negative consequences from subsequent Covid-19 waves and/or lockdowns.

- ◆ **Regulatory and tax framework:** it is assumed that no material changes occur in tax legislation or regulatory requirements that would affect the Group's results or its accounting methods.
- ◆ **Risks:** the outlook may be affected, inter alia, by market, operational, financial and regulatory risks as described in chapter 9. *Risk factors*.

### Assumptions that are within WDP's direct control

- ◆ **Net rental result:** the increase is mainly driven by external growth. The net investment volume of over 392 million euros achieved in 2020 will largely contribute to the result during the 2021 financial year. In addition, as announced, various pre-leased new construction projects are in execution with gradual delivery over 2021. As regards organic growth, the indexation of the leases is taken into account (see above). In 2021, 10% of the contracts will come to maturity, of which 57% could already be renewed at the time of the publication of the 2020 results and for which the current rent is therefore known. For the remaining 43%, rent renewals and/or extensions at comparable rent levels and after a possible vacancy period are taken into account. WDP is assuming a minimum average occupancy rate of 97% for 2020, compared to 98.6% at the end of 2020.
- ◆ **Solar energy revenues:** are estimated at around 17 million euros, an increase driven by the additional PV projects in the Netherlands and Belgium.
- ◆ **Other operating income/expenses:** this item includes the net effect of property taxes, the property management fee charged by WDP as well as some non-recurring income.
- ◆ **Property costs:** these are mainly the net costs (i.e. after any recharges) for maintenance and repairs, insurance contracts and commission. They have been estimated for 2021 on the basis of the current portfolio, the expected investments, and the evolution of the figures from previous financial years.
- ◆ **General costs:** these costs evolve in line with the growth of the portfolio, where the operational platform is further developed in a cost-efficient manner, in particular while maintaining the high operating margin above 91% (limited year-on-year increase given there was a one-off cost of 1.5 million euros related to digitisation in 2020). These costs include the operating costs of WDP, mainly salaries, renting offices, fees to external advisors and costs related to the stock exchange listing and external communication.



## OUTLOOK

- **Financial result:** the evolution in financial debt following the investment programme is assumed. Taking into account the development of short-term interest rates and a hedge ratio of 90% based on the situation on 31 December 2020, an overall financing cost of 2.1% is assumed for 2021, which will further decrease to 1.8%. The assumptions were based on no loans being repaid prematurely, nor that current IRS contracts will be terminated prematurely. The total financial costs were then reduced by capitalised interest included in the investment cost of the existing project developments at an interest rate equivalent to the estimated overall financing cost<sup>1</sup>. The financial charges include the recurring cost of concessions in the amount of 2.6 million euros for the sites for which WDP does not have freehold ownership but holds the land through a long leasehold.
- **Taxes:** these include the annual corporate income tax and withholding tax on dividends based on the tax status of each entity. Because of the uncertainty of the fiscally transparent status of WDP Nederland, taxes were estimated out of caution if WDP not could continue to qualify as an FBI. This has an additional effect of 4 million euros (or 0.02 euros per share)<sup>2</sup>.
- **Share in the result of joint ventures:** this result includes the result of the Luxembourg joint venture WDP Luxembourg and the German joint venture WVI.

## Forecast of consolidated results

Based on the current outlook and the above assumptions, WDP expects EPRA earnings per share of 1.07 euros (approximately 196 million euros) in 2021<sup>3</sup>, up 7% from 1.00 euros in 2020 (this includes the number of shares issued through the capital increase via accelerated private placement in February 2021). Based on the current profit expectations, WDP intends to pay a gross dividend per share of 0.86 euro for the financial year 2021 (payable in 2022), also an increase of 7%.

These forecasts are based on the current knowledge and assessment of the crisis, albeit subject to the further duration and evolution of the Covid-19 pandemic and the nature and effectiveness of the corresponding government measures and vaccination strategy, and except for a severe negative impact caused by future corona waves and/or lockdowns. Of course, some vigilance is required regarding the generally expected negative economic impact in the short term.

1 For an overview of the projects in progress see chapter 5. *Transactions and realisations* and chapter 7. *Financial results and property report*.

2 As described in chapter 7. *Financial results and property report - status regarding policy related to Dutch REIT-status*.

## Consolidated results (analytical schedule)

| in euro (x 1.000)                                                                      | FY 2020<br>Actual | FY 2021<br>Budget |
|----------------------------------------------------------------------------------------|-------------------|-------------------|
| Rental income, net of rental-related expenses                                          | 228,449           | 251,339           |
| Indemnification related to early lease terminations                                    | –                 | 220               |
| Income from solar energy                                                               | 16,472            | 17,189            |
| Other operating income/costs                                                           | -2,218            | 5,518             |
| <b>Property result</b>                                                                 | <b>242,703</b>    | <b>274,265</b>    |
| Property charges                                                                       | -8,325            | -8,415            |
| General Company expenses                                                               | -14,314           | -14,704           |
| <b>Operating result (before the result on the portfolio)</b>                           | <b>220,064</b>    | <b>251,147</b>    |
| Financial result (excluding variations in the fair value of the financial instruments) | -38,674           | -40,554           |
| Taxes on EPRA Earnings                                                                 | -2,620            | -9,802            |
| Deferred taxes on EPRA Earnings                                                        | -779              | –                 |
| Share in the result of associated companies and joint ventures                         | 1,257             | 2,847             |
| Minority interests                                                                     | -4,733            | -8,009            |
| <b>EPRA Earnings</b>                                                                   | <b>174,516</b>    | <b>195,629</b>    |
| Weighted average number of shares                                                      | 173,802,120       | 182,543,939       |
| <b>EPRA Earnings (per share)</b>                                                       | <b>1.00</b>       | <b>1.07</b>       |
| <b>Dividend (per share)</b>                                                            | <b>0.80</b>       | <b>0.86</b>       |

3 These profit forecasts are based on the current situation, barring presently unforeseen circumstances (such as a substantial deterioration in the economic and financial climate and/or the demand for logistics real estate), and a normal number of hours of sunshine.

## OUTLOOK

## Forecast of the consolidated balance sheet

In drawing up the projected balance sheet, account was taken of factors that could reasonably be estimated. The following assumptions were taken into account:

- ◆ **Assets - real estate portfolio:** the investments as mentioned above were taken into account, namely the implementation of the new development projects under construction.
- ◆ **Assets - solar panels:** fair value valuation, using the same assumptions as at 31 December 2020, subject to the roll-over of the valuation model by one year<sup>4</sup>.
- ◆ **Liabilities - equity:** factors taken into account are the boost in shareholders' equity capital via the ABB, the dividend distribution for 2020 in the form of an optional dividend assuming 50% taken in shares and the EPRA Earnings trend during the 2021 financial year.
- ◆ **Liabilities - financial debts:** development as a part of the expected investment volume and the part that is expected to be financed through equity capital (by means of, among others, the ABB, the retained earnings and the optional dividend). A gearing ratio below 50% is expected as of 31 December 2021. WDP has a buffer of over 700 million euros in long-term unused credit lines as at 31 December 2020 from which all existing investment commitments and refinancing can be met until at least the end of 2022 (including the proceeds from the capital increase at the beginning of 2021).

## Consolidated balance sheet

| in euro (x 1.000)                                         | 31.12.2020<br>Actual | 31.12.2021<br>Budget |
|-----------------------------------------------------------|----------------------|----------------------|
| <b>Fixed assets</b>                                       | <b>4,728,536</b>     | <b>5,120,893</b>     |
| Investment property                                       | 4,566,601            | 4,938,297            |
| Other tangible fixed assets (including solar panels)      | 126,719              | 130,611              |
| Financial fixed assets                                    | 6,929                | 6,929                |
| Other fixed assets                                        | 3,940                | 2,640                |
| Participations in associated companies and joint ventures | 24,346               | 42,416               |
| <b>Current assets</b>                                     | <b>61,869</b>        | <b>50,545</b>        |
| Assets held for sale                                      | 15,543               | –                    |
| Cash and cash equivalents                                 | 11,240               | 11,240               |
| Other current assets                                      | 35,087               | 39,305               |
| <b>Total assets</b>                                       | <b>4,790,405</b>     | <b>5,171,438</b>     |
| <b>Shareholders' equity</b>                               | <b>2,403,793</b>     | <b>2,722,619</b>     |
| Shareholders' equity - Group share                        | 2,353,935            | 2,650,244            |
| Minority interests                                        | 49,858               | 72,375               |
| <b>Liabilities</b>                                        | <b>2,386,612</b>     | <b>2,448,820</b>     |
| <b>Non-current liabilities</b>                            | <b>1,938,131</b>     | <b>2,000,873</b>     |
| Non-current financial debt                                | 1,740,284            | 1,790,199            |
| Other non-current liabilities                             | 197,847              | 210,674              |
| <b>Current liabilities</b>                                | <b>448,481</b>       | <b>447,946</b>       |
| Current financial debt                                    | 379,170              | 380,068              |
| Other current liabilities                                 | 69,311               | 67,879               |
| <b>Total liabilities</b>                                  | <b>4,790,405</b>     | <b>5,171,438</b>     |
| Gearing ratio (proportionate)                             | 46.6%                | 44.3%                |
| Loan-to-value                                             | 45.0%                | 43.0%                |

4 See also explanatory note XIII. Other tangible fixed assets.

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## 2019-23 growth plan

### Increased ambition

As part of the current 2019-23 growth plan, as of the end of 2020, WDP has identified a total investment package of 1 billion euros, representing two-thirds of the targeted cumulative volume of 1.5 billion euros. Therefore, the ambition of an EPRA Earnings per share of at least 1.15 euros in 2023 is within reach.

Given its deep-rooted positioning within the logistics landscape, supported by robust foundations, a positive structural tailwind, as well as new opportunities arising from the Covid-19 crisis, (such as accelerated growth in e-commerce and the additional investments in omni-channel and resilience of the supply chain), WDP is already formulating the next step in its continued consistent and profitable growth.

The target investment volume in the strategic 2019-23 growth plan will be increased by 500 million euros to 2.0 billion euros (previously 1.5 billion euros) by the end of 2023 – implying that the envisaged investment will have grown within the balance sheet and the annualised impact on the EPRA Earnings per share is expected in 2024. This projected growth is based on an annual portfolio growth of 10% and an annual increase in EPRA Earnings per share of 6% to a minimum of 1.25 euros in 2024 (previously at least 1.15 euros in 2023). The dividend is expected to evolve simultaneously by 6% per annum to 1.00 euro gross per share in 2024.

### Logistics market growth opportunities through the acceleration of structural drivers

A number of fundamental changes and trends have accelerated the importance of the logistics sector in recent years. Examples include the continued growth in e-commerce, the demand for food and pharma-related activities, technological progress and sustainability. Distribution networks were adapted accordingly and the demand for modern logistics infrastructure was confirmed and even increased. Moreover, the Covid-19 pandemic and its sudden impact have accelerated these key drivers within the logistics sector and accentuated the critical role of the logistics sector, reinforcing WDP's conviction and long-term vision to invest further. High demand by these sectors was shown in strong take-up in the user market, despite of Covid-19.

WDP believes that, by means of its commercial platforms and positioning as a developer and end investor, it can continue to reap the benefits of this expected market demand, which should allow it to grow further and provide service to its clients. WDP believes that its professional local teams and in-house know-how contribute to consistent and sustainable growth. Moreover, the market share in existing markets is still relatively low (estimated at around 9% in the Benelux, limited in France and around 21% in Romania).

The investment market for logistics real estate has developed into a mature market in recent years due to growing interest in logistics real estate. This is clearly visible in the downward pressure on initial yields. In addition, there is strong demand and a scarcity of land. Most challenging in respect to growth is the acquisition of land reserve, as well as maintaining the profitability of the projects, taking into account the highly competitive environment, driven by the accelerated attraction of logistics combined with an extremely low interest rate.

More than ever, this requires a creative approach and WDP can see several trends developing. The limited availability of land implies a focus shift towards redevelopment locations (brownfields). The increasing costs for the development land, force real estate players to create efficient solutions that decrease the buildings' footprint, for example multi-layer development.

## OUTLOOK

**Sensitivity**

The following table provides a non-exhaustive overview of external and internal factors which have an influence on the key parameters of the company, namely the EPRA Earnings, the gearing ratio and shareholders' equity.

**Sensitivity analysis based on the consolidated figures as at 31.12.2020**

|                                                                                   |               |               |             |              |              |
|-----------------------------------------------------------------------------------|---------------|---------------|-------------|--------------|--------------|
| <b>Δ Inflation (in %)</b>                                                         | <b>-1.0%</b>  | <b>-0.5%</b>  | <b>0.0%</b> | <b>0.5%</b>  | <b>1.0%</b>  |
| Δ EPRA Earnings (in million euros)                                                | -2.6          | -1.3          | –           | 1.3          | 2.6          |
| <b>Δ Occupancy rate (in %)</b>                                                    | <b>-1.0%</b>  | <b>-0.5%</b>  | <b>0.0%</b> | <b>0.5%</b>  | <b>1.0%</b>  |
| Δ EPRA Earnings (in million euros)                                                | -2.9          | -1.4          | –           | 1.4          | 2.9          |
| <b>Δ Euribor (in %)</b>                                                           | <b>-1.0%</b>  | <b>-0.5%</b>  | <b>0.0%</b> | <b>0.5%</b>  | <b>1.0%</b>  |
| Δ EPRA Earnings (in million euros)                                                | –             | –             | –           | -1.1         | -2.2         |
| <b>Δ Fair value of investment properties (in %)</b>                               | <b>-5.0%</b>  | <b>-2.5%</b>  | <b>0.0%</b> | <b>2.5%</b>  | <b>5.0%</b>  |
| Δ Gearing ratio (in %)                                                            | 2.4%          | 1.1%          | –           | -1.1%        | -2.1%        |
| <b>Δ Investments (in million euros)</b>                                           | <b>-100</b>   | <b>-50</b>    | <b>0</b>    | <b>50</b>    | <b>100</b>   |
| Δ Gearing ratio (in %)                                                            | -1.1%         | -0.6%         | –           | 0.5%         | 1.1%         |
| <b>Δ Fair value of investment properties (in %)</b>                               | <b>-5.0%</b>  | <b>-2.5%</b>  | <b>0.0%</b> | <b>2.5%</b>  | <b>5.0%</b>  |
| Δ Fair value of investment properties and shareholders' equity (in million euros) | -232.2        | -116.1        | –           | 116.1        | 232.2        |
| <b>Δ Interest rates (in %)</b>                                                    | <b>-0.50%</b> | <b>-0.25%</b> | <b>0.0%</b> | <b>0.25%</b> | <b>0.50%</b> |
| Δ Fair value of hedging instruments and shareholders' equity (in million euros)   | -46.5         | -23.0         | –           | 22.5         | 44.5         |

# WDP Xplore

Digital marketing



“ WDP Xplore is a new, digital total experience that provides answers to concrete questions. It stands for next generation marketing, focused on each client's needs and brought to life in a 360° virtual environment.

Norbert Padt - WDP Group Marketing Manager

WDP's marketing strategy has increasingly focused on digital applications. New building projects are displayed to the customer using realistic 3D animations. And a standard WDP warehouse is presented in WDP Xplore, a ground-breaking 360° virtual tool that enables clients to walk through a digital distribution centre.

## Unique experience

WDP Xplore is a unique experience. It gives interested clients a virtual tour via their PC or tablet screen. The interior and exterior of the warehouse, its technical specifications, sustainability benefits, etc. - all of this information comes to life in a hyper-realistic digital environment.

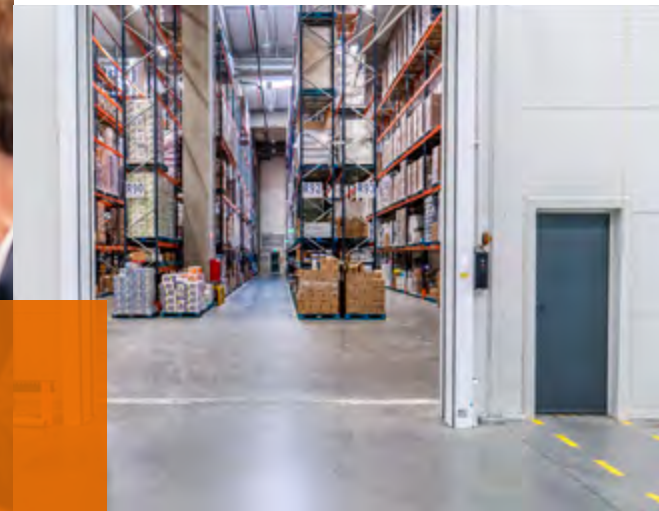
This innovative tool provides ready-made answers to any questions a client may have. Where are the loading docks and automatic gates? Is there enough light, what about the insulation and the renewable energy specifications?

## Hotspots

Hotspots on various facilities - such as walls, floors and technical installations - allow clients to zoom in on all the specifications. Green hotspots also focus on sustainability aspects: LED lighting, energy monitoring and more.

WDP Xplore is symbolic of a new generation of customer-oriented marketing. No dull brochures packed with boring figures, but an integral experience that clearly visualises the service and the product. Tailored to each client's needs. And with additional photo material and background information on reference projects.

## 8. CORPORATE GOVERNANCE STATEMENT



### Code of Conduct

“  
With mutual respect,  
integrity and ethics



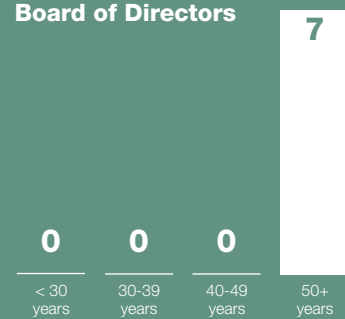
Clear principles  
#SpeakUp



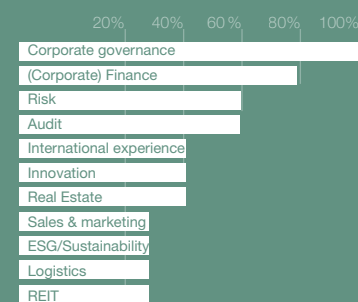


## Diversity beyond gender

### Board of Directors



Age

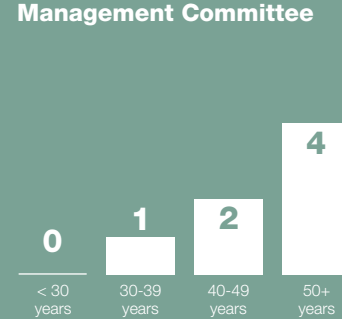


Expertise



Duration of mandates

### Management Committee



Age



Expertise



Supported by  
Shared Services



## WDP governance structure



## Objectives in 2020

- ◆ Attendance rate Board of Directors 98%
- ◆ New remuneration policy approved by the shareholders on 29 April 2020
- ◆ Intense interaction between the Board of Directors and the Management Committee including during times of Covid-19

## CORPORATE GOVERNANCE STATEMENT

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## Governance principles

Since its foundation, WDP has prioritised honest and proper business practices, always based on our core values. WDP strives to meet the highest of standards in the area of corporate governance, out of a firm belief that this contributes to the long-term success of the Company and to protecting the interests of all stakeholders. The Board of Directors monitors to ensure that the corporate governance principles and processes developed for this purpose are suitable for the Company and meet the applicable corporate governance rules or standards at all times.

Our governance principles and processes are reflected in our Corporate Governance Charter, our Code of Ethics and the Dealing Code. They are available on our website.

### External regulations

- ◆ Code of Companies and Associations
- ◆ GVV/SIR legislation
- ◆ Euronext Rulebook
- ◆ 2020 Corporate Governance Code
- ◆ IFRS
- ◆ EU accounting regulations
- ◆ EU Market Abuse Regulation

### Internal Policies

- ◆ Articles of Association
- ◆ Corporate Governance Charter
- ◆ Dealing Code
- ◆ Employee Code of Conduct and Supplier Code of Conduct
- ◆ Remuneration Policy
- ◆ Code of Ethics
- ◆ Grievance Mechanism

## Reference Code | 2020 Corporate Governance Code

In accordance with Article 3:6 (§2) CCA and the Royal Decree of 12 May 2019 indicating the mandatory corporate governance code for listed companies, WDP applies the 2020 Belgian Corporate Governance Code (**2020 Code**), taking into account the special circumstances related to the GVV/SIR legislation. The 2020 Code is available online at [www.corporategovernancecommittee.be](http://www.corporategovernancecommittee.be).

The 2020 Code applies the comply or explain principle, meaning that any deviations from the recommendations must be justified. As at the date of this Annual Report, WDP is in compliance with the provisions of the 2020 Code, except for the following principles:

Principles 3.19 to 3.21 of the 2020 Code cover the appointment of secretaries in the Company.

**EXPLAIN** | Given the rather small size of the Board of Directors, and to use the strengths within the Company with maximum efficiency, for the time being the Board of Directors has opted not to assign the position of secretary to one specific person. At WDP, the function of secretary is performed by the CFO, who is also present at the Board of Directors meetings, and the General Counsel, both of whom have the necessary skills and knowledge with regard to management issues:

- ◆ supporting the Board of Directors and its committees in all governance matters;
- ◆ preparing the Corporate Governance Charter and Corporate Governance Statement;
- ◆ ensuring a proper flow of information within the Board of Directors and its committees and between the executive management and the non-executive directors;
- ◆ accurately recording the essence of the discussions and decisions in the board meetings in the minutes; and
- ◆ facilitating initial training and supporting professional development where necessary.

Each director may contact the CFO or General Counsel individually.

## CORPORATE GOVERNANCE STATEMENT

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**Principle 7.6 of the 2020 Code states that non-executive directors should receive part of their remuneration in the form of shares in the Company.**

**EXPLAIN |** WDP deviates from this principle and does not provide remuneration in shares to non-executive directors. Taking into account the current remuneration amounts and the independent nature of the non-executive directors, WDP is of the view that providing part of the remuneration in shares would not necessarily contribute to the objective of the 2020 Code to have these directors act with the perspective of a long-term shareholder. As a GVV/REIT, WDP strives for a robust profit and dividend per share, in line with the perspective of a long-term shareholder. Since its listing in 1999, WDP has focused on creating stable cashflows over the long term which, in combination with its high disbursement obligation as a GVV/REIT, makes WDP a fully fledged, profitable and liquid alternative to direct investments in properties based on rental income. This is the basis of its strategy, as determined by the Board of Directors, which is also clearly reflected in its strategic operational and ESG growth plan.

The remuneration report included in this Corporate Governance Statement gives an overview of the total remuneration for the non-executive directors.

**Principle 7.9 of the 2020 Code states that the Board of Directors must set a minimum threshold for shareholdings of members of the Management Committee.**

**EXPLAIN |** WDP deviates from this principle and does not set any explicit minimum threshold for WDP shareholdings for Management Committee members. As a GVV/REIT, WDP strives for a robust profit and dividend per share, in line with the perspective of a long-term shareholder. Since its listing in 1999, WDP has focused on creating stable cashflows over the long term which, in combination with its high disbursement obligation as a GVV/REIT, makes WDP a fully fledged, profitable and liquid alternative to direct investments in properties based on rental income. This is the basis of its strategy, as determined by the Board of Directors, which is also clearly reflected in its strategic operational and ESG growth plan. It is this strategy that Management Committee members must roll out operationally. WDP therefore believes that its remuneration policy establishes a clear link with the creation of stable long-term cashflows and thus ensures that Management Committee members act from the perspective of a long-term

shareholder. WDP does in fact encourage Management Committee members to accrue and hold shares in WDP. Both CEOs have now each accrued shareholdings of this kind themselves.

The remuneration report in this Corporate Governance Statement gives an overview of the shareholdings that the Management Committee members have in their own portfolios. Thus, this is a self-accrued stake in the Company.

## CORPORATE GOVERNANCE STATEMENT

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## Board of Directors

### Situation as of 1 October 2019

On 1 October 2019, after the conversion of WDP from a partnership limited by shares managed by a statutory manager into a public limited Company, the directors were appointed for the first time in WDP NV, which is legally a different entity.

However, this appointment took into account the terms of these directors on the Board of Directors of the former statutory manager of WDP, in the sense that:

- ◆ they were appointed for the remaining period of their term with the former statutory manager; and
- ◆ in drawing up their status as an independent director (Article 7:87 CCA), they also took into account the terms they had as independent and/or non-executive director with the former statutory manager.

### Membership

#### Principles

The WDP Articles of Association state that the Company must be run by a Board of Directors consisting of at least 3 directors appointed by the General Meeting for up to four years. The majority of the Board of Directors consists of non-executive directors; it also has a suitable number of independent directors. The Articles of Association stipulate, in accordance with the 2020 Code, that at least three directors have the status of independent director in accordance with the criteria described in the 2020 Code and this CG Charter. Moreover, WDP strives for the majority of the Board of Directors to be independent.

The membership of the Board of Directors enables management of WDP in accordance with its Articles of Association and its permitted activities (as described in Article 4 of the GVV/SIR Act).

Members of the Board of Directors must meet the requirements set on the GVV/SIR under the applicable law, including membership exclusively comprising natural persons that meet the requirements of Articles 14 and 15 of the GVV/SIR Act (fit-and-proper test for directors).

The membership of the Board of Directors as a whole must provide a combination of experience, knowledge and skills from individual members that enables optimal fulfilment of the role of the Board of Directors. Thus, on the whole, the Board of Directors must offer at least the following characteristics:

- ◆ a proper balance in terms of knowledge, competencies and experience, beginning with the requirements for doing business efficiently in the markets where the Company operates;
- ◆ its members must ensure that it functions as an agile and effective body at all times, driven by an entrepreneurial spirit;
- ◆ in decisions regarding its membership, the Board of Directors also strives to achieve diversity (in terms of gender, age and nationality) as well as to minimise present or future conflicts of interest between members and the WDP Group (legal, business, economic and ethical conflicts of interest).

The Corporate Governance Charter also sets out the specific qualitative requirements on individual members, including an independent and enterprising personality, an impeccable reputation and proper business ethics.

Moreover, the following principles must also be applied:

- ◆ conformity with diversity requirements (Article 3:6 CCA);
- ◆ conformity with specific gender diversity requirements (Article 7:86 CCA);
- ◆ application of the defined age limit of 70 years, in that the term of a director shall end on conclusion of the annual meeting in the year in which the director turns 70 years of age, unless the Board of Directors resolves otherwise at the proposal of the Nomination Committee;
- ◆ for the non-executive directors: up to 5 appointments as director of a listed Company, subject to approval from the Board of Directors (with application of the comply or explain principle).

## CORPORATE GOVERNANCE STATEMENT

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**Binding nomination right**

The articles of association of WDP provide for a binding nomination right for any natural person, legal entity or Company (with or without legal personality) that individually and directly holds at least 10% of the shares in the Company, under specific conditions as described in Article 15 of the Articles of Association of WDP NV.

By virtue of this binding nomination right, Tony De Pauw was appointed by the Extraordinary General Meeting of WDP of 11 September 2019 as a director of WDP, effective as at 1 October 2019 at the proposal of the current Reference Shareholder of the Company, the management body RTKA. As at the date of this Annual Report, Tony De Pauw is the only director appointed based on this binding nomination.

**Membership of the Board of Directors as at 31 December 2020**

The Board of Directors comprises 7 members (natural persons):

- ◆ 2 executive directors, one of whom has been nominated by the Reference Shareholder (the management body RTKA): Tony De Pauw; and
- ◆ 5 non-executive directors, 4 of which are independent directors in the sense of Article 7:87 (§1) CCA.

Frank Meysman's mandate as non-executive director will come to an end at the 2021 General Meeting. The Board of Directors, on the advice of the Nomination Committee, will propose at its General Meeting of 28 April 2021 the mandate of Frank Meysman be renewed as non-executive director for a period of one year.

In view of Frank Meysman's extensive knowledge, his international experience and his consistently constructive and well-reasoned contributions to the meeting, the Board of Directors believes that this reappointment supports the well-functioning of the Board of Directors. The period of one year also takes into account the age limit stipulated in the Corporate Governance Charter.

If approved, his mandate will run until 27 April 2022 and he will also remain chairman of the Remuneration Committee during this period.

**Directors**

| Name              | Capacity               | Independent | First appointment at WDP Comm. VA | First appointment at WDP NV | End of term | Board of Directors Attendance |
|-------------------|------------------------|-------------|-----------------------------------|-----------------------------|-------------|-------------------------------|
| Rik Vandenberghe  | Non-executive director | ◆           | April 2019                        | October 2019                | April 2023  | 26/26                         |
| Frank Meysman     | Non-executive director |             | April 2006                        | October 2019                | April 2021  | 26/26                         |
| Anne Leclercq     | Non-executive director | ◆           | April 2015                        | October 2019                | April 2022  | 26/26                         |
| Cynthia Van Hulle | Non-executive director | ◆           | February 2015                     | October 2019                | April 2022  | 26/26                         |
| Jürgen Ingels     | Non-executive director | ◆           | April 2018                        | October 2019                | April 2022  | 26/26                         |
| Tony De Pauw      | Executive director     |             | May 1999                          | October 2019                | April 2023  | 23/26                         |
| Joost Uwents      | Executive director     |             | April 2002                        | October 2019                | April 2022  | 26/26                         |

## CORPORATE GOVERNANCE STATEMENT

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**Rik Vandenberghe**

Born in 1961  
Kipdorpvest 60,  
B-2000 Antwerp

has been the independent, non-executive chair of the Board of Directors of WDP since April 2019. He holds a Commercial Engineering diploma from the Catholic University of Leuven. He has been the CEO of Besix since April 2017. The Besix Group is a leading, multidisciplinary construction and property Company with operations in twenty-five countries, spanning five continents. Rik Vandenberghe started his career in the banking sector, working at ING for thirty years, where he held numerous leadership roles and, as CEO of ING Luxembourg and ING Belgium, enjoyed close working relationships with key actors in the real estate market and garnered extensive international experience. At ING Belgium, he headed the Real Estate & Development Financing department (1991-97), a department that also fell under his broader responsibilities until 2007. As CEO, he also formed part of the Risk Committee of ING Luxembourg (2007-13) and the Market Risk Committee of ING Belgium (2013-17). His experience as president of companies like Febelfin and Besix Group and ING subsidiaries and his knowledge of real estate, finance and securities markets, coupled with his entrepreneurial spirit and keen eye for innovation support the management of WDP and the further growth of the Company.

#### Other active terms on 31 December 2020

Listed companies

–

Non-listed companies

Besix Group

BESIX Infra

BESIX Park

BESIX Real Estate Development

BESIX

Besix Stay (chair)

Entreprises Jacques Delens

Les News 24

Olympic Invest

Van den Berg

Vanhout

Watpac

Compagnie Belge de Bâtiment

(chair)

Six Construct

#### Terms ending on 31 December 2020, but held in the period from 2015 onwards

ING Bank Belgium

ING Luxembourg

Établissements Jean Wust

Febelfin

Franki Foundations Belgium

LUX T.P.

Olympiades Brussels Hotel

Socogetra

#### WDP shareholdings

10,000

**Anne Leclercq**

Born in 1956  
Herhout 62,  
B-1570 Tollembeekm

has been an independent non-executive director since April 2015. She studied law at the Catholic University of Leuven and also attained a diploma from the Kellogg School of Management and an MBA from the Vlerick Business School.

After a career at various banks, she was affiliated with the Belgian Debt Agency from 1998 onwards, where she was Director of Treasury and Capital Markets. In addition to her general management experience, in this role she also gained key insights and expertise in efficient financial management (debt capital markets), which provides substantial added value to the financing policy of WDP. In addition, she has served in various roles in supranational institutions such as the IMF, the World Bank and the OECD.

#### Other active terms on 31 December 2020

Listed companies

–

Non-listed companies

Argenta Bank- en Verzekeringsgroep

Argenta Assuranties

Argenta Spaarbank

Fluxys Belgium

Catholic University of Leuven (audit committee chair)

University Hospital of Leuven (audit committee chair)

LRD (audit committee chair)

Plexus

Z.org Leuven (audit committee chair)

#### Terms ending on 31 December 2020, but held in the period from 2015 onwards

–

#### WDP shareholdings

0



## CORPORATE GOVERNANCE STATEMENT

**Frank Meysman**

Born in 1952  
Drielindenbaan 66,  
B-1785 Merchtem

has been a non-executive director since 2006 (until April 2018 he was also an independent director and until 2016 he held this appointment at M.O.S.T. BV, of which he himself was the permanent representative). Frank Meysman offers ample knowledge and international experience (such as in the Netherlands). He has expertise in the area of marketing and can support WDP's focus on the customer.

He has held top positions in international enterprises such as Procter & Gamble, Douwe Egberts and Sara Lee.

**Other active terms  
on 31 December 2020**

Listed companies  
Spadel (chair)  
Non-listed companies  
Terhills

**Terms ending on 31 December  
2020, but held in the period from  
2015 onwards**

Grontmij (chair)  
Betafence (chair)  
JBC (chair)  
Thomas Cook Group (chair)  
Picanol

**WDP shareholdings**

12,194

**Cynthia Van Hulle**

Born in 1956  
Heikant 22,  
B-9190 Stekene

has been an independent non-executive director since February 2015. She earned her doctorate in Applied Economic Sciences at the Catholic University of Leuven where she is a professor at the Faculty of Economics and Business Studies. She had previously studied at Yale University and at the University of Chicago and taught at the University of Columbia. In addition, she has held the Francqui chair at the University of Ghent.

Key areas of expertise in her academic work include corporate finance, restructuring and governance issues. She brings thorough knowledge of accounting and auditing to the table.

**Other active terms  
on 31 December 2020**

Listed companies  
Miko (audit committee chair)  
Non-listed companies  
Argen-Co  
Argenta Bank- en Verzekeringsgroep  
Argenta Assuranties  
Argenta Spaarbank

**Terms ending on 31 December  
2020, but held in the period from  
2015 onwards**

–

**WDP shareholdings**

0

## CORPORATE GOVERNANCE STATEMENT

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**Jürgen Ingels**

Born in 1971  
Clemenceaustraat 177A,  
B-2860 Sint Katelijne Waver

has been an independent non-executive director since April 2018. He holds a Master's in Political and Social Sciences and an MBA from the University of Antwerp.

His expertise in financial technology, digital innovation and technology in the broader sense contributes to the growth and future-proofing of Company.

#### Other active terms on 31 December 2020

Listed companies  
Materialise  
Unifiedpost Group  
Non-listed companies  
SmartFin Capital  
Willemen Groep  
Ghelamco  
GS Pledge Co  
Itineris  
Itiviti AB  
Bright Analytics  
NG Data  
Projective  
Pay-Nxt  
The Glue  
Vavato  
Mensura  
Maria DB  
Startups.be / Scaleups.eu  
Akinon  
Deliverect

#### Terms ending on 31 December 2020, but held in the period from 2015 onwards

B\_Hive Europe  
Trendminer  
Option  
Clear2Pay  
NG Data Europe  
Newtec  
Silverfin  
Exellys  
Finsight Solutions  
Innovis

#### WDP shareholdings

0

**Tony De Pauw**

Born in 1954  
Ganzenbos 5,  
B-1730 Asse

has been executive director and CEO since 1999 and represents the Reference Shareholder, the Jos De Pauw family (via the family management body RTKA).

His vast experience and expertise in investing in and managing (logistics) real estate and the sector as a whole go hand in hand with his entrepreneurship.

#### Other active terms on 31 December 2020

Listed companies  
–  
Non-listed companies  
VBO (Strategy Committee member)  
Le Concert Olympique

#### Terms ending on 31 December 2020, but held in the period from 2015 onwards

Ensemble Leporello

#### WDP shareholdings

71,900

## CORPORATE GOVERNANCE STATEMENT

**Joost Uwents**

Born in 1969  
Hillarestraat 4A,  
B-9160 Lokeren

**Other active terms  
on 31 December 2020**

Listed companies  
Xior Student Housing  
Unifiedpost Group  
Non-listed companies  
Logistics in Wallonia  
EPRA (Advisory Board member)

**Terms ending on 31 December 2020,  
but held in the period from 2015  
onwards**

–

**WDP shareholdings**

168,244

has been a director since 2002 and executive director and CEO since 2010. He is a commercial engineer and holds an MBA.

His banking background gives him strong knowledge of real estate and finance. Before his appointment as CEO, he was CFO of WDP for ten years. He has built up expertise in the logistics and supply chain sector. Together with its drive for innovation this expertise supports the expansion of WDP's sustainability strategy.

**Board of Directors and committees**


|                   | Board of Directors | Audit Committee | Nomination Committee | Remuneration Committee |
|-------------------|--------------------|-----------------|----------------------|------------------------|
| Rik Vandenberghe  | President          | Member          | President            | Member                 |
| Frank Meysman     | Member             | Member          | Member               | President              |
| Anne Leclercq     | Member             | Member          | Member               | Member                 |
| Cynthia Van Hulle | Member             | President       | Member               | Member                 |
| Jürgen Ingels     | Member             | Member          | Member               | Member                 |
| Tony De Pauw      | Member             |                 | Member               |                        |
| Joost Uwents      | Member             |                 | Member               |                        |

President    Member

## CORPORATE GOVERNANCE STATEMENT

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### Roles and responsibilities of the Board of Directors

The WDP Board of Directors is authorised to perform all activities that are necessary or useful for achieving the object of the Company, with the exception of activities legally falling to the General Meeting.

The Board of Directors sets the strategy and core values of WDP, decides on investments and the financing strategy and monitors the quality of the management.

It prepares the WDP financial statements as well as the annual report (including Corporate Governance Statement and remuneration report) and convenes the General Meetings of the Company. The Board of Directors decides on the use of the authorised capital.

Moreover, it is the Board of Directors that decides on the structure of the management of WDP and the powers individually or collectively conferred on the CEOs and/or other Management Committee members.

Finally, the Board of Directors is the body responsible for facilitating effective dialogue with shareholders by means of, for example, transparent communication in press releases, the annual report and other channels.

The Board of Directors, acting as a collegial body, represents the Company in all judicial and extra-judicial acts. The Company is legally represented by two directors acting jointly in all judicial and extra-judicial acts.

The Board of Directors has delegated the day-to-day management to both CEOs, each of whom may act alone, within the meaning of Article 7:121 CCA. The Company may also be represented by a special proxy.

### Functioning of the Board of Directors

The Board of Directors meets at least six times a year at the invitation of the chair. The meeting times are set in advance for the entire year to minimise absences. Additional meetings will also be called whenever the interests of the Company so require or when at least two directors so request.

At least once every three years, the Board of Directors will evaluate the governance structure it has chosen to determine whether it is still suitable, and if not, it will propose a new governance structure to the General Meeting.

In addition, the non-executive directors meet at least once a year in the absence of the CEOs and the other members of the Management Committee.

The CEOs inform the chairman of the Board of Directors of the progress of all matters and files that fall under the competence of the Board of Directors. The chairman sets the agenda of the meetings in consultation with both CEOs. The agenda contains a fixed list of items to be discussed, which are thoroughly prepared and documented so that all directors have the same information in good time.

With regard to decision-making, the WDP Articles of Association specify the following:

- ◆ deliberations and decisions of the Board of Directors are only valid if the majority of the members are present or represented;
- ◆ decisions are made by a simple majority of votes;
- ◆ any director who is unable to attend or is absent may designate another member of the Board of Directors to represent him at a specific meeting of the Board of Directors and to legally vote on his or her behalf;
- ◆ decisions by the Board of Directors can be made upon unanimous written agreement from the directors.

## CORPORATE GOVERNANCE STATEMENT

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The decisions made by the Board of Directors are minuted and the minutes are incorporated in a specially designated register, which is maintained at the Company's registered office. The minutes of the meetings of the Board of Directors are signed by the chair and members of the Board of Directors that request such.

### Activity report of the Board of Directors

The Board of Directors met 26 times during the 2020 business year, mainly to discuss the following items:

- ◆ operating and financial reporting;
- ◆ communications policy;
- ◆ strategy and investment policy;
- ◆ financing policy;
- ◆ composition and evaluation of the Board of Directors;
- ◆ analysis and approval of the 2021 budget and update of the 5 year business plan;
- ◆ ESG strategy of WDP and follow-up of the ESG Roadmap developed for this purpose;
- ◆ analysis and approval of investment, divestment and development files;
- ◆ analysis and approval of major credit agreements such as with the European Bank For Reconstruction and Development (EBRD) and International Finance Corporation (IFC) respectively as lenders;
- ◆ digitisation and corporate processes;
- ◆ to analyse, evaluate and take certain actions with respect to specific risks such as the Covid-19 pandemic and the regulatory risk surrounding the FBI statute;
- ◆ approval of the proposal for a new remuneration policy in line with the current growth plan;
- ◆ drafting the special reports of the Board of Directors related to the contribution in kind for a claim (in the context of the optional dividend);
- ◆ completion of the aforementioned transactions and calculation of the resulting capital increase within the authorised capital;
- ◆ approval of the transfer of the shares of WDP Luxembourg S.A. and WDP Romania Sàrl to WDP Invest NV; and
- ◆ drafting and approval of the 2019 Universal Registration Document.

### Nomination procedure

The General Meeting nominates the directors, which it selects from the candidates proposed by the Board of Directors, on the recommendation of the Nomination Committee and with prior approval of the nomination(s) by the FSMA as required under GVV/SIR legislation. Where applicable, the binding nomination right of the Reference Shareholder shall be applied in the nomination (as per Article 15 of the WDP Articles of Association).

The selection of a new director is based on a professional, objective selection process.

For each nomination to the Board of Directors, an evaluation is made of the competencies, knowledge and experience already present or required. This evaluation is initiated by the Nomination Committee in collaboration with the chair of the Board of Directors and the Remuneration Committee.

In light of this evaluation, a description of the required role, competencies, knowledge and experience is drawn up. Based on this profile, the Nomination Committee searches for candidates who have the required competencies. The Nomination Committee then checks the curriculum vitae and references of the candidates. The final list of candidates is drawn up taking into account the relevance of their references, and for those candidates who are already directors, an evaluation of their performance. For non-executive directors, the number and importance of their other commitments is also taken into account. After the candidates have been identified, they meet individually with the chairman of the Board of Directors as well as one or more members of the Nomination Committee, if necessary. In any case, the candidates on the final list are screened by an independent recruitment agency (head-hunter) and, if necessary, an assessment is organised to provide additional screening of the competencies of the candidates.

After the aforementioned procedure, and based on the recommendations of the Nomination Committee, the chairman of the Board of Directors presents a list of candidates for the position of WDP director to the Board of Directors for analysis and approval.

## CORPORATE GOVERNANCE STATEMENT

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Following the decision of the Board of Directors, the nomination of the selected candidate is submitted for the approval of the General Meeting. This proposal is accompanied by a recommendation by the Board of Directors and mentions the proposed term of appointment as well as the relevant information concerning the professional qualifications of the candidate, together with a list of the positions that the candidate already holds.

For the sake of clarity, the foregoing procedure also applies in the event of a reappointment of a director.

As soon as a director vacancy arises, a new director is co-opted as soon as possible and/or desired. The next General Meeting must confirm the appointment of the co-opted director.

### Chairman of the Board of Directors

The chairman is appointed from the members of the Board of Directors. He is a person recognised for his professionalism, independence of mind, coaching skills, ability to reach consensus, and communication and meeting management skills.

The chairman is responsible for running and monitoring the progress of the meeting of the Board of Directors. The role of chairman of the Board of Directors and of CEO cannot be performed by the same person.

The chair is responsible for the quality and continuity of the Board of Directors, ensures effective communication with shareholders and acts as an intermediary between the Board of Directors and the members of the Management Committee, while accomplishing professional and constructive interaction between the Board of Directors and the Management Committee.

### Evaluation

At least once every three years, the Board of Directors evaluates its own performance, its interaction with the Management Committee and its members, as well as its size, membership and operation and that of its committees.

The evaluation process is led by the chairman and is also monitored by the Nomination Committee. Its objectives include:

- ◆ assessing the operation of the Board of Directors or of the relevant committee;
- ◆ verifying whether important matters are properly prepared and discussed;
- ◆ assessing the effective contribution of each director on the basis of his/her attendance at the Board of Directors meetings or the relevant committee and his/her constructive involvement in the discussions and decision-making. For this evaluation, a minimum attendance rate of 75% is taken into account (on an individual basis), unless a satisfactory explanation for a lower attendance rate is available (e.g. health issues or family situation);
- ◆ verifying whether the actual composition of the Board of Directors and committees is appropriate.

The evaluation is conducted through a formal procedure that may or may not be facilitated externally, in keeping with a methodology approved by the Board of Directors.

On the one hand, evaluation of the directors (as members of the Board of Directors and as members of a committee) is ongoing, in particular mutual evaluation amongst colleagues. If a director has doubts about the contribution of another director, the former may raise this as an agenda item for the Board of Directors or in the relevant committee, or discuss the matter with the chairman of the Board of Directors. The chairman may then take the necessary steps, at the chairman's own discretion.

On the other hand, all directors are evaluated individually once a year, and more often where applicable, by the Nomination Committee, taking into account factors such as their attendance rate at the Board of Directors and relevant committee meetings (see above the minimum attendance rate), level of participation in meetings, commitment,



## CORPORATE GOVERNANCE STATEMENT

suggestions brought forward outside of meetings, provision of innovative ideas based on their experience on other boards or committees, constructive involvement in discussions and decision-making and their sense for risk identification and mitigation. The Nomination Committee also assesses whether the contribution of each director adapts to changing circumstances.

The Board of Directors takes action based on the results of this performance evaluation. Where applicable, this means nominating new members for appointment, proposing that existing members not be reappointed, or taking measures that are considered useful for the effective operation of the Board of Directors.

**IN 2020 |** In terms of the functioning of the Board of Directors in 2020, the Nomination Committee arrived at the joint conclusion that current cooperation among the directors is satisfactory and proactive. The Committee also believes that the interaction between the Board of Directors (through its chair) and the Management Committee (such as through its CEOs and the CFO) is working extremely well, and that there is a steady flow of information. The new corporate governance structure thus already appears to be a solid foundation. During the Covid-19 pandemic, the Board of Directors was able to hold consultations remotely on a regular basis and ad hoc if necessary. This was possible thanks to WDP's coherent and lean corporate governance structure, and also to each director's significant degree of involvement and flexibility. The Board of Directors, at the recommendation of the Nomination Committee, has concluded that each director individually has fulfilled the role of director in a proper and constructive manner. Discussions and decisions show a high level of commitment, with adequate interest in risk identification and management. Moreover, thanks to their mutually complementary skills, the directors form a formidable collective whole.

### Statements

Based on the information at its disposal, the Board of Directors of WDP states that:

- ◆ the members of the Board of Directors and the Management Committee do not share any kind of familial connections;
- ◆ none of the directors or Management Committee members have been convicted of any fraud-related offences, at least during the past five years;
- ◆ none of the directors or Management Committee members, at least during the last five years, have been the subject of official and public allegations and/or penalties imposed by a statutory or supervisory authority (including a recognised professional association), or have ever been declared by a court to be unfit to act as a member of a managerial, supervisory or oversight body of a Company or to act within the framework of the management or performance of the activities of a Company;
- ◆ at least in the five past years, none of the directors or Management Committee members, have held a supervisory role as a senior manager or member of a managerial, supervisory or oversight body of a Company, at the time of a bankruptcy, moratorium of payment or liquidation, with the exception of Frank Meysman, who was chair of the Board of Directors of the Thomas Cook Group when it was dissolved on 22 September 2019 and Christoffel De Witte who (acting in his capacity as permanent representative of REAL ISTIC) was director and liquidator in the voluntary liquidation of SFELK-IMMO, concluded on 31 October 2016; and
- ◆ that none of the directors or Management Committee members have concluded any management or employment agreement that provides for a severance payment at the end of the contract, with the exception of what is stated on this subject in the Remuneration Report hereafter.

CORPORATE GOVERNANCE STATEMENT

Committees of the Board of Directors

The Board of Directors has formed specialised committees to advise it regarding decisions to be taken, to ensure that certain matters are adequately addressed, and if necessary, to bring specific matters to the attention of the Board of Directors.

However, decision-making remains the collective responsibility of the Board of Directors.

The Board of Directors has formed three specialised committees within WDP, each with its own internal regulations: the Audit Committee, the Nomination Committee and the Remuneration Committee.

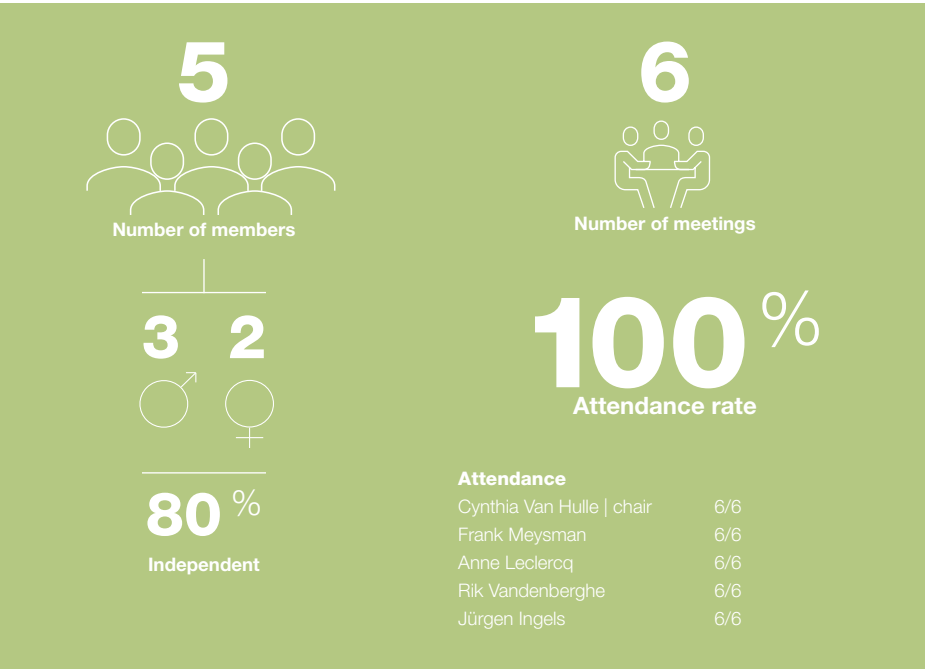
All committees may decide to invite members of the Management Committee as well as executive and management personnel to attend committee meetings and to provide them with relevant information and insights relating to their areas of responsibility. Furthermore, each committee may speak with any relevant person without a member of the Management Committee present.

Each committee may also gather external professional advice, at the expense of the Company, on topics falling under the specific competencies of the committee. The chairman of the Board of Directors must in fact be informed of this in advance, taking into consideration the financial impact on the Company.

After each committee meeting, the Board of Directors receives a report on the findings and recommendations of the committee in question as well as oral feedback at a future Board meeting.

Audit Committee

Membership



Role and responsibilities of the Audit Committee

The Audit Committee supports the Board of Directors in the fulfilment of its monitoring responsibilities, ensuring control in the broadest sense, including risk control.

## CORPORATE GOVERNANCE STATEMENT

The main responsibilities of the Audit Committee are:

- ◆ monitoring of the financial reporting process;
- ◆ monitoring the effectiveness of the Company's systems for internal control and risk management;
- ◆ monitoring the internal audit and its effectiveness;
- ◆ monitoring of statutory auditing of the financial statements and the consolidated financial statements, including follow-up on questions and recommendations posed by the statutory auditor;
- ◆ assessment and monitoring of the independence of the statutory auditor.

The Audit Committee reports regularly to the Board of Directors on the performance of its duties and whenever the Board of Directors draws up the annual financial statements, the consolidated annual financial statements and the condensed financial summary intended for the public. Prior to all half-yearly meetings of the Board of Directors, the statutory auditor must prepare and present an interim report to the Audit Committee.

### Functioning of the Audit Committee

The Audit Committee meets at least five times a year and whenever it deems such necessary for proper performance of its duties, at the request of its chair, one of its members, the chair of the Board of Directors or one of the co-CEOs. The chair of the Audit Committee prepares the agenda for each meeting, where applicable in consultation with the chair of the Board of Directors or supplemented with points requested by Management Committee members. The advice and recommendations are taken by majority. The chairman of the Audit Committee does not have a casting vote.

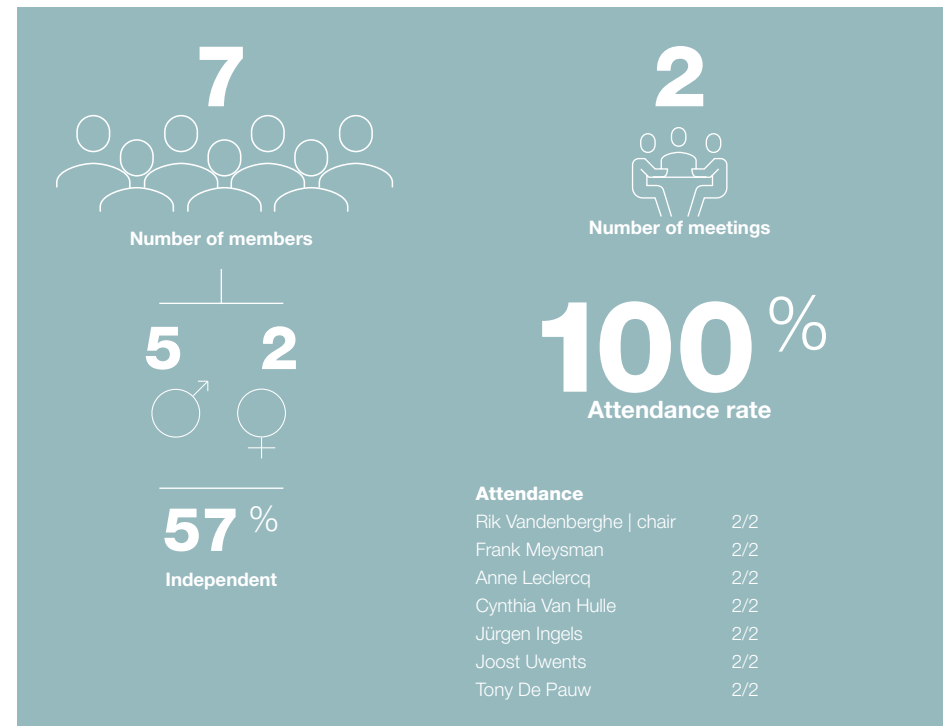
At least one member of the Audit Committee must possess the necessary expertise in the field of accounting and auditing and, as an independent director, must meet Article 7:87 CCA. At this time, Cynthia Van Hulle meets these conditions.

**IN 2020** | the Audit Committee mainly discussed the following items in the performance of its duties:

- ◆ quarterly review of accounts, periodic press releases and financial reports;
- ◆ analysis of internal management procedures and independent control duties along with effective management (based on the internal audit by the external internal auditor and the audit by the statutory auditor), also with a view to the required reporting to the FSMA;
- ◆ monitoring of changes in the law and regulations.

### Nomination Committee

#### Membership



CORPORATE GOVERNANCE STATEMENT

Role and responsibilities of the Nomination Committee

The task of the Nomination Committee is to advise the Board of Directors on appointments of directors, CEOs and other members of the Management Committee (on the proposal of the CEO).

The main responsibilities of the Nomination Committee are:

- periodically evaluating the optimal size and membership of the Board of Directors and, if necessary, advising the Board of Directors on this topic;
- leading the (re)appointment process for directors;
- evaluating candidates for a position on the Management Committee;
- drawing up plans for the orderly succession of the directors, together with the chair of the Board of Directors;
- assisting the chair with the performance evaluations of the Board of Directors, the committees and the Management Committee;
- providing appropriate programmes for talent development and for promoting diversity in leadership.

Functioning of the Nomination Committee

The Nomination Committee meets often enough to enable it to carry out its duties effectively, and at least twice a year. The chairman of the Nomination Committee may convene a meeting whenever necessary, or at the request of one of its members.

The chairman of the Nomination Committee draws up the agenda for each meeting, if necessary in consultation with the chairman of the Board of Directors or supplemented with items requested by members of the Nomination Committee or Management Committee.

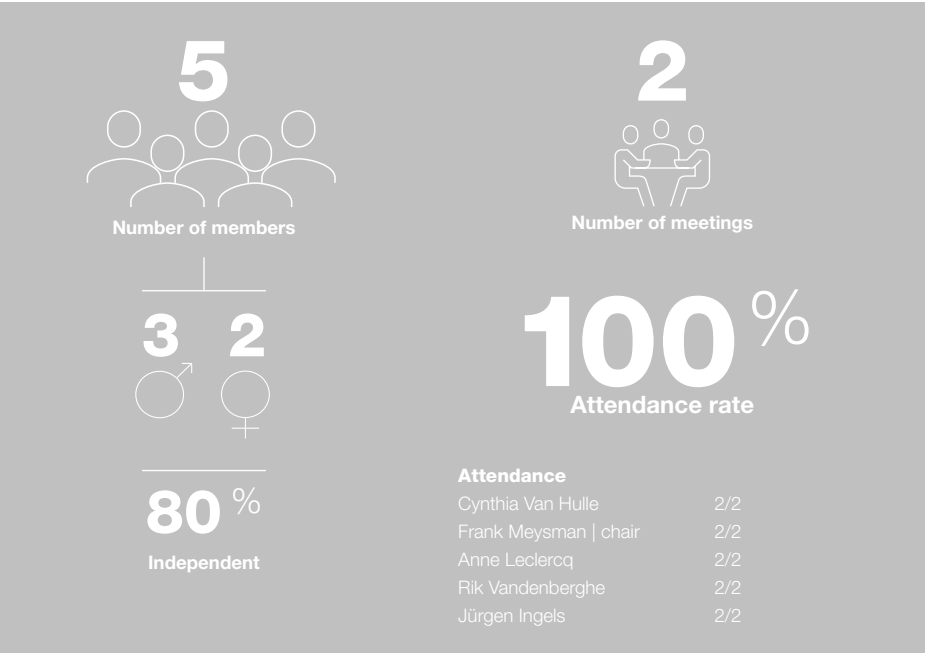
The Nomination Committee aims for consensus. If the Nomination Committee cannot reach a consensus on a specific topic, the chairman of the Nomination Committee will refer it to the Board of Directors, explaining the different positions of the members of the Nomination Committee.

IN 2020 | the Nomination Committee mainly discussed the following items in the performance of its duties:

- evaluation and membership of the Board of Directors; and
- annual evaluation of the members of the Board of Directors;

Remuneration Committee

Membership



## CORPORATE GOVERNANCE STATEMENT

### Role and responsibilities of the Remuneration Committee

The role of the Remuneration Committee consists of assisting and advising the Board of Directors on all issues concerning the remuneration policy and remuneration techniques for the directors and members of the Management Committee.

The main responsibilities of the Remuneration Committee are:

- ◆ it submits proposals to the Board of Directors on the remuneration policy of the directors, CEOs and other members of the Management Committee;
- ◆ it submits proposals to the Board of Directors on the individual remuneration of the directors and members of the Management Committee, including variable remuneration and long-term performance bonuses, possibly linked to shares in the form of share options or other financial instruments, and severance payments, and on the resulting proposals to be submitted to the shareholders by the Board of Directors;
- ◆ it evaluates the performance of the CEOs and other members of the Management Committee compared to the agreed performance targets and submits proposals on this to the Board of Directors:
  - in the case of the CEOs, this is done on the basis of a reasoned proposal by the chairman of the Board of Directors;
  - in the case of other members of the Management Committee, this is done on the basis of a reasoned proposal by the CEOs in consultation with the chairman of the Board of Directors;
- ◆ it prepares the remuneration report that the Board of Directors attaches to the Corporate Governance Statement included in the Annual Report and explains it at the annual General Meeting.

### Functioning of the Remuneration Committee

The Remuneration Committee meets often enough to enable it to carry out its duties effectively, and at least twice a year. The chairman of the Remuneration Committee may convene a meeting whenever necessary, or at the request of one of its members. The chairman of the Remuneration Committee draws up the agenda for each meeting, if necessary in consultation with the chairman of the Board of Directors or supplemented with items requested by members of the Remuneration Committee and/or the Management Committee.

The Remuneration Committee aims for consensus. If the Remuneration Committee cannot reach a consensus on a specific topic, the chairman of the Remuneration Committee will refer it to the Board of Directors, explaining the different positions of the members of the Remuneration Committee.

**IN 2020 |** the Remuneration Committee mainly discussed the following items in the performance of its duties:

- ◆ preparation of the remuneration report of 31 December 2019;
- ◆ proposal of the new remuneration policy to the Board of Directors, including the proposal regarding targets in the context of 2020 variable remuneration, as well as the individual remuneration for the 2020 business year.

## Management Committee

By a decision of the Board of Directors, a Management Committee was created on 1 October 2019 to act as an advisory body to the Board of Directors.

### Membership

#### Principles

The members are appointed by the Board of Directors on the recommendation of the Nomination Committee. Members of the Management Committee may be either natural persons or legal entities. In the case of a legal entity, it must appoint a single permanent representative who will represent it at Management Committee meetings.

## CORPORATE GOVERNANCE STATEMENT

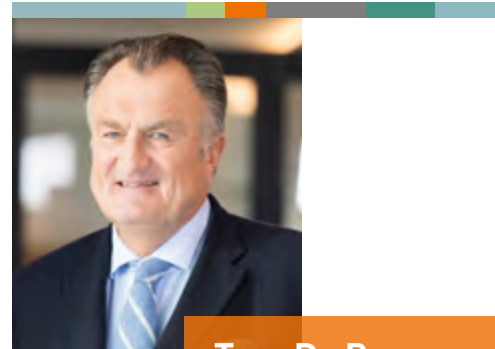
The Board of Directors decides the length of the term of each member of the Management Committee at the time of his appointment.

The remuneration, term and conditions for dismissal of a member of the Management Committee are governed by an agreement between each Management Committee member and the Company (with approvals by the Board of Directors and on the recommendation of the Nomination Committee and Remuneration Committee).

The Management Committee members have selected the address of the registered office of WDP NV as their office address, with a view to their role in WDP NV.

### Membership

| Name                  | Capacity                 |
|-----------------------|--------------------------|
| Tony De Pauw          | Co-CEO                   |
| Joost Uwents          | Co-CEO                   |
| Mickaël Van den Hauwe | Chief Financial Officer  |
| Christoffel De Witte  | Country Manager BE-LU-FR |
| Michiel Assink        | Country Manager NL       |
| Jeroen Biermans       | Country Manager RO       |
| Marc De Bosscher      | Chief Technical Officer  |



**Tony De Pauw**

Born in 1954

We refer to the description above under Board of Directors



**Joost Uwents**

Born in 1969

We refer to the description above under Board of Directors



## CORPORATE GOVERNANCE STATEMENT



**Mickaël Van den Hauwe**

Born in 1981

**Other active terms on 31 December 2020**  
BE-REIT Association

**Terms ending on 31 December 2020, but held in the period from 2015 onwards**  
–

**WDP shareholdings**  
3,000

has been CFO of WDP since 2011 and is responsible for Finance, Investor relations and IT. He studied at the Solvay Business School at the Free University of Brussels and is a business engineer specialising in Finance. He started his career as a controller at Unilever Bestfoods Belgium before moving on to Delta Lloyd – Bank Nagelmackers, where he gained experience as a buy-side specialist. In 2005, he accepted a position as a sell-side analyst of property shares for Dexia. Four years later, he became a sell-side analyst for KBC Securities.



**Michiel Assink**

Born in 1977

**Other active terms on 31 December 2020**  
–

**Terms ending on 31 December 2020, but held in the period from 2015 onwards**  
CBRE (Senior Director)

**WDP shareholdings**  
0

became Country Manager Netherlands for WDP in 2017 and heads the WDP office in Breda. Before this, he worked at real estate broker CBRE for 13 years, serving in multiple roles, such as Business Unit Director/Senior Industrial & Logistics Director and Associate Capital Markets Director. He holds a BSC in Economics Marketing.

## CORPORATE GOVERNANCE STATEMENT

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**Christoffel  
De Witte**

Born in 1967

is WDP's Country Manager Belgium, Luxembourg and France since 2014 and in that role coordinates the sales team and the property managers. He holds a Master in Business Economics and a Master in Real Estate Management. He is also a member of the Royal Institute of Chartered Surveyors.

Christoffel has over 25 years of experience in corporate real estate. He started his career as a real estate broker before joining UK logistics REIT Segro, serving in several commercial roles in Belgium over a ten-year period. From 2007 to 2008, he was the Europe Development Director and Belgium Country Manager at US REIT First Industrial. After this, he worked as the Managing Director of Belgian real estate developer MG Real Estate for five years.

**Other active terms  
on 31 December 2020**

REAL ISTIC  
BM De Witte  
Comaan (joint shareholder)

**Terms ending on 31 December  
2020, but held in the period from  
2015 onwards**

SFELK-IMMO

**WDP shareholdings**

0



**Jeroen Biermans**

Born in 1971

After his law studies, Jeroen specialised in export management and logistics. He first spent two years working at the Bar of Antwerp before taking a position as an international legal and financial controller at Den Braven Sealants. In 2001, Jeroen became an international entrepreneur through joint ventures with Romanian, Dutch and Belgian partners. Since 2007, he has been responsible for expanding the WDP property portfolio in Romania as the Country Manager and co-shareholder.

**Other active terms  
on 31 December 2020**

J.B. Top Pro Invest  
Vuurkruisenbizz  
Antonino Invest  
Apartementele Trandafirul  
Asta Pro Invest  
Beltech  
Brabuild Invest  
Joca Invest  
NBR Pro Invest SRL  
Paulina Invest  
San Carlo Invest  
Mills Invest  
Lamast Invest

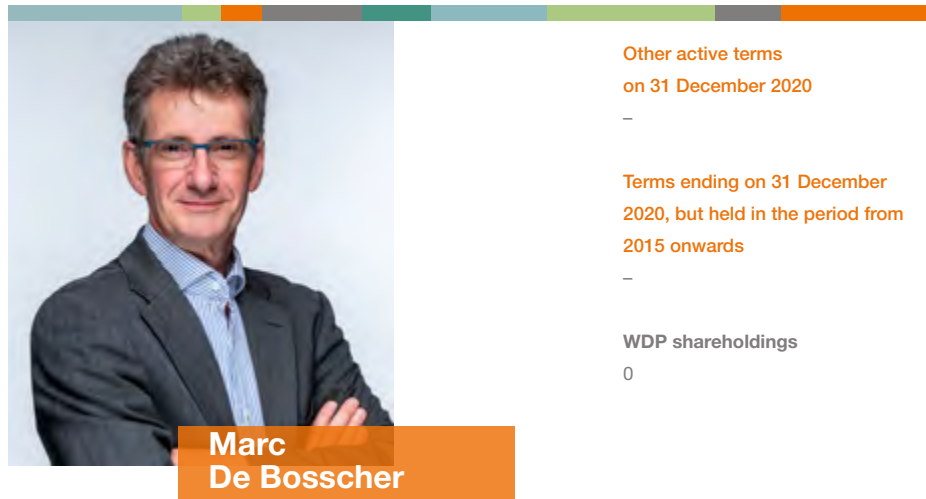
**Terms ending on 31 December  
2020, but held in the period from  
2015 onwards**

–

**WDP shareholdings**

0

## CORPORATE GOVERNANCE STATEMENT



Born in 1963

as CTO, is responsible for project development in WDP. He draws from years of experience in project management and development in numerous roles at renowned companies. For instance, he was Technical Director at Armonea, Project Manager at Besix, and Project Coordinator at the University Hospital of Leuven. He also spent over 14 years working internationally as a Project Coordinator for DEME.

After his studies in Applied Science (Civil Engineer, Architect), he was an assistant at the University of Ghent.

Other active terms  
on 31 December 2020

–

Terms ending on 31 December  
2020, but held in the period from  
2015 onwards

–

WDP shareholdings  
0

## Role and responsibilities of the Management Committee

The role of the Management Committee is to consult with the Board of Directors and advise them on the day-to-day management of WDP, and always in accordance with the values, strategy, general policy and business plan determined by the Board of Directors.

The role of the CEOs is to work with the other members of the Management Committee on the following:

- ◆ implementing the WDP mission, policy plan and strategic objectives as determined by the Board of Directors;
- ◆ implementing the decisions of the Board of Directors and following up on the performance and results;
- ◆ reporting to the Board of Directors on the progress of all matters and files that fall under the competence of the Board of Directors.

The Board of Directors has delegated the day-to-day management to both CEOs, each of whom may act alone, within the meaning of Article 7:121 CCA. The day-to-day management comprises all actions and decisions that do not extend beyond the needs of the Company's day-to-day proceedings as well as the actions and decisions which, due to their lesser importance or urgency, do not justify the intervention of the Board of Directors.

**ACTION 2021** | Given the growth and internationalisation, WDP currently develops a delegation matrix. In the current structure, each member of the Management Committee is individually responsible for certain aspects of the day-to-day management of the Company and its business:

- ◆ to this end, the Board of Directors delegates special powers of decision and representation to the two CEOs.
- ◆ the allocation of individual and special decision-making and representational powers to the other members of the Management Committee is done through sub-delegation by the two CEOs.

## CORPORATE GOVERNANCE STATEMENT

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These delegations will be published in an update to the Corporate Governance Charter in the course of 2021 as soon as the delegation matrix is finalised. In the meantime, the civil and corporate laws will apply to the responsibilities and decision-making and representational powers of the Board of Directors, the CEOs and the members of the Management Committee. In this context, we refer to Articles 17, 21 and 22 of WDP's Articles of Association.

### Functioning of the Management Committee

The Management Committee meets when convened by its chairman, in principle once a month. When necessary, the committee can be convened at any time by the chair, or at the request of at least two members.

One of the two CEOs acts as the chairman of the Management Committee. The chairman of the Management Committee may elect to invite members of the internal organisation of WDP or other specialists in a certain field to Management Committee meetings on an ad hoc basis. If the chairman is not present, those present appoint an ad hoc chairman after joint consultation.

Any member may add items to the agenda and in any case, each member is required to ensure that any decision to be taken by him under the powers delegated to him and which are essential to the day-to-day management of the Company be added to the agenda.

Valid deliberation can only take place if all members of the Management Committee have been invited and the majority is present. The members of the Management Committee who were not present are informed by the chairman of the discussions that took place in their absence.

Even though the decision-making powers are attributed to each member of the Management Committee acting individually or together with another member of the Management Committee, the Management Committee strives to reach a consensus on the envisaged decisions.

In any case, the Management Committee decides unanimously on the report addressed to the Board of Directors. If unanimity cannot be reached (e.g. regarding which items should be included in the report to the Board of Directors, or regarding the scope of reporting on a specific topic), then that item will be reported separately to the Board of Directors, with a summary of each of the positions within the Management Committee.

The minutes of the meeting are drawn up by the chairman, or a secretary designated during the meeting. The minutes are signed by the chairman and any member who so requests.

The Management Committee is represented at the Board of Directors by one of the two CEOs, who submit comments through the unanimously approved report of the Management Committee.

As such, the Management Committee has no authority to represent the Company.

### Evaluation of the Management Committee

The Management Committee will make an annual evaluation of its own functioning, powers and responsibilities. The chairman of the Management Committee shall present and discuss the results of this evaluation with the Board of Directors. The Board of Directors can, if necessary, take appropriate measures. The Management Committee can in turn act on the results of the evaluation by recognising its strengths and improving its weaknesses.

## CORPORATE GOVERNANCE STATEMENT

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“ Each employee is indispensable to the success of the Company. Every individual is valuable. Together we are one team. Each with their own talents, culture and personality. Each employee is valued and respected for who they are and for their skills, knowledge and experience.



## Diversity policy

Diversity in all of its facets (culture, gender, language, professional experience, etc.), equal opportunity and respect for human capital and human rights are intrinsic to the WDP business culture. The Company firmly believes that these values contribute towards balanced interaction, enrichment of vision and thinking, innovation and an optimal working environment.

WDP has set some diversity guidelines for members of the Board of Directors and the Management Committee. These guidelines are reflected in the internal rules of the Board of Directors and the Nomination Committee, describing the procedure for nomination and evaluation of directors and members of the Management Committee. The selection process for members of the Board of Directors and Management Committee strives to ensure complementary **skills, knowledge and experience and diversity in terms of education, knowledge, gender, age, experience, nationality, etc.**

This results in a Board of Directors that is highly balanced in its skills, knowledge and experience. The membership of the Board of Directors (two women and five men) also meets the legal provisions on gender diversity (Article 7:86 CCA). The members of the Management Committee also represent a balanced team, each with his own required expertise (see below for their curriculum vitae), albeit with regard to gender. However, it must be taken into account that the Management Committee is assisted by a dedicated corporate Shared Services team. As the Company has only a rather small team with a flat structure, it is more appropriate to consider gender across the entire group. More clarification on the different facets of diversity in this respect are available in the chapter 4. ESG.

## CORPORATE GOVERNANCE STATEMENT

## Remuneration report

### Introduction

This remuneration report was drafted according to the provisions of 3:6 (§3) CCA and is a special part of the WDP Corporate Governance Statement. It has also been drafted in the spirit of the European Commission's non-binding draft guidelines for the standardised presentation of the remuneration report.<sup>1</sup>

It covers the period from 1 January 2020 to 31 December 2020.

This Remuneration Report describes the remuneration of and the application of the remuneration policy to the members of the Board of Directors and the members of the Management Committee, as well as on the actual performance of the members of the Management Committee compared to the targets set.

On 29 April 2020, the WDP General Meeting approved the new remuneration policy with a large majority (97.3% of the votes present gave their approval). This new remuneration policy took effect on 1 January 2020. The remuneration report for the performance year 2019 was also approved by a large majority of 95.32% of the votes present. And there were no specific comments to be taken into account in the remuneration for performance year 2020.



**Consult our Remuneration Policy –  
Corporate Governance Charter**

**In 2020, WDP posted  
a strong result:**



**1.00**  
euro

EPRA Earnings per share



**591 m**  
euros

Portfolio growth



**98.6** %

Occupancy rate



**37** h

of training per employee on average



MSCI  
ISS ESG

BBB  
Not Prime C-



Training the brains



Digital  
transformation



ESG Ratings

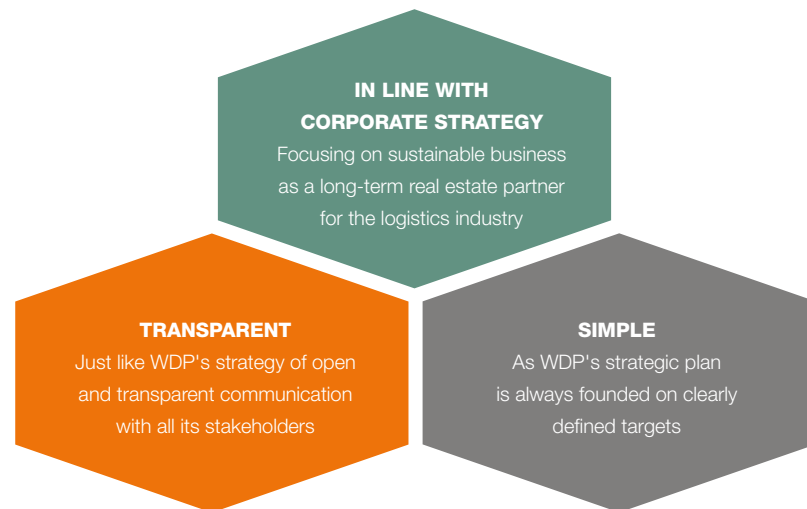


<sup>1</sup> Draft guidelines on the standardised presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828, as regards the encouragement of long-term shareholder engagement.



## CORPORATE GOVERNANCE STATEMENT

## Application of the remuneration policy in 2020



The total remuneration of the **non-executive members of the Board of Directors** corresponds to the amounts approved by the General Meeting of 29 April 2020. These amounts are in line with WDP's remuneration policy: a fixed directors' fee that takes account of each individual director's responsibilities and is considered sufficient to attract the right profiles to contribute to WDP's strategy.

The total remuneration in 2020 of the **members of the Management Committee** is also in line with the remuneration policy. This remuneration consists of a fixed remuneration and a variable remuneration.

- ◆ The fixed remuneration is in line with the provisions of the remuneration policy and with the amounts set by the Board of Directors (on the recommendation of the Remuneration Committee) in February 2020.
- ◆ The short-term and long-term variable remuneration is also in line with the remuneration policy. The criteria for the short-term and long-term variable remuneration are linked to WDP's financial performance: EPS, portfolio growth, occupancy rate. In this way, the remuneration policy emphasises the creation of stable cash flows. Moreover, the variable remuneration is linked to achieving WDP's objectives in terms of ESG, its risk management policy and its long-term development.

As part of its annual analysis of the remuneration policy and in line with the decision-making process provided for in the remuneration policy, the Board of Directors — acting on the advice of the Remuneration Committee — made a decision on 25 January 2021 to bring the way the CFO is remunerated fully in line with the way the co-CEOs are remunerated, taking into account the individual responsibilities of the CFO and his status as an effective leader.

The remuneration policy (as approved at the General Meeting of 29 April 2020) already provided for a number of elements specifically for effective leaders, meaning the co-CEOs and the CFO, being the application of a claw-back mechanism, a termination date in case of the loss of 'effective leader' status and a severance payment in case of dismissal of an effective leader within six months of a public takeover bid. As a consequence, the percentage of the annual fixed remuneration allocated to the CFO as variable remuneration now also stands at 90%, with effect from the 2020 performance year. For the sake of consistency, the same weighting of quantitative and qualitative performance targets will also be applied.

## CORPORATE GOVERNANCE STATEMENT

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## The Remuneration Policy Management Committee as per the foregoing decision of the Board of Directors

## Fixed remuneration

The Board of Directors sets the fixed remuneration annually, taking into account factors such as:

- ◆ position and corresponding responsibilities
- ◆ social security status, experience, competencies
- ◆ local regulations
- ◆ benchmark provided by the Remuneration Committee

The annual remuneration may be reviewed based on changes in the preceding parameters.

## Variable remuneration

Each year, the Board of Directors determines the variable remuneration as a percentage of the annual fixed remuneration.

The annual variable remuneration in cash (i.e. the amount related to the 100% achievement of the targets) amounts to:

- ◆ for the CEOs and CFO, 90% of the annual fixed remuneration
- ◆ for the other members of the Management Committee, 80% of the annual fixed remuneration.

## Short-term | annual

## Annual payment

125% cap

## ■ Quantitative

EPS

Portfolio growth

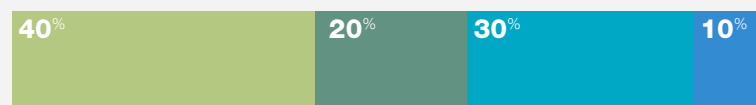
Occupancy rate

## ■ Qualitative

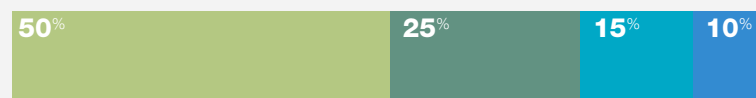
Min. 1 ESG (KPI)

Min. 1 Risk management (KPI)

## Co-CEO's and CFO



## other members ManCom



## Long-term | 2020-23

## Partially deferred payment

125% cap

## ■ Quantitative

EPS 1.15 euros

Growth of portfolio value to 5 billion euros

MSCI: A

ISS ESG Corporate Rating: Prime

## ■ Qualitative

Contribution to WDP's long-term development

## CORPORATE GOVERNANCE STATEMENT

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## Total remuneration

The table below sets out the total remuneration of the directors, the CEOs and, on an aggregated basis, the other members of the Management Committee.

## Total remuneration (in euro)

| Name   function                                                        | Year              | Fixed remuneration       |      |                             | Variable remuneration |                     | Extra-ordinary items | Pension expense <sup>3</sup> | Total remuneration | Proportion of the fixed and variable remuneration |          |
|------------------------------------------------------------------------|-------------------|--------------------------|------|-----------------------------|-----------------------|---------------------|----------------------|------------------------------|--------------------|---------------------------------------------------|----------|
|                                                                        |                   | Base salary <sup>2</sup> | Fees | Other benefits <sup>5</sup> | One year variable     | Multi-year variable |                      |                              |                    | Fixed                                             | Variable |
| Tony De Pauw   executive (CEO) <sup>1</sup>                            | 2020              | 350,000                  | N/A  | 17,000                      | 206,325               | 0                   | 0                    | N/A                          | 573,325            | 64%                                               | 36%      |
|                                                                        | 2019 <sup>4</sup> | 312,500                  | N/A  | 16,250                      | 160,000               | 160,000             | 102,500              | N/A                          | 751,250            | 44%                                               | 56%      |
| Joost Uwents   executive (CEO) <sup>1</sup>                            | 2020              | 535,000                  | N/A  | 2,600                       | 315,710               | 0                   | 0                    | N/A                          | 853,310            | 63%                                               | 37%      |
|                                                                        | 2019 <sup>4</sup> | 433,750                  | N/A  | 2,750                       | 160,000               | 160,000             | 102,500              | N/A                          | 859,000            | 51%                                               | 49%      |
| Rik Vandenberghe   non-executive (chairman of the Board of Directors)  | 2020              | 75,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 75,000             | 100%                                              | 0%       |
|                                                                        | 2019 <sup>4</sup> | 75,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 75,000             | 100%                                              | 0%       |
| Frank Meysman   non-executive (chairman of the Remuneration Committee) | 2020              | 35,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 35,000             | 100%                                              | 0%       |
|                                                                        | 2019 <sup>4</sup> | 30,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 30,000             | 100%                                              | 0%       |
| Cynthia Van Hulle   non-executive (chairman of the Audit Committee)    | 2020              | 35,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 35,000             | 100%                                              | 0%       |
|                                                                        | 2019 <sup>4</sup> | 30,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 30,000             | 100%                                              | 0%       |
| Anne Leclercq   non-executive                                          | 2020              | 35,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 35,000             | 100%                                              | 0%       |
|                                                                        | 2019 <sup>4</sup> | 30,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 30,000             | 100%                                              | 0%       |
| Jürgen Ingels   non-executive                                          | 2020              | 35,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 35,000             | 100%                                              | 0%       |
|                                                                        | 2019 <sup>4</sup> | 30,000                   | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | 30,000             | 100%                                              | 0%       |
| Management Committee (excl. CEOs) (in aggregate)                       | 2020              | 1,055,435                | N/A  | 24,733                      | 685,130               | 0                   | 0                    | 21,595                       | 1,786,893          | 62%                                               | 38%      |
|                                                                        | 2019 <sup>4</sup> | N/A                      | N/A  | N/A                         | N/A                   | N/A                 | N/A                  | N/A                          | N/A                | N/A                                               | N/A      |

1 Executive directors are remunerated only in their capacity as CEO and not in their capacity as members of the Board of Directors.

2 The base salary for the non-executive directors includes a fixed expense allowance of 3,500 euros per year.

3 The amounts stated here therefore are employer contributions to the WDP group insurance (defined contribution plan) for the year 2020, and are in addition to the variable remuneration received.

4 The reporting for the 2019 performance year reflects remuneration as per the remuneration policy in effect up to and including business year 2019. As no formal Management Committee had been instituted at that time, no reporting has been included for 2019.

5 These additional benefits consist of e.g. a company vehicle and a smartphone, for each of which a benefit in kind is calculated.

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**Explanation of the performance of the members of the Management Committee**

The fixed remuneration of the members of the Management Committee for 2020 as shown in the table Total Remuneration is equal to the remuneration as approved by the Board of Directors in February 2020.

The annual variable remuneration is 90% of the annual fixed remuneration for the CEOs and the CFO and 80% of the annual fixed remuneration for the other members of the Management Committee, upon 100% achievement of the performance targets.

**Short-term variable remuneration***Quantitative performance targets*

The short-term targets set by WDP in its 2019-23 growth plan are underpinned by linking the short-term performance targets of members of the Management Committee to the Company's financial performance, specifically at least each of the following criteria: EPS, portfolio growth, occupancy rate. These are weighted to 40% (co-CEOs and CFO) or 50% (other Management Committee members).

**PERFORMANCE 2020** | WDP's financial performance criteria were adopted by the Audit Committee in January 2021.

The following performance thresholds and ceilings were used for these criteria:

| < threshold | threshold | target | ceiling |
|-------------|-----------|--------|---------|
| 0           | 50%       | 100%   | 125%    |

Based on this, the Board of Directors—on the advice of the Remuneration Committee—determined in January 2021 that the quantitative performance objectives were achieved and above target.

*Qualitative performance targets*

The Board of Directors set at least 1 performance target for the Management Committee members regarding the implementation of the WDP ESG Roadmap and at least 1 regarding the implementation of WDP's risk management policy. These are weighted to 20% (co-CEOs and CFO) or 25% (other Management Committee members).

**PERFORMANCE 2020** | Based on the successful implementation of the internal training plan (see 4. ESG), the digital transformation (see 4. ESG) and further development of a customer risk tracking system (see 8. Corporate Governance Statement), the Board of Directors, on the advice of the Remuneration Committee, considered in January 2021 that the qualitative performance targets had been achieved on target.

**Long-term variable remuneration**

The long-term performance targets were also linked to the Company's long-term financial performance, specifically EPS and portfolio growth. In addition, part of the remuneration is conditional on achieving specific ESG ratings by 2023. The choice fell on the internationally recognised ESG rating agencies, ISS and MSCI, which use a framework that monitors a broad spectrum of environmental, social and governance topics and trends with a material impact on different industries and companies.

|                          | Target 2023 |
|--------------------------|-------------|
| ISS ESG Corporate Rating | Prime C     |
| MSCI                     | A           |

## CORPORATE GOVERNANCE STATEMENT

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Achieving the quantitative performance targets and the qualitative performance targets results in the following payments for performance year 2020:

### Performance of CEOs and other members of the Management Committee

| Name                      | Performance targets                   | Relative weight            | Measured performance vs. target |
|---------------------------|---------------------------------------|----------------------------|---------------------------------|
| <b>Joost Uwents   CEO</b> | <b>Short-term   quantitative (#4)</b> | <b>40%</b>                 |                                 |
|                           | EPS                                   | 10%                        | 100.00%                         |
|                           | Portfolio growth                      | 10%                        | 112.50%                         |
|                           | Occupancy rate                        | 10%                        | 125.00%                         |
|                           | Other                                 | 10%                        | 117.50%                         |
|                           | <b>Short-term   qualitative (#6)</b>  | <b>20%</b>                 |                                 |
|                           | ESG                                   | 3%                         | 100.00%                         |
|                           | Risk management policy                | 3%                         | 100.00%                         |
|                           | Other                                 | 14%                        | 100.00%                         |
|                           | <b>Long-term</b>                      | <b>40%</b>                 | <b>on track</b>                 |
|                           | EPS                                   | performance period ongoing |                                 |
|                           | Portfolio growth                      | performance period ongoing |                                 |
|                           | Occupancy rate                        | performance period ongoing |                                 |
|                           | ESG                                   | performance period ongoing |                                 |
|                           | Other                                 | performance period ongoing |                                 |

| <b>Total variable remuneration 2020</b> |                                       | <b>100%</b>                | <b>315,710 euros</b>            |
|-----------------------------------------|---------------------------------------|----------------------------|---------------------------------|
| Name                                    | Performance targets                   | Relative weight            | Measured performance vs. target |
| <b>Tony De Pauw   CEO</b>               | <b>Short-term   quantitative (#4)</b> | <b>40%</b>                 |                                 |
|                                         | EPS                                   | 10%                        | 100.00%                         |
|                                         | Portfolio growth                      | 10%                        | 112.50%                         |
|                                         | Occupancy rate                        | 10%                        | 125.00%                         |
|                                         | Other                                 | 10%                        | 117.50%                         |
|                                         | <b>Short-term   qualitative (#6)</b>  | <b>20%</b>                 |                                 |
|                                         | ESG                                   | 3%                         | 100.00%                         |
|                                         | Risk management policy                | 3%                         | 100.00%                         |
|                                         | Other                                 | 14%                        | 100.00%                         |
|                                         | <b>Long-term</b>                      | <b>40%</b>                 | <b>on track</b>                 |
|                                         | EPS                                   | performance period ongoing |                                 |
|                                         | Portfolio growth                      | performance period ongoing |                                 |
|                                         | Occupancy rate                        | performance period ongoing |                                 |
|                                         | ESG                                   | performance period ongoing |                                 |
|                                         | Other                                 | performance period ongoing |                                 |

## CORPORATE GOVERNANCE STATEMENT

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| Total variable remuneration 2020          |                                | 100%                         | 206,325 euros                   |
|-------------------------------------------|--------------------------------|------------------------------|---------------------------------|
| Name                                      | Performance targets            | Relative weight <sup>1</sup> | Measured performance vs. target |
| Members Management Committee (excl. CEOs) | Short-term   quantitative (#4) | 50%   40%                    |                                 |
|                                           | EPS                            | 12.50%   10.00%              | 100.00%                         |
|                                           | Portfolio growth               | 12.50%   10.00%              | 112.50%                         |
|                                           | Occupancy rate                 | 12.50%   10.00%              | 125.00%                         |
|                                           | Other                          | 12.50%   10.00%              | 117.50%                         |
|                                           | Short-term   qualitative (#6)  | 25%   20%                    |                                 |
|                                           | ESG                            | 4%   3%                      | 100.00%                         |
|                                           | Risk management policy         | 4%   3%                      | 100.00%                         |
|                                           | Other                          | 17%   14%                    | 100.00%                         |
|                                           | Long-term                      | 25%   40%                    | on track                        |
|                                           | EPS                            | performance period ongoing   |                                 |
|                                           | Portfolio growth               | performance period ongoing   |                                 |
|                                           | Occupancy rate                 | performance period ongoing   |                                 |
|                                           | ESG                            | performance period ongoing   |                                 |
|                                           | Other                          | performance period ongoing   |                                 |
| Total variable remuneration 2020          |                                | 100.00%                      | 685,130 euros                   |

<sup>1</sup> Depending on the position where the CFO has a weighting of 40% and 20% that applies in the short term and 40% in the long term. The other members of the Management Committee have a weighting of 50% and 25% for the short term and 25% for the long term.

## Share-related information

|                                                                                          |                      |
|------------------------------------------------------------------------------------------|----------------------|
| Shareholdings of directors and members of the Management Committee - for its own account | 31.12.2020           |
| Tony De Pauw                                                                             | 71,900 <sup>2</sup>  |
| Joost Uwents                                                                             | 168,244 <sup>3</sup> |
| Christoffel De Witte                                                                     | 0                    |
| Marc De Bosscher                                                                         | 0                    |
| Mickaël Van den Hauwe                                                                    | 3,000                |
| Michiel Assink                                                                           | 0                    |
| Jeroen Biermans                                                                          | 0                    |
| Rik Vandenberghe                                                                         | 10,000               |
| Frank Meysman                                                                            | 12,194               |
| Jürgen Ingels                                                                            | 0                    |
| Cynthia Van Hulle                                                                        | 0                    |
| Anne Leclercq                                                                            | 0                    |

For completeness, please refer to the explanation of the deviation from the recommendations of 2020 Code - principles 7.6 and 7.9.

<sup>2</sup> This number corresponds to a multiple of 6 times his base remuneration for 2020 (WDP share closing price on 31.12.2020, namely 28.26 euros). Naturally, Tony De Pauw via RTKA Maatschap, as Reference Shareholder, retains the majority of his participating interest in the Company.

<sup>3</sup> This number corresponds to a multiple of 9 times his base remuneration for 2020 (WDP share closing price on 31.12.2020, namely 28.26 euros).



**CORPORATE GOVERNANCE STATEMENT**

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**Severance pay**

In 2020, there were no departures from the Board of Directors or the Management Committee.

The remuneration policy gives an overview of the various departure times and contractually provided severance payments for members of the Management Committee.

**Use of clawback rights**

No use was made in 2020 of the contractually provided clawback mechanism in the agreements with the co-CEOs and the CFO.

This mechanism entitles WDP to reclaim a variable remuneration from the beneficiary, in full or in part, up to 1 year after its payment, if it turns out during that period that the payment took place on the basis of incorrect information about meeting the performance targets on which the variable remuneration is based, or about the circumstances on which the variable remuneration was made dependent, if such incorrect information was also due to fraud on the part of the beneficiary.

**Deviations from the remuneration policy**

In the implementation of the remuneration policy in 2020 there was no deviation from the procedures provided for therein, nor were any deviations permitted in the sense of Article 7:89/1, §5 CCA. As explained earlier under the 'Application of the remuneration policy in 2020' topic, the Board of Directors did decide to proceed with a non-material change in the way the CFO is remunerated, in line with the decision-making process provided for that purpose.

## CORPORATE GOVERNANCE STATEMENT

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## Evolution of the remuneration and performance of WDP

|                                                                                                                                                      | 2016 vs 2015  | 2017 vs 2016  | 2018 vs 2017     | 2019 vs 2018     | 2020 vs 2019 <sup>1</sup> | Remuneration<br>2020 (amount<br>in euros) |
|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|------------------|------------------|---------------------------|-------------------------------------------|
| <b>Total remuneration directors - annual change in %</b>                                                                                             |               |               |                  |                  |                           |                                           |
| Rik Vandenberghe   non-executive (chairman of the Board of Directors)                                                                                | N/A           | N/A           | N/A              | N/A              | 0%                        | 75,000                                    |
| Frank Meysman   non-executive (chairman of the Remuneration Committee)                                                                               | 10%           | 0%            | 9%               | 0%               | 17%                       | 35,000                                    |
| Cynthia Van Hulle   non-executive (chairman of the Audit Committee)                                                                                  | 10%           | 0%            | 9%               | 0%               | 17%                       | 35,000                                    |
| Anne Leclercq   non-executive                                                                                                                        | 10%           | 0%            | 9%               | 0%               | 17%                       | 35,000                                    |
| Jürgen Ingels   non-executive                                                                                                                        | N/A           | N/A           | N/A              | 50% <sup>2</sup> | 17%                       | 35,000                                    |
| <b>Remuneration Tony De Pauw   CEO - annual change in %</b>                                                                                          |               |               |                  |                  |                           |                                           |
| Total remuneration                                                                                                                                   | 14%           | 8%            | 5%               | 26%              | -24%                      | 573,325                                   |
| Base salary                                                                                                                                          | 7%            | 0%            | 3%               | 4%               | 12%                       | 350,000                                   |
| Variable remuneration + extra-ordinary items                                                                                                         | 22%           | 19%           | 7%               | 14%              | -51%                      | 206,325                                   |
| <b>Remuneration Joost Uwents   CEO - annual change in %</b>                                                                                          |               |               |                  |                  |                           |                                           |
| Total remuneration                                                                                                                                   | 14%           | 17%           | 7%               | 26%              | -1%                       | 853,310                                   |
| Base salary                                                                                                                                          | 10%           | 15%           | 7%               | 8%               | 23%                       | 535,000                                   |
| Variable remuneration + extra-ordinary items                                                                                                         | 22%           | 19%           | 7%               | 14%              | -25%                      | 315,710                                   |
| <b>Total remuneration other members Management Committee (excl. CEOs) - annual change in %<sup>3</sup></b>                                           |               |               |                  |                  |                           |                                           |
| Other members Management Committee (excl. CEOs) (in aggregate)                                                                                       | N/A           | N/A           | N/A              | N/A              | N/A                       |                                           |
| <b>WDP Performance</b>                                                                                                                               |               |               |                  |                  |                           |                                           |
| EPRA EPS - annual change in %                                                                                                                        | 7%            | 5%            | 7%               | 8%               | 8%                        |                                           |
| Portfolio growth - annual change in %                                                                                                                | 14%           | 21%           | 29%              | 21%              | 14%                       |                                           |
| Occupancy rate                                                                                                                                       | 97% vs 97.50% | 97.40% vs 97% | 97.50% vs 97.40% | 98.10% vs 97.50% | 98.60% vs 98.10%          |                                           |
| Rating MSCI                                                                                                                                          | BB vs BB      | B vs. BB      | BB vs B          | BBB vs BB        | BBB vs BBB                |                                           |
| ISS ESG Corporate Rating                                                                                                                             | D+ vs D       | D+ vs D+      | D+ vs D+         | D+ vs D+         | C- vs D+                  |                                           |
| <b>Average remuneration on a FTE basis of employees - annual change in %<sup>4</sup></b>                                                             |               |               |                  |                  |                           |                                           |
|                                                                                                                                                      | N/A           | N/A           | N/A              | 14%              | -4%                       |                                           |
| <b>2020</b>                                                                                                                                          |               |               |                  |                  |                           |                                           |
| <b>Ratio highest remuneration of member of the Management Committee / lowest remuneration (in FTE) of employees (Article 3:6 §3 CCA)<sup>5</sup></b> | 36.76         |               |                  |                  |                           |                                           |
| <b>Ratio total yearly remuneration CEO / average remuneration employee</b>                                                                           | 11.35         |               |                  |                  |                           |                                           |

1 The occasional large fluctuations at the level of the CEOs are entirely due to the fact that an extraordinary bonus was given in 2019 and a settlement took place according to the old remuneration policy. Moreover, as of 2020, a new remuneration policy has been in place with a deferred long-term variable remuneration.

2 This increase is explained by the fact that Jürgen Ingels received a remuneration in 2018 proportional to the basic remuneration for 8 months because his mandate commenced in April 2018.

3 As the Management Committee was only formally instituted as of 1.10.2019, the evolution of the total remuneration of the Management Committee will be reported for the first time in the Annual Report 2021.

4 The average employee remuneration is calculated based on *Remuneration and direct social benefits* divided by the *Average number of staff (in FTE)* as shown in Note XXIV. *Average workforce and breakdown of personnel costs to the financial statements* (i.e. on a consolidated basis). This comparison starts in 2018 as WDP Romania S.R.L. has been included in the scope of consolidation as of 1 January 2018.

5 The highest remuneration at present is the remuneration of Joost Uwents. The lowest remuneration of employees is calculated based on the workforce (in FTE) as shown in Note XXIV. *Average workforce and breakdown of personnel costs to the financial statements* (i.e. consolidated basis).

## CORPORATE GOVERNANCE STATEMENT

## Conflicts of interest

### Principle

The Company is subject to the provisions of the CCA and the special provisions of the GVV/SIR legislation regarding an integrity policy, and certain transactions referred to in Article 37 of the GVV/SIR Act.

The directors have a duty to protect the interests of all shareholders equally. Each director acts according to the principles of reasonableness and fairness.

When the Board of Directors or the members of the Management Committee take a decision, the members do not pursue their personal interests. Furthermore, they do not use business opportunities that are intended for the Company for their own benefit.

Directors nominated by a Reference Shareholder (on the basis of the binding nomination right) must ensure that the interests and intentions of said shareholder are sufficiently clear and are made known to the Board of Directors in a timely manner.

The directors and members of the Management Committee must adhere to all statutory and customary principles relating to conflicts of interest and comply with the prevention policy for conflicts of interest. In any case, WDP imposes on every member of the Board of Directors and Management Committee that the occurrence of conflicts of interest, or the perception of such conflicts, must be avoided as much as possible.

### Conflicts of interest involving directors

The statutory regulation relating to conflicts of interest for directors (Article 7:96 CCA) applies to decisions or actions falling under the competence of the Board of Directors when:

- ◆ a director has a direct or indirect proprietary interest, i.e. an interest with financial implications;
- ◆ this interest conflicts with the interest of the Company in the decision or action in question.

In accordance with this regulation, directors are obliged to point out such an interest to the other directors before a decision is taken. During discussion of the agenda item in question, they must leave the meeting. They cannot participate in the consultation or vote on this agenda item. A statement and explanation by the director concerned of the nature of the conflicting interest is set out in the minutes. In addition, the nature of the decision or action and the financial consequences for the Company are described, and an account is made of the decision taken.

**IN 2020 |** Tony De Pauw and Joost Uwents, in view of their conflict of interest of a patrimonial nature, did not participate in the deliberation and vote on their remuneration as co-CEOs at the Board of Directors meeting of 17 February 2020, on the one hand for settlement under the old remuneration policy, and on the other hand for the establishment of their remuneration and performance targets under the new remuneration policy. The proposal of the Remuneration Committee to grant a discretionary bonus to the co-CEOs results in the following capital consequences for WDP: a discretionary bonus in favour of Tony De Pauw, CEO, of 102,500 euros and a discretionary bonus in favour of Joost Uwents, CEO, also of 102,500 euros. The other members of the Board of Directors acknowledge that this remuneration of Tony De Pauw and Joost Uwents as co-CEOs is in WDP's interest, partly because of the special skills and expertise they both have, as well as their performance over the past 20 years.

## CORPORATE GOVERNANCE STATEMENT

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The capital consequences of the Remuneration Committee's proposal to award the variable remuneration for business year 2019 to the co-CEOs, as well as to fully settle the (partly previously) acquired variable remuneration under the previous remuneration policy, correspond to the amounts shown below:

- ◆ Tony De Pauw: variable remuneration of 320,000 euros (business year 2019);
- ◆ Joost Uwents: variable remuneration of 320,000 euros (business year 2019).

The other members of the Board of Directors acknowledge that the granting of this remuneration is in WDP's interest, partly because of the special skills and expertise they both have, as well as their performance in the previous business year.

The capital consequences for WDP as a result of the granting the remuneration of the co-CEOs for the 2020 business year correspond to the amounts shown below:

- ◆ Tony de Pauw: fixed remuneration of 350,000 euros and a variable remuneration of 315,000 euros (linked to 100% target achievement);
- ◆ Joost Uwents: fixed remuneration of 535,000 euros and a variable remuneration of 482,000 euros (linked to 100% target achievement).

In addition, there is a 12-month notice period in case of unilateral termination by WDP, an 18-month severance payment in case of a termination of the agreement by WDP or the manager as a result of a change of control (except in case of gross misconduct by the manager) and a non-compete clause. Following consultation, the other members of the Board of Directors decided that the granting for the aforementioned remuneration is in WDP's interest, partly because of the special skills and expertise they both have.

### Conflicts of interest involving transactions with affiliates

WDP must also comply with the procedure set out in Article 7:97 CCA if it makes a decision or performs an action related to: (a) relations between WDP and an affiliated Company, with the exception of its subsidiaries, and (b) relations between a subsidiary of WDP and an affiliated Company, with the exception of subsidiaries of that subsidiary.

Where appropriate, such a decision or transaction must be reviewed in advance by a committee of independent directors, assisted by one or more independent experts of their choice. Only after reviewing the recommendation of this committee will the Board of Directors deliberate on the proposed decision or transaction.

**IN 2020** | This procedure was not to be applied in 2020.

## CORPORATE GOVERNANCE STATEMENT

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**Functional conflicts of interest within the framework of the GVV/SIR Act**

The provisions of Articles 37 and 38 of the Belgian GVV/Sir Act apply to WDP. Article 37 of the GVV/SIR Act includes a functional conflict of interest regulation that holds that the GVV/SIR must inform the FSMA whenever certain persons affiliated with the public GVV/SIR act directly or indirectly as a counterparty in, or obtain any material gain from a transaction with, the public GVV/SIR or one of its subsidiaries.

The persons specified therein are:

1. persons controlling the public GVV/SIR or holding a stake in it;
2. persons who are affiliated with or have a participating interest in (a) the public GVV/SIR, (b) a perimeter Company of the public GVV/SIR, (c) the other shareholders of a perimeter Company of the public GVV/SIR;
3. the other shareholders of all perimeter companies of the public GVV/SIR; and
4. the directors, statutory managers, members of the executive committee, persons in charge of the day-to-day management, effective leaders or trustees of the public GVV/SIR or one of its perimeter companies, of the other shareholders of any perimeter Company of the public GVV/SIR; and one of the persons referred to in the provision under item 1).

The notification to the FSMA must indicate WDP's interest in the planned transaction and that it falls within its strategy. Article 38 of the Belgian GVV/Sir Act defines when the provisions of Article 37 of the Belgian GVV/Sir Act do not apply. Actions for which a functional conflict of interest exists must be completed under normal market conditions. If such a transaction concerns property, the valuation of the independent property expert is binding as a minimum price (in the event of the sale by the public GVV/SIR or its subsidiaries) or a maximum price (in the event of acquisition by the public GVV/SIR or its subsidiaries).

Operations of this kind, and the details to be reported, are published immediately. They are explained in the Annual Report and in the statutory auditor's report.

**IN 2020** | Potential functional conflicts of interests arose (both under the Belgian GVV/SIR Act and under the stricter definition applied by WDP), particularly within the framework of the optional dividend offered on 29 April 2020 to the shareholders and under which

certain directors as well as the Reference Shareholder derived some capital benefit from it, because of their capacity as shareholders of WDP. The Board of Directors approved the optional dividend, given that this transaction was in the interest of WDP (the capital increase accompanying the transaction boosted WDP shareholders' equity and, consequently, reduced its gearing ratio, which is limited by law). This transaction was also carried out under normal market conditions, with all shareholders treated equally.

**Other conflict of interest situations**

WDP applies a stricter definition of functional conflict of interest for matters falling under the competence of the Board of Directors or (a member of) the Management Committee.

Specifically, a member of the Board of Directors or the Management Committee has a functional conflict of interest if:

- ◆ the member or any of his close relations has a proprietary interest that conflicts with a decision or action of the Company;
- ◆ a Company that does not belong to the Group but in which the member or a close relative of the member fulfils a management or administrative role has a proprietary interest that is in conflict with a decision or action of the Company.

If such a functional conflict of interest arises, the member in question will notify his colleagues. They will then decide whether or not the affected member can vote on the matter to which the conflict of interest pertains and whether or not the member can attend discussions on the matter.

**IN 2020** | There were no such conflicts of interest in 2020.

**Recent potential situations of conflicts of interest**

Aside from the aforementioned conflicts of interest, no further potential conflicts of interest arose between WDP and any member of the Board of Directors or the Management Committee.

## CORPORATE GOVERNANCE STATEMENT

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### Rules in the area of confidentiality

The WDP Corporate Governance Charter states very clearly that the members of the Board of Directors, as well as the members of the Management Committee, must exercise the required discretion and, in cases of inside information, the required confidentiality with regard to all information and documentation obtained in the context of their role as a member of the Board of Directors and/or in the Management Committee.

### Rules to prevent market abuse

In 2016, WDP laid down its code of conduct for financial transactions in a separate business code: the Dealing Code. The Dealing Code is intended to inform its readers of the regulations on market abuse and the resulting obligations on (i) WDP in its capacity as issuer of financial instruments and (ii) all persons carrying out activities within or for the WDP Group who have access to sensitive information. By means of this policy, WDP strives to prevent market abuse by the persons in question.

Each employee, director or member of the Management Committee who fulfils a role in or on behalf of WDP receives an explanation of this Dealing Code from the compliance officer, as part of the onboarding procedure, and is also asked to sign this Dealing Code as read and agreed.

It is also the compliance officer who must ensure compliance with these rules to limit the risk of market abuse with inside information. For this purpose, the officer maintains insider lists as specified in European regulations and follows the procedures for reporting transactions by supervisors or the questions for trading during blocked or closed periods. The officer does this in consultation with the Market Disclosure Committee. The Corporate Governance Charter also provides for a reporting procedure in case someone would like to report an actual or potential breach of the Dealing Code or other regulations.

**IN 2020** | Application of these rules did not result in any kind of difficulties.

## Internal control

### Framework

WDP organises its internal control and risk management on the basis of the principles of the Enterprise Risk Management (ERM) model developed by COSO (Committee of Sponsoring Organisations of the Treadway Commission). This involves mapping out a control environment, conducting an analysis of the risks to which WDP is exposed, estimating their impact on WDP and determining the degree to which WDP has control over these risks and the actions the Company is taking to mitigate these risks. Finally, internal control is assessed annually.

### Methodology

WDP also uses the Three Lines of Defence Model. This model determines how specific responsibilities can be assigned within WDP's organisation with a view to achieving WDP's goals (such as under its strategic financial and ESG growth plan) and control of the associated risks.

This method of working contributes to reinforcing the risk culture, taking responsibility for managing risks and internal control and continued optimisation and integration of independent control functions as also implemented by the GVV/SIR legislation (risk management, compliance, internal audit).

### First line – ownership and management of risks and control

Business itself is responsible for all risks of its own processes and must ensure their identification and effective controls. Here, business ensures that the right controls are conducted properly, that self-assessment by business is of adequate quality, that risk awareness is sufficient and that adequate capacity is allocated to risk matters.

Risk management is an integral part of running the Company. It ranges from day-to-day financial and operational management – including the four-eyes principle – analysis



## CORPORATE GOVERNANCE STATEMENT

of new investment files and formulation of strategy and objectives, to strict and firmly established decision-making procedures. For this reason, risk management is the responsibility of the entire WDP Group, i.e. across all layers of the organisation, with different responsibilities at each level.

### Second line – continuous monitoring of risks and control

These functions offer support to business and management by applying expertise and formulating an opinion independently of business with regard to the risks facing WDP: risk management function, compliance function, financial control function, IT security function.

These functions offer proper certainty that business itself (via first-line management) has its risks under control. The primary responsibility naturally still lies with the first line. For this, the second line functions serve to identify, measure and report risks.

### Third line – provision of an independent control system

The internal audit can be understood as an independent assessment function embedded in the organisation, focusing on examination and evaluation of proper functioning, effectiveness and efficiency of the processes, procedures and activities of WDP. This may involve areas such as operational matters (quality and suitability of systems and procedures, organisational structures, policy lines and methods and resources used to meet objectives), financial matters (reliability of accounting, annual financial statements and the financial reporting process), and compliance with applicable accounting and other regulations, management matters (quality of the management function and staff services with respect to Company objectives), as well as the compliance function and risk management function.

### Company organisation

The Board of Directors set up an Audit Committee, Remuneration Committee and Nomination Committee under its purview. A Management Committee was also created in October 2019.

WDP currently has three operational platforms: Belgium/Luxembourg/France, the Netherlands and Romania. Each platform performs the following functions: Sales &

Business Development, Property Management, Contracting, Back Office. These teams can count on the support of the following services: Project Development, Finance, IT, Investor Relations, Legal, Marketing, Human Resources and Administration. This structure is explained in an organisational chart and features a clear internal segregation of duties.

Notwithstanding the further professionalisation and considerable reinforcement of the teams in recent years - because of the growth of the Company - the size of the team remains limited, where an overbearing structure and excessive formalism must be avoided, in view of factors such as the nature of the activities of the Company. A certain degree of flexibility is still indispensable, with people on-call to step in for others for specified tasks, according to the urgency of the case at hand. The responsibilities are however strictly defined and current issues are monitored by means of ongoing daily consultations.

The independent control functions, as also implemented by the GVV/SIR legislation, are fulfilled in a suitable and proportionate manner, and always in accordance with the nature, scope and complexity of WDP's activities.

- ◆ The independent compliance function is performed by WDP General Counsel Johanna Vermeeren, appointed for an indefinite term. The compliance officer reports directly to the CEO, Joost Uwents.
- ◆ At WDP, CFO Mickaël Van den Hauwe serves in the role of risk manager, appointed for an undetermined period. The risk manager reports directly to the Audit Committee.
- ◆ WDP has entrusted the internal audit function to an external legal entity through the appointment of an independent consultant, namely BDO Risk & Assurance Services CVBA, permanently represented by a single natural person, Mr Christophe Quiévreux. In his role as manager bearing final responsibility for the internal audit, Rik Vandenberghe is responsible, on behalf of WDP, for supervision of the internal audit function assigned to the external internal auditor.

The effective leaders (Joost Uwents, Tony De Pauw and Mickaël Van den Hauwe) are responsible for the organisation of internal control under the supervision of the Board of Directors of WDP.

## CORPORATE GOVERNANCE STATEMENT

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### Ethics

In its Employee Code of Conduct, WDP lays a foundation emphasising how its employees are expected to act for or on behalf of WDP. The Code of Conduct reinforces the commitment of everyone within #TeamWDP, regardless of contract type or work location, to help build a strong corporate culture. A culture built on mutual respect, integrity and ethics.

### Organisation of internal control – Audit Committee

Aside from general organisation of the internal control structures, the Audit Committee has a special task with regard to internal control. It supports the Board of Directors in the fulfilment of its monitoring responsibilities, ensuring control in the broadest sense, including risk control. The responsibilities, membership, powers and functioning of this Audit Committee are described in the Internal Rules of the Audit Committee, available in the Corporate Governance Charter.

### Risk analysis and control activities

In collaboration with the external internal auditor, the management has identified a list of risks that was divided into different categories.

On a quarterly basis, the CFO, acting as risk manager, conducts an analysis and evaluation of these risks through the various departments and countries, with attention to the potential negative impact, the expected value in terms of materialisation of the risk, as well as the degree of control of the risk. This is done in collaboration with the compliance officer.

The result of the quarterly analysis and evaluation of the risks is formalised in a “key risk reporting” document under the supervision of the risk manager, which is discussed in detail in the Management Committee. Where necessary, the evaluation is adjusted for subsequent submission to the Audit Committee and Board of Directors for information and advice.

Taking into account the input of the risk manager, the Audit Committee and all members of the Board of Directors conduct quarterly evaluations of the risks to which the Company is exposed and take the necessary decisions based on these evaluations (such as with regard to setting the interest rate hedging strategy, evaluation of tenant risks, etc.).

The analysis of the risks is also communicated transparently to shareholders (and other stakeholders) on an ad hoc basis and through the periodic reporting. The Annual Report also includes a list of specific and material risk factors with their description and an estimate of the potential impact of these risks.

### Control activities

The various departments of the Company perform checks in response to the identified risks, as shown in chapter 9. *Risk factors*.

### Operational control activities

- ◆ Lease: constant monitoring of the lease vacancy rate, end dates of lease agreements and the risks and opportunities related to rental income, constant monitoring of the client portfolio and regular analysis of client solvency. Monthly screening of the amounts and validity of the lease deposits of all tenants.
- ◆ Property portfolio: maintenance of a healthy portfolio diversity in various dimensions, such as clients, building types, locations and also continuous monitoring of portfolio quality and sustainability. This is managed based on frequent internal reporting as well as collaboration with renowned construction partners, architects and engineering firms.
- ◆ For each commitment of the Company towards third parties, the double signature principle (the four-eyes principle) is applied within the limits of the delegation of powers, for the purchase of property, leases, all types of orders and approvals of invoices and payments.
- ◆ Operational processes, both for the existing portfolio and for new investments, are based on workflows that are harmonised within the WDP Group and are audited regularly.

## CORPORATE GOVERNANCE STATEMENT

### Financial control activities

- ◆ Budget: conducting an extensive quarterly variation analysis (actual versus the preceding period) and updating of this by the Audit Committee and Board of Directors.
- ◆ Purchasing policy: all orders must be preceded by a purchase order and must then be approved by validation of the invoice via a digital approval flow with audit log and application of the four-eyes principle.
- ◆ ERP package: WDP uses SAP Real Estate for accounting, controlling and reporting. SAP contains all accounting and financial aspects and all aspects related to WDP property activities (such as follow-up on lease agreements, settlement of charges, orders, purchases, budget follow-up for new construction projects, etc.).
- ◆ Financing cost: follow-up on the sensitivity of the cost of debts associated with the interest rates based on internal models and using software.

### Financial information and communications

The process for preparing the financial information is structured based on predefined tasks to perform and schedules to meet. WDP uses a detailed checklist of all tasks and subtasks to perform for closure of the annual, semi-annual and quarterly accounts of WDP (individually for each entity and consolidated for the Group). Each task is assigned to a manager in the finance department and a mandatory timeframe. Based on this checklist, everyone at the finance department knows what tasks to perform and by when.

This checklist is built around the following dimensions:

- ◆ the activity types are divided up as follows: pre-closing, closing, consolidation, internal and external reporting and audit;
- ◆ subsequently, for the actual closing and consolidation process, a specific task is linked to each account of the balance sheet and profit and loss account, with a SAP transaction code and a description;
- ◆ wherever possible, the tasks are deduplicated and linked to specific deadlines with a responsible person (as well as a backup) in the financial department for each task. Moreover, every attempt is made to move tasks forward wherever possible, i.e. before the actual balance sheet date, to guarantee process speed and especially process quality;

- ◆ the above is also linked to standardised templates that serve for control and as a basis for the audit files.
- ◆ WDP and its subsidiaries follow the above procedure.

For efficient performance of the audit process, before the balance sheet date a pre-audit meeting is always held with the statutory auditor, with discussion of all significant trends and special points for attention over the past period.

Once all bookkeeping tasks are complete and have been processed in the consolidation and reporting set, the figures are checked by the CFO.

This control mainly consists of:

- ◆ a variance analysis between the actual and budgeted figures (the budgeted figures are prepared once a year and updated quarterly based on a forecast);
- ◆ a variance analysis between the actual and historical figures; and
- ◆ an ad hoc analysis of all material amounts and entries.

Once these checks are complete, the figures are submitted to the CEOs of WDP and adopted in mutual consultation with the CFO. The quarterly, semi-annual and annual reports, including corresponding press releases, are submitted to and analysed by the Audit Committee and Board of Directors, which approve them for publication.

The financial reporting is drawn up in accordance with the IFRS (International Financial Reporting Standards) as adopted in the European Union and with the legal and administrative regulations applicable in Belgium. These standards include all new and revised standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC). Regular discussions are scheduled with the statutory auditor and the required training is arranged for the responsible persons in the organisation in order to meet the accounting standards in their latest versions.

The statutory auditor audits the annual figures (full scope) and semi-annual figures (limited scope). The statutory auditor does not audit quarterly figures.

## CORPORATE GOVERNANCE STATEMENT

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**Stakeholders in the evaluation of internal control**

Over the course of the business year, the quality of the internal control is assessed by:

- ◆ the statutory auditor: on the one hand within the framework of the audit of the semi-annual and annual figures, and on the other hand within the framework of the annual review of underlying processes and procedures. Thus, for instance, an IT audit was conducted during 2020 using a data analytics tool (DFACT). This tool enables better insight into internal control systems and business processes. Please refer to the statutory auditor's report (see chapter 13. *Annexes - Report of the statutory auditor on the annual financial statements*). The internal control systems for the key audit matters, i.e. the valuation of the property investments, have been analysed. Based on the recommendations of the statutory auditor, the process is adjusted as needed;
- ◆ the Audit Committee: as indicated above, the Audit Committee performs a special task with regard to internal control and risk management for WDP. The Board of Directors supervises the performance of the tasks of the Audit Committee, using tools such as reports from the Audit Committee to the complete Board of Directors; and
- ◆ internal audit: the Company has hired an external internal auditor as a third-line function in the internal control structure. In the context of a three-year cycle, all critical business processes are audited. In addition, the compliance and risk management functions and one or more specific process undergoes an internal audit annually. In 2020, an internal audit was conducted with regard to the business processes and the approval documents in that context.

**Information as per Article 34 of the Belgian Royal Decree of 14 November 2007**

In accordance with Article 34 of the Belgian Royal Decree of 14 November 2007 on obligations on issuers of financial instruments admitted for trading on a regulated market, WDP gives a summary and, if applicable, explanation of the following items, to the extent that these items, due to their nature, will have an impact in cases of a public acquisition bid.

**The capital structure**

As at 31 December 2020, the capital of WDP comes to 200,171,459.04 euros, represented by 174,713,867 ordinary shares, each representing 1/174,713,867 of the capital. All shares are fully paid up and are either registered or dematerialised. None of these shares provides special voting or other rights. Each share confers the right to one vote at the General Meeting.

**Share transfer provisions under the law, the Articles of Association or by convention**

The transfer of shares in WDP is not subject to any provisions under the law or the Articles of Association. All WDP shares are listed on Euronext Brussels and Amsterdam.

**Special rights of control**

Special rights of control are not granted to any (categories of) shareholders.

**Mechanism for auditing a share scheme for employees when rights of control are not exercised directly by employees**

WDP does not have a share scheme for employees.

**Voting restrictions under the law or the Articles of Association**

The law and the Articles of Association do not set any restrictions on voting rights.

## CORPORATE GOVERNANCE STATEMENT

**Shareholder agreements known to WDP that may give rise to restrictions on share transfers and/or voting rights**

As far as WDP is aware, no shareholder agreements exist which could result in restrictions on share transfers or voting rights.

**Rules for appointment and replacement of members of the management body and for amendment of the Articles of Association of WDP**

For rules on appointment and replacement of members of the Board of Directors, please refer to the explanatory note in chapter 8. *Corporate Governance Statement*, as well as to Article 14 of the Articles of Association of the Company, which states that directors are appointed by the General Meeting for a period of four years in principle and that the General Meeting may remove them at any time. Where applicable, the binding nomination right of the Reference Shareholder(s) must be applied in the nomination, as per Article 15 of the Articles of Association.

With regard to the amendment of the Articles of Association of the Company, please refer to the GVV/SIR legislation, which provides that any draft amendment of the Articles of Association must be submitted to the FSMA for approval in advance. Moreover, Article 31 of the Articles of Association and the provisions of the Code of Companies and Associations apply.

**The powers of the management body, particularly with regard to the option to issue or purchase shares**

In accordance with Article 8 of the Articles of Association of the Company, the Board of Directors is authorised, within the constraints of the mandatory provisions contained in the applicable Company law, to increase the share capital on the dates and subject to the conditions that it specifies, in one or more increments, up to a maximum amount of:

- ◆ I. 98,811,320.55 euros, if the capital increase to be realised is a capital increase by cash with the possibility for the shareholders of the Company to exercise their preferential right or the irreducible allocation right (as referred to in the GVV/SIR legislation); and

- ◆ II. 98,811,320.55 euros if this capital increase is performed in the context of paying an optional dividend; and
- ◆ III. 19,762,264.11 euros if this capital increase is (a) performed by a contribution in kind or (b) performed by a contribution in cash without the option for Company shareholders to exercise their preferential rights or irreducible allocation rights (as referred to in the GVV/SIR legislation) or (c) any other form of a capital increase;

with the understanding that the capital under this authorisation may not be increased by an amount exceeding the amount of the capital on the date of the Extraordinary General Meeting which approves the authorisation, being 29 April 2020.

This authorisation is renewable.

On the date of this annual report, the Board of Directors has used its capital increase authorisation two times and thus, on the date of this annual report, the available balance of authorised capital amounts to:

- ◆ I. 98,811,320.55 euros, if the capital increase to be realised is a capital increase in cash with the option of the Company's shareholders to exercise their preferential right or irreducible allocation right (as referred to in the GVV Legislation); and
- ◆ II. 98,811,320.55 euros if this capital increase is performed in the context of paying an optional dividend;
- ◆ III. 11,528,523.82 euros if this capital increase is (a) performed by a contribution in kind or (b) performed by a contribution in cash without the option for Company shareholders to exercise their statutory preferential rights or irreducible allocation rights (as referred to in the GVV/SIR legislation) or (c) any other form of a capital increase;

with the understanding that in the context of the authorised capital, for the five-year authorisation period, the capital can never be increased beyond an amount of 197,622,641.10 euros.

In accordance with Article 11 of the Articles of Association, WDP may acquire, accept in pledge and sell its own shares and associated depository receipts in accordance with the applicable Company legislation.

## CORPORATE GOVERNANCE STATEMENT

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In addition, the Board of Directors is authorised to perform the following actions for five years starting on 11 September 2019:

- ◆ acquire shares in the Company and associated depository receipts and accept these in pledge, at a minimum price or countervalue equal to 0.01 euros and at a maximum price or counter value equal to 125% of the closing price on the trading day before the date of the transaction, where the Company shall not be permitted to possess shares in the Company or associated depository receipts that represent more than 10% of the total number of shares;
- ◆ transfer shares in the Company and associated depository receipts, such as to one or more specific persons who are not employees, at a minimum price or countervalue equal to 75% of the closing price of the trading day before the date of the transaction.

As at 31 December 2020, WDP does not possess any of its own shares.

### Major agreements to which WDP is party that come into force, undergo amendments or expire in cases of a change of control over WDP after a public acquisition bid

The General Meeting of 29 April 2020 adopted the clause for the change in control within the framework of (i) the bond loan agreement that the Company concluded with Banque Européenne du Crédit Mutuel (BECM) on 24 December 2019, (ii) the loan agreement that the Company concluded with Caisse d'Epargne et de prévoyance hauts de France on 23 February 2019, (iii) the bond issue that the Company concluded with MetLife Investment Management Limited, LLC and MetLife Investment Management Limited on 9 February 2020 and (iv) the loan agreement that the Company concluded with the International Finance Corporation on 31 December 2020.

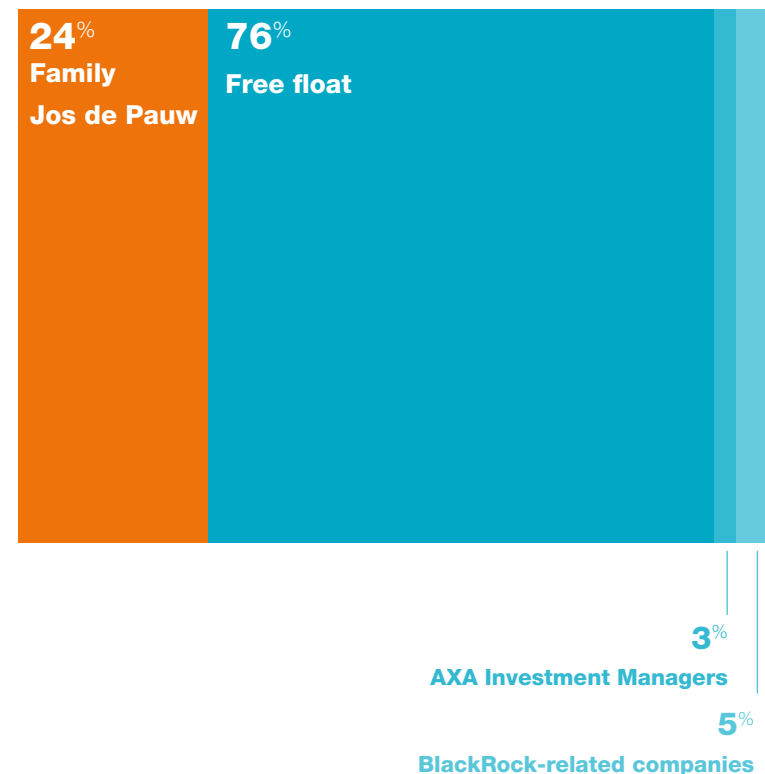
### Agreements concluded between WDP and its directors or employees that provide for remuneration if a public acquisition bid results in the resignation of directors or their forced departure without a valid reason or the end of employment of an employee.

The agreements concluded with the co-CEOs and the CFO include a clause stating that if the management agreement with the person in question is terminated by either party

within six months after a public acquisition bid, in the absence of a serious error, the person in question is entitled to a severance payment of 18 months for co-CEOs and 12 months for the CFO.

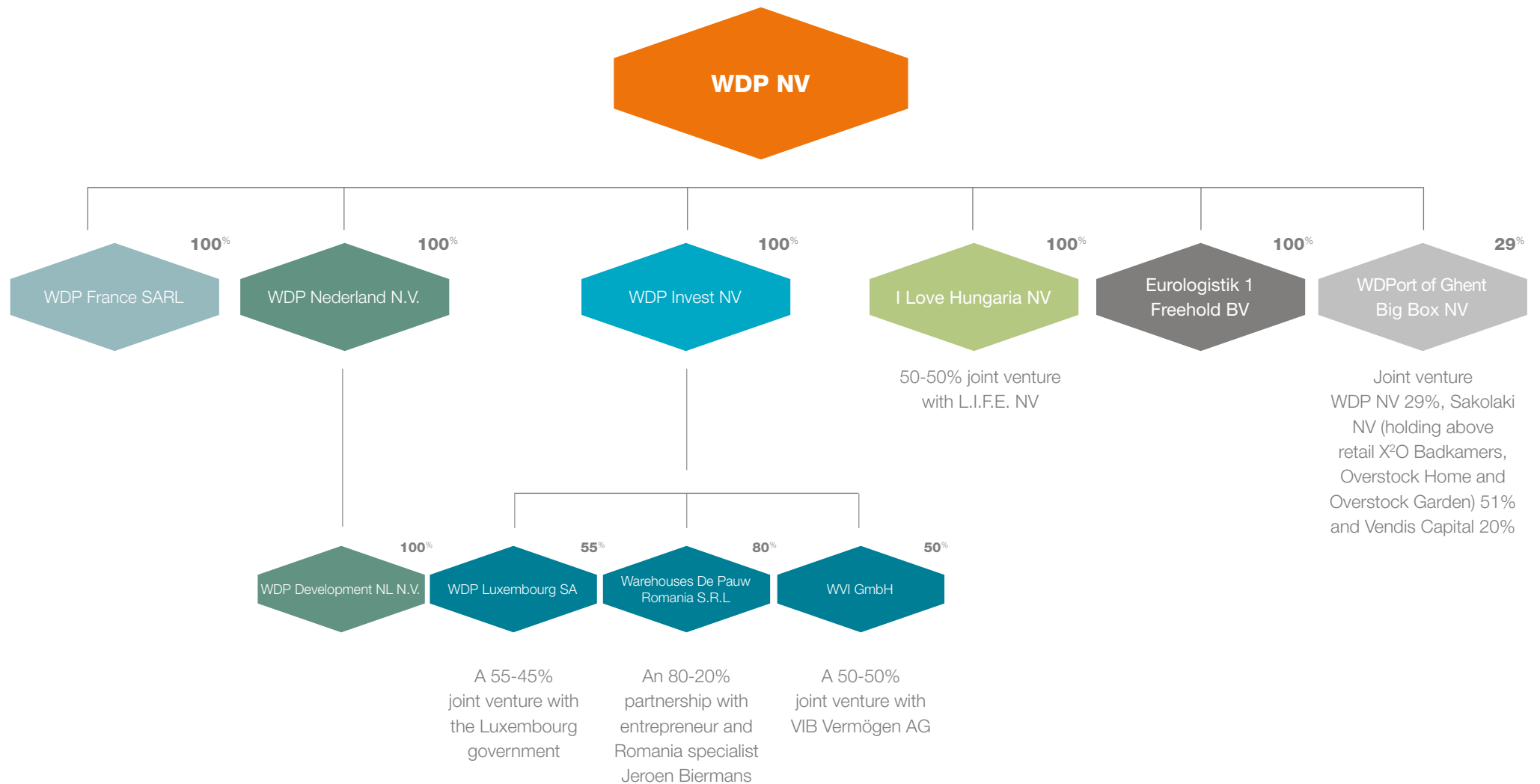
The agreements concluded with other Management Committee members and the employees of WDP do not include any contractual clauses of this kind.

## WDP shareholder structure





## CORPORATE GOVERNANCE STATEMENT

Group structure

## 9. RISK FACTORS



A DC that's a nice place  
to be tackles the labour  
shortage in logistics

“

Making sure employees  
look forward to coming  
to work



Relaxation  
Light  
Green look

## RISK FACTORS

Due to entry into force of the Prospectus Regulation on 21 July 2019, only the risk factors identified by the Company as specific and of material importance to WDP are described below. So, this summary does not cover non-specific risks, in particular risks that do not apply solely to businesses like WDP, but which are associated with, for instance, matters such as the general business cycle or trading in the broader sense. For each risk, the description addresses its negative impact on the Company and its likelihood of occurring. The most significant risk factors are indicated first within each category or subcategory.

WDP's risk management policy is explained further in Section 8. Corporate Governance Statement that is also reflected in our company's strategy (chapter 3. *Strategy and value creation*) and corroborated throughout this annual report.

## Business activity and market

### 1. Business cycle

#### Rental market for logistics and semi-industrial property

The rental market may face weakening demand for logistics and semi-industrial property, oversupply, or a weakening in the financial position of clients.

##### Potential impact

- ◆ Rental incomes and cash flows affected by an increase in vacancy rates and costs related to reletting. An increase of 1% in the vacancy rate would result in a -1.5% decrease in EPRA Earnings.
- ◆ A decrease in solvency of the client portfolio and an increase in the number of dubious debts, which causes a decline in the rental income collection rate.
- ◆ A decrease in the fair value of the property portfolio and, thus, also of the NAV.
- ◆ An inability to pre-lease projects and to further develop and monetise land resources in the portfolio.

#### Investment market for logistics and semi-industrial property

The investment market for logistics and semi-industrial properties may be negatively impacted by reduced investor demand for real estate.

##### Potential impact

- ◆ A decrease in the fair value of the property portfolio.
- ◆ This leads to a decrease in the NAV and an increase in the gearing ratio. Every 1% decrease in the value of the property portfolio implies a 0.3 euro (2.0%) decrease in the NAV and a 0.5% increase in the gearing ratio.

#### Volatility of interest rates

The international financial markets may undergo hefty fluctuations in the leading short-term and/or long-term interest rates.

##### Potential impact

- ◆ A negative impact on financial costs and consequently on the cash flow in the event of an interest rate hike.
- ◆ Severe fluctuations in value of the financial instruments that serve to hedge debts.
- ◆ A possible negative impact on NAV. An increase of 100 basis points in Euribor interest rates has a negative effect on EPRA Earnings of -2.2 million euros (-1.1%).

### 2. Property portfolio

#### Projects under development

In recent years, WDP has mainly expanded its property portfolio with development projects rather than with acquisitions. On the date of this annual report, a development volume of 541 million euros in projects was recorded (96% pre-let), which is 12.6% of the total finished property portfolio of WDP as at 31 December 2020. Development projects may entail risks related to contractor solvency, the ability to obtain required permits and licences, works management, etc.

## RISK FACTORS

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*Potential impact*

- ◆ An inability to obtain the required permits.
- ◆ Significant delays resulting in a loss of potential income.
- ◆ Substantial overspending of investment budgets.
- ◆ In the case of developments at risk: prolonged periods of vacancy.
- ◆ A failure to achieve projected returns on developments.

**Negative variations in the fair value of buildings**

The fair value of the real estate investments of the WDP Group is subject to change and depends on various factors. Some of these are exogenous and thus potentially beyond the control of the WDP Group (such as decreasing demand or occupancy rates in the respective sub-markets in which the WDP Group is active, changes in expected investment returns or increases in transaction costs related to the acquisition or disposal of real estate)

In addition, the valuation of real estate may be influenced by a number of qualitative factors, including, but not limited to, its technical condition, commercial positioning, capital expenditure requirements for furnishing, establishment, and layout. Whenever new factors must be taken into account or new assumptions made with regard to valuation of investment properties held by the WDP Group, updated valuations may result in an increase in the fair value ascribed to these properties.

In the event that such valuations reveal sensitive decreases in fair value compared to previous valuation exercises, the WDP Group may incur significant losses with respect to such property, which may have a material negative impact on the results and financial situation of the WDP Group.

*Potential impact*

- ◆ A negative impact on the net result and NAV. A 1% decrease in the occupancy rate implies a 1.5% decrease in the EPRA Earnings.
- ◆ A negative change in the debt ratio. A 5.0% decrease in the fair value of real estate investments leads to a 2.4 percentage point increase in the gearing ratio.
- ◆ A total or partial inability to pay a dividend if the cumulative negative change in fair value exceeds the distributable reserves.

**Sustainability of the buildings**

The buildings do not meet or do not sufficiently meet the standards of sustainability or the required energy and CO<sub>2</sub> intensity.

*Potential impact*

- ◆ A high rate of the departure of clients and a negative impact on rent.
- ◆ Restrictions on letting or reletting.

**3. Clients****Concentration risk**

A risk of a concentration of the client portfolio, a concentration of clients, or a concentration of investments in one or more buildings or sites. In WDP's portfolio, each of the ten largest clients account for 2% to 5% of the total rental income and all are active across multiple sites. The largest site represents less than 3% of the portfolio and the revenue from the solar panels represents 6% of the income stream.

*Potential impact*

- ◆ A sharp decline in income and cash flows in the event of the departure of a client.
- ◆ A higher impact from a decrease in the fair value of the property resulting in a decrease in the NAV if investments are concentrated in one or more buildings.
- ◆ A dependence on green energy certificates for solar energy taking into account the fact that the yield from solar panels is the primary income stream for WDP.

**Vacancy rate**

Rental agreements that are not extended or that are terminated earlier than expected, or unexpected circumstances such as bankruptcies or relocations, resulting in vacancies.

*Potential impact*

- ◆ A higher vacancy rate, absorption of costs normally passed on to tenants (withholding tax, management costs, etc.), and commercial costs related to reletting and/or downward adjustment of rents. Every year, 10 to 15% of rental agreements reach their expiry date.
- ◆ A decrease in revenue and cash flows.

## RISK FACTORS

**Financial risks****Liquidity risks**

As a capital-intensive growth company, WDP's strategy depends largely on its ability to attain financial resources, in the form of either debt or equity capital so that it can finance its activities and investments. Various negative scenarios may develop. Each of these in turn may lead to funding being unavailable or a shortage of funding options (such as disruptions in the international financial debt and share capital markets, a reduction in banks' lending capacities, a deterioration in the WDP Group's creditworthiness, a negative investor perception towards real estate companies). Any of these events may cause the WDP Group to experience difficulties in accessing funding under its existing or new credit facilities or within the capital markets.

*Potential impact*

- ◆ An inability to finance acquisitions or projects (both from shareholders' equity capital and debts) or increased costs resulting in a decrease in targeted profitability.
- ◆ The unavailability of financial resources (via cash flow or available credit facilities) to pay interest and operating costs and repay outstanding capital on loans and/or bonds on the expiry date.
- ◆ An increased cost of debt due to higher bank margins that impacts the results and cash flows.
- ◆ Increased funding risk for the portion of short-term debt (18% of the total), of which 10% is commercial paper and short-term straight loans, although fully covered by back-up lines, and 8% is long-term funding maturing within the year, which will be refinanced from the existing free credit lines.

**Contractual covenants and statutory parameters**

In the context of its relationships with financial counterparties, the WDP Group must meet specific financial parameters under certain credit agreements and/or the statutory regimes applicable to some or all WDP Group entities. Failure to meet these requirements entails certain risks.

*Potential impact*

- ◆ Penalties and/or increased supervision by the regulator if certain statutory financial parameters are not met (such as compliance with the statutory gearing ratio stipulated in the Belgian GVV/SIR Royal Decree).
- ◆ Possible cancellation of credit facilities and diminished confidence among investors and banks in the event of non-compliance with contractual covenants.
- ◆ Some or all of these breaches of contract may allow creditors to: (i) accelerate repayment of these debts as well as any other debts to which a cross-default or cross-acceleration provision applies, (ii) declare all debts as outstanding to be due and payable, and/or, (iii) cancel unrecognised commitments.

## RISK FACTORS

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## Legal and regulatory risks

### Legislative framework for FBI<sup>1</sup>

Non-compliance or changes to the regulations required by the fiscally transparent regime applied to Dutch activities.

As of 1 November 2010, WDP has held the status of fiscal investment institution (FBI) via its subsidiary WDP Nederland S.A. (WDP NL). For your information, the conditions to qualify as an FBI depend, among other things, on the activities of the subsidiary as well as on the shareholder structure. For example, a non-listed FBI such as WDP NL must be at least 75% owned by natural persons, nontaxable entities, or a listed FBI. At the time, the Dutch tax authorities confirmed in a fiscal ruling that the parent entity of WDP NL, WDP, as GVV/SIR (then BEVAK) is an entity that is effectively exempt from tax on profits. The corporate income tax owed by WDP is absolute and relative to almost zero because its activities are exempt from the corporate income tax<sup>1</sup>.

Over the past few years, WDP NL was in discussions—at the request of the Dutch tax administration—about a different approach to the shareholder test. Even though WDP was and still is of the opinion that the relevant policy, regulations, and jurisprudence has not changed, it has constructively cooperated in examining whether WDP itself—as a part of the shareholder test—may qualify as an FBI. WDP is of the opinion—aside from the fact that it is not subject to corporate income tax taking into account the fiscal transparency model of a GVV/SIR—that as a GVV/SIR, it operates under a regime that is objectively comparable to that of an FBI and that it should be able to pass this shareholder test. The discussions between WDP and the Dutch tax administration to investigate how this may be implemented in practical terms to ensure the continued application of WDP NL's FBI status have always been held in a constructive manner.

These discussions were subsequently suspended when the Dutch coalition agreement of October 2017 included the intention to no longer allow direct investments in Dutch real estate by an FBI—including WDP through its subsidiary WDP Nederland S.A.—as of 2020 as part of the planned abolition of dividend tax. At the beginning of October 2018, the Dutch government announced that it would retain the dividend tax and also keep the existing FBI regime intact. The discussions then resumed.

At the beginning of 2020, the Dutch tax administration indicated that, for now, they were unable to provide a precise interpretation of the shareholder test. This was because this interpretation would depend on the outcome of thousands of appeals between the Dutch tax authorities and foreign investment funds concerning the refund of dividend tax. In 2020, one of the most important cases on this point resulted in a ruling by the European Court of Justice and a subsequent ruling by the Dutch Supreme Court. WDP believes the ruling supports its analysis that it meets the shareholder test.

Furthermore, the Dutch government is currently investigating whether specific adjustments to the property FBI regime are possible and feasible by means of an evaluation, and possibly by amending policy and/or regulations in 2021.

Also at the beginning of 2020, the Dutch tax administration indicated in a new letter to WDP and as communicated earlier<sup>2</sup> that they would withdraw the previously granted tax ruling as of 1 January 2021 and that as of that moment 'WDP NL will have to comply with all requirements applicable in the Netherlands for the status of FBI including the shareholder requirements'.

### Potential impact

- ◆ The loss of the fiscal status and, associated with this, the mandatory repayment of certain credits (for 200 million euros, which is less than 10% of outstanding debts), and the loss of tax transparent status in the Netherlands.
- ◆ A negative impact on the results or the NAV in the event of changes in the regime.
- ◆ WDP estimates the difference between the tax transparent status of FBI and the regular taxed setting (pro forma) to be 4 million euros or 2% of the expected EPRA earnings per share (1.00 euros for 2020). This impact was recognised in the 2021 outlook.

<sup>1</sup> See chapter 7. *Financial results and property report - Status regarding policy related to Dutch REIT status.*

<sup>2</sup> See [press release](#) of 21 February 2020.



## RISK FACTORS

**Legislative framework for GVV/SIR<sup>3</sup>**

**Non-compliance or amendment of the regulations required by the tax-transparent regime used for the Belgian operations.**

To maintain its GVV/SIR status, the Company must take into account a number of restrictions on activities, diversification requirements, restrictions at the level of its subsidiaries, restrictions on its gearing ratio, profit disbursement requirements, share ownership requirements, conflicts of interest procedures, corporate governance requirements, and other specific requirements as stipulated in the Belgian GVV/SIR Act and the Royal Decree of 13 July 2014 on GVV/SIRs. The ability of the Company to meet the required conditions depends on factors such as its ability to successfully manage its assets and debt burden as well as on rigorous internal control procedures.

*Potential impact*

- ◆ The loss of the fiscal status and associated compulsory repayment of certain loans and/or bonds.
- ◆ A negative impact on the results or the NAV in the event of changes in the regime.

**Legislative framework for SIIC<sup>3</sup>**

**Non-compliance or amendment of the regulations required by the tax-transparent regime used for the French operations.**

The Company holds the status of a listed real estate investment company ('Société d'Investissement Immobilier Cotée' or 'SIIC') via its permanent establishment in France as well as the Company's French subsidiary, WDP France SARL. The ability to meet the conditions required for SIIC status depends, among other things, on the Company's ability to successfully manage its ancillary activities and the assets allocated to such activities.

It is always possible that amendments may occur in the legislative framework or in the policy on SIICs (or in their interpretation by the competent authorities including the tax administration), which may lead to a risk that the Company's French permanent establishment, as well as the Company's French subsidiary, may no longer be able to comply with all legal requirements, such as the shareholder diversification regulations. Changes beyond the Company's control may also occur in its shareholder structure, resulting in the Company no longer meeting the conditions for the SIIC regime.

*Potential impact*

- ◆ A loss of the fiscal status after failure to meet the regulations.
- ◆ A negative impact on the results or the NAV in the event of changes in the regime.

**Changes to the legal framework within which the company operates****Amendments to urban planning legislation**

Public and/or administrative authorities may enact regulatory changes in the area of spatial planning, which in turn may have a negative impact on building lease options.

**Changes in environmental legislation**

The operations and property of the WDP Group are subject to various evolving laws and regulations relating to the protection of the environment, including, but not limited to, regulations on soil, water and air quality, testing for hazardous or toxic substances, and guidelines regarding health and safety. Such laws and regulations may force the WDP Group or its clients to obtain certain permits or licences or to additional investments to carry on its or their activities, or may lead to certain charges or taxes.

**Expropriation risk**

The WDP Group may be exposed to expropriation by public and/or administrative authorities. In such cases, the compensation may be well below the actual value of the assets.

<sup>3</sup> More specific information is available in chapter 12. *Permanent document*.

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*Potential impact*

- ◆ A negative impact on business, results, profitability, financial circumstances, and the prospects for and negative impact on the current operating model.
- ◆ A potential impact on reporting, capital requirements, use of derivatives, and the organisation of the company. A consequential impact on transparency, returns on investment, and possibly also the valuation.
- ◆ Negative impact on usability of the buildings that impact rental income and reletting potential and the increased costs for maintaining the operational status. A decrease in fair value of the property portfolio and consequently in the NAV. A delay of development and/or renovation projects.
- ◆ A loss in investment value and compulsory sale at a loss.
- ◆ A loss of income due to lack of reinvestment opportunities

**Risks related to different political decisions regarding taxation or subsidy legislation**

Various decisions taken by regional, national, or European political authorities—for example, regarding tax or subsidy laws and regulations (including those relating to investments in alternative energy)—may have a significant negative impact on operations.

*Potential impact*

- ◆ Depending on the area in which any decision is taken, it may negatively impact the company's financial results (for example, taxation), planned investments, strategy, and objectives.
- ◆ Changes in the regulatory framework for green energy certificates and/or new levies on renewable energy.
- ◆ Potential impact of the Brexit on WDP's clients and their demand for storage space and its implications in terms of goods flows and the importance of certain logistics sites in the EU.

**Tax system**

The enacting of new laws and regulations or amendments to existing laws and regulations (including existing administrative tax practices, such as those stipulated in the circular Ci.RH.423/567.729 of 23 December 2004 of the Belgian Minister of Finance regarding the method of calculation of the exit tax, which stipulates, among other things, that the real value of the actual estate assets used as the basis of the exit tax is determined by taking into account the registration duties or VAT that would apply in the event of a sale of the relevant assets, the value of which may differ from (including could be lower than) the 'fair value' of these assets, as entered in the annual accounts for IFRS purposes) or amendments regarding their interpretation and application by authorities (including the tax administration) or courts may be enacted.

*Potential impact*

- ◆ A possible requirement to incur substantial additional expenses with respect to one or more of the properties or otherwise.
- ◆ A negative impact on the activities, operating results, profitability, financial status, and prospects of the WDP Group.

## RISK FACTORS

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## Internal control risks

### Inadequate internal control system

An inadequate internal control system may prevent the parties involved (Audit Committee, compliance officer, risk manager, and internal auditor) from fulfilling their duties, which leads to procedures that safeguard the internal control not being carried out.

#### *Potential impact*

- ◆ Operational management is not performed in an orderly and careful manner with well-defined objectives, resulting in uneconomic and inefficient use of resources.
- ◆ Having no notion of the risks implies that Company assets are inadequately protected.
- ◆ A lack of integrity and reliability of financial and management information.
- ◆ A failure to meet the relevant laws and regulations, as well as the general policy lines, plans, and internal rules.

## Risks related to corporate social responsibility

### Transparency regarding ESG and sustainable business

A risk of insufficient transparency in the decisions and activities of the WDP Group that have an impact on society, the environment, its policy, and/or its staff—together ESG, or too limited reporting on this. There is a clear and continuing demand for WDP's sustainable strategy and its reporting from the wider capital market perspective.

#### *Potential impact*

- ◆ A negative impact on the future-proofness of the company and its activities.
- ◆ More difficult access to the shares and debt capital market due to negative rating from rating agencies and other parties.
- ◆ Higher premiums by investors in the event of poor or restricted disclosure regarding energy performance and the CO<sub>2</sub> footprint of the portfolio and the company in its totality.

### Human capital

A risk of key personnel departing.

#### *Potential impact*

- ◆ A negative impact on existing business partnerships.
- ◆ Reputation damage with respect to stakeholders.
- ◆ A loss of decisiveness and efficiency in the management decision process.

## 10. REPORTING ACCORDING TO RECOGNISED STANDARDS



### WDP Smart Energy



**100%**

customer service

“

Data collection and analysis as  
the foundation for an intelligent  
energy strategy



## OPERATIONAL PERFORMANCE

### EPRA key performance indicators

| Table | EPRA key performance indicator      | Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Purpose                                                                                                                                                                                                                                                                       | in euros (x 1,000)                                                          | in euro/share                       |
|-------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------|
| I.    | <b>EPRA Earnings</b>                | Recurring earnings from the core operational activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by earnings.                                                                                      | 174,516                                                                     | 1.00                                |
| II.   | <b>EPRA NAV metrics</b>             | <p>EPRA Net Reinstatement Value (NRV): the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including real estate transfer taxes.</p> <p>EPRA Net Tangible Assets (NTA): this is the NAV adjusted to include properties and other investments at their fair value and exclude certain line items that are not expected to take shape in a business model with investment properties over the long term.</p> <p>EPRA Net Disposal Value (NDV): the EPRA Net Disposal Value provides the reader with a scenario of the disposal of the company's assets resulting in the settlement of deferred taxes and the liquidation of debt and financial instruments.</p> | <p>The EPRA NAV set of metrics make adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under 3 different scenarios.</p> | <p>2,739,950</p> <p>2,501,276</p> <p>2,351,502</p>                          | <p>15.7</p> <p>14.3</p> <p>13.5</p> |
| Table | EPRA key performance indicator      | Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Purpose                                                                                                                                                                                                                                                                       |                                                                             | %                                   |
| III.  | <b>EPRA Net Initial Yield (NIY)</b> | Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | A comparable measure for portfolio valuations within Europe. In the past, discussions were held on portfolio valuations in Europe. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.          |                                                                             | 5.4%                                |
| III.  | <b>EPRA TOPPED-UP NIY</b>           | This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Providing detail on the calculation that reconciles the difference between EPRA NIY and EPRA TOPPED-UP NIY.                                                                                                                                                                   |                                                                             | 5.4%                                |
| IV.   | <b>EPRA vacancy rate</b>            | Estimated Market Rental Value (ERV) of vacant spaces, divided by ERV of the whole portfolio.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | A pure (in %) measure of investment property space that is vacant, based on ERV.                                                                                                                                                                                              |                                                                             | 1.5%                                |
| V.    | <b>EPRA cost ratio</b>              | Administrative/operating costs including or reduced by the immediate vacancy costs, divided by gross rental income.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | An important criterion to make a meaningful measurement of changes in the operating costs of a property company possible.                                                                                                                                                     | <p>Including direct vacancy costs</p> <p>Excluding direct vacancy costs</p> | <p>10.6%</p> <p>10.2%</p>           |

## OPERATIONAL PERFORMANCE

## I. EPRA earnings

| in euros (x 1,000)                                                                                                        | FY 2020        | FY 2019        |
|---------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>Earnings per IFRS income statement</b>                                                                                 | <b>324,610</b> | <b>393,732</b> |
| Adjustments to calculate the EPRA Earnings, exclude:                                                                      |                |                |
| I. Changes in value of investment properties, development properties held for investment and other interests              | -179,146       | -278,827       |
| - Changes in the value of the real estate portfolio                                                                       | -186,417       | -285,353       |
| - Depreciation and write-down on solar panels                                                                             | 7,270          | 6,526          |
| II. Profit or losses on disposal of investment properties, development properties held for investment and other interests | -408           | -10            |
| VI. Changes in fair value of financial instruments and associated close-out costs                                         | 31,049         | 29,883         |
| VIII. Deferred tax in respect of EPRA adjustments                                                                         | 2,727          | 7,972          |
| IX. Adjustments (I.) to (VIII.) to the above in respect of joint ventures                                                 | -3,574         | -2,507         |
| X. Minority interests in respect of the above                                                                             | -742           | 2,131          |
| <b>EPRA Earnings</b>                                                                                                      | <b>174,516</b> | <b>152,374</b> |
| Weighted average number of shares                                                                                         | 173,802,120    | 164,047,016    |
| <b>EPRA Earnings per share (EPS) (in euros)</b>                                                                           | <b>1.00</b>    | <b>0.93</b>    |



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## II. EPRA NAV metrics

In October 2019, EPRA published new Best Practice Recommendations for financial disclosures by listed real estate companies. EPRA NAV and EPRA NNNAV are replaced by three new Net Asset Valuation metrics: EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV). All published financial statements related to 2020 will include a bridge between the previous EPRA NAV metrics, as calculated in line with the EPRA November 2016 Best Practice Recommendations, and the measures as set out in the October 2019 guidelines for both the current and comparative accounting periods.

| in euros (x 1,000)                                                                                        | 31.12.2020       |                  |                  |                  |                  |
|-----------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
|                                                                                                           | EPRA NRV         | EPRA NTA         | EPRA NDV         | EPRA NAV         | EPRA NNNAV       |
| <b>IFRS NAV</b>                                                                                           | <b>2,353,935</b> | <b>2,353,935</b> | <b>2,353,935</b> | <b>2,353,935</b> | <b>2,353,935</b> |
| IFRS NAV/share (in euros)                                                                                 | 13.5             | 13.5             | 13.5             | 13.5             | 13.5             |
| <b>Diluted NAV at fair value (after the exercise of options, convertibles and other equity interests)</b> | <b>2,353,935</b> | <b>2,353,935</b> | <b>2,353,935</b> | <b>2,353,935</b> | <b>2,353,935</b> |
| Exclude:                                                                                                  |                  |                  |                  |                  |                  |
| (V) Deferred tax in relation to fair value gains of investments properties                                | 18,630           | 18,630           |                  | 18,630           |                  |
| (VI) Fair value of financial instruments                                                                  | 129,904          | 129,904          |                  | 129,904          |                  |
| (VIII.b) Intangibles as per the IFRS balance sheet                                                        |                  | -1,193           |                  |                  |                  |
| <b>Subtotal</b>                                                                                           | <b>2,502,469</b> | <b>2,501,276</b> | <b>2,353,935</b> | <b>2,502,469</b> | <b>2,353,935</b> |
| Include:                                                                                                  |                  |                  |                  |                  |                  |
| (IX) Fair value of fixed interest rate debt                                                               |                  |                  | -2,433           |                  | -2,433           |
| (XI) Real estate transfer tax                                                                             | 237,481          |                  |                  |                  |                  |
| <b>NAV</b>                                                                                                | <b>2,739,950</b> | <b>2,501,276</b> | <b>2,351,502</b> | <b>2,502,469</b> | <b>2,351,502</b> |
| Number of shares                                                                                          | 174,713,867      | 174,713,867      | 174,713,867      | 174,713,867      | 174,713,867      |
| <b>NAV/share (in euros)</b>                                                                               | <b>15.7</b>      | <b>14.3</b>      | <b>13.5</b>      | <b>14.3</b>      | <b>13.5</b>      |

## OPERATIONAL PERFORMANCE

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| in euros (x 1,000)                                                                                        | 31.12.2019       |                  |                  |                  |                  |
|-----------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
|                                                                                                           | EPRA NRV         | EPRA NTA         | EPRA NDV         | EPRA NAV         | EPRA NNAV        |
| <b>IFRS NAV</b>                                                                                           | <b>2,103,917</b> | <b>2,103,917</b> | <b>2,103,917</b> | <b>2,103,917</b> | <b>2,103,917</b> |
| IFRS NAV/share (in euros)                                                                                 | 12.2             | 12.2             | 12.2             | 12.2             | 12.2             |
| <b>Diluted NAV at fair value (after the exercise of options, convertibles and other equity interests)</b> | <b>2,103,917</b> | <b>2,103,917</b> | <b>2,103,917</b> | <b>2,103,917</b> | <b>2,103,917</b> |
| Exclude:                                                                                                  |                  |                  |                  |                  |                  |
| (V) Deferred tax in relation to fair value gains of investments properties                                | 17,769           | 17,769           |                  | 17,769           |                  |
| (VI) Fair value of financial instruments                                                                  | 81,819           | 81,819           |                  | 81,819           |                  |
| (VIII.b) Intangibles as per the IFRS balance sheet                                                        |                  | -422             |                  |                  |                  |
| <b>Subtotal</b>                                                                                           | <b>2,203,505</b> | <b>2,203,082</b> | <b>2,103,917</b> | <b>2,203,505</b> | <b>2,103,917</b> |
| Include:                                                                                                  |                  |                  |                  |                  |                  |
| (IX) Fair value of fixed interest rate debt                                                               |                  |                  | -8,097           |                  | -8,097           |
| (XI) Real estate transfer tax                                                                             | 162,914          |                  |                  |                  |                  |
| <b>NAV</b>                                                                                                | <b>2,366,419</b> | <b>2,203,082</b> | <b>2,095,820</b> | <b>2,203,505</b> | <b>2,095,820</b> |
| Number of shares                                                                                          | 172,489,205      | 172,489,205      | 172,489,205      | 172,489,205      | 172,489,205      |
| <b>NAV/share (in euros)</b>                                                                               | <b>13.7</b>      | <b>12.8</b>      | <b>12.2</b>      | <b>12.8</b>      | <b>12.2</b>      |

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## III. EPRA NIY and EPRA TOPPED-UP NIY

| in euros (x 1,000)                                                     |            | 31.12.2020       | 31.12.2019       |
|------------------------------------------------------------------------|------------|------------------|------------------|
| Investment property - wholly owned                                     |            | 4,566,601        | 4,002,340        |
| Investment property - share of joint ventures                          |            | 61,415           | 46,099           |
| Less developments, land reserves and the right of use of concessions   |            | -438,912         | -318,257         |
| Completed property portfolio                                           |            | 4,189,104        | 3,611,775        |
| Allowance for estimated purchasers' costs                              |            | 221,204          | 152,819          |
| <b>Gross up completed property portfolio valuations</b>                | <b>A</b>   | <b>4,410,309</b> | <b>3,764,594</b> |
| Annualised cash passing rental income                                  |            | 249,835          | 220,990          |
| Property outgoings                                                     |            | -11,615          | -10,644          |
| <b>Annualised net rent</b>                                             | <b>B</b>   | <b>238,221</b>   | <b>210,346</b>   |
| Notional rent expiration of rent free period or other lease incentives |            | 0                | 0                |
| <b>Topped-up net annualised rent</b>                                   | <b>C</b>   | <b>238,221</b>   | <b>210,346</b>   |
| <b>EPRA NIY</b>                                                        | <b>B/A</b> | <b>5.4%</b>      | <b>5.6%</b>      |
| <b>EPRA TOPPED-UP NIY</b>                                              | <b>C/A</b> | <b>5.4%</b>      | <b>5.6%</b>      |

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## IV. Investment properties – Rental dates and vacancy rate (EPRA)

| Segment         | Gross rental income 2020<br>in euros (x 1 000) | Net rental income 2020<br>in euros (x 1 000) | Leasable space as at 31.12.2020<br>(in m²) | Annualised gross rental income<br>in euros (x 1 000) | Projected rental value for vacant spaces 31.12.2020<br>in euros (x 1 000) | Total expected rental value<br>in euros (x 1 000) | Vacancy<br>(in %) |
|-----------------|------------------------------------------------|----------------------------------------------|--------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------|-------------------|
| Belgium         | 72,837                                         | 69,608                                       | 1,818,001                                  | 74,297                                               | 1,942                                                                     | 76,516                                            | 2.5%              |
| The Netherlands | 110,723                                        | 105,605                                      | 2,332,841                                  | 117,191                                              | 779                                                                       | 117,639                                           | 0.7%              |
| France          | 6,855                                          | 6,127                                        | 191,636                                    | 7,056                                                | 566                                                                       | 7,866                                             | 7.2%              |
| Luxembourg      | 2,044                                          | 1,992                                        | 50,119                                     | 2,742                                                | 34                                                                        | 2,855                                             | 1.2%              |
| Romania         | 37,816                                         | 36,397                                       | 1,091,813                                  | 48,269                                               | 621                                                                       | 50,746                                            | 1.2%              |
| Germany         | 76                                             | 76                                           | 6,287                                      | 279                                                  | 0                                                                         | 291                                               | 0.0%              |
| <b>Total</b>    | <b>230,351</b>                                 | <b>219,804</b>                               | <b>5,490,697</b>                           | <b>249,835</b>                                       | <b>3,941</b>                                                              | <b>255,913</b>                                    | <b>1.5%</b>       |

## Reconciliation to the consolidated IFRS profit and loss account

Rental income related to:

|                                      |                |                |
|--------------------------------------|----------------|----------------|
| - investment properties already sold | 170            | 170            |
| - income from solar panels           |                | 16,472         |
| - other adjustments: joint ventures  |                |                |
| - Luxembourg                         | -2,044         | -1,992         |
| - Germany                            | -76            | -76            |
| <b>Total</b>                         | <b>228,401</b> | <b>234,378</b> |

The EPRA vacancy rate came to 1.5% on 31 December 2020, compared to 2.1% on 31 December 2019. Based on the currently available market information and the existing rental market situation, WDP assumes a maximum, average EPRA vacancy rate of 3% for 2021.

## OPERATIONAL PERFORMANCE

## V. EPRA cost ratio

| in euro (x 1,000)                                                                                           |          | 31.12.2020     | 31.12.2019     |
|-------------------------------------------------------------------------------------------------------------|----------|----------------|----------------|
| Include:                                                                                                    |          |                |                |
| I. Administrative/operating expenses (IFRS)                                                                 |          | -27,300        | -21,546        |
| I-1. Impairments of trade receivables                                                                       |          | -499           | -256           |
| I-2. Recovery of property charges                                                                           |          | 0              | 0              |
| I-3. Recovery of rental charges and taxes normally paid by the tenant on let properties                     |          | -4,163         | -3,012         |
| I-4. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease |          | 0              | 0              |
| I-5. Property charges                                                                                       |          | -8,325         | -7,245         |
| I-6. General company expenses                                                                               |          | -14,314        | -11,034        |
| III. fees less actual/estimated profit element                                                              |          | 1,079          | 954            |
| V. Administrative/operating expenses of joint ventures expense                                              |          | -372           | -451           |
| Exclude (if part of the above):                                                                             |          |                |                |
| VI. Investment property depreciation                                                                        |          | 293            | 303            |
| Administrative/operating expenses related to solar panels                                                   |          | 2,085          | 1,567          |
| <b>EPRA costs (including direct vacancy costs)</b>                                                          | <b>A</b> | <b>-24,217</b> | <b>-19,173</b> |
| IX. Direct vacancy costs                                                                                    |          | 855            | 871            |
| <b>EPRA costs (excluding direct vacancy costs)</b>                                                          | <b>B</b> | <b>-23,362</b> | <b>-18,302</b> |
| X. Gross rental income (IFRS)                                                                               |          | 228,401        | 201,788        |
| Less net ground rent costs                                                                                  |          | -1,550         | -1,633         |
| XII. Gross rental income of joint ventures                                                                  |          | 2,120          | 1,481          |
| Less net ground rent costs                                                                                  |          | -139           | -112           |
| <b>Gross rental income</b>                                                                                  | <b>C</b> | <b>228,832</b> | <b>201,523</b> |
| <b>EPRA Cost Ratio (including direct vacancy costs)</b>                                                     |          | <b>10.6%</b>   | <b>9.5%</b>    |
| <b>EPRA Cost Ratio (excluding direct vacancy costs)</b>                                                     |          | <b>10.2%</b>   | <b>9.1%</b>    |

Administrative/operating expenses are net of administrative and operating expenses capitalised according to IFRS for an amount of 3,3 million euros. Costs capitalised primarily relate to internal employee staff costs of employees directly involved in developing the property portfolio.

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## VI. Investment properties – Changes in net rental income on a constant baseline

| in euros (x 1,000)                                                                      | 31.12.2020                       |              |            |               |                            | 31.12.2019                       | Like-for-Like<br>growth in net<br>rental income<br>2020 (in %) |
|-----------------------------------------------------------------------------------------|----------------------------------|--------------|------------|---------------|----------------------------|----------------------------------|----------------------------------------------------------------|
|                                                                                         | Properties held<br>for two years | Acquisitions | Disposals  | Projects      | Total net<br>rental income | Properties held<br>for two years |                                                                |
| Belgium                                                                                 | 65,477                           | 513          | 170        | 3,618         | 69,778                     | 64,176                           | 2.0%                                                           |
| The Netherlands                                                                         | 78,324                           | 5,721        | 0          | 21,559        | 105,605                    | 75,779                           | 3.4%                                                           |
| France                                                                                  | 6,127                            | 0            | 0          | 0             | 6,127                      | 6,112                            | 0.2%                                                           |
| Luxembourg                                                                              | 877                              | 0            | 0          | 1,115         | 1,992                      | 935                              | -6.2%                                                          |
| Romania                                                                                 | 25,323                           | 936          | 0          | 10,138        | 36,397                     | 25,117                           | 0.8%                                                           |
| Germany                                                                                 | 0                                | 76           | 0          | 0             | 76                         | 0                                | –                                                              |
| <b>Property available for lease</b>                                                     | <b>176,127</b>                   | <b>7,247</b> | <b>170</b> | <b>36,430</b> | <b>219,974</b>             | <b>172,118</b>                   | <b>2.3%</b>                                                    |
| <b>Reconciliation to the consolidated IFRS profit and loss account</b>                  |                                  |              |            |               |                            |                                  |                                                                |
| Income from solar energy                                                                | 14,685                           | 0            | 0          | 1,787         | 16,472                     |                                  |                                                                |
| Luxembourg                                                                              | -877                             | 0            | 0          | -1,115        | -1,992                     |                                  |                                                                |
| Germany                                                                                 | 0                                | -76          | 0          | 0             | -76                        |                                  |                                                                |
| <b>Operating result for the property on a consolidated IFRS profit and loss account</b> | <b>189,936</b>                   | <b>7,171</b> | <b>170</b> | <b>37,101</b> | <b>234,378</b>             |                                  |                                                                |



## OPERATIONAL PERFORMANCE

## VII. Investment properties – Valuation data

| in euros (x 1,000)                                                                             | Fair value       | Changes in the fair value during the year | EPRA NIY yield (in %) |
|------------------------------------------------------------------------------------------------|------------------|-------------------------------------------|-----------------------|
| Belgium                                                                                        | 1,301,065        | 65,462                                    | 5.3%                  |
| The Netherlands                                                                                | 2,094,519        | 115,980                                   | 4.9%                  |
| France                                                                                         | 128,790          | 3,408                                     | 5.1%                  |
| Luxembourg                                                                                     | 46,559           | 4,544                                     | 5.1%                  |
| Romania                                                                                        | 634,969          | 1,567                                     | 7.5%                  |
| Germany                                                                                        | 4,443            | 752                                       | 5.6%                  |
| <b>Investment properties available for lease</b>                                               | <b>4,210,344</b> | <b>191,713</b>                            | <b>5.4%</b>           |
| <b>Reconciliation to the consolidated IFRS balance sheet</b>                                   |                  |                                           |                       |
| - Investment properties under development for own account with the purpose of being rented out | 256,849          |                                           |                       |
| - Land reserves                                                                                | 110,318          |                                           |                       |
| - Rights of use to concessions                                                                 | 50,506           |                                           |                       |
| - Assets held for sale                                                                         | 16,086           |                                           |                       |
| - Other adjustments: joint ventures                                                            |                  |                                           |                       |
| - Investment properties available for lease                                                    | -51,002          |                                           |                       |
| - Investment properties under development for own account with the purpose of being rented out | -7,468           |                                           |                       |
| - Land reserves                                                                                | 0                |                                           |                       |
| - Rights of use to concessions                                                                 | -2,946           |                                           |                       |
| - Assets held for sale                                                                         | -544             |                                           |                       |
| <b>Investment properties in the consolidated IFRS balance sheet</b>                            | <b>4,582,144</b> |                                           |                       |

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## VIII. Investment properties – Data related to rental contracts

| Segment         | Average term                    |                                 | Details on next expiry dates of leases<br>Passing rent of leases coming to their next<br>expiry date in euros (x 1,000) <sup>1</sup> |               |               | Details on final expiry dates of leases<br>Passing rent of leases coming to their<br>expiry date in euros (x 1,000) <sup>1</sup> |               |               |
|-----------------|---------------------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|----------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
|                 | until first break<br>(in years) | until expiry date<br>(in years) | year 1                                                                                                                               | year 2        | year 3-5      | year 1                                                                                                                           | year 2        | year 3-5      |
|                 |                                 |                                 |                                                                                                                                      |               |               |                                                                                                                                  |               |               |
| Belgium         | 4.2                             | 6.6                             | 13,081                                                                                                                               | 17,342        | 22,819        | 7,176                                                                                                                            | 8,049         | 23,452        |
| The Netherlands | 6.2                             | 6.6                             | 3,780                                                                                                                                | 16,224        | 34,675        | 3,535                                                                                                                            | 12,062        | 30,714        |
| France          | 3.7                             | 5.5                             | 236                                                                                                                                  | 2,470         | 2,580         | 0                                                                                                                                | 1,790         | 695           |
| Luxembourg      | 9.1                             | 10.7                            | 0                                                                                                                                    | 0             | 657           | 0                                                                                                                                | 0             | 657           |
| Romania         | 6.7                             | 8.1                             | 2,523                                                                                                                                | 1,233         | 12,960        | 924                                                                                                                              | 1,076         | 10,838        |
| Germany         | 4.3                             | 8.6                             | 0                                                                                                                                    | 34            | 245           | 34                                                                                                                               | 0             | 0             |
| <b>Total</b>    | <b>5.7</b>                      | <b>6.9</b>                      | <b>19,620</b>                                                                                                                        | <b>37,304</b> | <b>73,936</b> | <b>11,670</b>                                                                                                                    | <b>22,978</b> | <b>66,355</b> |

1 For Luxembourg (55%) and Germany (50%), the proportionate share of WDP in the passing rent is indicated.

IX. EPRA Capital expenditure analysis<sup>1</sup>

| in euros (x 1,000)                          | FY 2020                                |                                            |                | FY 2019                                |                                            |                |
|---------------------------------------------|----------------------------------------|--------------------------------------------|----------------|----------------------------------------|--------------------------------------------|----------------|
|                                             | Group<br>(excluding joint<br>ventures) | Joint ventures<br>(proportionate<br>share) | Total Group    | Group<br>(excluding joint<br>ventures) | Joint ventures<br>(proportionate<br>share) | Total Group    |
| Acquisitions <sup>2</sup>                   | 57,792                                 | 3,687                                      | 61,479         | 95,796                                 | 0                                          | 95,796         |
| Development                                 | 311,226                                | 6,178                                      | 317,405        | 313,016                                | 9,318                                      | 322,334        |
| Like-for-Like portfolio <sup>3</sup>        | 8,265                                  | 16                                         | 8,282          | 10,090                                 | 0                                          | 10,090         |
| Capitalised interest <sup>4</sup>           | 6,105                                  | 31                                         | 6,136          | 3,471                                  | 16                                         | 3,487          |
| <b>Total CapEx</b>                          | <b>383,388</b>                         | <b>9,912</b>                               | <b>393,301</b> | <b>422,373</b>                         | <b>9,334</b>                               | <b>431,707</b> |
| Adjustment for non-cash items               | 5,238                                  | 112                                        | 5,350          | 10,393                                 | 710                                        | 11,103         |
| <b>Total CapEx (cash flows)<sup>5</sup></b> | <b>388,626</b>                         | <b>10,024</b>                              | <b>398,650</b> | <b>432,766</b>                         | <b>10,045</b>                              | <b>442,811</b> |

1 The overview below shows which investments were included in the balance sheet in the course of 2020. For an overview of all transactions and realisations that were identified in 2020, see chapter 5. *Transactions and realisations*.

2 This is the net investment for all purchases and disposals executed.

3 This concerns improvements to existing properties. Capital expenditure on existing properties did not create additional lettable space.

4 This concerns the capitalised interests activated for the project developments.

5 The reconciliation with the cash flow statement (see chapter 11. *Financial statements*) can be made by abstracting the capitalised interest in the table above, as the capitalised interest is not regarded as an investment activity in the cash flow statement, but as interest paid.

## ESG PERFORMANCE

### General ESG-reporting principles

#### Scope and perimeter

The ESG report, as included in chapter 4. *ESG*, is part of the annual financial report and seeks to provide more detail on the ESG policy of the organisation, using comparable indicators and parameters. The period covered by this report is the same as that of rest of the annual report, i.e. the 2020 financial year. WDP publishes an annual update on its ESG activities in this report.

Where the ESG report refers to WDP, the Company or the business, this refers to the entire Group, including its subsidiaries .

This report is in keeping with WDP's strategy of open and transparent communication. In this way, the company wishes to create a clear picture of its sustainable activities in ecological, economic and social terms that are most relevant to the company and its stakeholders. This report gives a clear overview of both the strengths and the weaknesses for each of the defined material aspects, and in doing so, provides insight into the processes and performance aspects that require improvement. Therefore WDP applies (a.o.) the universal reporting standards EPRA sBPR and GRI (Core).

<sup>1</sup> See also 8. *Corporate Governance Statement - Groups culture*.

## ESG PERFORMANCE

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## Mapping the WDP ESG Framework with EPRA sBPR and GRI (Core)

| Focus themes                     | EPRA indicator | GRI/CRES            |               |                                 | Perimeters within the organisation | Perimeters outside the organisation |
|----------------------------------|----------------|---------------------|---------------|---------------------------------|------------------------------------|-------------------------------------|
|                                  |                | Standard disclosure | Category      | Aspect                          |                                    |                                     |
| Attracting and retaining tal-ent | Emp-Turnover   | 401-1               | Social        | Employment                      | WDP Group                          | –                                   |
|                                  | Emp-New Hires  | 401-1               | Social        | Employment                      | WDP Group                          | –                                   |
|                                  | Diversity-Emp  | 405-1               | Social        | Diversity and equal opportunity | WDP Group                          | –                                   |
|                                  | Diversity-Pay  | 405-2               | Social        | Diversity and equal opportunity | WDP Group                          | –                                   |
| Corporate culture                | –              | –                   | –             | –                               | –                                  | –                                   |
| Employee development             | Emp-Training   | 404-1               | Social        | Employment                      | WDP Group                          | –                                   |
|                                  | Emp-Dev        | 404-3               | Social        | Training and education          | WDP Group                          | –                                   |
| Good governance                  | Gov-Board      | 102-22              | Economic      | Governance                      | WDP Group                          | All stakeholders                    |
|                                  | Gov-Selec      | 102-24              | Economic      | Governance                      | WDP Group                          | All stakeholders                    |
|                                  | Gov-Col        | 102-25              | Economic      | Governance                      | WDP Group                          | All stakeholders                    |
|                                  | –              | 307-1               | Economic      | Environmental Compliance        | WDP Group                          | All stakeholders                    |
|                                  | –              | 419-1               | Economic      | Socioeconomic Compliance        | WDP Group                          | All stakeholders                    |
|                                  | –              | –                   | –             | –                               | –                                  | –                                   |
| Digitisation                     | –              | –                   | –             | –                               | –                                  | –                                   |
| Energy efficiency                | Cert-Tot       | CRE8                | Environmental | Energy                          | WDP Group                          | Customers                           |
|                                  | Elec-Abs       | 302-1               | Environmental | Energy                          | WDP Group                          | Customers                           |
|                                  | Elec-LfL       | 302-1               | Environmental | Energy                          | WDP Group                          | Customers                           |
|                                  | DH&C-Abs       | 302-1               | Environmental | Energy                          | WDP Group                          | Customers                           |
|                                  | DH&C-LfL       | 302-1               | Environmental | Energy                          | WDP Group                          | Customers                           |
|                                  | Fuels-Abs      | 302-1               | Environmental | Energy                          | WDP Group                          | Customers                           |
|                                  | Fuels-LfL      | 302-1               | Environmental | Energy                          | WDP Group                          | Customers                           |
|                                  | Energy-Int     | 302-3, CRE1         | Environmental | Energy                          | WDP Group                          | Customers                           |
| Health and safety                | H&S-Emp        | 403-2               | Social        | Health and safety               | WDP Group                          | –                                   |
|                                  | H&S-Asset      | 416-1               | Social        | Health and safety               | WDP Group                          | Customers and suppliers             |
|                                  | H&S-Comp       | 416-2               | Social        | Health and safety               | WDP Group                          | Customers and suppliers             |

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

### EPRA environmental performance indicators - WDP corporate offices

#### Methodology concerning the WDP corporate offices

##### Setting organizational boundaries

All WDP offices in Wolvertem (BE), Breda (NL) and Bucharest (RO) are recognised in scope.

##### Setting operational boundaries

With respect to the WDP offices, WDP has operational control over the usage of all utilities (gas, electricity, water).

Therefore, the **direct** and **indirect greenhouse gases** as reported below should be interpreted as follows:

|                                     |                                                                                                 |                                                                                                                      |
|-------------------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Direct greenhouse gases (scope 1)   | direct emissions generated <b>on site</b> through combustion of the energy source <b>by WDP</b> | <ul style="list-style-type: none"> <li>◆ natural gas</li> <li>◆ gasoil</li> </ul>                                    |
| Indirect greenhouse gases (scope 2) | indirect emissions generated <b>off site</b> during combustion of the energy source             | <ul style="list-style-type: none"> <li>◆ electricity</li> <li>◆ district heating &amp; cooling (DH&amp;C)</li> </ul> |

Indirect greenhouse gases are reported using the “location-based” accounting method and the “market-based” accounting method.

For the location-based accounting method a country-average emission factor from the IEA<sup>1</sup> report is used in the calculation.

For the market-based accounting method calculations are based on the electricity utility contracts/invoices managed by WDP, of which the origin of the energy source is known. For utility contracts which are out of control of WDP, location-based accounting methods are again applied.

#### Data driven consumption data

The Belgian headquarters are equipped with the nanoGrid energy monitoring system and utility invoices are available.

The offices in Breda and Bucharest are part of a larger office building and are leased by WDP and therefore WDP has only partially access to utility consumption data.

The absolute indicators reflect the gross total of data for a specific period and a specific utility (e.g. Elec-Abs, DH&C-Abs).

The Like-for-Like indicators reflect the change in performance unrelated to fluctuations in portfolio size (constant boundary) (e.g. Elec-LfL, DH&C-LfL). In WDP's reporting only the offices holding a full-year 2019 and 2020 data coverage are considered in the Like-for-Like indicators.

#### Consumption data 2019 (restated):

The figures as published in the *Annual financial report 2019* were based on an extrapolation of a number of consumption data available for the previous period. Hence, these figures were updated to the real data and are reflected in this report as 'restated' figures.

#### Coverage

For the Belgian headquarters, all utilities are covered except for Water, which has been fully monitored only since begin 2020. The Dutch offices are covered for Electricity and Heat through consumption data of the office building owner. The Romanian offices are covered as from 2020.

The metrics shown for Waste only consider the Belgian headquarters, since waste disposal in the Netherlands and Romania is serviced by the office building owner and not by WDP.

Therefore, the coverage in the table below has to be interpreted as follows:

| Surface coverage | Absolute indicators |      |      |       | Like-for-Like |      |    |       |
|------------------|---------------------|------|------|-------|---------------|------|----|-------|
|                  | BE                  | NL   | RO   | Total | BE            | NL   | RO | Total |
| Electricity      | 100%                | 100% | 100% | 100%  | 100%          | 100% | 0% | 79%   |
| Heat             | 100%                | 100% | 100% | 100%  | 100%          | 100% | 0% | 79%   |
| Water            | 100%                | 0%   | 100% | 69%   | 0%            | 0%   | 0% | 0%    |
| Waste            | 100%                | 0%   | 0%   | 48%   | 100%          | 0%   | 0% | 48%   |

<sup>1</sup> IEA stands for International Energy Agency and works with countries around the world to shape energy policies for a secure and sustainable future. [www.iea.org](http://www.iea.org)

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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## EPRA environmental performance indicators - WDP corporate offices

## Electricity - WDP corporate offices

| EPRA     | GRI CRESSD | Indicator                             | Performance measurement | Measuring unit | 2019 <sup>1</sup> |          | 2020      |          | Scope for statutory auditor <sup>2</sup> |
|----------|------------|---------------------------------------|-------------------------|----------------|-------------------|----------|-----------|----------|------------------------------------------|
|          |            |                                       |                         |                | Indicator         | Coverage | Indicator | Coverage |                                          |
| Elec-Abs | 302-1      | Total electricity consumption         | Absolute                | kWh            | 260,265           | 79%      | 321,931   | 100%     | ✓                                        |
| Elec-LfL | 302-1      | Like-for-Like electricity consumption | Like-for-Like           | kWh            | 260,265           | 79%      | 295,959   | 79%      | ✓                                        |

Surface coverage goes up from around 80% in 2019 to 100% in 2020, due to the new offices for WDP Romania that are now recognised in the calculation. In the Like-for-Like analysis, we see an increase of about 13% in Electricity consumption,

due to the conversion of an additional part of the Belgian offices from classic heating to a modern geothermic heat pump. This increase should be considered together with the decrease of Gasoil consumption in the Belgian offices; a “quid pro quo”.

## Heat - WDP corporate offices

| EPRA       | GRI CRESSD | Indicator                                            | Performance measurement | Measuring unit | 2019 <sup>1</sup> |          | 2020      |          | Scope for statutory auditor <sup>2</sup> |
|------------|------------|------------------------------------------------------|-------------------------|----------------|-------------------|----------|-----------|----------|------------------------------------------|
|            |            |                                                      |                         |                | Indicator         | Coverage | Indicator | Coverage |                                          |
| DH&C-Abs   | 302-1      | Total district heating & cooling consumption         | Absolute                | kWh            | 50,417            |          | 101,642   |          | ✓                                        |
| DH&C-LfL   | 302-1      | Like-for-Like district heating & cooling consumption | Like-for-Like           | kWh            | 50,417            |          | 34,915    |          | ✓                                        |
| Fuels-Abs  | 302-1      | Total fuel consumption                               | Absolute                | kWh            | 157,662           |          | 144,106   |          | ✓                                        |
| Fuels-LfL  | 302-1      | Like-for-Like fuel consumption                       | Like-for-Like           | kWh            | 157,662           |          | 144,106   |          | ✓                                        |
| Total Heat |            | Total heat consumption                               | Absolute                | kWh            | 208,078           | 79%      | 245,748   | 100%     | ✓                                        |
|            |            | Like-for-Like heat consumption                       | Like-for-Like           | kWh            | 208,078           | 79%      | 179,022   | 79%      | ✓                                        |

Both offices in Breda (NL) and Bucharest (RO) are equipped with District Heat & Cooling (DH&C). The Like-for-Like scope of DH&C relates to the Dutch offices only, showing a decrease of 30%, mainly because of the lockdown and teleworking. The consumption

of Gasoil in the Belgian offices decreased with 9%, which has to be related to the increase of Electricity consumption (“quid pro quo”).

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.



## EPRA SUSTAINABILITY PERFORMANCE MEASURES

## Energy Intensity - WDP corporate offices

| EPRA       | GRI CRESSD | Indicator                 | Performance measurement | Measuring unit     | 2019 <sup>1</sup> | 2020      | Scope for statutory auditor <sup>2</sup> |
|------------|------------|---------------------------|-------------------------|--------------------|-------------------|-----------|------------------------------------------|
|            |            |                           |                         |                    | Indicator         | Indicator |                                          |
| Energy-Int | 302-3 CRE1 | Building energy intensity | Absolute                | kWh/m <sup>2</sup> | 347.44            | 332.25    | ✓                                        |
|            |            | Building energy intensity | Like-for-Like           | kWh/m <sup>2</sup> | 347.44            | 352.36    | ✓                                        |

Energy Intensity (Like-for-Like) has slightly increased, following the company's growth.

## Greenhouse Gases (location-based) - WDP corporate offices

| EPRA          | GRI CRESSD | Indicator                         | Performance measurement | Measuring unit                      | 2019 <sup>1</sup> | 2020      | Scope for statutory auditor <sup>2</sup> |
|---------------|------------|-----------------------------------|-------------------------|-------------------------------------|-------------------|-----------|------------------------------------------|
|               |            |                                   |                         |                                     | Indicator         | Indicator |                                          |
| GHG-Dir-Abs   | 305-1      | Direct   Scope 1                  | Absolute                | T CO <sub>2</sub> e                 | 39                | 35        | ✓                                        |
| GHG-Dir-LfL   | 305-1      | Direct   Scope 1                  | Like-for-Like           | T CO <sub>2</sub> e                 | 39                | 35        | ✓                                        |
| GHG-Indir-Abs | 305-2      | Indirect   Scope 2                | Absolute                | T CO <sub>2</sub> e                 | 105               | 125       | ✓                                        |
| GHG-Indir-LfL | 305-2      | Indirect   Scope 2                | Like-for-Like           | T CO <sub>2</sub> e                 | 105               | 120       | ✓                                        |
| GHG-Int       | 305-4 CRE3 | GHG Intensity   Scope 1 + Scope 2 | Absolute                | kg CO <sub>2</sub> e/m <sup>2</sup> | 106.67            | 94.01     | ✓                                        |
|               |            | GHG Intensity   Scope 1 + Scope 2 | Like-for-Like           | kg CO <sub>2</sub> e/m <sup>2</sup> | 106.67            | 115.32    | ✓                                        |

The increase in indirect emissions is caused by a higher Electricity consumption and a lower gasoil consumption in the Belgian offices.

In the Like-for-Like analysis, we see an increase of about 13% in Electricity consumption, due to the conversion of an additional part of the Belgian offices from classic heating to a modern geothermic heat pump. This increase should be considered together with the decrease of Gasoil consumption in the Belgian offices; a "quid pro quo".

## Greenhouse Gases (market-based) - WDP corporate offices

| EPRA          | GRI CRESSD | Indicator                         | Performance measurement | Measuring unit                      | 2019 <sup>1</sup> | 2020      | Scope for statutory auditor <sup>2</sup> |
|---------------|------------|-----------------------------------|-------------------------|-------------------------------------|-------------------|-----------|------------------------------------------|
|               |            |                                   |                         |                                     | Indicator         | Indicator |                                          |
| GHG-Dir-Abs   | 305-1      | Direct   Scope 1                  | Absolute                | T CO <sub>2</sub> e                 | 39                | 35        | ✓                                        |
| GHG-Dir-LfL   | 305-1      | Direct   Scope 1                  | Like-for-Like           | T CO <sub>2</sub> e                 | 39                | 35        | ✓                                        |
| GHG-Indir-Abs | 305-2      | Indirect   Scope 2                | Absolute                | T CO <sub>2</sub> e                 | 105               | 24        | ✓                                        |
| GHG-Indir-LfL | 305-2      | Indirect   Scope 2                | Like-for-Like           | T CO <sub>2</sub> e                 | 105               | 19        | ✓                                        |
| GHG-Int       | 305-4 CRE3 | GHG Intensity   Scope 1 + Scope 2 | Absolute                | kg CO <sub>2</sub> e/m <sup>2</sup> | 106.67            | 35.03     | ✓                                        |
|               |            | GHG Intensity   Scope 1 + Scope 2 | Like-for-Like           | kg CO <sub>2</sub> e/m <sup>2</sup> | 106.67            | 40.57     | ✓                                        |

As from 2020, the electricity contracts for the assets in Belgium were converted from grey to green electricity, leading to a decrease in Like-for-Like for the Indirect Greenhouse

Gases in Belgium. The Romanian and Dutch offices are managed by external owners, therefore WDP is not able to select the utility provider itself.

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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## Water - WDP corporate offices

| EPRA      | GRI CRESSD | Indicator                       | Performance measurement | Measuring unit                 | 2019 <sup>1</sup> |          | 2020      |          | Scope for statutory auditor <sup>2</sup> |
|-----------|------------|---------------------------------|-------------------------|--------------------------------|-------------------|----------|-----------|----------|------------------------------------------|
|           |            |                                 |                         |                                | Indicator         | Coverage | Indicator | Coverage |                                          |
| Water-Abs | 303-1      | Total water consumption         | Absolute                | m <sup>3</sup>                 | 616               | 79%      | 1,652     | 69%      | ✓                                        |
| Water-LfL | 303-1      | Like-for-Like water consumption | Like-for-Like           | m <sup>3</sup>                 |                   |          |           |          | ✓                                        |
| Water-Int | CRE2       | Building water intensity        | Absolute                | m <sup>3</sup> /m <sup>2</sup> | 0.46              |          | 1.41      |          | ✓                                        |
|           |            | Building water intensity        | Like-for-Like           | m <sup>3</sup> /m <sup>2</sup> |                   |          |           |          | ✓                                        |

The energy monitoring only takes into account the water consumption of the Belgian offices, covering full water consumption as from the beginning of 2020. Data for the Dutch and Romanian offices is provided by the owners of the office buildings and is

available as from 2020 for Romania and up until 2019 for the Netherlands (given the delayed receipt of the consumption data). Therefore a like-for-like is not applicable (since there are no full year data for 2019 and 2020 available).

## Waste - WDP corporate offices

| EPRA      | GRI CRESSD | Indicator                                       | Performance measurement | Measuring unit | 2019 <sup>1</sup> |          | 2020      |          | Scope for statutory auditor <sup>2</sup> |
|-----------|------------|-------------------------------------------------|-------------------------|----------------|-------------------|----------|-----------|----------|------------------------------------------|
|           |            |                                                 |                         |                | Indicator         | Coverage | Indicator | Coverage |                                          |
| Waste-Abs | 306-2      | Total weight of waste by disposal route         | Absolute                | T restafval    | 3.9               | 48%      | 3.6       | 48%      | ✓                                        |
|           |            |                                                 | Absolute                | T plastic      | 0.2               | 48%      | 0.2       | 48%      | ✓                                        |
|           |            |                                                 | Absolute                | T papier       | 2.0               | 48%      | 1.9       | 48%      | ✓                                        |
| Waste-LfL | 306-2      | Like-for-Like weight of waste by disposal route | Like-for-Like           | T restafval    | 3.9               | 48%      | 3.6       | 48%      | ✓                                        |
|           |            |                                                 | Like-for-Like           | T plastic      | 0.2               | 48%      | 0.2       | 48%      | ✓                                        |
|           |            |                                                 | Like-for-Like           | T papier       | 2.0               | 48%      | 1.9       | 48%      | ✓                                        |

Waste can only be monitored for the Belgian offices as waste is only managed by WDP itself in Belgium, showing a waste reduction of around 7% compared to 2019. Waste disposal for the offices in the Netherlands and Romania is organised by the office building owners, hence data is unavailable.

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

## EPRA environmental performance indicators - WDP property portfolio

### Methodology concerning the WDP property portfolio

#### Setting organizational boundaries

The energy and carbon reporting figures include energy consumption and carbon emissions associated with all WDP warehouse sites, amounting to 245 buildings and therefore covering 100% of the operations of WDP Group.

When reporting CO<sub>2</sub> emissions related to its activities, WDP follows the recommendations and methodology of the Greenhouse Gas Protocol (GHG Protocol).

#### Setting operational boundaries

It is important to note that, as lessee of the warehouses, the WDP's tenants have full discretion over the entire usage of utilities (gas, electricity, water) and that there are no common areas within the property sites. Therefore, landlord consumption amounts to 0.

#### *Recent evolution in operational boundaries:*

In the past, WDP had only access to landlord-obtained data, reflecting that part of the portfolio for which WDP has the purchasing contract with the utility company itself and for which subsequent recharge of those expenses to the tenants – being the actual consumers – has been done.

However, WDP wishes to report on the entire impact arising within a building, irrespective of the arrangements between landlord and tenant. The company is convinced of the fact that the only way to make a sustainable difference in the long term is to also include and measure the tenant-obtained consumption. We therefore enrolled an energy monitoring system nanoGrid, as explained below, which enables WDP to report true performance measurement at the building level, based on full building data consumption.

The consumption reported therefore includes the energy and water purchased as landlord, as well as the utilities (energy and water) purchased by tenants.

As explained above, effective landlord consumption amounts to zero and therefore, the greenhouse gases as reported below should be interpreted as follows:

#### WDP property portfolio

|                                     |                                                                                                                                                                                  |                                                                                                                                                               |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Indirect greenhouse gases (scope 3) | This represents <b>the tenants'</b> direct emissions from gas or gasoil, as well as <b>the tenants'</b> indirect emissions from electricity and/or district heating and cooling. | <ul style="list-style-type: none"> <li>◆ natural gas</li> <li>◆ gasoil</li> <li>◆ electricity</li> <li>◆ district heating &amp; cooling (DH&amp;C)</li> </ul> |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|

Indirect greenhouse gases are reported using the “location-based” accounting method and the “market-based” accounting method.

For the location-based accounting method a country-average emission factor from the IEA report<sup>1</sup> is used in the calculation.

For the market-based accounting method calculations are based on the electricity utility contracts/invoices managed by WDP, of which the origin of the energy source is known (see table below *Landlord-obtained and tenant-obtained utilities* for more details). For utility contracts which are out of control of the company, location-based accounting methods are again applied.

#### Data-driven consumption data

In order to be able to develop a proper data-driven climate action plan, based on a correct and reliable global carbon footprint calculation, WDP started two years ago to roll-out an energy monitoring system (nanoGrid) for its total portfolio. This energy monitoring system provides for the necessary insights in the usage of utilities on-site as it measures in real-time and in a digital way all consumption data. As announced earlier this year, these data will be made available to the clients through a dedicated client portal that will be launched by Q2 2021. Ultimately, this should enable us to measure, report, analyse and optimise the energy consumption in dedicated client partnership.

Therefore, the indicators in this report are based on a proprietary data model that uses a combination of two sources for consumption data: (1) data through the energy monitoring system (nanoGrid), which is nearly fully enrolled throughout the WDP property portfolio and (2) data derived from utility invoices managed by WDP to complement the total data-coverage of the portfolio. In other words, full reporting on energy and carbon (as set out below) is based on the hard data and there is no extrapolation/estimation of data regarding consumption.

<sup>1</sup> IEA stands for International Energy Agency and works with countries around the world to shape energy policies for a secure and sustainable future. [www.iea.org](http://www.iea.org)

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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The absolute indicators reflect the gross total of data for a specific period and a specific utility (e.g. Elec-Abs, DH&C-Abs).

The Like-for-Like indicators reflect the change in performance unrelated to fluctuations in portfolio size (constant boundary) (e.g. Elec-LfL, DH&C-LfL). In WDP's reporting only buildings holding a full-year 2019 and 2020 data coverage are considered in the Like-for-Like indicators.

*Consumption data 2019 restated:*

Due to the delayed arrival of some utility invoices and given the progression in the roll-out of nanoGrid (amongst others in the Romanian portfolio), WDP was able to finalise the absolute numbers of 2019 after the publication of the Annual Report 2019. This leads to a restatement of the figures for 2019 e.g. Electricity coverage increasing from 26% in the annual report 2019 to 72% for the same period, restated.

### Coverage

Surface measurements for the WDP portfolio are exported from SAP, the main ERP-software for all contracting and invoicing. The measurements for master data within the validity period of 2019-20, are used as source data for further calculations of surface coverage and intensities.

Therefore, the coverage in the table below has to be interpreted as follows:

|             | Absolute indicators            |                                | Like-for-Like                  |                                |
|-------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|             | 2019                           | 2020                           | 2019                           | 2020                           |
| Electricity | 4,445,000 m <sup>2</sup>   72% | 4,900,000 m <sup>2</sup>   80% | 2,928,000 m <sup>2</sup>   47% | 2,928,000 m <sup>2</sup>   48% |
| Heat        | 2,340,608 m <sup>2</sup>   38% | 3,200,000 m <sup>2</sup>   53% | 1,024,000 m <sup>2</sup>   17% | 1,024,000 m <sup>2</sup>   17% |
| Water       | 3,021,041 m <sup>2</sup>   49% | 3,800,000 m <sup>2</sup>   62% | 1,059,000 m <sup>2</sup>   17% | 1,059,000 m <sup>2</sup>   17% |

With respect to Like-for-Like, only buildings **holding a full-year 2019 and 2020 data coverage** are considered, leading to a lower portfolio coverage then for the Absolute indicators.

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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## Landlord-obtained and Tenant-obtained utilities

|                            | Belgium |                        | The Netherlands |                | Luxembourg |                  | France |                        | Romania |                                               | Total WDP property portfolio |
|----------------------------|---------|------------------------|-----------------|----------------|------------|------------------|--------|------------------------|---------|-----------------------------------------------|------------------------------|
| <b>Electricity</b>         |         |                        |                 |                |            |                  |        |                        |         |                                               |                              |
| Landlord-obtained (by WDP) | 74%     | 100% green electricity | 0%              | n.r.           | 0%         | n.r.             | 100%   | 100% green electricity | 100%    | 42% green electricity<br>58% grey electricity | 63%                          |
| Tenant-obtained            | 26%     | source unknown         | 100%            | source unknown | 100%       | source unknown   | 0%     | n.r.                   | 0%      | n.r.                                          | 37%                          |
| <b>Gas</b>                 |         |                        |                 |                |            |                  |        |                        |         |                                               |                              |
| Landlord-obtained (by WDP) | 58%     | 100% natural gas       | 25%             | n.r.           | 100%       | 100% natural gas | 100%   | 100% natural gas       | 100%    | 100% natural gas                              | 68%                          |
| Tenant-obtained            | 42%     | source unknown         | 75%             | source unknown | 0%         | n.r.             | 0%     | n.r.                   | 0%      | n.r.                                          | 32%                          |
| <b>Water</b>               |         |                        |                 |                |            |                  |        |                        |         |                                               |                              |
| Landlord-obtained (by WDP) | 16%     |                        | 9%              |                | 0%         |                  | 100%   |                        | 100%    |                                               | 18%                          |
| Tenant-obtained            | 84%     |                        | 91%             |                | 100%       |                  | 0%     |                        | 0%      |                                               | 82%                          |

The breakdown is based on the number of Utilities for which the invoices are paid by the landlord (WDP) versus the tenant. The latter is based on data from the energy monitoring system. The green electricity concerns on-site produced green energy (WDP solar panels) on the one hand and green electricity from electricity providers on the other hand.

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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## EPRA environmental performance indicators – WDP property portfolio

## Electricity - WDP property portfolio

| EPRA     | GRI CRESSD | Indicator                                    | Performance measurement | Measuring unit | 2019 <sup>1</sup>  |            | 2020               |            | Scope for statutory auditor <sup>2</sup> |
|----------|------------|----------------------------------------------|-------------------------|----------------|--------------------|------------|--------------------|------------|------------------------------------------|
|          |            |                                              |                         |                | Indicator          | Coverage   | Indicator          | Coverage   |                                          |
| Elec-Abs | 302-1      | <b>Total electricity consumption</b>         | Absolute                | kWh            | <b>146,558,882</b> | <b>72%</b> | <b>191,789,542</b> | <b>80%</b> | ✓                                        |
|          |            | Total landlord-obtained                      |                         |                | 92,785,479         |            | 121,420,717        |            |                                          |
|          |            | For landlord shared services                 |                         |                | 0                  |            | 0                  |            |                                          |
|          |            | (Sub)metered exclusively to tenants          |                         |                | 92,785,479         |            | 121,420,717        |            |                                          |
|          |            | Total tenant-obtained                        |                         |                | 53,773,403         |            | 70,368,825         |            |                                          |
| Elec-LfL | 302-1      | <b>Like-for-Like electricity consumption</b> | Like-for-Like           | kWh            | <b>109,859,751</b> | <b>47%</b> | <b>107,072,161</b> | <b>48%</b> | ✓                                        |
|          |            | Total landlord-obtained                      |                         |                | 69,551,497         |            | 67,786,692         |            |                                          |
|          |            | For landlord shared services                 |                         |                | 0                  |            | 0                  |            |                                          |
|          |            | (Sub)metered exclusively to tenants          |                         |                | 69,551,497         |            | 67,786,692         |            |                                          |
|          |            | Total tenant-obtained                        |                         |                | 40,308,254         |            | 39,285,469         |            |                                          |

There is a significant increase in the indicator for Absolute Electricity Consumption due to the further roll-out of the nanoGrid energy monitoring system during 2020. At the end of 2019 there was a surface coverage of 72% on Electricity monitoring. This is raised to 80% by the end of 2020.

The contracts for Electricity are entered into both by the tenant or by WDP, leading to a breakdown between Landlord-obtained and Tenant-obtained for the overall WDP portfolio of 63% vs. 37%. Table *Landlord-obtained and Tenant-obtained utilities* provides more information related to the source of the Electricity (green or grey). With respect to the landlord obtained electricity, WDP always aims for the highest share of green electricity possible. Due to relevant regulations in Romania, WDP is only able to source 42% from green energy contracts.

In the Like-for-Like analysis (namely sites with full year data for 2019 and 2020), we see a slight decrease in Electricity consumption of around 3%, mainly due to the first lockdown caused by the worldwide Covid-19 pandemic. The overall WDP portfolio shows a decrease of 12% in Electricity consumption in April 2020 compared to April 2019. This decrease rapidly faded out in the subsequent months, pointing towards continued and healthy activity levels, thereby underpinning the crucial importance of logistics.

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.



## EPRA SUSTAINABILITY PERFORMANCE MEASURES

## Heat - WDP property portfolio

| EPRA              | GRI CRESSD | Indicator                                                       | Performance measurement | Measuring unit | 2019 <sup>1</sup> |            | 2020              |            | Scope for statutory auditor <sup>2</sup> |
|-------------------|------------|-----------------------------------------------------------------|-------------------------|----------------|-------------------|------------|-------------------|------------|------------------------------------------|
|                   |            |                                                                 |                         |                | Indicator         | Coverage   | Indicator         | Coverage   |                                          |
| DH&C-Abs          | 302-1      | <b>Total district heating &amp; cooling consumption</b>         | <b>Absolute</b>         | <b>kWh</b>     | <b>4,906,823</b>  |            | <b>2,983,413</b>  |            | ✓                                        |
|                   |            | Total landlord-obtained                                         |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | For landlord shared services                                    |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | (Sub)metered exclusively to tenants                             |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | Total tenant-obtained                                           |                         |                | 4,906,823         |            | 2,983,413         |            |                                          |
| DH&C-LfL          | 302-1      | <b>Like-for-Like district heating &amp; cooling consumption</b> | <b>Like-for-Like</b>    | <b>kWh</b>     | <b>4,906,823</b>  |            | <b>2,959,940</b>  |            | ✓                                        |
|                   |            | Total landlord-obtained                                         |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | For landlord shared services                                    |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | (Sub)metered exclusively to tenants                             |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | Total tenant-obtained                                           |                         |                | 4,906,823         |            | 2,959,940         |            |                                          |
| Fuels-Abs         | 302-1      | <b>Total fuel consumption</b>                                   | <b>Absolute</b>         | <b>kWh</b>     | <b>51,644,392</b> |            | <b>68,085,637</b> |            | ✓                                        |
|                   |            | Total landlord-obtained                                         |                         |                | 35,212,086        |            | 46,422,025        |            |                                          |
|                   |            | For landlord shared services                                    |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | (Sub)metered exclusively to tenants                             |                         |                | 35,212,086        |            | 46,422,025        |            |                                          |
|                   |            | Total tenant-obtained                                           |                         |                | 16,432,307        |            | 21,663,612        |            |                                          |
| Fuels-LfL         | 302-1      | <b>Like-for-Like fuel consumption</b>                           | <b>Like-for-Like</b>    | <b>kWh</b>     | <b>38,666,213</b> |            | <b>36,620,986</b> |            | ✓                                        |
|                   |            | Total landlord-obtained                                         |                         |                | 26,363,327        |            | 24,968,854        |            |                                          |
|                   |            | For landlord shared services                                    |                         |                | 0                 |            | 0                 |            |                                          |
|                   |            | (Sub)metered exclusively to tenants                             |                         |                | 26,363,327        |            | 24,968,854        |            |                                          |
|                   |            | Total tenant-obtained                                           |                         |                | 12,302,886        |            | 11,652,132        |            |                                          |
| <b>Total Heat</b> |            | <b>Total heat consumption</b>                                   | <b>Absolute</b>         | <b>kWh</b>     | <b>56,551,215</b> | <b>38%</b> | <b>71,069,050</b> | <b>53%</b> | ✓                                        |
|                   |            | <b>Like-for-Like heat consumption</b>                           | <b>Like-for-Like</b>    | <b>kWh</b>     | <b>43,573,036</b> | <b>17%</b> | <b>39,580,926</b> | <b>17%</b> | ✓                                        |

The energy monitoring system also covers Heat utilities. Heating is mainly generated through Gas (Fuel), except for 4 sites equipped with Gasoil (Fuel) and 2 sites using District Heating & Cooling (DH&C).

Surface coverage for Heat has increased towards 53% at the end of 2020. In the Like-for-Like analysis only 17% is in scope because most of the Gas monitorings were connected during 2020. In 2020 there was a decreased heat consumption of 9% compared to 2019. This can be assigned to a lower demand for heating given the fact

that in 2019 temperature was lower compared to 2020. This is expressed in heating degree days which in 2020 were less by +/- 10% compared to 2019. The heating degree-days is a metric for the heating demand in a building and is calculated as the number of degrees below a threshold multiplied by the number of days. DH&C decreased with 40%. In the Like-for-Like scope of DH&C only one site is included where heat consumption reduced significantly caused by the lockdown.

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020..

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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## Energy Intensity - WDP property portfolio

| EPRA       | GRI CRESSD | Indicator                 | Performance measurement | Measuring unit     | 2019 <sup>1</sup> | 2020      | Scope for statutory auditor <sup>2</sup> |
|------------|------------|---------------------------|-------------------------|--------------------|-------------------|-----------|------------------------------------------|
|            |            |                           |                         |                    | Indicator         | Indicator |                                          |
| Energy-Int | 302-3 CRE1 | Building energy intensity | Absolute                | kWh/m <sup>2</sup> | 44.64             | 52.49     | ✓                                        |
|            |            | Building energy intensity | Like-for-Like           | kWh/m <sup>2</sup> | 51.08             | 48.47     | ✓                                        |

The Energy Intensity is the combination of the Electricity and Heat (see two sections above) expressed per square meter. Here we see a slight decrease for the WDP portfolio, caused by the lockdown in March-April 2020. However, towards the end of the year the activities in the warehouses recovered quickly.

## Greenhouse Gases (location-based) - WDP property portfolio

| EPRA          | GRI CRESSD | Indicator                                   | Performance measurement | Measuring unit                      | 2019 <sup>1</sup> | 2020      | Scope for statutory auditor <sup>2</sup> |
|---------------|------------|---------------------------------------------|-------------------------|-------------------------------------|-------------------|-----------|------------------------------------------|
|               |            |                                             |                         |                                     | Indicator         | Indicator |                                          |
| GHG-Dir-Abs   | 305-1      | Direct   Scope 1                            | Absolute                | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Dir-LfL   | 305-1      | Direct   Scope 1                            | Like-for-Like           | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Indir-Abs | 305-2      | Indirect   Scope 2                          | Absolute                | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Indir-LfL | 305-2      | Indirect   Scope 2                          | Like-for-Like           | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Indir-Abs | 305-3      | Indirect   Scope 3                          | Absolute                | T CO <sub>2</sub> e                 | 67,058            | 86,887    | ✓                                        |
| GHG-Indir-LfL | 305-3      | Indirect   Scope 3                          | Like-for-Like           | T CO <sub>2</sub> e                 | 47,262            | 43,589    | ✓                                        |
| Total         |            | Scope 1 + Scope 2                           | Absolute                | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
|               |            | Scope 1 + Scope 2                           | Like-for-Like           | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| Total         |            | Scope 1 + Scope 2 + Scope 3                 | Absolute                | T CO <sub>2</sub> e                 | 67,058            | 86,887    | ✓                                        |
|               |            | Scope 1 + Scope 2 + Scope 3                 | Like-for-Like           | T CO <sub>2</sub> e                 | 47,262            | 43,589    | ✓                                        |
| GHG-Int       | 305-4 CRE3 | GHG Intensity   Scope 1 + Scope 2           | Absolute                | kg CO <sub>2</sub> e/m <sup>2</sup> | n/a               | n/a       | ✓                                        |
| GHG-Int       | 305-4 CRE3 | GHG Intensity   Scope 1 + Scope 2 + Scope 3 | Absolute                | kg CO <sub>2</sub> e/m <sup>2</sup> | 14.39             | 17.18     | ✓                                        |
|               |            | GHG Intensity   Scope 1 + Scope 2 + Scope 3 | Like-for-Like           | kg CO <sub>2</sub> e/m <sup>2</sup> | 15.15             | 13.87     | ✓                                        |

\*n/a: not applicable

The scope 3 figures represent - as explained in the methodology - the tenants' direct emissions from gas or gasoil, as well as the tenants' indirect emissions from electricity and/or district heating and cooling.

Absolute indicators have increased caused by a larger coverage of energy monitoring. Hence, Like-for-Like shows a more representative figure: a decrease for indirect emissions.

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020..

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

## Greenhouse Gases (market-based) - WDP property portfolio

| EPRA          | GRI CRESSD | Indicator                                   | Performance measurement | Measuring unit                      | 2019 <sup>1</sup> | 2020      | Scope for statutory auditor <sup>2</sup> |
|---------------|------------|---------------------------------------------|-------------------------|-------------------------------------|-------------------|-----------|------------------------------------------|
|               |            |                                             |                         |                                     | Indicator         | Indicator |                                          |
| GHG-Dir-Abs   | 305-1      | Direct   Scope 1                            | Absolute                | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Dir-LfL   | 305-1      | Direct   Scope 1                            | Like-for-Like           | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Indir-Abs | 305-2      | Indirect   Scope 2                          | Absolute                | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Indir-LfL | 305-2      | Indirect   Scope 2                          | Like-for-Like           | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| GHG-Indir-Abs | 305-3      | Indirect   Scope 3                          | Absolute                | T CO <sub>2</sub> e                 | 60.164            | 65.267    | ✓                                        |
| GHG-Indir-LfL | 305-3      | Indirect   Scope 3                          | Like-for-Like           | T CO <sub>2</sub> e                 | 42.143            | 27.888    | ✓                                        |
| Total         |            | Scope 1 + Scope 2                           | Absolute                | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
|               |            | Scope 1 + Scope 2                           | Like-for-Like           | T CO <sub>2</sub> e                 | n/a               | n/a       | ✓                                        |
| Total         |            | Scope 1 + Scope 2 + Scope 3                 | Absolute                | T CO <sub>2</sub> e                 | 60.164            | 65.267    | ✓                                        |
|               |            | Scope 1 + Scope 2 + Scope 3                 | Like-for-Like           | T CO <sub>2</sub> e                 | 42.143            | 27.888    | ✓                                        |
| GHG-Int       | 305-4 CRE3 | GHG Intensity   Scope 1 + Scope 2           | Absolute                | kg CO <sub>2</sub> e/m <sup>2</sup> | n/a               | n/a       | ✓                                        |
| GHG-Int       | 305-4 CRE3 | GHG Intensity   Scope 1 + Scope 2 + Scope 3 | Absolute                | kg CO <sub>2</sub> e/m <sup>2</sup> | 12.91             | 12.91     | ✓                                        |
|               |            | GHG Intensity   Scope 1 + Scope 2 + Scope 3 | Like-for-Like           | kg CO <sub>2</sub> e/m <sup>2</sup> | 13.51             | 8.88      | ✓                                        |

\*n/a: not applicable

The GHG emissions are lower as opposed to the emissions in the location-based accounting method, since WDP has opted for a green electricity contract for the assets in Belgium and Romania (partially) as from 2020 (grey electricity in 2019). With respect to the landlord obtained electricity, WDP always aims for the highest share of green

electricity possible. The further specifications of the grey/green share is available under Table *Landlord-obtained and Tenant-obtained utilities* in the narrative on methodology.

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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## Water - WDP property portfolio

| EPRA      | GRI CRESSD | Indicator                              | Performance measurement | Measuring unit | 2019 <sup>1</sup> |            | 2020           |            | Scope for statutory auditor <sup>2</sup> |
|-----------|------------|----------------------------------------|-------------------------|----------------|-------------------|------------|----------------|------------|------------------------------------------|
|           |            |                                        |                         |                | Indicator         | Coverage   | Indicator      | Coverage   |                                          |
| Water-Abs | 303-1      | <b>Total water consumption</b>         | <b>Absolute</b>         | <b>m³</b>      | <b>96,375</b>     | <b>49%</b> | <b>217,581</b> | <b>62%</b> | ✓                                        |
|           |            | Total landlord-obtained                |                         |                | 16,908            |            | 38,172         |            |                                          |
|           |            | For landlord shared services           |                         |                | 0                 |            | 0              |            |                                          |
|           |            | (Sub)metered exclusively to tenants    |                         |                | 16,908            |            | 38,172         |            |                                          |
|           |            | Total tenant-obtained                  |                         |                | 79,467            |            | 179,409        |            |                                          |
| Water-LfL | 303-1      | <b>Like-for-Like water consumption</b> | <b>Like-for-Like</b>    | <b>m³</b>      | <b>60,586</b>     | <b>17%</b> | <b>64,713</b>  | <b>17%</b> | ✓                                        |
|           |            | Total landlord-obtained                |                         |                | 10,629            |            | 11,353         |            |                                          |
|           |            | For landlord shared services           |                         |                | 0                 |            | 0              |            |                                          |
|           |            | (Sub)metered exclusively to tenants    |                         |                | 10,629            |            | 11,353         |            |                                          |
|           |            | Total tenant-obtained                  |                         |                | 49,956            |            | 53,360         |            |                                          |
| Water-Int | CRE2       | Building water intensity               | Absolute                | m³/m²          | 0.03              |            | 0.06           |            | ✓                                        |
|           |            | Building water intensity               | Like-for-Like           | m³/m²          | 0.06              |            | 0.06           |            | ✓                                        |

The absolute indicators have increased due to a further roll-out of the energy monitoring system. The surface coverage raises from 49% in 2019 to 62% at the end of 2020.

The Like-for-Like scope indicates an increase of about 7% in Water consumption, related to the tenants' activities.

## Certification - WDP property portfolio

| EPRA     | GRI CRESSD | Indicator                                                 | Performance measurement | Measuring unit | 2019 <sup>1</sup> |             | 2020      |             | Scope for statutory auditor <sup>2</sup> |
|----------|------------|-----------------------------------------------------------|-------------------------|----------------|-------------------|-------------|-----------|-------------|------------------------------------------|
|          |            |                                                           |                         |                | Indicator         | Coverage    | Indicator | Coverage    |                                          |
| Cert-Tot | CRE8       | <b>Type and number of sustainability certified assets</b> | <b>Absolute</b>         | <b>BREEAM</b>  | <b>13</b>         | <b>100%</b> | <b>17</b> | <b>100%</b> | ✓                                        |
|          |            |                                                           |                         | Excellent      | 1                 |             | 2         |             |                                          |
|          |            |                                                           |                         | Very Good      | 7                 |             | 8         |             |                                          |
|          |            |                                                           |                         | Good           | 5                 |             | 7         |             |                                          |
|          |            |                                                           |                         |                |                   |             |           |             |                                          |
|          |            | <b>Type and number of sustainability certified assets</b> | <b>Absolute</b>         | <b>EDGE</b>    | <b>0</b>          | <b>100%</b> | <b>48</b> | <b>100%</b> | ✓                                        |
|          |            |                                                           |                         | EDGE           | 0                 |             | 32        |             |                                          |
|          |            |                                                           |                         | EDGE Advanced  | 0                 |             | 16        |             |                                          |

During 2020, 4 new BREEAM certificates were achieved. Within the context of the IFC green financing framework, 48 EDGE certifications were granted for the Romanian warehouse portfolio.

<sup>1</sup> As explained in the methodology, these figures are restated compared to the figures stated in the *Annual financial report 2019*.

<sup>2</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

## EPRA social performance indicators

WDP has slightly modified the calculation method with respect to the social indicators for the purpose of reporting a more realistic view on the composition of #TeamWDP. As from 2020, employees with a permanent employment contract, as well as team

members as independent manager or as independent service provider are recognised in the social indicators' report. In addition, some indicators show more detailed information for enhanced transparency.

| EPRA          | GRI   | Indicator                                                         | Boundaries                                     | Measuring unit and description                                                                                                                        | WDP corporate offices                                                                          |        | Scope for statutory auditor <sup>1</sup>                     |
|---------------|-------|-------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------|
|               |       |                                                                   |                                                |                                                                                                                                                       | 2019                                                                                           | 2020   |                                                              |
| Diversity-Emp | 405-1 | Gender diversity                                                  | Employees                                      | Percentage female                                                                                                                                     | 42%                                                                                            | 46%    | ✓                                                            |
|               |       |                                                                   | Employees                                      | Percentage male                                                                                                                                       | 58%                                                                                            | 54%    | ✓                                                            |
|               |       |                                                                   | Management Committee                           | Percentage female                                                                                                                                     | 0%                                                                                             | 0%     | ✓                                                            |
|               |       |                                                                   | Management Committee                           | Percentage male                                                                                                                                       | 100%                                                                                           | 100%   | ✓                                                            |
| Diversity-Pay | 405-2 | Gender pay ratio                                                  | Employees                                      | Ratio average pay male vs, average pay female                                                                                                         | 1.62                                                                                           | 1.01   | ✓                                                            |
| Emp-Training  | 404-1 | Employee training and development                                 | Employees and Management Committee - Headcount | Average number of hours of training                                                                                                                   | 19.09                                                                                          | 37.09  | ✓                                                            |
|               |       |                                                                   | Employees and Management Committee - FTE       | Average number of hours of training                                                                                                                   | 21.65                                                                                          | 39.53  | ✓                                                            |
| Emp-Dev       | 404-3 | Employee performance appraisals                                   | Employees and Management Committee             | Percentage of evaluation                                                                                                                              | 100%                                                                                           | 100%   | ✓                                                            |
| Emp-New hires | 401-1 | New hires                                                         | Employees                                      | Number of new employee hires                                                                                                                          | 16                                                                                             | 9      | ✓                                                            |
|               |       |                                                                   | Employees                                      | Percentage of new employees vs, total number of employees                                                                                             | 21%                                                                                            | 11%    | ✓                                                            |
| Emp-Turnover  | 401-1 | Turnover                                                          | Employees                                      | Number of employees that have left the organisation voluntarily or due to dismissal, retirement or death in service                                   | 8                                                                                              | 3      | ✓                                                            |
|               |       |                                                                   | Employees                                      | Percentage of employees that have left the organisation voluntarily or due to dismissal, retirement or death in service vs, total number of employees | 9%                                                                                             | 4%     | ✓                                                            |
|               |       |                                                                   | Employees                                      | Percentage of employees or Management Committee involved vs, total number of hours                                                                    | 0.002%                                                                                         | 0.001% | ✓                                                            |
| H&S-Emp       | 403-2 | Injury rate                                                       | Employees and Management Committee             | Percentage of employees or Management Committee involved vs, total number of hours                                                                    | 0.002%                                                                                         | 0.001% | ✓                                                            |
|               |       |                                                                   | Employees and Management Committee             | Percentage of number of days when incapable of working vs, total number of hours                                                                      | 0.019%                                                                                         | 0.118% | ✓                                                            |
|               |       |                                                                   | Employees and Management Committee             | Percentage of number of days incapacitated due to long-term illness vs, total number of hours                                                         | 0.113%                                                                                         | 0.026% | ✓                                                            |
|               |       |                                                                   | Employees and Management Committee             | Percentage of number of days incapacitated due to short-term illness vs, total number of hours                                                        | 0.139%                                                                                         | 0.092% | ✓                                                            |
| H&S-Asset     | 416-1 | Asset health and safety assessments                               | Employees and Management Committee             | Number of work-related fatalities                                                                                                                     | 0                                                                                              | 0      | ✓                                                            |
|               |       |                                                                   | Employees and Management Committee             | Percentage of assets for which health and safety impacts have been assessed                                                                           | 100%                                                                                           | 100%   | ✓                                                            |
| H&S-Comp      | 416-2 | Asset health and safety compliance                                | WDP corporate offices                          | Number of incidents of non-compliance with regulations concerning the health and safety impacts                                                       | 0                                                                                              | 0      | ✓                                                            |
| Comty-Eng     | 413-1 | Community engagement, impact assessments and development programs | WDP corporate offices                          | Percentage assets covered                                                                                                                             | 100%                                                                                           | 100%   | ✓                                                            |
|               |       |                                                                   |                                                |                                                                                                                                                       | See 6. ESG - Stakeholder engagement and 11.3 Annexes - Background information on ESG reporting |        | See 4. ESG - Value creation through dialogue and clear focus |

<sup>1</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.

## EPRA SUSTAINABILITY PERFORMANCE MEASURES

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## EPRA governance performance indicators

| EPRA             | GRI           | Indicator                                        | Boundaries         | Measuring unit and description                         | WDP corporate offices                                                                     |                                                                                           | Scope for statutory auditor <sup>1</sup> |
|------------------|---------------|--------------------------------------------------|--------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------|
|                  |               |                                                  |                    |                                                        | 2019                                                                                      | 2020                                                                                      |                                          |
| <b>Gov-Board</b> | <b>102-22</b> | <b>Composition</b>                               | Board of Directors | Composition                                            | See 5. <i>Corporate Governance Statement - Board of Directors - Composition</i>           | See 8. <i>Corporate Governance Statement - Board of Directors - Composition</i>           | ✓                                        |
| <b>Gov-Selec</b> | <b>102-24</b> | <b>Process of nominating and selecting</b>       | Board of Directors | Description of nomination and selection                | See 5. <i>Corporate Governance Statement - Board of Directors - Composition</i>           | See 8. <i>Corporate Governance Statement - Board of Directors - Composition</i>           | ✓                                        |
| <b>Gov-Col</b>   | <b>102-25</b> | <b>Process of managing conflicts of interest</b> | Board of Directors | Description of process regarding conflicts of interest | See 5. <i>Corporate Governance Statement - Board of Directors - Conflicts of interest</i> | See 8. <i>Corporate Governance Statement - Board of Directors - Conflicts of interest</i> | ✓                                        |

<sup>1</sup> All EPRA indicators marked with a ✓ were checked by certified Deloitte auditors in the context of a limited assurance for 2020.

## GRI STANDARD

|        | GRI 102: General disclosures                                 | Page, url or comment                                                                                                                                                                      |
|--------|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 102-1  | Name of the organisation                                     | 246                                                                                                                                                                                       |
| 102-2  | Activities, brands, products and services                    | 10, 11, 16-18                                                                                                                                                                             |
| 102-3  | Location of headquarters                                     | 198, 248                                                                                                                                                                                  |
| 102-4  | Location of operations                                       | 10, 150                                                                                                                                                                                   |
| 102-5  | Ownership and legal form                                     | 65, 246                                                                                                                                                                                   |
| 102-6  | Markets served                                               | 10, 11, 16-18, 87-100                                                                                                                                                                     |
| 102-7  | Scale of the organization                                    | 30, 65, 87-100, 191-197, 232                                                                                                                                                              |
| 102-8  | Information on employees and other workers                   | 30-32, 184, 232                                                                                                                                                                           |
| 102-9  | Supply chain                                                 | 11, 12-14, 21                                                                                                                                                                             |
| 102-10 | Significant changes to the organization and its supply chain | 10, 21, 23-24, 65, 232, <a href="#">Supplier Code of Conduct</a>                                                                                                                          |
| 102-11 | Precautionary Principle or approach                          | 16-19, 20, 21, 22-38                                                                                                                                                                      |
| 102-12 | External initiatives                                         | 23-24                                                                                                                                                                                     |
| 102-13 | Membership of associations                                   | <a href="#">Membership in associations and societies</a>                                                                                                                                  |
| 102-14 | Statement from senior decision-maker                         | <a href="#">Statement by the CEO</a>                                                                                                                                                      |
| 102-15 | Key impacts, risks and opportunities                         | 12-20, 21, 22-38, 143-147, 151-158, <a href="#">Employee Code of Conduct</a> , <a href="#">Supplier Code of Conduct</a>                                                                   |
| 102-16 | Values, principles, standards and norms of behaviour         | 16-18, 26, 28, 140-147, <a href="#">Dealing Code</a> , <a href="#">Employee Code of Conduct</a> , <a href="#">Supplier Code of Conduct</a> , <a href="#">Corporate Governance Charter</a> |
| 102-17 | Mechanisms for advice and concerns about ethics              | 140-143, 145, <a href="#">Grievance mechanism</a> , <a href="#">Code of Ethics</a>                                                                                                        |
| 102-18 | Governance structure                                         | 27, 107-130, <a href="#">Corporate Governance Charter</a>                                                                                                                                 |
| 102-19 | Delegating authority                                         | 27                                                                                                                                                                                        |

|        | GRI 102: General disclosures                                                  | Page, url or comment                                                                                         |
|--------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | 27, 111-118, 124-130                                                                                         |
| 102-21 | Consulting stakeholders on economic, environmental, and social topics         | 16-18, 23-24                                                                                                 |
| 102-22 | Composition of the highest governance body and its committees                 | 111-124                                                                                                      |
| 102-23 | Chair of the highest governance body                                          | 113, 116, 119                                                                                                |
| 102-24 | Nominating and selecting the highest governance body                          | 118-119, 130                                                                                                 |
| 102-25 | Conflicts of interest                                                         | 140-143                                                                                                      |
| 102-26 | Role of highest governance body in setting purpose, values and strategy       | 27, 117                                                                                                      |
| 102-27 | Collective knowledge of highest governance body                               | 27, 113-116, 118                                                                                             |
| 102-28 | Evaluating the highest governance body's performance                          | 119-120                                                                                                      |
| 102-29 | Identifying and managing economic, environmental, and social impacts          | 23-27, 143-147                                                                                               |
| 102-30 | Effectiveness of risk management processes                                    | 118, 143-147, <a href="#">Corporate Governance Charter</a>                                                   |
| 102-31 | Review of economic, environmental and social topics                           | 143-147                                                                                                      |
| 102-32 | Highest governance body's role in sustainability reporting                    | 27                                                                                                           |
| 102-33 | Communicating critical concerns                                               | 23-24, 27, 140-143, 145, <a href="#">Employee Code of Conduct</a> , <a href="#">Supplier Code of Conduct</a> |
| 102-35 | Remuneration policies                                                         | 131-139                                                                                                      |
| 102-36 | Process for determining remuneration                                          | 131-139                                                                                                      |
| 102-37 | Stakeholders' involvement in remuneration                                     | 131-139                                                                                                      |
| 102-40 | List of stakeholder groups                                                    | 23-24                                                                                                        |
| 102-41 | Collective bargaining agreements                                              | 30                                                                                                           |
| 102-42 | Identifying and selecting stakeholders                                        | 16-18, 21, 23-24, 25-26                                                                                      |



## GRI STANDARD

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|        | GRI 102: General disclosures                               | Page, url or comment                                                                                                                                                                                                            |
|--------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 102-43 | Approach to stakeholder engagement                         | 23-24                                                                                                                                                                                                                           |
| 102-44 | Key topics and concerns raised                             | 23-24                                                                                                                                                                                                                           |
| 102-45 | Entities included in the consolidated financial statements | 211                                                                                                                                                                                                                             |
| 102-46 | Defining report content and topic boundaries               | 25-26, 170-171                                                                                                                                                                                                                  |
| 102-47 | List of material topics                                    | 26                                                                                                                                                                                                                              |
| 102-48 | Restatements of information                                | 172, 173-175, 177, 179-183                                                                                                                                                                                                      |
| 102-49 | Changes in reporting                                       | n.r.                                                                                                                                                                                                                            |
| 102-50 | Reporting period                                           | 170, 198<br>Financial year from 01.01.2020 to 31.12.2020                                                                                                                                                                        |
| 102-51 | Date of most recent report                                 | This report relates to the activities for the 2020 financial year. This report follows the <a href="#">Annual financial report 2019</a> , published on 27 March 2020.                                                           |
| 102-52 | Reporting cycle                                            | Annual                                                                                                                                                                                                                          |
| 102-53 | Contact point for questions regarding the report           | 275                                                                                                                                                                                                                             |
| 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                                          | 186-188                                                                                                                                                                                                                         |
| 102-56 | External assurance                                         | 259-266<br>Deloitte Bedrijfsrevisoren issues a report on the EPRA Earnings forecast, the consolidated financial statements and a selection of environmental, social and governance indicators, published in this annual report. |

| Materiality                            | GRI Standard                                                 | Page, url or comment                                                                                                                                                                        |
|----------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Corporate culture</b>               |                                                              |                                                                                                                                                                                             |
| GRI 103 Management approach            | 103-1 Explanation of the material topic and its boundary     | 28, 171                                                                                                                                                                                     |
|                                        | 103-2 The management approach and its components             | 28                                                                                                                                                                                          |
|                                        | 103-3 Evaluation of the management approach                  | 28                                                                                                                                                                                          |
| GRI 102 2018 General disclosures       | 102-16 Values, principles, standards and norms of behaviour  | 16-18, 26, 38, 143-147, <a href="#">Employee Code of Conduct</a> , <a href="#">Supplier Code of Conduct</a> , <a href="#">Corporate Governance Charter</a> , <a href="#">Code of Ethics</a> |
| <b>Attracting and retaining talent</b> |                                                              |                                                                                                                                                                                             |
| GRI 103 Management approach            | 103-1 Explanation of the material topic and its boundary     | 29-31, 171                                                                                                                                                                                  |
|                                        | 103-2 The management approach and its components             | 29-31                                                                                                                                                                                       |
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|                                        | 401-1 Average hours of training per year per employee        | 34, 184                                                                                                                                                                                     |
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|                                        | 405-2 Ratio of basic salary and remuneration of women to men | 184                                                                                                                                                                                         |
| <b>Digitisation</b>                    |                                                              |                                                                                                                                                                                             |
| GRI 103 Management approach            | 103-1 Explanation of the material topic and its boundary     | 35, 171                                                                                                                                                                                     |
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## GRI STANDARD

| Materiality                            | GRI Standard                                                                                                                       | Page, url or comment |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| GRI 203 Indirect economic impacts      | 203-1 Infrastructure investments and services supported                                                                            | 35, 73, 118          |
| <b>Employee development</b>            |                                                                                                                                    |                      |
| GRI 103 Management approach            | 103-1 Explanation of the material topic and its boundary                                                                           | 34, 171              |
|                                        | 103-2 The management approach and its components                                                                                   | 34                   |
|                                        | 103-3 Evaluation of the management approach                                                                                        | 34                   |
| GRI 404 Training and education         | 404-1 Average hours of training per year per employee                                                                              | 34, 184              |
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| <b>Energy efficiency</b>               |                                                                                                                                    |                      |
| GRI 103 Management approach            | 103-1 Explanation of the material topic and its boundary                                                                           | 36-37, 171           |
|                                        | 103-2 The management approach and its components                                                                                   | 36-37                |
|                                        | 103-3 Evaluation of the management approach                                                                                        | 36-37                |
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|                                        | 302-5 Reductions in energy requirements of products and services                                                                   | 172-183              |
| <b>Health and safety</b>               |                                                                                                                                    |                      |
| GRI 103 Management approach            | 103-1 Explanation of the material topic and its boundary                                                                           | 32-33, 171           |
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| GRI 416 Customer health and safety     | 416-1 Assessment of the health and safety impacts of product and service categories                                                | 32-33, 184           |

| Materiality                      | GRI Standard                                                                                        | Page, url or comment |
|----------------------------------|-----------------------------------------------------------------------------------------------------|----------------------|
|                                  | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | 32-33, 184           |
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| GRI 103 Management approach      | 103-1 Explanation of the material topic and its boundary                                            | 38, 171              |
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| GRI 307 Environmental compliance | 307-1 Non-compliance with environmental laws and regulations                                        | 38, 156              |
| GRI 419 Socioeconomic compliance | 419-1 Non-compliance with laws and regulations in the social and economic area                      | 155-158              |

## 11. FINANCIAL STATEMENTS



WDP Romania has  
passed sustainability test



Sustainable  
certification

“

EDGE proves that future-oriented  
buildings unite profitability and  
lower ecological footprint

|    |                                                                     |                                                                                       |     |                                                            |                                                                                                               |     |     |
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|    | XV.                                                                 | Assets held for sale                                                                  | 226 |                                                            |                                                                                                               |     |     |

# 1. 2020 ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

## Income statement

| in euros (x 1,000)                                                                                                | Note     | FY 2020        | FY 2019        |
|-------------------------------------------------------------------------------------------------------------------|----------|----------------|----------------|
| <b>I. Rental income</b>                                                                                           |          | <b>228,401</b> | <b>202,748</b> |
| Rent                                                                                                              | VIII     | 228,401        | 201,788        |
| Indemnification related to early lease terminations                                                               |          | 0              | 961            |
| <b>III. Costs related to leases</b>                                                                               |          | <b>48</b>      | <b>184</b>     |
| Rent to be paid for leased premises                                                                               |          | 546            | 440            |
| Impairments of trade receivables                                                                                  | XVI      | -751           | -783           |
| Reversals of impairments of trade receivables                                                                     | XVI      | 252            | 527            |
| <b>Net rental result</b>                                                                                          |          | <b>228,449</b> | <b>202,932</b> |
| <b>IV. Recovery of property costs</b>                                                                             |          | <b>0</b>       | <b>0</b>       |
| <b>V. Recovery of rental charges and taxes normally paid by the tenant on let properties</b>                      |          | <b>20,525</b>  | <b>18,226</b>  |
| Re-invoicing rental charges paid out by the owner                                                                 |          | 10,620         | 8,940          |
| Re-invoicing advance property levies and taxes on let buildings                                                   |          | 9,905          | 9,286          |
| <b>VI. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease</b> |          | <b>0</b>       | <b>0</b>       |
| <b>VII. Rental charges and taxes normally paid by the tenant on let properties</b>                                |          | <b>-24,688</b> | <b>-21,238</b> |
| Rental charges paid out by the owner                                                                              |          | -10,840        | -9,127         |
| Advance levies and taxes on let buildings                                                                         |          | -13,848        | -12,111        |
| <b>VIII. Other income and charges related to leases</b>                                                           |          | <b>18,417</b>  | <b>16,646</b>  |
| Property management fees                                                                                          |          | 1,079          | 954            |
| Other operating income/costs                                                                                      |          | 866            | 1,003          |
| Income from solar energy                                                                                          | XIII     | 16,472         | 14,689         |
| <b>Property result</b>                                                                                            | <b>V</b> | <b>242,703</b> | <b>216,566</b> |

| in euros (x 1,000)                                                                           | Note       | FY 2020        | FY 2019        |
|----------------------------------------------------------------------------------------------|------------|----------------|----------------|
| <b>IX. Technical costs</b>                                                                   |            | <b>-5,420</b>  | <b>-4,552</b>  |
| Recurrent technical costs                                                                    |            | -5,381         | -4,487         |
| - Repairs                                                                                    |            | -3,916         | -3,424         |
| - Insurance premiums                                                                         |            | -1,464         | -1,064         |
| Non-recurrent technical costs                                                                |            | -40            | -64            |
| - Damage                                                                                     |            | -40            | -64            |
| <b>X. Commercial costs</b>                                                                   |            | <b>-685</b>    | <b>-656</b>    |
| Estate agency commissions                                                                    |            | -177           | -162           |
| Advertising                                                                                  |            | -330           | -318           |
| Lawyers' fees and legal charges                                                              |            | -178           | -176           |
| <b>XII. Property management costs</b>                                                        |            | <b>-2,219</b>  | <b>-2,037</b>  |
| Fees paid to external managers                                                               |            | -433           | -382           |
| (Internal) property management costs                                                         |            | -1,786         | -1,655         |
| <b>Property charges</b>                                                                      | <b>V</b>   | <b>-8,325</b>  | <b>-7,245</b>  |
| <b>Property operating result</b>                                                             | <b>V</b>   | <b>234,378</b> | <b>209,321</b> |
| <b>XIV. General Company expenses</b>                                                         |            | <b>-14,314</b> | <b>-11,034</b> |
| <b>XV. Other operating income and expenses (depreciation and write-down on solar panels)</b> |            | <b>-7,270</b>  | <b>-6,526</b>  |
| <b>Operating result (before the result on the portfolio)</b>                                 | <b>V</b>   | <b>212,793</b> | <b>191,761</b> |
| <b>XVI. Result on disposals of investment properties</b>                                     | <b>IX</b>  | <b>408</b>     | <b>10</b>      |
| Net property sales (sales price – transaction costs)                                         |            | 6,450          | 14,570         |
| Book value of properties sold                                                                |            | -6,042         | -14,560        |
| <b>XVIII. Variations in the fair value of investment properties</b>                          | <b>XII</b> | <b>186,417</b> | <b>285,353</b> |
| Positive variations in the fair value of investment properties                               |            | 227,605        | 301,891        |
| Negative variations in the fair value of investment properties                               |            | -41,188        | -16,539        |
| <b>Operating result</b>                                                                      |            | <b>399,619</b> | <b>477,124</b> |

**Income statement** continued

| in euros (x 1,000)                                                             | Note | FY 2020        | FY 2019        |
|--------------------------------------------------------------------------------|------|----------------|----------------|
| <b>XX. Financial income</b>                                                    |      | <b>398</b>     | <b>453</b>     |
| Interests and dividends received                                               |      | 254            | 246            |
| Other financial income                                                         |      | 144            | 207            |
| <b>XXI. Net interest charges</b>                                               |      | <b>-37,878</b> | <b>-39,411</b> |
| Interest on loans                                                              |      | -23,644        | -23,486        |
| Interest capitalised during construction                                       |      | 6,105          | 3,471          |
| Cost of permitted hedging instruments                                          |      | -15,933        | -16,380        |
| Other interest charges                                                         |      | -4,406         | -3,016         |
| <b>XXII. Other financial charges</b>                                           |      | <b>-1,194</b>  | <b>-1,257</b>  |
| Bank charges and other commissions                                             |      | -69            | -52            |
| Other financial charges                                                        |      | -1,125         | -1,206         |
| <b>XXIII. Variations in the fair value of financial assets and liabilities</b> | XIV  | <b>-31,049</b> | <b>-29,883</b> |
| <b>Financial result</b>                                                        | X    | <b>-69,723</b> | <b>-70,099</b> |
| <b>XXIV. Share in the results of associated companies and joint ventures</b>   |      | <b>4,831</b>   | <b>3,117</b>   |
| <b>Result before taxes</b>                                                     |      | <b>334,727</b> | <b>410,142</b> |
| <b>XXV. Corporate income tax</b>                                               |      | <b>-6,126</b>  | <b>-10,672</b> |
| <b>XXVI. Exit tax</b>                                                          |      | <b>0</b>       | <b>0</b>       |
| <b>Taxes</b>                                                                   | XI   | <b>-6,126</b>  | <b>-10,672</b> |
| <b>Net result</b>                                                              |      | <b>328,601</b> | <b>399,470</b> |
| Attributable to:                                                               |      |                |                |
| Minority interests                                                             |      | 3,991          | 5,738          |
| Shareholders of the Group                                                      |      | 324,610        | 393,732        |

## Consolidated statement of the comprehensive result

| in euros (x 1,000)                                       | FY 2020        | FY 2019        |
|----------------------------------------------------------|----------------|----------------|
| <b>I. Net result</b>                                     | <b>328,601</b> | <b>399,470</b> |
| <b>II. Other elements of the comprehensive result</b>    | <b>4,220</b>   | <b>983</b>     |
| G. Other elements of the comprehensive result, after tax | 4,220          | 983            |
| Revaluation of solar panels                              | 4,220          | 983            |
| <b>Comprehensive result</b>                              | <b>332,821</b> | <b>400,453</b> |
| Attributable to:                                         |                |                |
| Minority interests                                       | 3,914          | 5,961          |
| Shareholders of the Group                                | 328,907        | 394,492        |

## Components of the net result

| in euros (x 1,000)                                                                                          | FY 2020        | FY 2019        |
|-------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>EPRA Earnings</b>                                                                                        | <b>174,516</b> | <b>152,374</b> |
| Result on the portfolio (including share in the result of joint ventures) – Group share <sup>1</sup>        | 187,904        | 277,423        |
| Variations in the fair value of financial assets and liabilities – Group share                              | -31,049        | -29,883        |
| Depreciation and write-down on solar panels (including share in the result of joint ventures) – Group share | -6,761         | -6,183         |
| <b>Net result (IFRS) – Group share</b>                                                                      | <b>324,610</b> | <b>393,732</b> |

| in euros (per share) <sup>2</sup>                                                                           | FY 2020     | FY 2019     |
|-------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>EPRA Earnings</b>                                                                                        | <b>1.00</b> | <b>0.93</b> |
| Result on the portfolio (including share in the result of joint ventures) – Group share <sup>1</sup>        | 1.08        | 1.69        |
| Variations in the fair value of financial assets and liabilities – Group share                              | -0.18       | -0.18       |
| Depreciation and write-down on solar panels (including share in the result of joint ventures) – Group share | -0.04       | -0.04       |
| <b>Net result (IFRS) – Group share</b>                                                                      | <b>1.87</b> | <b>2.40</b> |

| in euros (per share) (diluted) <sup>2</sup>                                                                 | FY 2020     | FY 2019     |
|-------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>EPRA Earnings</b>                                                                                        | <b>1.00</b> | <b>0.93</b> |
| Result on the portfolio (including share in the result of joint ventures) – Group share <sup>1</sup>        | 1.08        | 1.69        |
| Variations in the fair value of financial assets and liabilities – Group share                              | -0.18       | -0.18       |
| Depreciation and write-down on solar panels (including share in the result of joint ventures) – Group share | -0.04       | -0.04       |
| <b>Net result (IFRS) – Group share</b>                                                                      | <b>1.87</b> | <b>2.40</b> |

<sup>1</sup> Including deferred taxes on the portfolio result.

<sup>2</sup> Calculated on the weighted average number of shares.



## Balance sheet - Assets

| in euros (x 1,000)                                                  | Note     | 31.12.2020       | 31.12.2019       |
|---------------------------------------------------------------------|----------|------------------|------------------|
| <b>I. Fixed assets</b>                                              |          | <b>4,728,536</b> | <b>4,156,619</b> |
| <b>B. Intangible fixed assets</b>                                   |          | <b>1,193</b>     | <b>422</b>       |
| <b>C. Investment property</b>                                       | XII      | <b>4,566,601</b> | <b>4,002,340</b> |
| Property available for lease                                        |          | 4,206,902        | 3,646,702        |
| Property developments                                               |          | 249,381          | 248,713          |
| Other: land reserves                                                |          | 110,318          | 106,925          |
| <b>D. Other tangible fixed assets</b>                               | XIII     | <b>126,719</b>   | <b>125,244</b>   |
| Tangible fixed assets for own use                                   |          | 4,366            | 4,234            |
| Other: solar panels                                                 |          | 122,353          | 121,010          |
| <b>E. Financial fixed assets</b>                                    | XIV      | <b>6,929</b>     | <b>4,743</b>     |
| Assets at fair value through result                                 |          | 0                | 0                |
| Permitted hedging instruments                                       |          | 0                | 0                |
| Financial assets at amortised cost                                  |          | 6,929            | 4,743            |
| Other                                                               | XXV      | 6,929            | 4,743            |
| <b>G. Trade receivables and other fixed assets</b>                  | XIV      | <b>2,747</b>     | <b>4,162</b>     |
| <b>I. Participations in associated companies and joint ventures</b> | XVII     | <b>24,346</b>    | <b>19,707</b>    |
| <b>II. Current assets</b>                                           |          | <b>61,869</b>    | <b>66,171</b>    |
| <b>A. Assets held for sale</b>                                      |          | <b>15,543</b>    | <b>5,779</b>     |
| Investment properties                                               | XV       | 15,543           | 5,779            |
| <b>D. Trade receivables</b>                                         | XIV, XVI | <b>12,073</b>    | <b>15,364</b>    |
| <b>E. Tax receivables and other current assets</b>                  | XVIII    | <b>17,232</b>    | <b>34,249</b>    |
| Taxes                                                               |          | 12,240           | 25,181           |
| Other                                                               |          | 4,992            | 9,068            |
| <b>F. Cash and cash equivalents</b>                                 | XIV      | <b>11,240</b>    | <b>3,604</b>     |
| <b>G. Accruals and deferrals</b>                                    | XIV      | <b>5,781</b>     | <b>7,175</b>     |
| <b>Total assets</b>                                                 |          | <b>4,790,405</b> | <b>4,222,790</b> |

## Balance sheet - Liabilities

| in euros (x 1,000)                                                             | Note           | 31.12.2020       | 31.12.2019       |
|--------------------------------------------------------------------------------|----------------|------------------|------------------|
| <b>Shareholders' equity</b>                                                    |                | <b>2,403,793</b> | <b>2,149,861</b> |
| <b>I. Shareholders' equity attributable to the parent company shareholders</b> |                | <b>2,353,935</b> | <b>2,103,917</b> |
| A. Capital                                                                     | XIX            | 188,130          | 185,746          |
| Subscribed capital                                                             |                | 200,171          | 197,623          |
| Costs of capital increase                                                      |                | -12,041          | -11,877          |
| B. Issue premiums                                                              |                | 923,843          | 876,849          |
| C. Reserves                                                                    |                | 917,352          | 647,590          |
| D. Net result for the financial year                                           |                | 324,610          | 393,732          |
| <b>II. Minority interests</b>                                                  |                | <b>49,858</b>    | <b>45,944</b>    |
| <b>Liabilities</b>                                                             |                | <b>2,386,612</b> | <b>2,072,929</b> |
| <b>I. Non-current liabilities</b>                                              |                | <b>1,938,131</b> | <b>1,707,475</b> |
| A. Provisions                                                                  | XX             | 170              | 357              |
| Other                                                                          |                | 170              | 357              |
| B. Non-current financial debt                                                  | XIV, XXI, XXII | 1,740,284        | 1,568,199        |
| Credit institutions                                                            |                | 1,438,187        | 1,190,709        |
| Other                                                                          |                | 302,097          | 377,490          |
| C. Other non-current financial liabilities                                     | XIV            | 175,938          | 122,501          |
| Permitted hedging instruments                                                  |                | 129,901          | 81,819           |
| Other non-current financial liabilities                                        | XXIII          | 46,038           | 40,682           |
| D. Trade payables and other non-current liabilities                            |                | 3,552            | 3,061            |
| F. Deferred taxes – Liabilities                                                |                | 18,187           | 13,357           |
| <b>II. Current liabilities</b>                                                 |                | <b>448,481</b>   | <b>365,454</b>   |
| B. Current financial debt                                                      | XIV, XXI, XXII | 379,170          | 286,629          |
| Credit institutions                                                            |                | 253,848          | 234,485          |
| Other                                                                          |                | 125,323          | 52,143           |
| C. Other current financial liabilities                                         | XIV            | 171              | 168              |
| Permitted hedging instruments                                                  |                | 3                | 0                |
| Other current financial liabilities                                            | XXIII          | 168              | 168              |
| D. Trade payables and other current debts                                      | XIV            | 41,439           | 51,944           |
| Exit tax                                                                       |                | 0                | 0                |
| Other                                                                          |                | 41,439           | 51,944           |
| Suppliers                                                                      |                | 34,314           | 46,920           |
| Tax, salary and social security                                                |                | 7,125            | 5,024            |
| E. Other current liabilities                                                   |                | 7,049            | 8,300            |
| Other                                                                          |                | 7,049            | 8,300            |
| F. Accrued charges and deferred income                                         | XIV            | 20,652           | 18,413           |
| <b>Total liabilities</b>                                                       |                | <b>4,790,405</b> | <b>4,222,790</b> |

**Cash flow statement**

| in euros (x 1,000)                                                                                                     | Note | FY 2020         | FY 2019         |
|------------------------------------------------------------------------------------------------------------------------|------|-----------------|-----------------|
| <b>Cash and cash equivalents, opening balance sheet</b>                                                                |      | <b>3,604</b>    | <b>1,724</b>    |
| <b>Net cash flows concerning operating activities</b>                                                                  |      | <b>195,261</b>  | <b>151,945</b>  |
| Net result                                                                                                             |      | 328,601         | 399,470         |
| Taxes <sup>1</sup>                                                                                                     | XI   | 6,126           | 10,672          |
| Net interest charges                                                                                                   | X    | 37,878          | 39,411          |
| Financial income                                                                                                       | X    | -398            | -453            |
| Gain(+)/loss (-) on disposals                                                                                          | IX   | -408            | 10              |
| <b>Cash flows from operating activities before adjustment of non-monetary items, working capital and interest paid</b> |      | <b>371,798</b>  | <b>449,110</b>  |
| Variations in the fair value of financial derivatives                                                                  | XIV  | 31,049          | 29,883          |
| Variations in the fair value of investment properties                                                                  | XII  | -186,417        | -285,353        |
| Depreciations and write-downs on fixed assets                                                                          |      | 8,425           | 7,573           |
| Share in the result of associated companies and joint ventures                                                         |      | -4,831          | -3,117          |
| Other adjustments for non-monetary items                                                                               |      | 2,880           | 2,586           |
| <b>Adjustments for non-monetary items</b>                                                                              |      | <b>-148,894</b> | <b>-248,428</b> |
| <b>Increase (+)/decrease (-) in working capital requirements</b>                                                       |      | <b>17,366</b>   | <b>-6,069</b>   |
| <b>Interest paid</b>                                                                                                   |      | <b>-45,009</b>  | <b>-42,668</b>  |
| <b>Net cash flows concerning investment activities</b>                                                                 |      | <b>-391,024</b> | <b>-446,072</b> |

| in euros (x 1,000)                                                           | Note      | FY 2020         | FY 2019         |
|------------------------------------------------------------------------------|-----------|-----------------|-----------------|
| <b>Acquisitions</b>                                                          |           | <b>-395,257</b> | <b>-454,568</b> |
| Payments regarding acquisitions of real estate investments                   | XII       | -388,971        | -443,865        |
| Payments regarding acquisitions of shares of real estate companies           |           | 0               | 0               |
| Purchase of other tangible and intangible fixed assets                       | XIII      | -6,286          | -10,703         |
| <b>Disposals</b>                                                             |           | <b>6,450</b>    | <b>14,570</b>   |
| Receipts from the disposal of investment properties                          | IX        | 6,450           | 14,570          |
| Receipts from the sale of shares in real estate companies                    |           | 0               | 0               |
| <b>Debt financing provided to real estate companies not fully controlled</b> |           | <b>-2,218</b>   | <b>-6,074</b>   |
| Financing provided to entities not fully controlled                          | XXV       | -2,218          | -6,074          |
| Repayment of financing for entities not fully controlled                     |           | 0               | 0               |
| <b>Net cash flows concerning financing activities</b>                        |           | <b>203,399</b>  | <b>296,007</b>  |
| <b>Loan acquisition</b>                                                      | XXI, XXII | <b>738,528</b>  | <b>488,073</b>  |
| <b>Loan repayment</b>                                                        | XXI, XXII | <b>-456,866</b> | <b>-330,997</b> |
| <b>Dividends paid<sup>2</sup></b>                                            |           | <b>-78,264</b>  | <b>-67,580</b>  |
| <b>Capital increase</b>                                                      |           | <b>0</b>        | <b>196,510</b>  |
| <b>Capital increase of minority interests</b>                                |           | <b>0</b>        | <b>10,001</b>   |
| <b>Net increase (+)/decrease (-) in cash and cash equivalents</b>            |           | <b>7,636</b>    | <b>1,880</b>    |
| <b>Cash and cash equivalents, closing balance</b>                            |           | <b>11,240</b>   | <b>3,604</b>    |

<sup>1</sup> Including the deferred taxes on portfolio as well as the deferred income tax.

<sup>2</sup> This is only the cash-out: after all, in 2020 and 2019, an optional dividend was offered, with 55% and 56% of the shareholders, respectively, opting for payout of the dividend in shares instead of cash.

# Statement of changes in consolidated shareholders' equity - 2020

|                                                                                                                                                               | 01.01.2020       | Allocation of results from the 2019 financial year |                                              |                                                                                                |                                                                                                 |                                                                   | Other elements of the comprehensive result |                                              | Other             |                                                                                |                                                                       |                    |             | 31.12.2020       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|-------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------|--------------------|-------------|------------------|
|                                                                                                                                                               |                  | Profit for the previous financial year             | Transfer of result on portfolio <sup>1</sup> | Transfer of the result of the participations which are not held for 100% by the mother company | Dividend payments from participating interests that are not held for 100% by the mother company | Transfer of variations in the fair value of financial instruments | Net result for the current financial year  | Variations in the fair value of solar panels | Capital increases | Dividends distributed and capital increase as a result of an optional dividend | Reclas-sification with regard to the selling of investment properties | Minority interests | Other       |                  |
| in euro (x 1,000)                                                                                                                                             |                  |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |             |                  |
| <b>A. Capital</b>                                                                                                                                             | <b>185,746</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>0</b>                                   | <b>0</b>                                     | <b>0</b>          | <b>2,384</b>                                                                   | <b>0</b>                                                              | <b>0</b>           | <b>0</b>    | <b>188,130</b>   |
| Subscribed capital                                                                                                                                            | 197,623          |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   | 2,549                                                                          |                                                                       |                    |             | 200,171          |
| Costs of capital increase                                                                                                                                     | -11,877          |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   | -165                                                                           |                                                                       |                    |             | -12,041          |
| <b>B. Issue premiums</b>                                                                                                                                      | <b>876,849</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>0</b>                                   | <b>0</b>                                     | <b>0</b>          | <b>46,994</b>                                                                  | <b>0</b>                                                              | <b>0</b>           | <b>0</b>    | <b>923,843</b>   |
| <b>C. Reserves</b>                                                                                                                                            | <b>647,590</b>   | <b>393,732</b>                                     | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>0</b>                                   | <b>4,297</b>                                 | <b>0</b>          | <b>-127,642</b>                                                                | <b>0</b>                                                              | <b>0</b>           | <b>-627</b> | <b>917,352</b>   |
| Reserves for the balance of variations in the fair value of the properties (+/-)                                                                              | 513,715          |                                                    | 265,172                                      |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                | 194                                                                   |                    |             | 779,081          |
| Reserve for the share in the profit or loss in the unrealized results of the participating interests that are not held for 100% by the mother company         | 20,094           |                                                    |                                              | 26,069                                                                                         |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |             | 46,163           |
| Reserves for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-) | -51,936          |                                                    |                                              |                                                                                                |                                                                                                 | -29,883                                                           |                                            |                                              |                   |                                                                                |                                                                       |                    |             | -81,819          |
| Reserves for the balance of exchange rate differences for monetary assets and liabilities (+/-)                                                               | -184             |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |             | -184             |
| Reserves for conversion differences arising from the conversion of a foreign activity                                                                         | 249              |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |             | 249              |
| Reserves for deferred taxes related to property located abroad                                                                                                | -634             |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |             | -634             |
| Other reserves                                                                                                                                                | 26,818           |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            | 4,297                                        |                   |                                                                                |                                                                       |                    |             | 31,115           |
| Result carried forward from previous financial years                                                                                                          | 139,469          | 393,732                                            | -265,172                                     | -26,069                                                                                        |                                                                                                 | 29,883                                                            |                                            |                                              |                   | -127,642                                                                       | -194                                                                  |                    | -627        | 143,380          |
| <b>D. Net result of the financial year</b>                                                                                                                    | <b>393,732</b>   | <b>-393,732</b>                                    | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>324,610</b>                             | <b>0</b>                                     | <b>0</b>          | <b>0</b>                                                                       | <b>0</b>                                                              | <b>0</b>           | <b>0</b>    | <b>324,610</b>   |
| <b>Total shareholders' equity attributable to shareholders of the Group</b>                                                                                   | <b>2,103,917</b> | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>324,610</b>                             | <b>4,297</b>                                 | <b>0</b>          | <b>-78,264</b>                                                                 | <b>0</b>                                                              | <b>0</b>           | <b>-627</b> | <b>2,353,935</b> |
| Minority interests                                                                                                                                            | 45,944           |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   | 3,991                                      | -78                                          |                   |                                                                                |                                                                       |                    |             | 49,858           |
| <b>Total shareholders' equity</b>                                                                                                                             | <b>2,149,861</b> | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>328,601</b>                             | <b>4,220</b>                                 | <b>0</b>          | <b>-78,264</b>                                                                 | <b>0</b>                                                              | <b>0</b>           | <b>-627</b> | <b>2,403,793</b> |

<sup>1</sup> This includes the variations in the fair value of the portfolio of WDP NV and of the portfolio of the participation interest held for 100% by the mother company.

# Statement of changes in consolidated shareholders' equity - 2019

|                                                                                                                                                               | 01.01.2019       | Allocation of results from the 2018 financial year |                                              |                                                                                                |                                                                                                 |                                                                   | Other elements of the comprehensive result |                                              | Other             |                                                                                |                                                                       |                    |            | 31.12.2019       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|-------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------|--------------------|------------|------------------|
|                                                                                                                                                               |                  | Profit for the previous financial year             | Transfer of result on portfolio <sup>1</sup> | Transfer of the result of the participations which are not held for 100% by the mother company | Dividend payments from participating interests that are not held for 100% by the mother company | Transfer of variations in the fair value of financial instruments | Net result for the current financial year  | Variations in the fair value of solar panels | Capital increases | Dividends distributed and capital increase as a result of an optional dividend | Reclas-sification with regard to the selling of investment properties | Minority interests | Other      |                  |
| in euro (x 1.000)                                                                                                                                             |                  |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |            |                  |
| <b>A. Capital</b>                                                                                                                                             | <b>176,684</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>0</b>                                   | <b>0</b>                                     | <b>6,535</b>      | <b>2,527</b>                                                                   | <b>0</b>                                                              | <b>0</b>           | <b>0</b>   | <b>185,746</b>   |
| Subscribed capital                                                                                                                                            | 184,952          |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              | 10,025            | 2,646                                                                          |                                                                       |                    |            | 197,623          |
| Costs of capital increase                                                                                                                                     | -8,268           |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              | -3,490            | -119                                                                           |                                                                       |                    |            | -11,877          |
| <b>B. Issue premiums</b>                                                                                                                                      | <b>646,286</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>0</b>                                   | <b>0</b>                                     | <b>189,975</b>    | <b>40,587</b>                                                                  | <b>0</b>                                                              | <b>0</b>           | <b>0</b>   | <b>876,849</b>   |
| <b>C. Reserves</b>                                                                                                                                            | <b>428,767</b>   | <b>328,784</b>                                     | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>0</b>                                   | <b>760</b>                                   | <b>0</b>          | <b>-110,695</b>                                                                | <b>0</b>                                                              | <b>0</b>           | <b>-26</b> | <b>647,590</b>   |
| Reserves for the balance of variations in the fair value of the properties <sup>1</sup> (+/-)                                                                 | 323,314          |                                                    | 195,999                                      |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                | -5,599                                                                |                    |            | 513,715          |
| Reserve for the share in the profit or loss in the unrealized results of the participating interests that are not held for 100% by the mother company         | 0                |                                                    |                                              | 20,094                                                                                         |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |            | 20,094           |
| Reserves for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-) | -42,909          |                                                    |                                              |                                                                                                |                                                                                                 | -9,027                                                            |                                            |                                              |                   |                                                                                |                                                                       |                    |            | -51,936          |
| Reserves for the balance of exchange rate differences for monetary assets and liabilities (+/-)                                                               | -184             |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |            | -184             |
| Reserves for conversion differences arising from the conversion of a foreign activity                                                                         | 249              |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |            | 249              |
| Reserves for deferred taxes related to property located abroad                                                                                                | -634             |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            |                                              |                   |                                                                                |                                                                       |                    |            | -634             |
| Other reserves                                                                                                                                                | 26,411           |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   |                                            | 760                                          |                   |                                                                                |                                                                       |                    | -353       | 26,818           |
| Result carried forward from previous financial years                                                                                                          | 122,520          | 328,784                                            | -195,999                                     | -20,094                                                                                        |                                                                                                 | 9,027                                                             |                                            |                                              |                   | -110,695                                                                       | 5,599                                                                 |                    | 327        | 139,469          |
| <b>D. Net result of the financial year</b>                                                                                                                    | <b>328,784</b>   | <b>-328,784</b>                                    | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>393,732</b>                             | <b>0</b>                                     | <b>0</b>          | <b>0</b>                                                                       | <b>0</b>                                                              | <b>0</b>           | <b>0</b>   | <b>393,732</b>   |
| <b>Total shareholders' equity attributable to shareholders of the Group</b>                                                                                   | <b>1,580,521</b> | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>393,732</b>                             | <b>760</b>                                   | <b>196,510</b>    | <b>-67,580</b>                                                                 | <b>0</b>                                                              | <b>0</b>           | <b>-26</b> | <b>2,103,917</b> |
| Minority interests                                                                                                                                            | 29,994           |                                                    |                                              |                                                                                                |                                                                                                 |                                                                   | 5,738                                      | 223                                          |                   |                                                                                |                                                                       | 10,001             | -12        | 45,944           |
| <b>Total shareholders' equity</b>                                                                                                                             | <b>1,610,516</b> | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                                                                       | <b>0</b>                                                                                        | <b>0</b>                                                          | <b>399,470</b>                             | <b>983</b>                                   | <b>196,510</b>    | <b>-67,580</b>                                                                 | <b>0</b>                                                              | <b>10,001</b>      | <b>-38</b> | <b>2,149,861</b> |

1 This includes the variations in the fair value of the portfolio of WDP NV and of the portfolio of the participation interest held for 100% by the mother company.

## 2. NOTES

### I. General information on the Company

WDP is a public regulated real estate company and has the form of an NV/SA under Belgian law. Its registered office is at Blakebergen 15, 1861 Wolvenstem (Belgium). The telephone number is +32 (0)52 338 400.

The annual consolidated financial statements of the company of 31 December 2020 include the company and its subsidiaries. The financial statements were prepared and released for publication by the Board of Directors on 24 March 2021.

WDP is listed on Euronext Brussels and Amsterdam.

### II. Basis of presentation

The annual consolidated financial statements are drawn up in accordance with the IFRS (International Financial Reporting Standards) as adopted in the European Union and with the legal and administrative regulations applicable in Belgium. These standards include all new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) that are applicable to the Group's activities and are effective for annual periods beginning on or after 1 January 2020.

The annual consolidated financial statements are presented in thousands of euros, rounded to the nearest thousand. The 2019 and 2020 financial years are shown in this document. For historical financial information for the 2018 financial year, please refer to the annual reports for 2019 and 2018.

Accounting methods were consistently applied to the financial years shown.

### Standards and interpretations applicable to the financial year starting on or after 1 January 2020 (only applicable to financial years starting as from 1 January 2020)

- ◆ Amendments to IAS 1 and IAS 8 *Definition of Material*
- ◆ Amendments to IFRS 3 *Business Combinations: Definition of a Business*
- ◆ Amendments to IFRS 9, IAS 39 and IFRS 7 *Interest Rate Benchmark Reform – Phase 1*
- ◆ Amendments to references to the Conceptual Framework in IFRS standards

### New or amended standards and interpretations that have not yet taken effect

A number of new standards, amendments to standards and interpretations were not yet in force in 2020, but could have been applied earlier. Unless stated otherwise, WDP has not yet adopted these. Below is a description of the potential impact of any new standards, amendments or interpretations relevant to WDP on the annual consolidated financial statements for 2021<sup>1</sup> and beyond.

- ◆ IFRS 17 *Insurance Contracts* (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- ◆ Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current* (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- ◆ Amendments to IAS 16 *Property, Plant and Equipment: Proceeds before Intended Use* (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- ◆ Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract* (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- ◆ Amendments to IFRS 3 *Business Combinations: Reference to the Conceptual Framework* (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- ◆ Amendment to IFRS 4 *Insurance Contracts* – deferral of IFRS 9 (applicable for annual periods beginning on or after 1 January 2021, but not yet endorsed in the EU)

<sup>1</sup> Exposure Draft 2019/4 of June 2019 proposes to postpone the EU effective date to 1 January 2022.

- ◆ Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 *Interest Rate Benchmark Reform – Phase 2* (applicable for annual periods beginning on or after 1 January 2021, but not yet endorsed in the EU)
- ◆ Amendment to IFRS 16 Leases: *Covid-19-Related Rent Concessions* (applicable for annual periods beginning on or after 1 June 2020)
- ◆ *Annual Improvements to IFRS Standards 2018–2020* (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)

### III. Accounting principles

#### Consolidation principles

##### Subsidiaries

Subsidiaries are entities over which the company exercises control. A company exercises control over a subsidiary if, and only if, the parent company:

- ◆ has control over the shareholding;
- ◆ is exposed to, or has rights to variable revenues, by virtue of its involvement in the participation; and
- ◆ has the ability to use its control over the participation to influence the amount of investor returns.

The companies in which the Group has the control to set the financial and operational policy in order to benefit from its activities are included in full in the Group's annual consolidated financial statements.

This means that the Group's assets, liabilities and results are indicated in full. All intragroup transactions and profits are fully eliminated.

Minority holdings are holdings in subsidiaries that are not held directly or indirectly by the Group.

##### Joint ventures

Joint ventures are companies over which the Group has joint control, as specified by contractual agreement. Such joint control is applicable when the strategic financial and operational decisions with regard to the business require unanimous agreement from the parties that share the control (the shareholders in the joint venture).

As set out in IFRS 11 *Joint arrangements*, the results and balance sheet impact of the joint ventures I Love Hungaria (in which WDP holds a 50% stake), WDPort of Ghent Big Box (in which WDP holds a 29% stake), WDP Luxembourg (in which WDP holds a 55% stake) and WVI (in which WDP holds a 50% stake) are processed using the equity accounting method. With regard to the statistics in relation to the reporting on the portfolio, WDP's proportionate share in the portfolio of I Love Hungaria, WDPort of Ghent Big Box, WDP Luxembourg and WVI is still shown.

The result from transactions with the above joint ventures is not eliminated in the amount of the share of the WDP Group, but rather fully recognised in the result (under the headings *Operating result (before the result on the portfolio)* and *Financial result*).

##### Transactions eliminated from the consolidation

All transactions between Group companies, balances and unrealised profits and losses on transactions between Group companies are eliminated in the preparation of the annual consolidated financial statements

#### Business combinations and goodwill

If WDP acquires control over an integrated set of activities and assets, as defined in IFRS 3 *Business combinations*, the identifiable assets, liabilities and contingent liabilities of the acquired company are booked at fair value on the acquisition date. Goodwill is the positive difference between the acquisition costs and the share of the Group in the fair value of the acquired net asset. If this difference is negative (negative goodwill), it is immediately booked in the result after revaluation of the values.

After the initial recognition, goodwill is not written off, but rather subjected to an impairment test conducted every year on the cash flow generating units to which the goodwill is allocated. If the book value of a cash-flow-generating unit exceeds the operating value, the loss of value following from this will be booked in the result and initially included in the reduction of any goodwill, and subsequently to the other assets of the unit, in proportion to their book value. An impairment of goodwill cannot be reversed in a subsequent financial year.

## Foreign currency

The individual financial statements of each Group member are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the preparation of the annual consolidated financial statements, the results and the financial position of each entity are expressed in euros, which is the functional currency of the parent company, and the currency used for the presentation of the annual consolidated financial statements.

### Foreign currency transactions

Transactions in foreign currency are immediately booked at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are converted at the closing price.

Realised and unrealised exchange rate differences are recognised in the profit and loss account, except when they relate to intra-group borrowing that meets the definition of a net investment in a foreign activity. In that case, the exchange rate differences are included in a separate component of shareholders' equity and recognised in profit and loss after disposal of a net investment.

### Foreign activities

Assets and liabilities are converted at the closing rate, except for properties, which are converted at the historical rate. The profit and loss account is converted at the average rate over the financial year.

The resulting conversion differences are included in a separate component of shareholders' equity. These conversion differences are included in the profit and loss account when the foreign entity is disposed of, sold or liquidated.

## Investment properties

Land and buildings held to generate rental income over the long term are included as investment properties. On initial recognition, investment properties are valued at the purchase price, including the transaction costs and directly attributable costs.

Land held for the purposes of initiating property developments with a view to subsequent leasing and long-term increase in value, but for which no specific construction plans or

project developments (as referred to in the definition of project development) have been initiated (land reserves), is also deemed to be investment property.

The rights of use recognised in the balance sheet for the concession or long lease or similar leases (due to entry into force of IFRS 16) are also considered investment properties.

The financing costs directly attributable to acquisition of an investment property are capitalised as well. If special funds are borrowed for a specific asset, the actual financing costs for this loan are capitalised during the period, minus any investment returns from temporary investment of this loan.

After initial recognition, the investment properties are valued at fair value, in accordance with IAS 40. From the seller's perspective, the valuation is after deduction of the registration fees. These transaction costs depend on the geographical area where these properties are located.

This entails that the transaction costs are incorporated into the profit and loss account as per IAS 40. According to the GVV/SIR Royal Decree, this must then be included in the designated reserves at the end of the financial year.

Property under construction or development for future use as investment property (project development) is also included in *Investment properties* at fair value.

After initial recognition, the projects are valued at fair value. The fair value takes substantial development risks into account. In this respect, the following criteria must be met: there must be a clear understanding of the project costs, all permits required for the project development must have been obtained and a substantial part of the project development must be pre-leased (finalised and signed lease). This fair value measurement is based on the valuation by the independent property expert (in accordance with customary methods and assumptions) and takes into account costs to be incurred (including an estimation of unforeseen costs) before final completion of the project.

All charges directly related to the purchase or construction of immovable goods and all other investment expenditures are included in the cost of the development project.



In accordance with IAS 23, financing costs attributable directly to the construction or acquisition of an investment property are also capitalised for the period during which the investment property is prepared for leasing.

Capitalisation of financing costs as part of the cost of an eligible asset must begin as soon as:

- ◆ expenses are incurred for the asset;
- ◆ financing costs are incurred;
- ◆ activities are in progress to prepare the asset for its intended use.

The activities required to prepare the asset for its intended use include more than just physical construction of the asset. They also encompass the technical and administrative work before the start of actual construction, such as activities related to obtaining permits.

However, such activities do not include holding an asset without carrying out any production or development that changes the condition of the property:

- ◆ financing costs that are incurred during preparation of land, for instance, are capitalised during the period in which these activities occur;
- ◆ on the other hand, financing costs incurred in the period that the land is held for construction purposes without any development activity are not eligible for capitalisation.

Capitalisation of financing costs is suspended during long periods of interruption in active development. Capitalisation is not suspended during periods of extensive technical and administrative work. Nor is capitalisation suspended if a temporary delay constitutes an essential part of the process to prepare a property for its intended use or sale.

The profit/loss realised on the sale is included in the profit and loss account under *Result on disposal of investment property*. The result is determined as per IAS 40 and is the difference between the sale price and the fair value from the most recent valuation. This result achieved is recognised at the time of execution of the notarial deed for the sale.

## Other tangible fixed assets

### General

Other tangible fixed assets are valued at their cost less the cumulative depreciations and write-downs. The cost includes all directly attributable costs and the relevant part of the indirect costs incurred in preparing the assets for use.

Future disbursements for repairs are immediately recorded in the result unless they increase the future financial profits of the asset.

The straight-line depreciation method is applied over the estimated useful life of the assets. The useful life and depreciation method are reviewed at least once a year at the end of each financial year. The tangible fixed assets are depreciated according to the following depreciation rates:

- ◆ plant, machinery and equipment: 10-33%;
- ◆ rolling stock: 10-33%;
- ◆ office equipment and furniture: 10-33%;
- ◆ computers: 10-33%;
- ◆ other tangible fixed assets: 10-20%.

### Solar panels

These are valued under the revaluation model as per IAS 16 Tangible fixed assets. After initial recognition, assets whose fair value can be reliably established must be booked at the revalued value, which is the fair value at the time of the revaluation, less any subsequent accumulated depreciation and special impairments. The fair value is determined based on the discounting method for future revenues.

The useful life of the solar panels is estimated at thirty years, without taking into account any residual value.

The capital gain when starting a new site is recognised in a separate component of shareholders' equity. Capital losses are also recognised in this component, unless they have been realised or the fair value drops below the original cost less cumulative depreciation. In the latter case, they are included in the result.

## Lease

### WDP as lessee

At the start of the lease period, the leases (except for leases with a maximum term of twelve months and leases whose underlying assets are of low value) are recognised on the balance sheet as rights of use and lease liabilities at the present value of the future lease payments. Next, all rights of use that qualify as investment properties are valued at fair value, in accordance with the valuation rules detailed under *Investment properties*. The minimum lease payments are recognised in part as financing costs and in part as settlement of the outstanding liability, in a manner resulting in a constant periodic interest rate on the remaining balance of the liability. The cost of financing is offset directly against the result. The cost of financing is offset directly against the result. Conditional lease payments are incorporated as costs in the periods in which they were made.

### WDP as lessor

If a lease meets the conditions of a financial lease (according to IFRS 16), WDP as the lessor will recognise the lease from its start date as a receivable in the balance sheet at an amount equal to the net investment in the lease. The difference between this latter amount and the book value of the leased property (exclusive of the value of the residual right held by WDP) at the start of the lease will be recognised in the profit and loss account for that period. Each periodic payment made by the lessee will be partly recognised by WDP as a repayment of the capital and partly as financial income based on a constant periodic return for WDP.

The residual right held by WDP will be recognised at its fair value on each balance sheet date. This value will increase every year and will correspond to the market value of the full right of ownership at the end of the lease. These increases will be recognised in *Changes in the fair value of investment properties* in the profit and loss account.

## Special impairments

On the balance sheet date, the tangible and intangible fixed assets of the Group are examined for indications that the book value of an asset is greater than the recoverable value.

If such indications are present, the realisable value of the asset must be estimated. Goodwill is subject to an annual test for special impairment, regardless of whether there is an indication of such.

A special impairment is booked if the book value of an asset or the cash flow generating unit to which the asset belongs is higher than the realisable value.

The realisable value is the operating value or the fair value less sales charges, whichever is higher. The operating value is the capitalised value of the expected future cash flows for the continued use of the asset and its disposal at the end of its useful life, on the basis of a discount rate that takes into account the current market evaluations for the time value of the cash and the risks inherent to its assets. The fair value minus sales charges is the amount that may be realised from the sale of an asset in a commercial, objective transaction between well-informed independent parties between whom there is a consensus ad idem, after deduction of the disposal costs.

For an asset that does not generate significant cash income in itself, the realisable value is established for the cash flow generating unit to which the asset belongs.

If the book value of an asset or a cash flow generating unit is higher than the realisable value, the surplus is recorded immediately as a special impairment in the profit and loss account.

Special impairments recognised in previous financial years are reversed if a subsequent increase in the recoverable value can be objectively connected to a circumstance or event that took place after the special impairment was booked. Special impairments on goodwill are not reversed.

## Financial instruments

### Financial assets

All financial assets are recognised or no longer recognised in the balance sheet on the transaction date if the purchase or sale of a financial asset is based on a contract prescribing conditions for delivery of the asset within the term generally prescribed or agreed on the market in question and initially valued at fair value, plus transaction costs, except for financial assets at fair value with changes in value in the profit and loss account, which are initially valued at fair value.

The financial assets are classified in one of the categories provided for in IFRS 9 *Financial instruments* based on both the business model of the entity for management of the financial assets and the properties of the contractual cash flows of the financial assets and are recorded on their initial recognition. This classification determines the valuation of the financial assets on future balance sheet dates: amortised cost or fair value.

#### **Financial assets at fair value through profit or loss**

Financial assets are classified at fair value with changes in value through profit or loss if they are held for trading purposes. Financial assets at fair value with changes in value through profit or loss are valued at fair value, with all resulting income and expenditures recognised in the result. A financial asset is included in this category if it is primarily acquired for sale over the short term. Derivatives are also included in the category at fair value with changes in value through profit or loss, unless they are considered to be hedges and are effective.

#### **Financial assets at amortised cost**

Financial assets at amortised cost are not derivatives and are retained within a business model geared towards retaining financial assets to receive contractual cash flows (Held to collect) and on certain dates, the contractual conditions of the financial asset give rise to cash flows that are exclusively for settlement of and interest payments on the outstanding principle (Solely Payments of Principal and Interest – SPPI). This category includes cash and cash equivalents, non-current receivables and trade receivables. Cash equivalents are short-term, very often liquid investments that can be immediately converted to cash of a known amount, have an original term of no more than three months and entail no significant risks of impairment. The cash equivalents held by WDP consist of bank deposits and are therefore fully valued at amortised cost.

#### **Financial liabilities**

Financial liabilities are classified as financial liabilities at fair value through profit or loss or as financial liabilities at amortised cost.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities are classified at fair value through profit or loss if they are held for trading purposes. Specifically, for WDP, these are Interest Rate Swaps for which hedge accounting is not applied to the extent that they have a negative fair value. Financial liabilities at fair value through profit or loss are valued at fair value, with all resulting income and expenditures recognised in the result. A financial liability is included in this

category if it is primarily acquired for sale in the short term. Derivatives are also included in the category at fair value through profit or loss, unless they are considered to be hedges and are effective.

#### **Financial liabilities valued at amortised cost**

Financial liabilities valued at amortised cost, including debts, are initially valued at fair value after deduction of the transaction costs. After initial recognition, they are valued at amortised cost. The Group's financial liabilities valued at amortised cost include the non-current financial liabilities (bank debts, lease debts, bond loans), other non-current liabilities, current financial liabilities, trade debts and payable dividends in the other current liabilities.

#### **Equity instruments**

Equity instruments issued by the Group are classified based on the economic reality of the contractual agreements and the definitions of an equity instrument. An equity instrument is any contract that includes the remaining interest in the assets of the Group, after deduction of all liabilities. The accounting policies with regard to equity instruments are described below.

Equity instruments issued by the company are recognised for the sum of the amounts received (after deduction of directly attributable issue costs).

#### **Derivatives**

The Group uses derivatives to limit risks related to unfavourable interest rates resulting from the operational, financial and investment activities within the framework of its operational management. The Group does not use these instruments for speculative purposes, does not hold any derivatives and does not issue derivatives for trading purposes.

Derivatives are valued at fair value as per IFRS 9. The derivatives currently employed by WDP do not qualify as hedging transactions. As a result, changes in the fair value are immediately included in the result. These derivatives are included in financial assets or liabilities with changes in the fair value through profit or loss.

## Assets held for sale

Fixed assets and groups of assets to be disposed of are classified as *Assets held for sale* if their book value will mainly be realised in a sale transaction and not by their continued use. This condition is only met if the sale is highly likely and the asset (or group assets to be disposed of) is immediately available for sale in its current state. The management must have agreed to a plan for the sale of the asset (or group assets to be disposed of), which is expected to be eligible for recognition as a completed sale within one year after the date of the classification.

A fixed asset (or group of assets being disposed of) classified as held for sale is recognised at book value or fair value less costs of sale, whichever is lower.

Investment properties intended for sale are valued the same way as other investment properties (at fair value). These investment properties are presented separately in the balance sheet.

## Provisions

A provision is included when:

- ◆ the Group has an existing—legal or constructive—obligation as a result of an event in the past;
- ◆ it is likely that an outflow of funds may be required to settle the obligation; and
- ◆ the amount of the liability can be reliably estimated.

The recognised provision is the best estimate on the balance sheet date of the funds needed to settle the existing liability, possibly discounted if the time value of the cash is relevant.

## Employee benefits

The Company has a number of defined contribution retirement schemes. A defined contribution pension scheme is a pension plan under which the Company pays fixed contributions to a separate company. The Company has no legal or constructive obligation to pay further amounts should the fund not have sufficient assets to pay out the pensions of all employees with regard to services that they have provided in current or past periods of employment. Amounts are recognised as expenses when they are

due and will be included under personnel costs at that time.

For permanent personnel, salaries, additional remunerations, retirement compensations, and compensations for dismissal or disruption are included in the profit and loss account in the period to which they pertain.

## Revenue

Rental income includes rents and revenues directly related to these, such as compensation for early lease termination.

Revenue is valued at the fair value of the received or receivable compensation. Revenue is only recognised if it is likely that the economic benefits will befall the entity and can be determined with sufficient certainty.

Rental income, and other income and expenses, are recognised in the profit and loss account in the period to which they pertain.

The fees for premature lease termination are recognised immediately in the result for the financial year.

The proceeds from the sale of green energy to the tenant, the sale of green energy to the lessor and green energy certificates are recognised when the green energy is generated.

## Costs

Lease-related costs pertaining to write-downs and decreases in trade receivables that are recognised in the results if the book value is higher than the estimated realisation value and the rent to be paid on leased assets.

Rental charges and tax on leased buildings and the recovery of these costs that fall to the tenant or lessee by law or custom. Depending on the contractual agreements, the owner may or may not pass these charges on to the tenant.

*Other income and charges related to leases* include the passing of management fees on to tenants as well as other revenues that do not fall under rental income (including revenue from solar energy).

The *General company expenses* are expenses related to the management and general operation of WDP. This includes expenses such as general administrative costs, personnel costs for general management and depreciation of assets used for general management.

Costs related to works performed in the buildings are booked in various ways depending on the type of works:

- ◆ maintenance and repair: maintenance and repair costs are booked as property costs for the accounting period, given that these do not increase the expected future economic benefits of the building and do not add any functionality or improve the level of comfort in the building;
- ◆ improvement and renovation: these are works carried out occasionally to add features to the property and considerably increase the expected future economic benefits of the building. The costs of these works (materials, contractor remuneration, technical studies, internal expenses, architect remuneration and interest during the construction period) are capitalised. Examples: installation of a new air conditioning system, new roof, thorough renovation of all or part of the building. Work sites for which costs are being capitalised are identified beforehand according to the above-mentioned criteria.

### Tax on results

GVV/SIR status offers a fiscally transparent status, given that a GVV/SIR is only subject to tax on specific components of the result, such as disallowed expenses and exceptional and gratuitous advantages. No corporate tax is paid on profits from leases or realised capital gains.

Tax on the result for the financial year includes taxes due and deductible taxes for the current and previous reporting periods, the deferred tax and the exit tax due. The tax charge is recognised in the profit and loss account unless it pertains to components recognised directly in the shareholders' equity. This latter case also includes the tax on shareholders' equity.

To calculate the tax on the year's taxable profit, tax rates applicable on the balance sheet date are used.

Exit taxes—tax on capital gains resulting from a merger of a GVV/SIR with a non-regulated real estate company—are deducted from the established revaluation surplus at merger and if applicable are recognised as a liability.

In general, deferred income taxes (tax receivables) are recognised for all taxable (deductible) temporary differences. Such claims and liabilities are not recorded if the temporary differences result from the initial recognition of goodwill or the initial recognition (other than in a business combination) of other assets or liabilities. Deferred tax liabilities are recognised to the extent that it is likely that a tax benefit will be available against which the deductible temporary difference can be offset. Deferred tax receivables are reduced when it is no longer likely that the associated tax benefit will be realised.

## IV. Significant accounting estimates and key uncertainties affecting estimates

### Significant estimates in the drawing up of financial statements

- ◆ determining whether control, joint control or significant influence is being exercised over investments (see explanatory note *III. Accounting principles*).
- ◆ determining whether an entity holding investment property is a business, and thus also determining, in the acquisition of control over an entity of this kind, whether the acquisition is regarded as an IFR 3 *Business combination*, is a significant assessment.
- ◆ determining whether derivatives qualify for hedge accounting. The Group has no hedging instruments that would qualify for this, and thus changes in the fair value of hedging instruments are incorporated through the profit and loss account (see explanatory note *XIV. Financial instruments*).

### Determining the fair value of investment property

The fair value of the investment properties is determined by independent property experts according to the GVV/SIR regulations (see explanatory note *XII. Investment properties*).

### Assumptions in determining the fair value of solar panels

WDP has made a significant investment in solar energy. The solar panels or PV systems installed on a number of sites are valued, after initial recognition, according to the revaluation model as per IAS 16 and booked as fixed assets under *Other tangible fixed assets*. This revaluation is booked directly in shareholders' equity. No best practice is available for the valuation method for this asset class. The fair value of PV systems is calculated according to a valuation model based on future cash flows (see explanatory note XIII. *Other tangible fixed assets*).

### Assumptions in determining the financial liability in accordance with IFRS 16

For some of its investments, WDP does not have full ownership, but rather only usufruct through a concession, long lease or similar arrangement. Specifically, a financial liability is recognised for this in accordance with IFRS 16. This financial liability is the present value of all future lease payments. The calculation of the present value of these future lease payments involves a few assessments and estimates, in particular in determining the duration of the concession (depending on concession contract extension options, on the one hand, and, on the other hand, on the economic life of the building that the property appraiser applies in determining the fair value) and in determining the incremental interest rate as the discount rate for the lease payments. The discount rate applied in determining this liability was based on a combination of the interest curve plus a spread according to the WDP credit risk, both in line with the remaining duration of the underlying right of use (see explanatory note XIV. *Financial instruments*). Here, the interest curve is based on observable market data. The spread is based on recent WDP transactions and then updated based on market trends and extrapolated as a function of the timeframe; consequently, this is a non-observable input. For a sensitivity analysis of this discount rate, please refer to explanatory note XIV. *Financial instruments*.

## V. Segmented information – Operating result

|                                                   |                                                                                                        | FY 2020 |                 |        |         |                     |            |                         |                      |                                   |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------|-----------------|--------|---------|---------------------|------------|-------------------------|----------------------|-----------------------------------|
| in euros (x 1,000)                                |                                                                                                        | Belgium | The Netherlands | France | Romania | Unallocated amounts | Total IFRS | Luxembourg <sup>2</sup> | Germany <sup>2</sup> | Other joint ventures <sup>2</sup> |
| I.                                                | Rental income                                                                                          | 73,007  | 110,723         | 6,855  | 37,816  | 0                   | 228,401    | 2,044                   | 76                   | 0                                 |
| III.                                              | Costs related to leases                                                                                | 373     | 247             | -495   | -79     | 0                   | 48         | -35                     | 0                    | 0                                 |
| Net rental result                                 |                                                                                                        | 73,381  | 110,970         | 6,361  | 37,737  | 0                   | 228,449    | 2,009                   | 76                   | 0                                 |
| IV.                                               | Recovery of property costs                                                                             | 0       | 0               | 0      | 0       | 0                   | 0          | 0                       | 0                    | 0                                 |
| V.                                                | Recovery of rental charges normally paid by the tenant on let properties                               | 8,001   | 1,806           | 1,462  | 9,256   | 0                   | 20,525     | 82                      | 0                    | 0                                 |
| VI.                                               | Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease | 0       | 0               | 0      | 0       | 0                   | 0          | 0                       | 0                    | 0                                 |
| VII.                                              | Rental charges and taxes normally paid by the tenant on let properties                                 | -8,501  | -4,705          | -1,520 | -9,963  | 0                   | -24,688    | -89                     | 0                    | 0                                 |
| VIII.                                             | Other income and charges related to leases <sup>1</sup>                                                | 10,336  | 5,652           | 128    | 2,301   | 0                   | 18,417     | 36                      | 1                    | 0                                 |
| Property result                                   |                                                                                                        | 83,217  | 113,723         | 6,431  | 39,332  | 0                   | 242,703    | 2,039                   | 77                   | 0                                 |
| IX.                                               | Technical costs                                                                                        | -2,362  | -2,696          | -190   | -172    | 0                   | -5,420     | -35                     | -18                  | 0                                 |
| X.                                                | Commercial costs                                                                                       | -701    | 188             | -75    | -97     | 0                   | -685       | -8                      | -77                  | 0                                 |
| XII.                                              | Property management costs                                                                              | -1,540  | -275            | -40    | -365    | 0                   | -2,219     | -5                      | 0                    | 0                                 |
| Property charges                                  |                                                                                                        | -4,604  | -2,783          | -304   | -634    | 0                   | -8,325     | -47                     | -95                  | 0                                 |
| Property operating results                        |                                                                                                        | 78,613  | 110,940         | 6,127  | 38,698  | 0                   | 234,378    | 1,992                   | -18                  | 0                                 |
| XIV.                                              | General Company expenses                                                                               | 0       | 0               | 0      | 0       | -14,314             | -14,314    | -241                    | -16                  | 31                                |
| XV.                                               | Other operating income and expenses (depreciation and write-down on solar panels)                      | -3,200  | -1,523          | 0      | -2,548  | 0                   | -7,270     | 0                       | 0                    | 0                                 |
| Operating result (before result on the portfolio) |                                                                                                        | 75,414  | 109,417         | 6,127  | 36,150  | -14,314             | 212,793    | 1,751                   | -34                  | 31                                |
| XVI.                                              | Result on disposals of investment properties                                                           | 409     | -20             | 20     | 0       | 0                   | 408        | 0                       | 0                    | 0                                 |
| XVIII.                                            | Variations in the fair value of investment properties                                                  | 65,462  | 115,980         | 3,408  | 1,567   | 0                   | 186,417    | 4,544                   | 752                  | 0                                 |
| Operating result                                  |                                                                                                        | 141,285 | 225,376         | 9,555  | 37,717  | -14,314             | 399,619    | 6,295                   | 718                  | 31                                |

1 Revenues from solar energy came to 16,472 million euros in 2020 and 14,689 million euros in 2019. These revenues were realised in Belgium (8,835 million euros in 2020 and 8,537 million euros in 2019), the Netherlands (5,336 million euros in 2020 and 3,789 million euros in 2019) and Romania (2,301 million euros in 2020 and 2,362 million euros in 2019). They are part of VIII. Other income and charges related to leases.

2 The joint ventures are incorporated using the equity accounting method, as per IFRS 11 *Joint arrangements*. The table shows the operating result (before overhead expenses and based on the proportionate share of WDP) and then gives the reconciliation with the proportionate share in the results of these entities, as reported under the equity accounting method as per IFRS.



|                                                   |                                                                                                        | FY 2019 |                 |        |         |                     |            |                         |                      |                                   |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------|-----------------|--------|---------|---------------------|------------|-------------------------|----------------------|-----------------------------------|
| in euros (x 1,000)                                |                                                                                                        | Belgium | The Netherlands | France | Romania | Unallocated amounts | Total IFRS | Luxembourg <sup>2</sup> | Germany <sup>2</sup> | Other joint ventures <sup>2</sup> |
| I.                                                | Rental income                                                                                          | 71,346  | 96,204          | 6,929  | 28,269  | 0                   | 202,748    | 1,481                   | 0                    | 0                                 |
| III.                                              | Costs related to leases                                                                                | -85     | 356             | 84     | -171    | 0                   | 184        | -4                      | 0                    | 0                                 |
| Net rental result                                 |                                                                                                        | 71,261  | 96,560          | 7,013  | 28,098  | 0                   | 202,932    | 1,476                   | 0                    | 0                                 |
| IV.                                               | Recovery of property costs                                                                             | 0       | 0               | 0      | 0       | 0                   | 0          | 0                       | 0                    | 0                                 |
| V.                                                | Recovery of rental charges normally paid by the tenant on let properties                               | 8,154   | 1,577           | 1,344  | 7,152   | 0                   | 18,226     | 62                      | 0                    | 0                                 |
| VI.                                               | Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease | 0       | 0               | 0      | 0       | 0                   | 0          | 0                       | 0                    | 0                                 |
| VII.                                              | Rental charges and taxes normally paid by the tenant on let properties                                 | -8,367  | -3,711          | -1,414 | -7,746  | 0                   | -21,238    | -63                     | 0                    | 0                                 |
| VIII.                                             | Other income and charges related to leases <sup>1</sup>                                                | 9,957   | 3,808           | 143    | 2,737   | 0                   | 16,646     | 25                      | 0                    | 0                                 |
| Property result                                   |                                                                                                        | 81,004  | 98,234          | 7,086  | 30,241  | 0                   | 216,566    | 25                      | 0                    | 0                                 |
| IX.                                               | Technical costs                                                                                        | -1,767  | -2,444          | -133   | -207    | 0                   | -4,552     | -66                     | 0                    | -1                                |
| X.                                                | Commercial costs                                                                                       | -528    | 85              | -68    | -146    | 0                   | -656       | -4                      | 0                    | -1                                |
| XII.                                              | Property management costs                                                                              | -1,413  | -315            | -32    | -277    | 0                   | -2,037     | -2                      | 0                    | 0                                 |
| Property charges                                  |                                                                                                        | -3,708  | -2,674          | -232   | -630    | 0                   | -7,245     | -72                     | 0                    | -1                                |
| Property operating results                        |                                                                                                        | 77,296  | 95,560          | 6,853  | 29,611  | 0                   | 209,321    | 1,429                   | 0                    | -1                                |
| XIV.                                              | General Company expenses                                                                               | 0       | 0               | 0      | 0       | -11,034             | -11,034    | -388                    | 0                    | -14                               |
| XV.                                               | Other operating income and expenses (depreciation and write-down on solar panels)                      | -3,382  | -1,425          | 0      | -1,719  | 0                   | -6,526     | 0                       | 0                    | 0                                 |
| Operating result (before result on the portfolio) |                                                                                                        | 73,914  | 94,135          | 6,853  | 27,892  | -11,034             | 191,761    | 1,041                   | 0                    | -16                               |
| XVI.                                              | Result on disposals of investment properties                                                           | 13      | 0               | 0      | -3      | 0                   | 10         | 0                       | 0                    | 0                                 |
| XVIII.                                            | Variations in the fair value of investment properties                                                  | 124,965 | 134,488         | 5,719  | 20,181  | 0                   | 285,353    | 3,860                   | 0                    | 0                                 |
| Operating result                                  |                                                                                                        | 198,891 | 228,623         | 12,573 | 48,070  | -11,034             | 477,124    | 4,901                   | 0                    | -16                               |

1 Revenues from solar energy came to 16,472 million euros in 2020 and 14,689 million euros in 2019. These revenues were realised in Belgium (8,835 million euros in 2020 and 8,537 million euros in 2019), the Netherlands (5,336 million euros in 2020 and 3,789 million euros in 2019) and Romania (2,301 million euros in 2020 and 2,362 million euros in 2019). They are part of VIII. Other income and charges related to leases.

2 The joint ventures are incorporated using the equity accounting method, as per IFRS 11 *Joint arrangements*. The table shows the operating result (before overhead expenses and based on the proportionate share of WDP) and then gives the reconciliation with the proportionate share in the results of these entities, as reported under the equity accounting method as per IFRS.

The basis for reporting per segment within WDP is the geographical region. This segmentation basis reflects the geographical markets in Europe in which WDP is active. WDP's business is subdivided in six regions.

This segmentation is vital to WDP given that the nature of its activity, clientele, etc., exhibits comparable economic characteristics within these segments. Business decisions are taken at this level, and different key performance indicators (such as rental income, occupancy rates, etc.) are monitored in this manner.

A second segmenting basis is not considered relevant by WDP as the business mainly focuses on leasing logistics sites.

## VI. Segmented information – Assets

| 31.12.2020                                 |                  |                  |                |                |                  |               |              |                      |
|--------------------------------------------|------------------|------------------|----------------|----------------|------------------|---------------|--------------|----------------------|
| in euro (x 1,000)                          | Belgium          | The Netherlands  | France         | Romania        | Total IFRS       | Luxembourg    | Germany      | Other joint ventures |
| <b>Investment properties</b>               | <b>1,446,576</b> | <b>2,248,610</b> | <b>129,304</b> | <b>742,112</b> | <b>4,566,601</b> | <b>53,703</b> | <b>4,443</b> | <b>3,276</b>         |
| Existing buildings                         | 1,330,811        | 2,111,564        | 128,790        | 635,738        | 4,206,902        | 49,512        | 4,443        | 0                    |
| Projects under development for own account | 97,733           | 95,581           | 0              | 56,067         | 249,381          | 4,191         | 0            | 3,276                |
| Land reserve                               | 18,032           | 41,465           | 514            | 50,307         | 110,318          | 0             | 0            | 0                    |
| <b>Assets held for sale</b>                | <b>15,543</b>    | <b>0</b>         | <b>0</b>       | <b>0</b>       | <b>15,543</b>    | <b>0</b>      | <b>0</b>     | <b>544</b>           |
| <b>Other tangible fixed assets</b>         | <b>62,217</b>    | <b>50,625</b>    | <b>0</b>       | <b>13,877</b>  | <b>126,719</b>   | <b>0</b>      | <b>0</b>     | <b>0</b>             |
| Tangible fixed assets for own use          | 2,047            | 82               | 0              | 2,237          | 4,366            | 0             | 0            | 0                    |
| Other: solar panels                        | 60,170           | 50,543           | 0              | 11,639         | 122,353          | 0             | 0            | 0                    |

| 31.12.2019                                 |                  |                  |                |                |                  |               |         |                      |
|--------------------------------------------|------------------|------------------|----------------|----------------|------------------|---------------|---------|----------------------|
| in euro (x 1,000)                          | Belgium          | The Netherlands  | France         | Romania        | Total IFRS       | Luxembourg    | Germany | Other joint ventures |
| <b>Investment properties</b>               | <b>1,319,613</b> | <b>1,922,433</b> | <b>125,553</b> | <b>634,742</b> | <b>4,002,340</b> | <b>40,676</b> |         | <b>5,423</b>         |
| Existing buildings                         | 1,248,711        | 1,762,102        | 125,079        | 510,809        | 3,646,702        | 29,510        |         | 0                    |
| Projects under development for own account | 55,882           | 111,868          | 0              | 80,963         | 248,713          | 11,166        |         | 5,423                |
| Land reserve                               | 15,020           | 48,462           | 474            | 42,969         | 106,925          | 0             |         | 0                    |
| <b>Assets held for sale</b>                | <b>4,293</b>     | <b>1,486</b>     | <b>0</b>       | <b>0</b>       | <b>5,779</b>     | <b>0</b>      |         | <b>563</b>           |
| <b>Other tangible fixed assets</b>         | <b>63,023</b>    | <b>45,528</b>    | <b>0</b>       | <b>16,694</b>  | <b>125,244</b>   | <b>0</b>      |         | <b>0</b>             |
| Tangible fixed assets for own use          | 1,939            | 135              | 0              | 2,159          | 4,233            | 0             |         | 0                    |
| Other: solar panels                        | 61,083           | 45,393           | 0              | 14,534         | 121,010          | 0             |         | 0                    |

## VII. Information on subsidiaries

| Share of capital                                                                                                                             | 31.12.2020 | 31.12.2019 |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>Name and full address of the registered offices</b>                                                                                       |            |            |
| <b>Fully consolidated companies</b>                                                                                                          |            |            |
| WDP France SARL - rue Cantrelle 28 - 36000 Châteauroux - France                                                                              | 100%       | 100%       |
| WDP Nederland N.V. - Hoge Mosten 2 - 4822 NH Breda - the Netherlands                                                                         | 100%       | 100%       |
| with participation in WDP Development NL N.V. - Hoge Mosten 2 - 4822 NH Breda - the Netherlands <sup>1</sup>                                 | 100%       | 100%       |
| WDP Romania SRL - Office Center Equilibrium - Strada Gara Herstrau 2, Etaj 10 - 077190 Bucharest - Romania <sup>2</sup>                      |            | 80%        |
| Eurologistik 1 Freehold BV - Blakebergen 15 - 1861 Wolvertem - Belgium <sup>3</sup>                                                          | 100%       | 100%       |
| BST-Logistics NV/SA - Blakebergen 15 - 1861 Wolvertem - Belgium <sup>4</sup>                                                                 | 100%       | 100%       |
| WDP Invest NV/SA - Blakebergen 15 - 1861 Wolvertem - Belgium <sup>5</sup>                                                                    | 100%       | 100%       |
| with participation in WDP Romania SRL - Office Center Equilibrium - Strada Gara Herstrau 2, Etaj 10 - 077190 Bucarest - Romania <sup>2</sup> | 80%        |            |
| <b>Joint ventures</b>                                                                                                                        |            |            |
| I Love Hungaria NV/SA - Mechelsesteenweg 64, Box 401 - 2018 Antwerp - Belgium <sup>6</sup>                                                   | 50%        | 50%        |
| WDPort of Ghent Big Box NV - Blakebergen 15 - 1861 Wolvertem - Belgium <sup>7</sup>                                                          | 29%        |            |
| WDP Luxembourg SA - Zone d'activité économique Wolser G 440 - 3434 Dudelange - Luxembourg <sup>8</sup>                                       | 55%        | 55%        |
| WVI GmbH - Tillypark 1 - 86633 Neuburg a.d. Donau - Germany <sup>9</sup>                                                                     | 50%        | 50%        |

I love Hungaria NV/SA, WDPort of Ghent Big Box NA/SA, WDP Luxembourg SA and WVI GmbH are the joint ventures in the Group and are consolidated under the equity accounting method. In line with internal reporting in the WDP Group, this information is always prorated for each company. A reconciliation difference does not exist between

the value recognised on the balance sheet under the equity accounting method and the proportionate share of the shareholders' equity of these joint ventures, nor were dividends paid out from these joint ventures, nor do any limits apply to cash transfers to other Group companies.

In the segmented information, WDP Luxembourg and WVI GmbH are shown separately, given their geographic distance. I Love Hungaria and WDPort of Ghent Big Box are shown under *Other joint ventures*.

- 1 WDP Development NL N.V. was founded in August 2011 as a permanent development company for own account of WDP Nederland N.V..
- 2 As part of the streamlining of the Group and its foreign non-REIT participations, the shares of WDP Romania SRL and WDP Luxembourg SA held by WDP NV/SA were contributed to WDP Invest NV/SA on 22 December 2020 by way of a capital increase by contribution in kind. WDP Invest will act as an autonomous investment and financing vehicle for the international activities of the Group as from the aforementioned date.
- 3 On 7 June 2013, WDP acquired 100% of the shares in Eurologistik 1 Freehold, that holds the rights to an existing logistics site in Vilvoorde. This transaction is not deemed to be a business combination.
- 4 This is a joint venture founded in April 2017 between WDP NV/SA and property developer Thys Bouwprojecten for the development of the site on Nijverheidsstraat 13 in Westerlo. In early July 2018, WDP acquired the remaining 50% of the shares in Thys Bouwprojecten, making WDP the full owner of BST-Logistics NV/SA. On 5 August 2019, WDP merged with its full subsidiary BST-Logistics NV/SA.
- 5 WDP Invest NV/SA is incorporated on the 19th of July 2019 and is a full subsidiary of WDP NV/SA.
- 6 This is a joint venture founded in May 2015 between WDP NV and project developer L.I.F.E. NV/SA with a view to redevelopment of the Hungaria building in Leuven.
- 7 The joint venture was set up in December 2020 between WDP NV/SA and the shareholders of X<sup>2</sup>O Badkamers, Overstock Home and Overstock Garden, in view of the expansion of the WDPort of Ghent that will be leased by these retailers.
- 8 This is a joint venture that has the rights to the Eurohub Sud site, of which the Luxembourg government owns 45% and of which WDP Invest NV/SA holds 55% of the shares.
- 9 On 18 December 2019, WDP NV/SA bought, through its 100% subsidiary WDP Invest NV/SA, 50% of the shares in WVI GmbH, a joint venture with VIB Vermögen.

## VIII. Overview of future income

| in euros (x 1,000)                                        | FY 2020          | FY 2019          |
|-----------------------------------------------------------|------------------|------------------|
| Future rental income (including income from solar energy) |                  |                  |
| less than one year                                        | 246,279          | 215,379          |
| one to five years                                         | 689,309          | 581,765          |
| more than five years                                      | 736,580          | 675,361          |
| <b>Total</b>                                              | <b>1,672,186</b> | <b>1,472,505</b> |

This table contains an overview of the future rental income (including the income from solar energy) under the current agreements. This is based on the non-indexed rents to be received up to and including the first break, as specified in the leases.

The impact of the applied indexing of rents amounts to an average of 1.6% and 1.7% for the 2020 and 2019 financial years, respectively.

The income with respect to the previous year rose by 13.6%. This is mainly due to strong portfolio growth (see also 7. *Financial results and property report - Notes on the consolidated profit and loss account 2020 (analytical schedule)*).

### Type of lease agreement

Rents are normally paid monthly in advance (sometimes quarterly). They are indexed annually on the anniversary date of the lease.

According to the contractual provisions, taxes and charges (including withholding tax), insurance premiums and collective charges are passed on to the tenant. The tenant must pay a monthly charge for this. The tenant receives an annual invoice for the actual expenses.

To ensure compliance with the duties that the contract imposes on the tenant, the latter must provide a deposit, usually in the form of a bank deposit equivalent to six months of rent.

At the start of the lease contract, a joint property survey is conducted between the parties by an independent expert. On expiry of the contract, the tenant must return the leased space in the same condition as described in the move-in inspection report, apart from normal wear and tear. A move-out inspection report is prepared. The tenant must pay for the repair of any damage that established, and should the premises be unavailable during the repairs.

The tenant is not permitted to carry out any high-risk activities in the spaces it rents, without the prior written approval of WDP. In such cases, WDP may demand that the tenant take certain precautions. Before the end of the contract, tenants who have performed a risk-related activity during the lease period must have an exploratory soil inspection carried out, and if soil pollution is established, pay for any clean-up operations and consequential damage.

The tenant is responsible for obtaining operational and environmental permits. Refusal or withdrawal of such permits will not be cause for dissolution or annulment of the contract.

The tenant may not transfer the contract or sublease the leased premises without prior written authorisation from WDP. If approval is granted to transfer a lease, the original tenant shall remain jointly and severally liable to WDP.

The tenant is obliged to register the agreement at its own expense.

## IX. Result on the disposal of investment properties

| in euros (x 1,000)                                     | FY 2020    | FY 2019   |
|--------------------------------------------------------|------------|-----------|
| Net property sales (sales price – transaction costs)   | 6,450      | 14,570    |
| Book value of properties sold                          | -6,042     | -14,560   |
| <b>Result on the disposal of investment properties</b> | <b>408</b> | <b>10</b> |

A surplus was achieved amounting to 0.4 million euro.

In 2020, the locations in Puurs - Koning Leopoldlaan (BE), Drunen - Albert Einsteinweg 20 (NL), part of the site in Anderlecht (BE) and part of the site in Leuven - Vaart 25-35 (BE) were sold.

## X. Financial result

| in euros (x 1,000)                                                          | FY 2020        | FY 2019        |
|-----------------------------------------------------------------------------|----------------|----------------|
| <b>Financial income</b>                                                     | <b>398</b>     | <b>453</b>     |
| Interest and dividends received                                             | 254            | 246            |
| Other financial income                                                      | 144            | 207            |
| <b>Net interest charges</b>                                                 | <b>-37,878</b> | <b>-39,411</b> |
| Interest on loans                                                           | -23,644        | -23,486        |
| Interest capitalised during construction                                    | 6,105          | 3,471          |
| Cost of permitted hedging instruments                                       | -15,933        | -16,380        |
| Interest charges related to leasing debts booked in accordance with IFRS 16 | -2,470         | -2,300         |
| Other interest charges                                                      | -1,936         | -716           |
| <b>Other financial charges</b>                                              | <b>-1,194</b>  | <b>-1,257</b>  |
| Bank charges and other commission                                           | -69            | -52            |
| Other financial charges                                                     | -1,125         | -1,206         |
| <b>Variations in the fair value of financial assets and liabilities</b>     | <b>-31,049</b> | <b>-29,883</b> |
| <b>Financial result</b>                                                     | <b>-69,723</b> | <b>-70,099</b> |

The comments on the Financial result are available under 7. *Financial results and property report - Notes on the consolidated profit and loss account 2020 (analytical schedule)*.

WDP's risk policy with respect to the financial policy is explained in 9. *Risk factors*. The derivatives currently used by WDP do not qualify as hedging transactions. As a result, variations in the fair value are immediately included in the result.

## XI. Taxes

| in euros (x 1,000)                                    | FY 2020       | FY 2019        |
|-------------------------------------------------------|---------------|----------------|
| Corporate tax and exit tax                            | -2,620        | -1,724         |
| Deferred taxes                                        | -2,727        | -7,972         |
| Advance levy on mandatory dividends from subsidiaries | -779          | -975           |
| <b>Total</b>                                          | <b>-6,126</b> | <b>-10,672</b> |

## XII. Investment properties

### Changes during the financial year

|                                                                                  | 31.12.2020       |                  |                |                |                  |               |              |
|----------------------------------------------------------------------------------|------------------|------------------|----------------|----------------|------------------|---------------|--------------|
| in euros (x 1,000)                                                               | Belgium          | The Netherlands  | France         | Romania        | Total IFRS       | Luxembourg    | Germany      |
| Level according to IFRS                                                          | 3                | 3                | 3              | 3              |                  | 3             | 3            |
| <b>Fair value as at previous financial year-end</b>                              | <b>1,319,613</b> | <b>1,922,433</b> | <b>125,553</b> | <b>634,742</b> | <b>4,002,340</b> | <b>40,676</b> | <b>0</b>     |
| Investments                                                                      | 71,199           | 168,141          | 343            | 90,372         | 330,054          | 8,483         | 4            |
| New acquisitions                                                                 | 6,393            | 44,753           | 0              | 15,432         | 66,578           | 0             | 3,687        |
| Acquisition of investment properties by means of sharebased payment transactions | 0                | 0                | 0              | 0              | 0                | 0             | 0            |
| Transfers to fixed assets held for sale                                          | -16,090          | 0                | 0              | 0              | -16,090          | 0             | 0            |
| Disposals                                                                        | 0                | -2,698           | 0              | 0              | -2,698           | 0             | 0            |
| Variations in the fair value                                                     | 65,462           | 115,980          | 3,408          | 1,567          | 186,417          | 4,544         | 752          |
| Latent variation in existing premises (+/-)                                      | 59,555           | 91,312           | 3,408          | -2,836         | 151,438          | 4,348         | 752          |
| Latent variation in assets under construction (+/-)                              | 5,980            | 24,668           | 0              | 4,403          | 34,979           | 197           | 0            |
| <b>Fair value as at financial year-end</b>                                       | <b>1,446,576</b> | <b>2,248,610</b> | <b>129,304</b> | <b>742,112</b> | <b>4,566,601</b> | <b>53,703</b> | <b>4,443</b> |
| Acquisition price                                                                | 978,824          | 1,769,961        | 107,036        | 698,519        | 3,554,340        | 45,423        | 3,691        |
| Insured value <sup>1</sup>                                                       | 861,224          | 1,426,978        | 92,978         | 524,560        | 2,905,740        | 81,902        | 0            |
| Rental income during 2020                                                        | 73,007           | 110,723          | 6,855          | 37,816         | 228,401          | 2,044         | 76           |

|                                                                                  | 31.12.2019       |                  |                |                |                  |               |         |
|----------------------------------------------------------------------------------|------------------|------------------|----------------|----------------|------------------|---------------|---------|
| in euros (x 1,000)                                                               | Belgium          | The Netherlands  | France         | Romania        | Total IFRS       | Luxembourg    | Germany |
| Level according to IFRS                                                          | 3                | 3                | 3              | 3              |                  | 3             | 3       |
| <b>Fair value as at previous financial year-end</b>                              | <b>1,150,603</b> | <b>1,582,434</b> | <b>119,547</b> | <b>447,279</b> | <b>3,299,863</b> | <b>27,498</b> |         |
| Investments                                                                      | 55,792           | 122,951          | 287            | 147,562        | 326,593          | 9,318         |         |
| New acquisitions                                                                 | 6,600            | 84,047           | 0              | 19,719         | 110,366          | 0             |         |
| Acquisition of investment properties by means of sharebased payment transactions | 0                | 0                | 0              | 0              | 0                | 0             |         |
| Transfers to fixed assets held for sale                                          | -18,348          | -1,487           | 0              | 0              | -19,835          | 0             |         |
| Disposals                                                                        | 0                | 0                | 0              | 0              | 0                | 0             |         |
| Variations in the fair value                                                     | 124,964          | 134,488          | 5,719          | 20,181         | 285,353          | 3,860         |         |
| Latent variation in existing premises (+/-)                                      | 118,556          | 126,838          | 5,719          | 16,798         | 267,911          | 2,981         |         |
| Latent variation in assets under construction (+/-)                              | 6,409            | 7,650            | 0              | 3,383          | 17,442           | 879           |         |
| <b>Fair value as at financial year-end</b>                                       | <b>1,319,613</b> | <b>1,922,433</b> | <b>125,553</b> | <b>634,742</b> | <b>4,002,340</b> | <b>40,676</b> |         |
| Acquisition price                                                                | 922,005          | 1,560,014        | 106,693        | 592,724        | 3,181,435        | 37,209        |         |
| Insured value <sup>1</sup>                                                       | 855,764          | 1,129,696        | 94,800         | 433,680        | 2,513,940        | 23,687        |         |
| Rental income during 2019                                                        | 71,346           | 96,204           | 6,929          | 28,269         | 202,748          | 1,481         |         |

<sup>1</sup> The insured value is the new-build value for which 100% of the property portfolio is insured. This is excluding the land.



Capital expenditures pertain to investments made as part of new acquisitions, in-house project developments and investments within the existing portfolio *(for more information, see 7. Financial results and property report - Notes on the consolidated profit and loss account 2020).*

The property portfolio is valued at fair value. Fair value is based on non-observable inputs, which means assets in investment properties fall under level 3 of the fair value hierarchy as defined in IFRS. 2019 did not see any movements between levels in the fair value hierarchy. For information: level 1 of the fair-value hierarchy specifies that the fair value is based on listed (non-adjusted) prices in an active market for identical assets or liabilities, while level 2 is based on different information from level 1, which can be determined directly or indirectly for the assets or liabilities in question.

No assets are valued according to their highest, optimum use, as no assets are being used for less than their optimum use.

The positive variation in the valuation of investment properties is due to strengthened yields for logistical properties in the investment market and unrealised gains on project developments. The result for the Netherlands also takes into account an increase of the registration costs (transfer tax) from 6 to 8% as from 1 January 2021, which has been deducted by calculation of the fair value. WDP has already recognised this impact of -41.7 million euros in the fourth quarter of 2020.

The gross rental yield, after the addition of the estimated market rental value of the non-leased parts, is 6.1% as at 31 December 2020, compared to 6.3% at the end of 2019.

In 2020, WDP realised a net investment volume of approx. 400 million euros (including solar panels). This was achieved in the different core markets: the Benelux region, France and Romania. For a detailed description of the various individual acquisitions and the pre-leased and other projects completed and under development, see 7. *Financial results and property report - Notes on the consolidated profit and loss account 2020 (analytical schedule).*

The following table shows a comparison between the annual rental income for purchased properties and the rental income actually received since the purchase of the properties in the course of 2020 (in particular the year of purchase of these properties). In 2020, a decision was also taken to sell certain non-strategic sites in Puursen, Drunen, Leuven and Anderlecht. These sites generated rents amounting to 37.681 euros in 2020.

### Acquired properties

| in euros (x 1,000)              | Country | Annual rental income | Actual rental income |
|---------------------------------|---------|----------------------|----------------------|
| Bottrop, Am Rhein-Herne-Kanal 7 | DE      | 260                  | 76                   |
| Drachten, Dopplerlaan 1         | NL      | 904                  | 468                  |
| <b>Total</b>                    |         | <b>1,164</b>         | <b>544</b>           |

## 1. Valuation method

The estimation of a site consists of determining its value on a specific date, in other words the price at which the site would likely be tradable between well informed buyers and sellers in the absence of information asymmetries who wish to perform a similar transaction, without taking account of any particular agreement between them. This value is the investment value when it corresponds to the total price payable by the buyer, plus any possible transaction costs or VAT, if it is a purchase that is subject to VAT. The fair value, in the sense of the IAS/IFRS reference scheme, can be obtained by deducting an adjusted ratio for transaction costs and/or the VAT from the investment value. To calculate the variation in the fair value, the hypothetical local transaction costs are deducted from the investment value. On average, these breakdown as follows by country: Belgium 2.5%, Netherlands: 8.2%, France: 4.9%, Germany: 7.5%, Luxembourg: 7%, and Romania: 1.5%.

## Non-observable inputs in the determination of fair value<sup>1</sup>

| Level according to IFRS | Classification according to geographic area | Fair value on 31.12.2020 in euros (x 1,000) | Valuation method                             | Input on 31.12.2020                          | Range (min./max.) (weighted average) on 31.12.2020     |
|-------------------------|---------------------------------------------|---------------------------------------------|----------------------------------------------|----------------------------------------------|--------------------------------------------------------|
| 3                       | Belgium                                     | 1,465,939                                   | Discounted cash flow & Income capitalisation | ERV (euros/m <sup>2</sup> ) <sup>2</sup>     | 23 - 123 euro/m <sup>2</sup> (43 euro/m <sup>2</sup> ) |
|                         |                                             |                                             |                                              | Discount rate                                | 3.7% - 7.6% (5.8%)                                     |
|                         |                                             |                                             |                                              | Projected growth in rent (inflation)         | 1.25% - 1.25% (1.25%)                                  |
|                         |                                             |                                             |                                              | Capitalisation factor (required return)      | 4.2% - 8.1% (5.7%)                                     |
|                         |                                             |                                             |                                              | Remaining lease duration (until first break) | 1 month - 26 years (4.2 years)                         |
|                         |                                             |                                             |                                              | Remaining lease duration (until expiry date) | 1 month - 49 years (6.6 years)                         |
| 3                       | The Netherlands                             | 2,248,610                                   | Income capitalisation                        | ERV (euros/m <sup>2</sup> ) <sup>2</sup>     | 25 - 85 euro/m <sup>2</sup> (49 euro/m <sup>2</sup> )  |
|                         |                                             |                                             |                                              | Capitalisation factor (required return)      | 3.9% - 9.9% (5.1%)                                     |
|                         |                                             |                                             |                                              | Remaining lease duration (until first break) | 1 month - 19 years (6.2 years)                         |
|                         |                                             |                                             |                                              | Remaining lease duration (until expiry date) | 1 month - 20 years (6.6 years)                         |
| 3                       | France                                      | 129,304                                     | Income capitalisation                        | ERV (euros/m <sup>2</sup> ) <sup>2</sup>     | 38 - 40 euro/m <sup>2</sup> (39 euro/m <sup>2</sup> )  |
|                         |                                             |                                             |                                              | Capitalisation factor (required return)      | 4.8% - 7.2% (5.6%)                                     |
|                         |                                             |                                             |                                              | Remaining lease duration (until first break) | 1,5 years - 9 years (3.7 years)                        |
|                         |                                             |                                             |                                              | Remaining lease duration (until expiry date) | 2 years - 9 years (5.5 years)                          |
| 3                       | Romania                                     | 742,112                                     | Income capitalisation                        | ERV (euros/m <sup>2</sup> ) <sup>2</sup>     | 24 - 82 euro/m <sup>2</sup> (48 euro/m <sup>2</sup> )  |
|                         |                                             |                                             |                                              | Capitalisation factor (required return)      | 7.3%-9.3% (7.5%)                                       |
|                         |                                             |                                             |                                              | Remaining lease duration (until first break) | 1 month - 14 years (6.7 years)                         |
|                         |                                             |                                             |                                              | Remaining lease duration (until expiry date) | 1 month - 27 years (8.0 years)                         |
| 3                       | Luxembourg                                  | 53,703                                      | Income capitalisation                        | ERV (euros/m <sup>2</sup> ) <sup>2</sup>     | 60 euro/m <sup>2</sup> (60 euro/m <sup>2</sup> )       |
|                         |                                             |                                             |                                              | Capitalisation factor (required return)      | 4.9% - 5.2% (4.9%)                                     |
|                         |                                             |                                             |                                              | Remaining lease duration (until first break) | 5 years - 12 years (9.1 years)                         |
|                         |                                             |                                             |                                              | Remaining lease duration (until expiry date) | 6 years - 14 years (10.7 years)                        |
| 3                       | Germany                                     | 4,443                                       | Income capitalisation                        | ERV (euros/m <sup>2</sup> ) <sup>2</sup>     | 46 euro/m <sup>2</sup> (46 euro/m <sup>2</sup> )       |
|                         |                                             |                                             |                                              | Capitalisation factor (required return)      | 5.3% (5.3%)                                            |
|                         |                                             |                                             |                                              | Remaining lease duration (until first break) | 4 years (4 years)                                      |
|                         |                                             |                                             |                                              | Remaining lease duration (until expiry date) | 7 years (7 years)                                      |

<sup>1</sup> For other non-observable inputs not shown in the above table, please refer to section 10 Reporting according to recognised standards - EPRA key performance indicators - IV. Rental dates and vacancy rate (difference between projected rental value and passing rent), 7. Financial results and property report - Property report - Overview of projects under construction (projected out-of-pocket cost for the project developments) and 7. Financial results and property report - Key figures on properties (year of construction and lettable area in m<sup>2</sup>)

The summary above shows the non-observable inputs used to determine the fair value of the existing property portfolio and for the projects under development.

<sup>2</sup> For the ERV, only the rents for the available spaces are taken into account. The wide range (min./max.) is due to the different kinds of storage premises (from outdoor storage to refrigerated warehouses).

### Sensitivity of valuations

The sensitivity of the fair value with regard to changes in significant non-observable inputs used in determining the fair value of property classified as level 3 according to the IFRS fair-value hierarchy, is as follows (*ceteris paribus*):

#### Non-observable input

|                                              | Impact on fair value at: |          |
|----------------------------------------------|--------------------------|----------|
|                                              | Decrease                 | Decrease |
| ERV (in euros/m <sup>2</sup> )               | negative                 | positive |
| Discount rate                                | positive                 | negative |
| Required yield                               | positive                 | negative |
| Remaining lease duration (until first break) | negative                 | positive |
| Remaining lease duration (until expiry date) | negative                 | positive |
| Occupation rate (EPRA)                       | negative                 | positive |
| Projected growth in rent (inflation)         | negative                 | positive |

In addition, it is usually the case that an increase (decrease) in the remaining period of a rental contract leads to an decrease (increase) in the discount rate (and required yield). An increase (decrease) in the occupancy rate may result in a decrease (increase) in the discount rate (and required yield).

In addition, the sensitivity of the fair value of the portfolio can be estimated as follows (based on a *ceteris paribus* approach): the effect of an increase (decrease) of 1% in rental income results in an increase (decrease) in the fair value of the portfolio of approx. 45 million euros (*ceteris paribus*). The effect of an increase (decrease) of 25 basis points in the required yield results in a decrease (increase) in the fair value of the portfolio of approx. 205 million euros (*ceteris paribus*).

## 2. Valuation process

The valuation process at WDP follows a centralised approach where the policy and procedures with regard to property estimates are determined by the CEO and CFO, after approval by the Audit Committee. In addition, it is determined which independent property expert will be appointed for the various parts of the property portfolio. Contracts will typically be signed for a renewable term of three years subject to a double rotation obligation according to the Law of 12 May 2014 in the scope of a GVV. Some examples of the selection criteria would be local market knowledge, reputation, independence and insurance of the highest professional standards. Property expert fees are set for the period of their appointment and are not related to the value of the objects appraised.

Independent property experts are appointed for each country, to ensure proper consideration for the special characteristics of each geographical region and thus also the diversified, pan-European nature of the property portfolio. The property portfolio is valued externally by independent property experts on a quarterly basis. The property portfolio is valued externally on a quarterly basis by the independent property experts. The valuation methods are determined by the external experts and are based on a multi-criteria approach. The independent property expert determines the fair market value based on a discounted cash-flow model, an income capitalisation method and/or comparable market transactions. Moreover, the estimates arrived at in this manner are compared to the initial yield and available comparison points using recent market transactions for comparable objects (including objects purchased by WDP itself during that year). The valuation cycle within one financial year consists of a site visit after.

| Property expert               | Country              | Fair value<br>(in euros x 1,000) | Share of the<br>portfolio |
|-------------------------------|----------------------|----------------------------------|---------------------------|
| Stadim                        | Belgium <sup>1</sup> | 859,714                          | 19%                       |
| Jones Lang LaSalle Belgium    | Belgium              | 606,225                          | 13%                       |
| Cushman & Wakefield           | The Netherlands      | 1,416,270                        | 30%                       |
| CBRE Netherlands              | The Netherlands      | 832,339                          | 18%                       |
| BNP Paribas Real Estate       | France               | 129,304                          | 3%                        |
| CBRE Romania                  | Romania              | 742,112                          | 16%                       |
| Cushman & Wakefield           | Germany              | 4,443                            | 0%                        |
| Jones Lang LaSalle Luxembourg | Luxembourg           | 53,703                           | 1%                        |
| <b>Total</b>                  |                      | <b>4,644,110</b>                 | <b>100%</b>               |

The independent property expert has full access to all quantitative and qualitative information with regard to the property portfolio. The Controllers are responsible for continuous contact with and provision of information to the relevant property experts (such as all leases, information on occupancy rate, maturity dates, investments and maintenance and repair costs). Twice a year, the CEO and country manager also discuss the asset management plan for each object in detail with the property expert. On submission of the quarterly estimate reports, the controllers and the CFO compare and analyse all material discrepancies (positive and negative) in absolute and relative terms, with respect to the last four quarters. Based on this, the CEO and CFO then conduct a detailed discussion with the respective property experts to ensure that all data with regard to the sites are reflected accurately and exhaustively in the estimate, with specific attention to property development projects. The property experts draw up an independent estimate of the future cash-flow profile and reflect the risks via a combination of cash-flow projections (rental growth, vacancy, incentives, investments, etc.) as well as the applied acquired yields or discount rates. Next, the final property estimates are submitted to the Audit Committee.

<sup>1</sup> Including the proportionate share of the portfolio in I Love Hungaria.

### XIII. Other tangible fixed assets

#### Changes during the financial year

| in euros (x 1,000)                               | 31.12.2020     |                    |                | 31.12.2019     |                    |                |
|--------------------------------------------------|----------------|--------------------|----------------|----------------|--------------------|----------------|
|                                                  | Solar panels   | Other <sup>1</sup> | Total IFRS     | Solar panels   | Other <sup>1</sup> | Total IFRS     |
| Level (IFRS)                                     | 3              | N/R                |                | 3              | N/R                |                |
| <b>At the end of the previous financial year</b> | <b>121,010</b> | <b>4,234</b>       | <b>125,244</b> | <b>117,366</b> | <b>3,060</b>       | <b>120,426</b> |
| Investments                                      | 4,352          | 1,101              | 5,453          | 9,187          | 1,862              | 11,049         |
| New acquisitions                                 | 0              | 0                  | 0              | 0              | 0                  | 0              |
| Acquisitions via share transactions              | 0              | 0                  | 0              | 0              | 0                  | 0              |
| Disposals                                        | 0              | -266               | -266           | 0              | 0                  | 0              |
| Revaluation on solar panels                      | 4,220          | 0                  | 4,220          | 983            | 0                  | 983            |
| Depreciation and write-downs                     | -7,230         | -702               | -7,932         | -6,526         | -688               | -7,215         |
| <b>At the end of the financial year</b>          | <b>122,353</b> | <b>4,366</b>       | <b>126,719</b> | <b>121,010</b> | <b>4,234</b>       | <b>125,244</b> |
| Acquisition price                                | 122,086        | 8,154              | 130,240        | 115,575        | 7,367              | 122,942        |

<sup>1</sup> Other means: *Plants, Machinery and equipment, Furniture and rolling stock and Other tangible fixed assets.*

#### Insured value - solar panels

| Classification according to the geographic area | Belgium       | The Netherlands | Romania       |
|-------------------------------------------------|---------------|-----------------|---------------|
| <b>Insured value</b> (in euros x 1,000)         | <b>18,301</b> | <b>31,822</b>   | <b>12,365</b> |

#### Valuation method – solar panels

| According to the geographic area                         | Belgium       | The Netherlands | Romania       |
|----------------------------------------------------------|---------------|-----------------|---------------|
| <b>Level (IFRS)</b>                                      | <b>3</b>      | <b>3</b>        | <b>3</b>      |
| <b>Fair value as at 31.12.2020</b><br>(in euros x 1,000) | <b>60,170</b> | <b>50,543</b>   | <b>11,639</b> |
| <b>Income 2020<sup>2</sup></b> (in euros x 1,000)        | <b>8,835</b>  | <b>5,336</b>    | <b>2,301</b>  |
| including Green Energy Certificates                      | 7,881         | 3,377           | 1,855         |
| including green energy (minus associated costs)          | 953           | 1,959           | 446           |

<sup>2</sup> The revenues consist of the sale of green energy certificates and of green energy to the tenant and/or energy supplier, minus costs associated with maintenance of solar panels.

| Valuation method                  | Belgium<br>Discounted cash flow                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | The Netherlands<br>Discounted cash flow                                                                                                                                                                                                                                              | Romania<br>Discounted cash flow                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Implicit number of sunshine hours | The model assumes an implicit 950 sunshine hours per year. This is based on weather statistics and the available data at the end of the year. On 31 December 2020, the solar park consisted of 45 sites.                                                                                                                                                                                                                                                                                                                                                                 | The model assumes an implicit 900 sunshine hours per year. This is based on weather statistics and the available data at the end of the year. On 31 December 2020, the solar park consisted of 42 sites.                                                                             | The model assumes an implicit 1,250 sunshine hours per year. This is based on weather statistics and the available data at the end of the year. As at 31 December 2020, the solar panel installations were spread across four sites.                                                                                                                                                                                                                                                                                                                                             |
| Green Energy Certificates (GECs)  | Green Energy Certificates (GECs) in Flanders are issued to each project by the Flemish Electricity and Gas Market Regulator (the 'VREG') at a fixed price per certificate for a fixed period of twenty years. The price of certificates for operational sites vary between 93- 450 euros per MWh. Green energy certificates in Wallonia are issued to each project by the Wallonia Energy Commission (the "CWaPE") at a guaranteed price per certificate for a fixed period of ten years. The price of certificates for operational sites is 67.5 euros per certificate. | Each project receives a subsidy from the Netherlands Enterprise Agency (the 'RVO') for a period of fifteen years. The maximum subsidy amount allocated per MWh produced depends on the time of request and is set so the maximum yield including subsidy is 60 to 147 euros per MWh. | Green Energy Certificates (GEC) are issued to each project by the ANRE (Romanian Energy Regulatory Authority) for a fixed period of fifteen years. The PV projects for WDP in Romania receive 4 GECs per MWh of green energy produced (two of which are deferred in accordance with the regulatory framework that will be further clarified in 2021). Certificates can subsequently be sold on the regulated market at a price of 29 euros per certificate. With regard to solar parks, WDP has a 10-year purchasing agreement with Enel (a global leader in the energy market). |
| Energy price                      | The energy price increases by 1.5% per year. This increase is applied to the Endex basis. As a starting point, an average Endex price (see <a href="http://www.apxendex.com">www.apxendex.com</a> ) (BEpower) of CAL t + 1, 2, 3 was chosen.                                                                                                                                                                                                                                                                                                                             | The energy price increases by 1.5% per year. This increase is applied to the Endex basis. As a starting point, an average Endex price (see <a href="http://www.apxendex.com">www.apxendex.com</a> ) (NLpower) of CAL t + 1, 2, 3 was chosen.                                         | The energy price increases by 1.5% per year. This increase is applied to the forward prices t + 1,2,3.                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Discount rate                     | The required yield is calculated as the weighted average cost of the capital according to long-term interest, market risk premium and country-specific risk.                                                                                                                                                                                                                                                                                                                                                                                                             | The required yield is calculated as the weighted average cost of the capital according to long-term interest, market risk premium and country-specific risk.                                                                                                                         | The required yield is calculated as the weighted average cost of the capital according to long-term interest, market risk premium and country-specific risk.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Decrease in yield                 | The yield of the PV installation has decreased by 0.6% per year and will be decommissioned after thirty years. No account was taken here of any possible residual value of the installation, nor of the costs of dismantling the installation.                                                                                                                                                                                                                                                                                                                           | The yield of the PV installation has decreased by 0.6% per year and will be decommissioned after thirty years. No account was taken here of any possible residual value of the installation, nor of the costs of dismantling the installation.                                       | The yield of the PV installation has decreased by 0.6% per year and will be decommissioned after thirty years. No account was taken here of any possible residual value of the installation, nor of the costs of dismantling the installation.                                                                                                                                                                                                                                                                                                                                   |
| Maintenance and CapEx             | Account is taken of the various operational costs related to exploitation as well as a ten-year maintenance cost in order to keep the expected evolution of the operational condition intact.                                                                                                                                                                                                                                                                                                                                                                            | Account is taken of the various operational costs related to exploitation as well as a ten-year maintenance cost in order to keep the expected evolution of the operational condition intact.                                                                                        | Account is taken of the various operational costs related to exploitation as well as a ten-year maintenance cost in order to keep the expected evolution of the operational condition intact.                                                                                                                                                                                                                                                                                                                                                                                    |

### Sensitivity of valuations

The sensitivity of the fair value with regard to changes in significant non-observable inputs used in determining the fair value of objects classified as level 3 according to the IFRS fair-value hierarchy, is as follows (ceteris paribus):

| Non-observable input              | Impact on fair value at: |          |
|-----------------------------------|--------------------------|----------|
|                                   | decrease                 | increase |
| Implicit number of sunshine hours | negative                 | positive |
| Green Energy Certificates (GECs)  | negative                 | positive |
| Energy price                      | negative                 | positive |
| Discount rate                     | positive                 | negative |
| Decrease in yield                 | negative                 | positive |
| Maintenance and capex             | positive                 | negative |

In addition, the sensitivity of the fair value of the solar panels can be estimated as follows (based on a ceteris paribus approach): the effect of an increase (decrease) of the required yield of 25 base points leads to a decrease (increase) in the fair value of the solar panels of approximately 2 million euros.

### Valuation process

There is no standardised valuation model for investments in solar panels. The fair value of these assets is calculated by WDP according to a discounted cash flow model based on future cash flows.

The valuation cycle within a financial year consists of a fully detailed estimate update per year end of all assumptions and the expected cash flows as well as three desktop reviews in which a roll forward of the model is performed and the most important assumptions with regard to significant non-observable inputs are recognised.

The data and input with regard to the expected future cash flows are continuously verified with the available statistics over the totality of the PV systems, whereas a consistent, comparable analysis is made of the financial return requirements of investors. The Audit Committee validates the definitive fair value calculations on a quarterly basis.



## XIV. Financial instruments

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| in euros (x 1,000)                                                                                     | IFRS 13 balance<br>sheet section | Level (IFRS 13) | Financial assets/<br>liabilities valued<br>at fair value through<br>profit or loss | Financial assets/<br>liabilities at<br>amortised cost | Book value       | Fair value       |
|--------------------------------------------------------------------------------------------------------|----------------------------------|-----------------|------------------------------------------------------------------------------------|-------------------------------------------------------|------------------|------------------|
| <b>Financial assets</b>                                                                                |                                  |                 |                                                                                    |                                                       |                  |                  |
| Assets at fair value through result – Permitted hedging instruments                                    | I. E.                            |                 |                                                                                    |                                                       |                  |                  |
| Interest Rate Swap                                                                                     |                                  | 2               | 0                                                                                  |                                                       | 0                | 0                |
| Financial assets at amortised cost                                                                     | I. E.                            | 2               |                                                                                    | 6,929                                                 | 6,929            | 6,929            |
| Long-term receivables                                                                                  |                                  |                 |                                                                                    |                                                       |                  |                  |
| Trade receivables and other non-current assets                                                         | I. G.                            | 2               |                                                                                    | 2,747                                                 | 2,747            | 2,747            |
| Short-term receivables                                                                                 |                                  |                 |                                                                                    |                                                       |                  |                  |
| Trade receivables                                                                                      | II. D.                           | 2               |                                                                                    | 12,073                                                | 12,073           | 12,073           |
| Cash and cash equivalents                                                                              | II. F.                           | 2               |                                                                                    | 11,240                                                | 11,240           | 11,240           |
| Accruals and deferrals on the assets: interest charges on loans and permitted hedging instruments      |                                  |                 |                                                                                    |                                                       |                  |                  |
| Interest on loans                                                                                      |                                  | 2               |                                                                                    | 77                                                    | 77               | 77               |
| Interest on permitted hedging instruments                                                              |                                  | 2               | 0                                                                                  |                                                       | 0                | 0                |
| <b>Total</b>                                                                                           |                                  |                 | <b>0</b>                                                                           | <b>33,067</b>                                         | <b>33,067</b>    | <b>33,067</b>    |
| <b>Financial liabilities</b>                                                                           |                                  |                 |                                                                                    |                                                       |                  |                  |
| Non-current financial debt                                                                             |                                  |                 |                                                                                    |                                                       |                  |                  |
| Bond loan: private placement                                                                           | I. B.                            | 2               |                                                                                    | 301,355                                               | 301,355          | 302,424          |
| Bond loan: retail                                                                                      | I. B.                            | 1               |                                                                                    | 0                                                     | 0                | 0                |
| Bank debt                                                                                              | I. B.                            | 2               |                                                                                    | 1,438,187                                             | 1,438,187        | 1,438,187        |
| Other non-current financial debt                                                                       | I. B.                            | 2               |                                                                                    | 742                                                   | 742              | 742              |
| Other non-current financial liabilities                                                                | I. C.                            |                 |                                                                                    |                                                       |                  |                  |
| Permitted hedging instruments: Interest Rate Swaps                                                     |                                  | 2               | 128,630                                                                            |                                                       | 128,630          | 128,630          |
| Permitted hedging instruments: Interest Rate Swaps (forward start)                                     |                                  | 2               | 1,271                                                                              |                                                       | 1,271            | 1,271            |
| Other non-current financial liabilities                                                                |                                  | 3               |                                                                                    | 46,011                                                | 46,011           | 46,011           |
| Current financial debt                                                                                 |                                  |                 |                                                                                    |                                                       |                  |                  |
| Bond loan: retail                                                                                      | II. B.                           | 1               |                                                                                    | 125,000                                               | 125,000          | 126,018          |
| Commercial paper                                                                                       | II. B.                           | 2               |                                                                                    | 191,500                                               | 191,500          | 191,500          |
| Bank debt                                                                                              | II. B.                           | 2               |                                                                                    | 62,348                                                | 62,348           | 62,348           |
| Other current financial debt                                                                           | I. B. and II. B.                 | 2               |                                                                                    | 323                                                   | 323              | 323              |
| Other current financial liabilities                                                                    | II. C.                           |                 |                                                                                    |                                                       |                  |                  |
| Permitted hedging instruments: Interest Rate Swaps                                                     |                                  | 2               | 3                                                                                  |                                                       | 3                | 3                |
| Permitted hedging instruments: Interest Rate Swaps (forward start)                                     |                                  | 2               | 0                                                                                  |                                                       | 0                | 0                |
| Other current financial liabilities                                                                    |                                  | 3               |                                                                                    | 168                                                   | 168              | 168              |
| Trade payables and other current debts                                                                 | II. D.                           | 2               |                                                                                    | 41,439                                                | 41,439           | 41,439           |
| Accruals and deferrals on the liabilities: interest charges on loans and permitted hedging instruments |                                  |                 |                                                                                    |                                                       |                  |                  |
| Interest on loans                                                                                      |                                  | 2               |                                                                                    | 7,772                                                 | 7,772            | 7,772            |
| Interest on permitted hedging instruments                                                              |                                  | 2               | 501                                                                                |                                                       | 501              | 501              |
| <b>Total</b>                                                                                           |                                  |                 | <b>130,405</b>                                                                     | <b>2,214,845</b>                                      | <b>2,345,250</b> | <b>2,347,337</b> |

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| in euros (x 1,000)                                                                                     | IFRS 13 balance<br>sheet section | Level (IFRS 13) | Financial assets/<br>liabilities valued<br>at fair value through<br>profit or loss | Financial assets/<br>liabilities at<br>amortised cost | Book value       | Fair value       |
|--------------------------------------------------------------------------------------------------------|----------------------------------|-----------------|------------------------------------------------------------------------------------|-------------------------------------------------------|------------------|------------------|
| <b>Financial assets</b>                                                                                |                                  |                 |                                                                                    |                                                       |                  |                  |
| Assets at fair value through result – Permitted hedging instruments                                    | I. E.                            |                 |                                                                                    |                                                       |                  |                  |
| Interest Rate Swap                                                                                     |                                  | 2               |                                                                                    |                                                       | 0                | 0                |
| Financial assets at amortised cost                                                                     | I. E.                            | 2               |                                                                                    | 4,743                                                 | 4,743            | 4,743            |
| Long-term receivables                                                                                  |                                  |                 |                                                                                    |                                                       |                  |                  |
| Trade receivables and other non-current assets                                                         | I. G.                            | 2               |                                                                                    | 4,162                                                 | 4,162            | 4,162            |
| Short-term receivables                                                                                 |                                  |                 |                                                                                    |                                                       |                  |                  |
| Trade receivables                                                                                      | II. D.                           | 2               |                                                                                    | 15,364                                                | 15,364           | 15,364           |
| Cash and cash equivalents                                                                              | II. F.                           | 2               |                                                                                    | 3,604                                                 | 3,604            | 3,604            |
| Accruals and deferrals on the assets: interest charges on loans and permitted hedging instruments      |                                  |                 |                                                                                    |                                                       |                  |                  |
| Interest on loans                                                                                      |                                  | 2               |                                                                                    | 63                                                    | 63               | 63               |
| Interest on permitted hedging instruments                                                              |                                  | 2               |                                                                                    |                                                       |                  |                  |
| <b>Total</b>                                                                                           |                                  |                 | <b>0</b>                                                                           | <b>27,937</b>                                         | <b>27,937</b>    | <b>27,937</b>    |
| <b>Financial liabilities</b>                                                                           |                                  |                 |                                                                                    |                                                       |                  |                  |
| Non-current financial debt                                                                             |                                  |                 |                                                                                    |                                                       |                  |                  |
| Bond loan: private placement                                                                           | I. B.                            | 2               |                                                                                    | 251,289                                               | 251,289          | 254,275          |
| Bond loan: retail                                                                                      | I. B.                            | 1               |                                                                                    | 124,964                                               | 124,964          | 129,781          |
| Bank debt                                                                                              | I. B.                            | 2               |                                                                                    | 1,190,709                                             | 1,190,709        | 1,190,709        |
| Other non-current financial debt                                                                       | I. B.                            | 2               |                                                                                    | 1,238                                                 | 1,238            | 1,238            |
| Other non-current financial liabilities                                                                | I. C.                            |                 |                                                                                    |                                                       |                  |                  |
| Permitted hedging instruments: Interest Rate Swaps                                                     |                                  | 2               | 64,743                                                                             |                                                       | 64,743           | 64,743           |
| Permitted hedging instruments: Interest Rate Swaps (forward start)                                     |                                  | 2               | 17,076                                                                             |                                                       | 17,076           | 17,076           |
| Other non-current financial liabilities                                                                |                                  | 3               |                                                                                    | 40,656                                                | 40,656           | 40,656           |
| Current financial debt                                                                                 |                                  |                 |                                                                                    |                                                       |                  |                  |
| Bond loan: retail                                                                                      | II. B.                           | 1               |                                                                                    | 50,000                                                | 50,000           | 50,293           |
| Commercial paper                                                                                       | II. B.                           | 2               |                                                                                    | 199,000                                               | 199,000          | 199,000          |
| Bank debt                                                                                              | II. B.                           | 2               |                                                                                    | 35,485                                                | 35,485           | 35,485           |
| Other current financial debt                                                                           | I. B. and II. B.                 | 2               |                                                                                    | 2,143                                                 | 2,143            | 2,143            |
| Other current financial liabilities                                                                    | II. C.                           |                 |                                                                                    |                                                       |                  |                  |
| Permitted hedging instruments: Interest Rate Swaps                                                     |                                  | 2               |                                                                                    |                                                       | 0                | 0                |
| Permitted hedging instruments: Interest Rate Swaps (forward start)                                     |                                  | 2               |                                                                                    |                                                       | 0                | 0                |
| Other current financial liabilities                                                                    |                                  | 3               |                                                                                    | 168                                                   | 168              | 168              |
| Trade payables and other current debts                                                                 | II. D.                           | 2               |                                                                                    | 51,944                                                | 51,944           | 51,944           |
| Accruals and deferrals on the liabilities: interest charges on loans and permitted hedging instruments |                                  |                 |                                                                                    |                                                       |                  |                  |
| Interest on loans                                                                                      |                                  | 2               |                                                                                    | 8,114                                                 | 8,114            | 8,114            |
| Interest on permitted hedging instruments                                                              |                                  | 2               | 526                                                                                |                                                       | 526              | 526              |
| <b>Total</b>                                                                                           |                                  |                 | <b>82,344</b>                                                                      | <b>1,955,709</b>                                      | <b>2,038,053</b> | <b>2,046,150</b> |

**Valuation of financial instruments**

The entirety of the financial instruments of the Group corresponds to levels 1 and 2 in the hierarchy of fair values. Valuation against fair value occurs regularly.

In the event of bankruptcy of one of both contracting parties, the net position of the derivatives will be considered for the counterparty.

Level 1 in the hierarchy of fair values excludes money investments, funds and cash equivalents regarding which the fair value is based on the share price.

Level 2 in the hierarchy of fair values concerns the other financial assets and liabilities of which the fair value is based on observable inputs and other data that can be determined, directly or indirectly, for the assets or liabilities concerned. The valuation techniques concerning the fair value of the financial instruments at level 2 are as follows: the fair value of the above financial assets and liabilities are valued at the book value, except for bond loans, where fair value is determined under a discounted cash flow model based on market interest rates since they are not traded frequently (level 2). Because the other financial liabilities are incurred at a floating interest rate, the fair value is very close to the book value.

Level 3 in the hierarchy of fair values shows the property portfolio and the financial liabilities recognised in accordance with IFRS 16, whose fair value is determined based on non-observable inputs.

**Determining the financial liability in accordance with IFRS 16**

For some of its investments, WDP does not have full ownership, but rather only usufruct through a concession, long lease or similar arrangement. Specifically, a financial liability is recognised for this in accordance with IFRS 16. This financial liability is included under Other non-current financial liabilities and Other current financial liabilities. The financial liability is the present value of all future lease payments. The discount rate applied in determining this liability was based on a combination of the interest curve plus a spread according to the WDP credit risk, both in line with the remaining duration of the underlying right of use.

The sensitivity of the calculation of this financial liability can be estimated as follows (based on a ceteris paribus approach): the effect of an increase (decrease) in the discount rate of 50 basis points would give rise to a decrease (increase) in the financial liability of approx. 4 million euros, with an impact of 0.1% on the gearing ratio.

**Liquidity requirement on maturity dates associated with non-current loans (contractual cash flows and non-updated interest)**

| in euros (x 1,000)         | 31.12.2020       |
|----------------------------|------------------|
| Between one and two years  | 395,303          |
| Between two and five years | 666,475          |
| More than five years       | 990,192          |
| <b>Total</b>               | <b>2,051,970</b> |

**Financial instruments at fair value as per IFRS 9**

The Group uses derivative financial instruments to hedge the interest rate risk on its financial debts in order to reduce the volatility of EPRA Earnings (which forms the basis for the dividend) while keeping the cost of debt as low as possible at the same time. Given the high hedging rate of 89.6% at year end 2020, both the interest risk and the volatility of the EPRA Earnings are limited. These hedges are managed centrally through a macro-hedging. The Group does not use derivative financial instruments for speculative purposes and does not hold derivatives for trading purposes. The derivatives currently employed by WDP do not qualify as hedging transactions. As a result, changes in the fair value are immediately included in the result.

These contracts are valued at fair value as per IFRS 9 on the balance sheet date. This information is received from the various financial institutions and verified by WDP by discounting the future contractual cash flows based on the corresponding interest rate curves.

Fair value is based on observable inputs, and as such, the IRS contracts fall under level 2 in the fair value hierarchy as defined in IFRS. The fair value is calculated based on a discounted cash flow model using the relevant market interest rates indicated in the forward interest curve on the balance sheet date. No changes in the fair value hierarchy level took place in 2019. During this period, no hedging instruments were arranged prior to the expiry date. A number of existing hedging instruments were extended by flattening them over time in a cash-neutral manner.

| 31.12.2020                         |              |                                    |                      |                     |
|------------------------------------|--------------|------------------------------------|----------------------|---------------------|
| Classification according to IFRS   | Level (IFRS) | Notional amount (in euros x 1,000) | Interest rate (in %) | Duration (in years) |
| Interest Rate Swap                 | 2            | 1,267,425                          | 0.91                 | 7.3                 |
| Interest Rate Swap (forward start) | 2            | 50,000                             | -0.02                | 10.4                |
| <b>Total</b>                       |              | <b>1,317,425</b>                   | <b>0.77</b>          | <b>7.4</b>          |

| 31.12.2019                         |              |                                    |                      |                     |
|------------------------------------|--------------|------------------------------------|----------------------|---------------------|
| Classification according to IFRS   | Level (IFRS) | Notional amount (in euros x 1,000) | Interest rate (in %) | Duration (in years) |
| Interest Rate Swap                 | 2            | 972,364                            | 0.88                 | 7.7                 |
| Interest Rate Swap (forward start) | 2            | 200,000                            | 0.91                 | 9.6                 |
| <b>Total</b>                       |              | <b>1,172,364</b>                   | <b>0.90</b>          | <b>8.0</b>          |

The variation in fair value and the valuation of the hedging instruments at fair value on the balance sheet date are as follows:

| in euros (x 1,000)                                                   | 31.12.2020      | 31.12.2019     |
|----------------------------------------------------------------------|-----------------|----------------|
| <b>Fair value on balance sheet date</b>                              | <b>-129,898</b> | <b>-81,819</b> |
| Financial fixed assets                                               | 0               | 0              |
| Financial instruments at fair value via the profit and loss account  | 0               | 0              |
| Other non-current financial liabilities                              | 129,901         | 81,819         |
| Permitted hedging instruments                                        | 129,901         | 81,819         |
| Other current financial liabilities                                  | 3               | 0              |
| Permitted hedging instruments                                        | 3               | 0              |
| <b>Changes in the fair value of financial assets and liabilities</b> | <b>-48,085</b>  | <b>-29,883</b> |
| Revenue                                                              | 2,464           | 28,237         |
| Costs                                                                | -50,549         | -58,119        |

The following table gives an overview of the impact of the fair value of the IRSes if the interest rate rises or falls by a max. of 0.50%:

| Change in the interest rate | Impact on the change in fair value of the IRSes as at 31.12.2020 (in euros x 1,000,000) |
|-----------------------------|-----------------------------------------------------------------------------------------|
| -0.50%                      | -46.5                                                                                   |
| -0.25%                      | -23.0                                                                                   |
| 0.00%                       | 0.0                                                                                     |
| +0.25%                      | 22.5                                                                                    |
| +0.50%                      | 44.5                                                                                    |

For the impact of interest rate changes on the EPRA Earnings, please refer to 7. *Financial results and property report - Outlook*.

**Liquidity requirement on the maturity dates linked to the derivatives**

| in euros (x 1,000)         | 31.12.2020     |
|----------------------------|----------------|
| Between one and two years  | 38,215         |
| Between two and five years | 50,423         |
| More than five years       | 31,965         |
| <b>Total</b>               | <b>120,604</b> |

For a detailed overview of financial and other risks, their limiting factors and control, see chapter 9. *Risk factors*. For a discussion of management of financial risks (including credit risk, liquidity risk, interest risk, counterparty risk), see chapter 7. *Financial results and property report - Management of financial resources*. Please also refer to the sensitivity analysis in chapter 7. *Financial results and property report - Outlook* as well as to note XXI. *Statement of financial debt*.

**XV. Assets held for sale**

| in euros (x 1,000) | 31.12.2020    | 31.12.2019   |
|--------------------|---------------|--------------|
| Belgium            | 15,543        | 4,292        |
| The Netherlands    | 0             | 1,486        |
| <b>Total</b>       | <b>15,543</b> | <b>5,779</b> |

At present, an amount of 15.5 million euros of *Assets held for sale* is listed in the balance sheet.

**XVI. Trade receivables and Doubtful debtors****Trade receivables**

| in euros (x 1,000)                                  | 31.12.2020    | 31.12.2019    |
|-----------------------------------------------------|---------------|---------------|
| Customers                                           | 12,700        | 15,310        |
| Write downs booked for doubtful debtors             | -3,677        | -2,765        |
| Invoices to be prepared/credit notes to be received | 3,050         | 2,819         |
| <b>Trade receivables</b>                            | <b>12,073</b> | <b>15,364</b> |

Trade receivables are payable prior to the regular lease period. The following table shows past due trade receivables.

| in euros (x 1,000)                                  | 31.12.2020    | 31.12.2019    |
|-----------------------------------------------------|---------------|---------------|
| Non-expired and expired < 30 days                   | 8,482         | 10,803        |
| of which provisioned for as doubtful debtors        | 0             | 0             |
| Expired 30-60 days                                  | 19            | 533           |
| of which provisioned for as doubtful debtors        | 0             | 0             |
| Expired 60-90 days                                  | 279           | 297           |
| of which provisioned for as doubtful debtors        | 0             | 0             |
| Expired > 90 days                                   | 3,921         | 3,678         |
| of which provisioned for as doubtful debtors        | -3,677        | -2,765        |
| <b>Total customers</b>                              | <b>12,700</b> | <b>15,310</b> |
| <b>of which provisioned for as doubtful debtors</b> | <b>-3,677</b> | <b>-2,765</b> |

**Doubtful debtors – statement of changes**

| in euros (x 1,000)                               | 31.12.2020    | 31.12.2019    |
|--------------------------------------------------|---------------|---------------|
| <b>At the end of the previous financial year</b> | <b>-2,765</b> | <b>-3,275</b> |
| Additions                                        | -751          | -783          |
| Reversals                                        | 252           | 527           |
| Other                                            | -413          | 766           |
| <b>At the end of the financial year</b>          | <b>-3,677</b> | <b>-2,765</b> |

The provision for doubtful debtors is 3.7 million euros and has increased compared to last year, in line with historical statistics.

The impact of the Covid-19 pandemic on customer payment behavior is limited. The rent collection follows a regular and consistent pattern – currently WDP has received 99% of the FY 2020 rents. A limited amount of 0.9 million euros is outstanding in rent, which relates to Q2 2020, in which WDP rescheduled the payment term for a number of customers who had stated that they were experiencing liquidity problems during the lockdown. WDP expects to receive this amount, as foreseen with the clients, in 2021.

A clear procedure is followed to determine provisions to be created for doubtful debtors, with quarterly estimates of the expected losses on outstanding trade receivables and with application of corresponding write-downs. Under this method, the book value of the trade receivables approaches their fair value. With regard to the policy on accounts receivable, WDP ensures a regular screening of the creditworthiness of its tenant portfolio. In addition, outstanding customer balances are reported internally to all sales and technical staff on a monthly basis. They can ensure adequate follow-up on rent in arrears by means of their direct contacts with the customer.

More generally, credit risks are limited by the fact that WDP guarantees an adequate distribution amongst its tenants. Besides the legal standard of 20%, an in-house target has been set that no more than 10% of the rental income may come from one customer (currently 5%). For the main tenants, please see 7. *Financial results and property report - Notes on the consolidated profit and loss account 2020 (analytical schedule)*. Credit risks are moreover limited to a maximum risk of 5% per site (currently 3%).

**XVII. Participation in associated companies and joint ventures**

| in euros (x 1,000)                                             | 31.12.2020    | 31.12.2019    |
|----------------------------------------------------------------|---------------|---------------|
| <b>At the end of the previous financial year</b>               | <b>19,707</b> | <b>10,636</b> |
| Creation of new joint ventures                                 | 18            | 400           |
| Capital increases in joint ventures                            | 200           | 5,555         |
| Share in the result of associated companies and joint ventures | 4,831         | 3,116         |
| Others                                                         | -410          | 0             |
| <b>At the end of the financial year</b>                        | <b>24,346</b> | <b>19,707</b> |

**XVIII. Tax receivables and other current assets**

| in euros (x 1,000)   | 31.12.2020    | 31.12.2019    |
|----------------------|---------------|---------------|
| Tax receivables      | 12,240        | 25,181        |
| Other current assets | 4,992         | 9,068         |
| <b>Total</b>         | <b>17,232</b> | <b>34,249</b> |

The tax receivables are mainly related to the investments in Romania and the Netherlands for the development projects. There is no co-contracting system, which means that 19% and 21% VAT can be recovered on each investment. The decrease in the other current assets is attributable to a material amount of advance invoices to Romanian contractors that was paid on December 31, 2019. These advances are deducted from the contract invoices pro rata that the works are progressing. In 2020, WDP changed its policy in this regard so that the outstanding amount in advance payments is considerably lower as at 31 December 2020.

## XIX. Capital

|              |                                                                                     | Changes in subscribed<br>capital as at 31.12.2020<br>in euros (x 1,000) | Number of<br>shares <sup>1</sup> |
|--------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------|
|              | Creation Rederij De Pauw                                                            | 50                                                                      |                                  |
|              | Capital increase through reserves incorporation                                     | 12                                                                      |                                  |
|              | Capital increase by public issue (including issue premium)                          | 69,558                                                                  |                                  |
|              | Capital increase through merger and split transactions                              | 53                                                                      |                                  |
|              | Capital increase through incorporation of reserves to round off to the nearest euro | 327                                                                     |                                  |
|              | Capital increase by discharging losses                                              | -20,575                                                                 |                                  |
| <b>1999</b>  | <b>Subscribed capital and number of shares at IPO (June 1999)</b>                   | <b>49,425</b>                                                           | <b>46,480,000</b>                |
| 2001         | Capital increase following merger through Caresta takeover                          | 2,429                                                                   | 1,817,151                        |
| 2001         | Capital increase through incorporation of reserves to round off to the nearest euro | 46                                                                      | 0                                |
| 2003         | Capital increase by public issue (including issue premium)                          | 27,598                                                                  | 6,899,592                        |
| 2006         | Capital increase partial demerger of Partners in Lighting International             | 29,415                                                                  | 4,952,304                        |
| 2006         | Capital increase associated with the creation of available reserves                 | -40,000                                                                 | 0                                |
| 2009         | Capital increase DHL transaction                                                    | 6,478                                                                   | 5,654,131                        |
| 2009         | Capital increase                                                                    | 25,130                                                                  | 21,934,388                       |
| 2011         | Capital increase through contribution of claim as a result of an optional dividend  | 5,216                                                                   | 4,553,059                        |
| 2011         | Capital increase Betafence transaction                                              | 3,642                                                                   | 3,179,022                        |
| 2012         | Capital increase through contribution of claim as a result of an optional dividend  | 4,988                                                                   | 4,354,091                        |
| 2012         | Capital increase partial demerger Immo Weversstraat                                 | 675                                                                     | 589,582                          |
| 2012         | Capital increase Lake Side bis transaction                                          | 5,910                                                                   | 5,158,524                        |
| 2013         | Capital increase through contribution of claim as a result of an optional dividend  | 4,600                                                                   | 4,015,172                        |
| 2013         | Capital increase as a result of the direct merger with three companies in Geel      | 3,400                                                                   | 2,967,713                        |
| 2014         | Capital increase through contribution of claim as a result of an optional dividend  | 3,693                                                                   | 3,222,219                        |
| 2014         | Capital increase Tiel transaction                                                   | 7,213                                                                   | 6,293,560                        |
| 2015         | Capital increase as a result of the MLB transaction                                 | 5,468                                                                   | 4,772,796                        |
| 2015         | Capital increase through contribution of claim as a result of an optional dividend  | 3,102                                                                   | 2,707,516                        |
| 2016         | Capital increase through contribution of claim as a result of an optional dividend  | 3,603                                                                   | 3,144,561                        |
| 2016         | Capital increase in cash with irreducible allocation right                          | 19,004                                                                  | 16,586,920                       |
| 2017         | Capital increase through contribution of claim as a result of an optional dividend  | 3,933                                                                   | 3,432,527                        |
| 2017         | Capital increase via a partial demerger and contribution in kind                    | 1,547                                                                   | 1,350,111                        |
| 2018         | Capital increase through contribution of claim as a result of an optional dividend  | 3,989                                                                   | 3,481,275                        |
| 2018         | Capital increase, transaction, Asse-Zellik (1)                                      | 360                                                                     | 314,020                          |
| 2018         | Capital increase, transaction, Asse-Zellik (2)                                      | 956                                                                     | 834,582                          |
| 2018         | Capital increase, transaction, Tiel, Veghel and Bleiswijk                           | 3,133                                                                   | 2,734,914                        |
| 2019         | Capital increase through contribution of claim as a result of an optional dividend  | 2,646                                                                   | 2,309,475                        |
| 2019         | Capital increase via an accelerated bookbuild (ABB)                                 | 10,025                                                                  | 8,750,000                        |
| 2020         | Capital increase through contribution of claim as a result of an optional dividend  | 2,549                                                                   | 2,224,662                        |
| <b>Total</b> |                                                                                     | <b>200,172</b>                                                          | <b>174,713,867</b>               |

<sup>1</sup> With a view to increased marketability, accessibility and attractiveness of WDP shares, the WDP share was split by a factor of 7 with effect from 2 January 2020. The figures displayed already take into account the WDP share split.



|                                                                                        | 31.12.2020         | 31.12.2019         |
|----------------------------------------------------------------------------------------|--------------------|--------------------|
| <b>Number of outstanding shares at the beginning of the financial year<sup>1</sup></b> | <b>172,489,205</b> | <b>161,429,730</b> |
| Capital increase through contribution of claim as a result of an optional dividend     | 2,224,662          | 2,309,475          |
| Capital increase by contribution in kind                                               | 0                  | 0                  |
| Capital increase via an accelerated bookbuild (ABB)                                    | 0                  | 8,750,000          |
| <b>Number of outstanding shares at the end of the financial year<sup>2</sup></b>       | <b>174,713,867</b> | <b>172,489,205</b> |
| Net result (IFRS) – Group share in euros (x 1,000)                                     | 324,610            | 393,732            |
| Net result (IFRS) – Group share per share (in euros) <sup>3</sup>                      | 1.87               | 2.40               |

1 With a view to increased marketability, accessibility and attractiveness of WDP shares, the WDP share was split by a factor of 7 with effect from 2 January 2020. The figures displayed already take into account the WDP share split.

2 As a result of the capital increase via contribution in kind for 9 million euros in January 2021 and the capital increase via accelerated private placement for 200 million euros at the beginning of February, the number of shares entitled to dividend for the 2020 dividend (payable in 2021) amounts to 181,900,449. For more information please refer to chapter 7. *Financial results and real estate report - Management of financial resources*.

3 Calculated on the weighted average number of shares.

WDP has only one share category, namely ordinary shares. Holders are entitled to receive the declared dividend and have one vote per share at the Annual General Meeting of Shareholders.

All shares are fully paid up and are either registered or dematerialised.

The Board of Directors is authorised, within the limits of the mandatory provisions of the applicable company law, to increase the capital in accordance with the authorisation granted to it regarding authorised capital. As of 31 December 2020, the Board of Directors has not used this authorisation. For more information on the approval of authorised capital, see also the notes in chapter 12. *Permanent document* and XXVII. *Significant events after the balance sheet date*.

## XX. Provisions

| in euros (x 1,000)                             | 31.12.2020 | 31.12.2019 |
|------------------------------------------------|------------|------------|
| <b>Opening balance</b>                         | <b>357</b> | <b>359</b> |
| Used amounts                                   | 0          | -2         |
| Additions                                      | 0          | 0          |
| Reversals                                      | -187       | 0          |
| <b>Closing balance</b>                         | <b>170</b> | <b>357</b> |
| Time of expected outflow of economic resources | < 5 jaar   | < 5 year   |

In the course of the 2020 financial year, ongoing investigations, monitoring activities and remediation were continued in order to comply with all local legal obligations regarding soil remediation. The Provisions item outstanding at the end of 2020 still amounts to 0.2 million euros.

These provisions were mainly created for the possible remediation of the sites in Heppignies - rue de Capilône, Londerzeel - Weversstraat 2, Vilvoorde - Havendoklaan 10, Aalst - Tragel 47 and Anderlecht - Frans Van Kalkenstraat 9.

## XXI. Statement of financial debt

| in euros (x 1,000)                | Included as of   |                  | < 1 year       |                | 1-5 year       |                | > 5 year       |                |
|-----------------------------------|------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                   | 31.12.2020       | 31.12.2019       | 31.12.2020     | 31.12.2019     | 31.12.2020     | 31.12.2019     | 31.12.2020     | 31.12.2019     |
| Commercial paper                  | 191,500          | 199,000          | 191,500        | 199,000        |                |                |                |                |
| Straight loans                    | 9,173            | 14,832           | 9,173          | 14,832         |                |                |                |                |
| Roll over loans                   | 53,174           | 20,654           | 53,174         | 20,654         |                |                |                |                |
| Bond loan                         | 125,000          | 50,000           | 125,000        | 50,000         |                |                |                |                |
| Other                             | 323              | 2,143            | 323            | 2,143          |                |                |                |                |
| <b>Current financial debt</b>     | <b>379,170</b>   | <b>286,629</b>   | <b>379,170</b> | <b>286,629</b> |                |                |                |                |
| Roll over loans                   | 1,438,187        | 1,190,709        |                |                | 718,138        | 688,157        | 720,049        | 502,551        |
| Bond loan                         | 301,355          | 376,253          |                |                | 92,200         | 217,200        | 209,155        | 159,053        |
| Other                             | 742              | 1,238            |                |                | 657            | 1,021          | 85             | 217            |
| <b>Non-current financial debt</b> | <b>1,740,284</b> | <b>1,568,199</b> |                |                | <b>810,995</b> | <b>906,378</b> | <b>929,289</b> | <b>661,821</b> |
| <b>Total</b>                      | <b>2,119,454</b> | <b>1,854,828</b> | <b>379,170</b> | <b>286,629</b> | <b>810,995</b> | <b>906,378</b> | <b>929,289</b> | <b>661,821</b> |

For more background on financial debts, we refer to section 7. *Financial results - Management of financial resources*.

For further information on the applicable bank covenants, see note XXVI. *Rights and obligations not included in the balance sheet*. For a complete overview of the sensitivity, we refer to the relevant table in section 7. *Financial results and property report - Outlook*.

## XXII. Gearing ratio

| in euros (x 1,000)                                                                                                      |            | 31.12.2020<br>(IFRS) | 31.12.2020<br>(proportionate) | 31.12.2019<br>(IFRS) | 31.12.2019<br>(proportionate) |
|-------------------------------------------------------------------------------------------------------------------------|------------|----------------------|-------------------------------|----------------------|-------------------------------|
| Non-current and current liabilities                                                                                     |            | 2,386,612            | 2,425,925                     | 2,072,929            | 2,100,285                     |
| To be excluded:                                                                                                         |            |                      |                               |                      |                               |
| I. Non-current liabilities - A. Provisions                                                                              |            | 170                  | 170                           | 357                  | 357                           |
| I. Non-current liabilities - C. Other non-current financial liabilities - Permitted hedging instruments                 |            | 129,901              | 129,901                       | 81,819               | 81,819                        |
| I. Non-current liabilities - F. Deferred taxes - Liabilities                                                            |            | 18,187               | 22,460                        | 13,357               | 15,908                        |
| II. Current liabilities - A. Provisions                                                                                 |            | 0                    | 0                             | 0                    | 0                             |
| II. Current liabilities - E. Other current liabilities - Other: Hedging instruments                                     |            | 3                    | 3                             | 0                    | 0                             |
| II. Current liabilities - F. Accruals and deferred income                                                               |            | 20,652               | 22,169                        | 18,413               | 18,418                        |
| <b>Total debt</b>                                                                                                       | <b>A</b>   | <b>2,217,700</b>     | <b>2,251,222</b>              | <b>1,958,984</b>     | <b>1,983,784</b>              |
| Total assets                                                                                                            |            | 4,790,405            | 4,829,718                     | 4,222,790            | 4,250,146                     |
| To be excluded:                                                                                                         |            |                      |                               |                      |                               |
| E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments |            | 0                    | 0                             | 0                    | 0                             |
| <b>Total assets taken into account for the calculation of the gearing ratio</b>                                         | <b>B</b>   | <b>4,790,405</b>     | <b>4,829,718</b>              | <b>4,222,790</b>     | <b>4,250,146</b>              |
| <b>Gearing ratio</b>                                                                                                    | <b>A/B</b> | <b>46.3%</b>         | <b>46.6%</b>                  | <b>46.4%</b>         | <b>46.7%</b>                  |

## XXIII. Other current and non-current financial liabilities

| in euros (x 1,000)                             | 31.12.2020    | 31.12.2019    |
|------------------------------------------------|---------------|---------------|
| <b>Non-current financial liabilities</b>       | <b>46,038</b> | <b>40,682</b> |
| Financial liability in accordance with IFRS 16 | 46,038        | 40,682        |
| <b>Current financial liabilities</b>           | <b>168</b>    | <b>168</b>    |
| Financial liability in accordance with IFRS 16 | 168           | 168           |
| <b>Total</b>                                   | <b>46,206</b> | <b>40,851</b> |

For some of its investments, WDP does not have full ownership, but rather only usufruct through a concession, long lease or similar arrangement. The financial liability is the present value of all future lease payments. The table below shows the maturity dates for this liability.

| in euros (x 1,000)                             | Total per  |            | < 1 year   |            | 1-5 year   |            | > 5 year   |            |
|------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                                                | 31.12.2020 | 31.12.2019 | 31.12.2020 | 31.12.2019 | 31.12.2020 | 31.12.2019 | 31.12.2020 | 31.12.2019 |
| Financial liability in accordance with IFRS 16 | 46,206     | 40,851     | 168        | 168        | 1,834      | 1,155      | 44,204     | 39,527     |

## XXIV. Average workforce and breakdown of employee costs

| in euros (x 1,000)                                             | 31.12.2020   | 31.12.2019   |
|----------------------------------------------------------------|--------------|--------------|
| <b>At fully consolidated enterprises</b>                       |              |              |
| <b>Average workforce (in FTEs<sup>1</sup>)</b>                 | <b>69.2</b>  | <b>63.8</b>  |
| a) Blue collar workers                                         | 5.6          | 4.8          |
| b) White-collar workers                                        | 63.6         | 59.1         |
| Administrative staff                                           | 40.8         | 38.1         |
| Technical staff                                                | 22.8         | 21.0         |
| <b>Geographic locations of workforce (in FTEs<sup>1</sup>)</b> | <b>69.2</b>  | <b>63.8</b>  |
| Western Europe                                                 | 52.6         | 48.8         |
| Central and Eastern Europe                                     | 16.6         | 15.1         |
| <b>Personnel costs in euros (x 1,000)</b>                      | <b>6,835</b> | <b>6,594</b> |
| a) Salaries and direct social benefits                         | 5,248        | 5,046        |
| b) Employer contributions to social security                   | 894          | 842          |
| c) Employer premiums for non-statutory insurances              | 305          | 286          |
| d) Other personnel costs                                       | 387          | 420          |

1 FTE stands for Full-Time Equivalents.

WDP has concluded a group insurance contract of the defined contribution plan type with an external insurance company for its permanent employees. The Company makes contributions to this fund, which is independent of the Company. Insurance plan contributions are funded by the Company. This group insurance contract follows

the Vandenbroucke Act on pensions. On 31 December 2020, the insurance company confirmed that the shortfall to guarantee the legal minimum return is not material.

## XXV. Transactions between related parties

Until 1 October 2019, a director's fee was allocated to De Pauw NV/SA as the former manager of WDP Comm. VA. The amount of the director's fee was set at 1,650,000 euros for 2019. This amount corresponds to the total cost, in line with market rates, for the Board of Directors. Effective as at 1 October 2019, the Extraordinary General Meeting of 11 September 2019 decided to convert WDP from a partnership limited by shares into a public limited company. As part of this, it also decided to discharge the former statutory manager and approve pro-rata settlement of the remuneration to the amount of 1,237,500 euros (including expenses). Please also refer to the note in the remuneration report in chapter 8. *Corporate Governance Statement*.

The remuneration of the non-executive directors in 2020 (215,000 euros), the remuneration of Tony De Pauw (573,325 euros), the remuneration of Joost Uwents (853,310 euros) and the remuneration of the Management Committee (1,786,893 euros, excluding the remuneration of the two CEOs) is explained in more detail in the remuneration report chapter 8.

In November 2019, a capital increase was achieved through an exempt accelerated private placement with international institutional investors with the composition of an order book. Twenty percent of the new shares (being 1,250,000 shares) were allocated to the RKTA management body via pre-allocation.

The RKTA management body participated in the capital increases that took place in May 2019 and 2020 in the context of paying an optional dividend for the total share it held in WDP.

2020 also saw transactions between WDP and its joint ventures I Love Hungaria and WDP Luxembourg. The table below lists the pending receivables that WDP has outstanding for the joint ventures I Love Hungaria and WDP Luxembourg. These are mainly the current and non-current receivables, the management fee charged and the financial revenues booked in WDP and received from I Love Hungaria and WDP Luxembourg.

| in euros (x 1,000)                                            | 31.12.2020   | 31.12.2019   |
|---------------------------------------------------------------|--------------|--------------|
| <b>Receivables</b>                                            | <b>9,176</b> | <b>6,767</b> |
| At more than one year                                         | 6,929        | 4,743        |
| At up to one year (interest and outstanding customer balance) | 2,246        | 2,024        |
| <b>Operating result (before the result on the portfolio)</b>  | <b>211</b>   | <b>391</b>   |
| Management fee and others                                     | 211          | 391          |
| <b>Financial result</b>                                       | <b>200</b>   | <b>191</b>   |
| Income from financial fixed assets                            | 200          | 191          |

## XXVI. Rights and obligations not included in the balance sheet

On 31 December 2020, WDP NV/SA and its subsidiaries established bank guarantees for a total amount of 4,218,135 euros, the beneficiaries of which can be classified under the following categories and for the following amounts:

| in euros (x 1,000)  | 31.12.2020 |
|---------------------|------------|
| Environment         | 1,412,211  |
| Rent and concession | 1,017,945  |
| Services            | 7,979      |
| Execution of works  | 1,780,000  |

WDP has entered into various commitments as a part of its ongoing investment programme related to projects and acquisitions, as indicated in chapter 5. *Transactions and realisations*.

Parent company WDP NV/SA has extended the following sureties for its various subsidiaries:

- ◆ A personal security for the commitments of WDP Nederland N.V. amounting to 25 million euros for ABN AMRO (for the shortterm amounts financed through a straight loan of max. 25 million euros).
- ◆ A personal security for the commitments of WDP Romania SRL amounting to 44 million euros for EIB.
- ◆ A personal security for the commitments of WDP Luxembourg SA amounting to 17.5 million euros for Banque et Caisse d'Epargne de l'Etat.
- ◆ A personal security for the commitments of WVI GmbH amounting to 10 million euros for BNPPF.

WDP has the following covenants in its financing agreements:

- ◆ A minimum Interest Coverage Ratio<sup>1</sup> of at least 1.5x. For 2020, this figure comes to 4.9x.
- ◆ A statutory and consolidated gearing ratio below 65% in line with the GVV requirements. Per 31 December 2020, these gearing ratios amount respectively to 46.0% en 46.6%.
- ◆ A limited amount of projects that are not pre-leased (speculative developments) to 15% of the book value of the portfolio. As at 31 December 2020, this ratio is 0.1%.
- ◆ A maximum of 30% of the financial debts with the subsidiaries compared to the financial debts of the group. By 31 December 2020, this ratio is 4%.

WDP has entered into the following commitments with financiers<sup>2</sup>:

- ◆ A commitment to refrain from burdening the assets with collateral such as mortgages (negative pledge). WDP confirms that as at 31 December 2020, no mortgages or other collateral are outstanding in the property portfolio or other assets.
- ◆ A commitment that it will continue to qualify as a GVV/SIR. For the conditions on this, please see the Belgian Act of 12 May 2014 and the Royal Decree of 13 July 2014. For more information, see 13. Annexes - General information on REIT status.

<sup>1</sup> Defined as operating result (before result on the portfolio), divided by interest charges, minus 22c. interest and dividend collection, minus compensation for financial leasing and others.

<sup>2</sup> The term "financiers" means credit institutions as well as financiers through debt capital markets, such as bondholders or investors in the commercial paper programme.

- ◆ For the financing of operations in the Netherlands through WDP Nederland N.V., WDP has entered into a commitment to continue to qualify as Fiscale Beleggingsinstelling (an 'FBI').
- ◆ For some financiers, WDP has agreed to repay the credit if a change of control occurs and the financier consequently asks for repayment.

As at 31 December 2020, all agreements have been met with all financiers.

## XXVII. Financial relations with third parties

| in euros (x 1,000)                                                                                                           | 31.12.2020 | 31.12.2019 |
|------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>Statutory auditor</b>                                                                                                     |            |            |
| The statutory auditor(s) and the people with whom they are associated                                                        |            |            |
| Statutory auditor's pay                                                                                                      | 184,730    | 135,280    |
| Pay for special work or special assignments that the statutory auditor(s) perform within the Company                         |            |            |
| Other auditing assignments                                                                                                   | 45,556     | 29,815     |
| Other non-auditing assignments                                                                                               | 30,724     | 12,700     |
| Pay for special work or special assignments that persons associated with the statutory auditor(s) perform within the Company |            |            |
| Tax consulting assignments                                                                                                   | 37,053     | 70,188     |

Pursuant to Article 3:64, §1-5 CCA: without prejudice to the prohibitions arising from Article 3:63 CCA, the statutory auditor may not perform any services other than the assignments entrusted by law or European Union legislation to the statutory auditor, insofar as the total amount of the fees for these services amounts to more than seventy percent of the total amount of the fees referred to in article 3:65, § 2 of the CCA. The 70% rule must be calculated as an average over the duration of the current mandate. The fees for services invoiced by Deloitte Bedrijfsrevisoren CVBA are considered with regard to this calculation, with the exception of fees for legal assignments entrusted to the statutory auditor of the company. WDP NV has not exceeded the 70% rule as of 31 December 2020.

| in euros (x 1,000)            | 31.12.2020    | 31.12.2019    |
|-------------------------------|---------------|---------------|
| <b>Financial service fees</b> | <b>98,211</b> | <b>88,148</b> |

| in euros (x 1,000)                | 31.12.2020     | 31.12.2019     |
|-----------------------------------|----------------|----------------|
| <b>Property expert fees</b>       | <b>475,362</b> | <b>446,532</b> |
| Stadim                            | 101,789        | 99,692         |
| Cushman & Wakefield - Netherlands | 136,707        | 129,076        |
| BNP Paribas Real Estate           | 13,300         | 9,400          |
| CBRE – Netherlands                | 78,675         | 73,959         |
| Jones Lang LaSalle - Belgium      | 46,411         | 47,500         |
| CBRE - Romania                    | 93,050         | 81,205         |
| Jones Lang LaSalle - Luxembourg   | 5,430          | 5,700          |

| in euros (x 1,000)            | 31.12.2020   | 31.12.2019   |
|-------------------------------|--------------|--------------|
| <b>Insurance premiums</b>     | <b>2,249</b> | <b>2,127</b> |
| Belgium                       | 662          | 750          |
| The Netherlands               | 1,070        | 905          |
| France                        | 81           | 95           |
| Luxembourg                    | 43           | 18           |
| Romania                       | 298          | 265          |
| Solar panels, Belgium         | 31           | 37           |
| Solar panels, the Netherlands | 42           | 31           |
| Solar panels, Romania         | 22           | 26           |

## XXVIII. Significant events after the balance sheet date

Two events have occurred after the balance sheet date:

- ◆ Capital increase through contribution in kind of 9 million euros
- ◆ Capital increase through accelerated bookbuild of 200 million euros

For a description of significant events occurring after 31 December 2020, please refer to 7. *Financial results and Property report - Management of financial resources*.

### 3. CONDENSED VERSION OF THE STATUTORY FINANCIAL STATEMENTS FOR THE 2020 FINANCIAL YEAR

The statutory auditor has issued an unqualified opinion on the statutory financial statements of WDP NV/SA. These are drawn up in accordance with IFRS as adopted within the European

#### Profit and loss account

| in euros (x 1,000)                                                                                                | FY 2020       | FY 2019       |
|-------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>I. Rental income</b>                                                                                           | <b>73,700</b> | <b>71,055</b> |
| Rents                                                                                                             | 73,700        | 70,095        |
| Indemnification related to early lease terminations                                                               | 0             | 961           |
| <b>III. Costs related to leases</b>                                                                               | <b>373</b>    | <b>-85</b>    |
| Rent to be paid for leased premises                                                                               | 166           | 82            |
| Impairments of trade receivables                                                                                  | -45           | -334          |
| Reversals of impairments of trade receivables                                                                     | 252           | 167           |
| <b>Net rental result</b>                                                                                          | <b>74,073</b> | <b>70,970</b> |
| <b>IV. Recovery of property costs</b>                                                                             | <b>0</b>      | <b>0</b>      |
| <b>V. Recovery of rental charges and taxes normally paid by the tenant on let properties</b>                      | <b>8,126</b>  | <b>8,308</b>  |
| Re-invoicing rental charges paid out by the owner                                                                 | 2,035         | 2,277         |
| Re-invoicing advance levies and taxes on let buildings                                                            | 6,091         | 6,031         |
| <b>VI. Costs payable by tenants and paid out by the owner for rental damage and refurbishment at end of lease</b> | <b>0</b>      | <b>0</b>      |
| <b>VII. Rental charges and taxes normally paid by the tenant on let properties</b>                                | <b>-8,631</b> | <b>-8,527</b> |
| Rental charges paid out by the owner                                                                              | -2,083        | -2,327        |
| Advance levies and taxes on let buildings                                                                         | -6,548        | -6,199        |
| <b>VIII. Other income and charges related to leases</b>                                                           | <b>10,342</b> | <b>9,981</b>  |
| Property management fees                                                                                          | 891           | 816           |
| Other operating income/costs                                                                                      | 616           | 628           |
| Income from solar energy                                                                                          | 8,835         | 8,537         |
| <b>Property result</b>                                                                                            | <b>83,911</b> | <b>80,732</b> |

Union and as per the Belgian Royal Decree of 7 December 2010. The statutory financial statements were not yet finalised at the time of publication of this annual financial report.

| in euros (x 1,000)                                                                           | FY 2020        | FY 2019        |
|----------------------------------------------------------------------------------------------|----------------|----------------|
| <b>IX. Technical costs</b>                                                                   | <b>-2,407</b>  | <b>-1,796</b>  |
| Recurrent technical costs                                                                    | -2,456         | -1,771         |
| - Repairs                                                                                    | -2,201         | -1,729         |
| - Insurance premiums                                                                         | -255           | -42            |
| Non-recurrent technical costs                                                                | 49             | -25            |
| - Damage                                                                                     | 49             | -25            |
| <b>X. Commercial costs</b>                                                                   | <b>-728</b>    | <b>-551</b>    |
| Agency commissions                                                                           | -125           | -93            |
| Advertising                                                                                  | -572           | -471           |
| Lawyers' fees and legal charges                                                              | -31            | 13             |
| <b>XII. Property management costs</b>                                                        | <b>-1,567</b>  | <b>-1,439</b>  |
| (Internal) property management costs                                                         | -1,567         | -1,439         |
| <b>Property charges</b>                                                                      | <b>-4,702</b>  | <b>-3,786</b>  |
| <b>Property operating results</b>                                                            | <b>79,209</b>  | <b>76,945</b>  |
| <b>XIV. General company expenses</b>                                                         | <b>8,652</b>   | <b>7,945</b>   |
| <b>XV. Other operating income and expenses (depreciation and write-down on solar panels)</b> | <b>-3,200</b>  | <b>-3,382</b>  |
| <b>Operating result (before the result on the portfolio)</b>                                 | <b>84,661</b>  | <b>81,509</b>  |
| <b>XVI. Result on disposals of investment properties</b>                                     | <b>409</b>     | <b>13</b>      |
| Net property sales (sales price – transaction costs)                                         | 4,950          | 14,570         |
| Book value of properties sold                                                                | -4,542         | -14,557        |
| <b>XVIII. Variations in the fair value of investment properties<sup>1</sup></b>              | <b>66,715</b>  | <b>124,478</b> |
| Positive variations in the fair value of investment properties                               | 78,808         | 146,765        |
| Negative variations in the fair value of investment properties                               | -12,093        | -22,287        |
| <b>Operating result</b>                                                                      | <b>151,785</b> | <b>206,000</b> |



**Profit and loss account** continued

| in euros (x 1,000)                                                                                                                                                                                                 | FY 2020        | FY 2019        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>XX. Financial income</b>                                                                                                                                                                                        | <b>45,944</b>  | <b>41,388</b>  |
| Interests and dividends received                                                                                                                                                                                   | 45,831         | 41,253         |
| Income from financial leases and similar                                                                                                                                                                           | 0              | 0              |
| Other financial income                                                                                                                                                                                             | 113            | 135            |
| <b>XXI. Net interest charges</b>                                                                                                                                                                                   | <b>-41,621</b> | <b>-41,459</b> |
| Interests on loans                                                                                                                                                                                                 | -23,316        | -23,095        |
| Interest capitalised during construction                                                                                                                                                                           | 1,167          | 154            |
| Cost of permitted hedging instruments                                                                                                                                                                              | -15,933        | -16,380        |
| Income from permitted hedging instruments                                                                                                                                                                          | 0              | 0              |
| Other interest charges                                                                                                                                                                                             | -3,540         | -2,137         |
| <b>XXII. Other financial charges</b>                                                                                                                                                                               | <b>-991</b>    | <b>-1,072</b>  |
| Bank charges and other commission                                                                                                                                                                                  | -54            | -43            |
| Other financial charges                                                                                                                                                                                            | -937           | -1,029         |
| <b>XXIII. Variations in the fair value of financial assets and liabilities</b>                                                                                                                                     | <b>-31,049</b> | <b>-29,883</b> |
| Permitted hedging instruments that are not subject to hedging accounting as defined in IFRS                                                                                                                        | -31,049        | -29,883        |
| <b>Financial result</b>                                                                                                                                                                                            | <b>-27,717</b> | <b>-31,026</b> |
| Aandeel in de winst of het verlies en in de niet-gerealiseerde resultaten van dochterondernemingen, geassocieerde vennootschappen en joint ventures die administratief verwerkt worden volgens de 'equity'-methode | 201,339        | 219,968        |
| <b>Result before taxes</b>                                                                                                                                                                                         | <b>325,407</b> | <b>394,942</b> |
| <b>XXIV. Corporate income tax</b>                                                                                                                                                                                  | <b>-797</b>    | <b>-1,211</b>  |
| <b>XXV. Exit tax</b>                                                                                                                                                                                               | <b>0</b>       | <b>0</b>       |
| <b>Taxes</b>                                                                                                                                                                                                       | <b>-797</b>    | <b>-1,211</b>  |
| <b>Net result</b>                                                                                                                                                                                                  | <b>324,610</b> | <b>393,732</b> |

1 This pertains to fluctuations in the fair value of investment properties. Fluctuations in the fair value of solar panels are booked directly to shareholders' equity, under *Reserves* in accordance with IAS 16.

## Consolidated statement of the comprehensive result

| in euros (x 1,000)                                                                                  | FY 2020        | FY 2019        |
|-----------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>I. Net result</b>                                                                                | <b>324,610</b> | <b>393,732</b> |
| <b>II. Other elements of the comprehensive result</b>                                               | <b>4,297</b>   | <b>760</b>     |
| G. Other elements of the comprehensive result, after tax                                            | 4,297          | 760            |
| Revaluation on solar panels Belgium                                                                 | 915            | -1,898         |
| Revaluation on solar panels of the participating interests accounted according to the equity method | 3,382          | 2,658          |
| <b>Comprehensive result</b>                                                                         | <b>328,907</b> | <b>394,492</b> |

## Components of the net result

| in euros (x 1,000)                                                                                                                                                                      | 31.12.2020     | 31.12.2019     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>EPRA Earnings</b>                                                                                                                                                                    | <b>90.396</b>  | <b>82,538</b>  |
| Result on the portfolio                                                                                                                                                                 | 67.124         | 124,491        |
| Share in the profit or loss and in the unrealised results of subsidiaries, associated companies and joint ventures that are administratively processed according to the 'equity' method | 201.339        | 219,968        |
| Revaluation of financial instruments                                                                                                                                                    | -31.049        | -29,883        |
| Depreciation and write-down on solar panels                                                                                                                                             | -3.200         | -3,382         |
| <b>Net result (IFRS)</b>                                                                                                                                                                | <b>324.610</b> | <b>393,732</b> |

| in euro (per share) <sup>1</sup>                                                                                                                                                           | 31.12.2020  | 31.12.2019  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>EPRA Earnings</b>                                                                                                                                                                       | <b>0.52</b> | <b>0.50</b> |
| Result on the portfolio                                                                                                                                                                    | 0.39        | 0.76        |
| Share in the profit or loss and in the unrealised results of subsidiaries, associated shareholding and joint ventures that are administratively processed according to the 'equity' method | 1.16        | 1.34        |
| Revaluation of financial instruments                                                                                                                                                       | -0.18       | -0.18       |
| Depreciation and write-down on solar panels                                                                                                                                                | -0.02       | -0.02       |
| <b>Net result (IFRS)</b>                                                                                                                                                                   | <b>1.87</b> | <b>2.40</b> |

| in euro (per share) (diluted) <sup>1</sup>                                                                                                                                                 | 31.12.2020  | 31.12.2019  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>EPRA Earnings</b>                                                                                                                                                                       | <b>0.52</b> | <b>0.50</b> |
| Result on the portfolio                                                                                                                                                                    | 0.39        | 0.76        |
| Share in the profit or loss and in the unrealised results of subsidiaries, associated shareholding and joint ventures that are administratively processed according to the 'equity' method | 1.16        | 1.34        |
| Revaluation of financial instruments                                                                                                                                                       | -0.18       | -0.18       |
| Depreciation and write-down on solar panels                                                                                                                                                | -0.02       | -0.02       |
| <b>Net result (IFRS)</b>                                                                                                                                                                   | <b>1.87</b> | <b>2.40</b> |

<sup>1</sup> Calculated on the weighted average number of shares.

**Balance sheet - Assets**

| in euros (x 1,000)                                                                | 31.12.2020       | 31.12.2019       |
|-----------------------------------------------------------------------------------|------------------|------------------|
| <b>Fixed assets</b>                                                               | <b>4,561,658</b> | <b>4,006,312</b> |
| <b>B. Intangible fixed assets</b>                                                 | <b>1,170</b>     | <b>393</b>       |
| <b>C. Investment property</b>                                                     | <b>1,455,957</b> | <b>1,327,508</b> |
| Property available for lease                                                      | 1,340,098        | 1,256,512        |
| Property developments                                                             | 97,733           | 55,882           |
| Other: land reserves                                                              | 18,126           | 15,114           |
| <b>D. Other tangible fixed assets</b>                                             | <b>62,327</b>    | <b>63,080</b>    |
| Tangible fixed assets for own use                                                 | 2,157            | 1,996            |
| Solar panels                                                                      | 60,170           | 61,083           |
| <b>E. Financial fixed assets</b>                                                  | <b>1,301,455</b> | <b>1,130,961</b> |
| Assets at fair value through result                                               | 0                | 0                |
| Permitted hedging instruments                                                     | 0                | 0                |
| Financial assets at amortised cost                                                | 1,301,455        | 1,130,961        |
| Other                                                                             | 1,301,455        | 1,130,961        |
| <b>H. Trade receivables and other fixed assets</b>                                | <b>1,013</b>     | <b>1,011</b>     |
| <b>J. Investments that are administratively processed via the 'equity' method</b> | <b>1,739,736</b> | <b>1,483,359</b> |
| <b>Current assets</b>                                                             | <b>62,074</b>    | <b>42,367</b>    |
| <b>A. Assets held for sale</b>                                                    | <b>15,543</b>    | <b>4,292</b>     |
| Investment properties                                                             | 15,543           | 4,292            |
| <b>D. Trade receivables</b>                                                       | <b>4,404</b>     | <b>4,163</b>     |
| <b>E. Tax receivables and other current assets</b>                                | <b>38,134</b>    | <b>31,242</b>    |
| Tax receivables                                                                   | 65               | 165              |
| Other current assets                                                              | 38,068           | 31,077           |
| <b>F. Cash and cash equivalents</b>                                               | <b>2,869</b>     | <b>1,151</b>     |
| <b>G. Accruals and deferrals</b>                                                  | <b>1,124</b>     | <b>1,518</b>     |
| Property yields not yet due                                                       | 0                | 0                |
| Prepaid property costs                                                            | 369              | 385              |
| Prepaid interests and other financial costs                                       | 77               | 63               |
| Other                                                                             | 677              | 1,069            |
| <b>Total assets</b>                                                               | <b>4,623,732</b> | <b>4,048,679</b> |

**Balance sheet - Liabilities**

| in euros (x 1,000)                                                             | 31.12.2020       | 31.12.2019       |
|--------------------------------------------------------------------------------|------------------|------------------|
| <b>Shareholders' equity</b>                                                    | <b>2,353,935</b> | <b>2,103,917</b> |
| <b>I. Shareholders' equity attributable to the parent company shareholders</b> | <b>2,353,935</b> | <b>2,103,917</b> |
| A. Capital                                                                     | 188,130          | 185,746          |
| Subscribed capital                                                             | 200,171          | 197,623          |
| Costs of capital increase                                                      | -12,041          | -11,877          |
| B. Issue premiums                                                              | 923,843          | 876,849          |
| C. Reserves                                                                    | 917,352          | 647,590          |
| D. Net result for the financial year                                           | 324,610          | 393,732          |
| <b>Liabilities</b>                                                             | <b>2,269,797</b> | <b>1,944,762</b> |
| <b>I. Non-current liabilities</b>                                              | <b>1,891,844</b> | <b>1,631,628</b> |
| A. Provisions                                                                  | 170              | 357              |
| Other                                                                          | 170              | 357              |
| B. Non-current financial debt                                                  | 1,731,284        | 1,524,199        |
| Credit institutions                                                            | 1,429,929        | 1,147,946        |
| Other                                                                          | 301,355          | 376,253          |
| C. Other non-current financial liabilities                                     | 160,264          | 106,940          |
| Hedging instruments                                                            | 129,901          | 81,819           |
| Other non-current financial liabilities                                        | 30,363           | 25,121           |
| D. Trade payable and other non-current liabilities                             | 126              | 132              |
| <b>II. Current liabilities</b>                                                 | <b>377,953</b>   | <b>313,134</b>   |
| B. Current financial debt                                                      | 347,913          | 280,003          |
| Credit institutions                                                            | 222,590          | 227,860          |
| Other                                                                          | 125,323          | 52,143           |
| C. Other current financial liabilities                                         | 126              | 123              |
| Permitted hedging instruments                                                  | 3                | 0                |
| Other current financial liabilities                                            | 123              | 123              |
| D. Trade payables and other current debts                                      | 15,824           | 18,505           |
| Suppliers                                                                      | 9,929            | 14,222           |
| Tax, salaries and social security                                              | 5,895            | 4,283            |
| E. Other current liabilities                                                   | 313              | 140              |
| Other                                                                          | 313              | 140              |
| F. Accrued charges and deferred income                                         | 13,777           | 14,363           |
| Property income received in advance                                            | 4,783            | 4,281            |
| Non-expired interest and other costs                                           | 7,708            | 8,689            |
| Other                                                                          | 1,285            | 1,393            |
| <b>Total liabilities</b>                                                       | <b>4,623,732</b> | <b>4,048,679</b> |

## Statutory appropriation of the results

in euros (x 1,000)

|                                                                                                                                                                               | 31.12.2020     | 31.12.2019     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>A. Net result</b>                                                                                                                                                          | <b>324,610</b> | <b>393,732</b> |
| <b>B. Addition to/withdrawal from reserves</b>                                                                                                                                | <b>174,597</b> | <b>261,358</b> |
| 1. Addition to/withdrawal from the reserve for the (positive or negative) balance of the variations in the fair value of properties <sup>1</sup>                              | <b>184,850</b> | 265,172        |
| financial year                                                                                                                                                                | 184,850        | 265,172        |
| 2. Addition to the reserve for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS     | 0              | 0              |
| financial year                                                                                                                                                                | 0              | 0              |
| 3. Withdrawal from the reserve for the balance of variations in the fair value of permitted hedging instruments that are subject to hedging accounting as defined in IFRS     | 0              | 0              |
| financial year                                                                                                                                                                | 0              | 0              |
| 4. Addition to the reserve for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS     | -48,085        | -29,883        |
| financial year                                                                                                                                                                | -48,085        | -29,883        |
| 5. Withdrawal from the reserve for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS | 0              | 0              |
| financial year                                                                                                                                                                | 0              | 0              |
| 6. Addition to/withdrawal from the reserves for the balance of exchange rate differences for monetary assets and liabilities                                                  | 0              | 0              |
| 7. Addition to/withdrawal from deferred tax reserves in relation to foreign property                                                                                          | 0              | 0              |
| 8. Addition to/withdrawal from reserves for the receipt of dividends intended for financial debt repayment                                                                    | 0              | 0              |
| 9. Addition to/withdrawal from other reserves <sup>2</sup>                                                                                                                    | 37,832         | 26,069         |
| financial year                                                                                                                                                                | 37,832         | 26,069         |
| 10. Addition to/withdrawal from results carried forward from previous financial years                                                                                         | 0              | 0              |
| <b>C. Compensation for capital in accordance with Article 13(§1)(1) GVV/SIR Royal Decree</b>                                                                                  | <b>86,396</b>  | <b>77,659</b>  |
| <b>D. Compensation for capital other than C</b>                                                                                                                               | <b>59,124</b>  | <b>49,983</b>  |
| <b>E. Result to be carried forward</b>                                                                                                                                        | <b>4,492</b>   | <b>4,732</b>   |

1 This item consists of the result on the portfolio of WDP NV and the result on the portfolio of the 100%-affiliates.

2 This item mainly includes the result of the participating interests of which WDP holds less than 100%.

WDP applies the look-through approach in its statutory financial statements. This means that as far as 100% subsidiaries are concerned, EPRA Earnings (being the underlying cash earnings of the core activity) are considered to be available and distributable at the level of the parent company, regardless of whether these earnings have flowed up to the parent company as dividends. In this context, the share in the results of these 100% subsidiaries is not fully allocated to the unavailable reserves. Instead, the different elements that make up these results are considered separately. The share in the result

of these 100% stakes is allocated to the unavailable and available reserves as if they were results of the parent GVV/SIR itself (in effect, this is equivalent to a consolidation approach in the separate financial statements at the appropriation of results level). The results of non-100% subsidiaries are fully allocated to the unavailable reserves.

### Distribution obligation in accordance with the GVV/SIR Royal Decree of 13 July 2014

| in euros (x 1,000)                                                                                                                                              | FY 2020        | FY 2019        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>Net result</b>                                                                                                                                               | <b>324,610</b> | <b>393,732</b> |
| Depreciation and amortisation (+) including depreciation of solar panels                                                                                        | 3,548          | 3,553          |
| Write-downs (+)                                                                                                                                                 | 294            | 731            |
| Reversals of write-downs (-)                                                                                                                                    | -252           | -167           |
| Reversals of transferred and discounted rents (-)                                                                                                               | 0              | 0              |
| Other non-monetary components (+/-)                                                                                                                             | -152,886       | -176,284       |
| Result from property sales (+/-)                                                                                                                                | -409           | -13            |
| Variations in the fair value of property (+/-)                                                                                                                  | -66,715        | -124,478       |
| Dividends received from non-100% shareholdings that are administratively processed via the 'equity' method                                                      | 0              | 0              |
| <b>Adjusted result (A)</b>                                                                                                                                      | <b>108,189</b> | <b>97,074</b>  |
| Capital gains/losses on property realised during the financial year (+/-)                                                                                       | -194           | 5,599          |
| Capital gains realised during the financial year that are exempt from the mandatory distribution provided they are reinvested within a period of four years (-) | 0              | -5,599         |
| Capital gains on property previously exempt from mandatory distribution that is not reinvested within a period of four years (+)                                | 0              | 0              |
| <b>Net capital gains on completion of properties not exempt from mandatory distribution (B)</b>                                                                 | <b>-194</b>    | <b>0</b>       |
| <b>Total (A+B) x 80%</b>                                                                                                                                        | <b>86,396</b>  | <b>77,659</b>  |
| <b>Debt reduction (-)</b>                                                                                                                                       | <b>0</b>       | <b>0</b>       |
| <b>Distribution obligation</b>                                                                                                                                  | <b>86,396</b>  | <b>77,659</b>  |

The mandatory distribution in the GVV/SIR legislation only relates to the adjusted net result as shown in the statutory financial statements for the GVV/SIR (drawn up in accordance with the IFRS). In terms of the look-through approach to determine of the mandatory distribution amount, the FSMA recommends in their circulaire of 2nd of July 2020 that the look-through approach when applied, is also considered here as well. WDP has applied this in the above table for its 100% subsidiaries, which means, in concrete terms, that the EPRA Earnings of these subsidiaries have been included in the calculation of the mandatory distribution amount (also taking into account the company-law rules applicable to the subsidiary concerned; in other words: the parent GVV/SIR is not obliged to distribute any results that cannot be distributed by the subsidiary due mainly to differences between the IFRS and local accounting rules).

### Non-distributable shareholders' equity as per article 7:212 of the Belgian code of companies and associations

| in euros (x 1,000)                                                                                                                                                       | 31.12.2020       | 31.12.2019       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Paid-up capital or, if it is higher, called-up capital                                                                                                                   | 200,171          | 197,623          |
| Issue premiums not available according to the Articles of Association <sup>1</sup>                                                                                       | 686,874          | 686,874          |
| Reserve for the positive balance of the variations in the fair value of properties <sup>2</sup>                                                                          | 964,326          | 778,887          |
| Reserves for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS                  | -129,904         | -81,819          |
| Reserve for the share in the profit or loss and in the unrealised results of non-100% shareholdings that are administratively processed according to the 'equity' method | 66,959           | 46,163           |
| Other reserves declared unavailable by the General Meeting <sup>3</sup>                                                                                                  | 48,462           | 26,818           |
| <b>Non-distributable shareholders' equity as per Article 7:212 of the CCA</b>                                                                                            | <b>1,836,887</b> | <b>1,654,545</b> |
| Net assets                                                                                                                                                               | 2,353,935        | 2,103,917        |
| Proposed dividend payment                                                                                                                                                | -145,520         | -127,642         |
| <b>Net assets after distribution</b>                                                                                                                                     | <b>2,208,415</b> | <b>1,976,275</b> |
| <b>Remaining margin after distribution</b>                                                                                                                               | <b>371,527</b>   | <b>321,730</b>   |

1 The issue premium as a result of the ABB ('accelerated bookbuild') amounting to 189,975,035.77 euros and the issue premium as a result of the optional dividend amounting to 46,994,404.80 euros was not included in as the is booked on an availabel account.

2 It relates to the reserve for the positive balance of the variation in the fair value of properties from the mother company and the 100% subsidiaries.

3 Based on the revaluation reserves for the solar panels (including variations in the fair value of subsidiaries with regard to solar panels) and the impact of IFRS 16 on shareholders' equity (including variations in the fair value of subsidiaries with regard to IFRS 16) given that this is also a non-distributable reserve. This pertains to a non-cash item.

WDP applies the look-through approach in its statutory financial statements. This means that as far as 100% subsidiaries are concerned, EPRA Earnings (being the underlying cash earnings of the core activity) are considered to be available and distributable at the level of the parent company, regardless of whether these earnings have flowed up to the parent company as dividends.

After all, the subsidiaries of the WDP parent company generally draw up their separate financial statements in line with local accounting standards, which often deviate from the IFRS rules applicable to the consolidated (and statutory) financial statements of the parent company as a GVV/SIR. As a result, the net result of the subsidiary in its individual local GAAP financial statements (on which its distribution of dividends is based) often differs from the contribution of that subsidiary to the consolidated net result. In addition, restrictions apply under local legislation, meaning the full cash earnings of the subsidiaries cannot flow up as dividends, with the latter also effectively being distributed with a one-year delay. Based on the look-through approach, these earnings are considered to be distributable at the level of the parent company, even though they have not yet effectively been realised at the parent company from a statutory perspective.

Given the international character of the WDP Group, the company considers it important to be able to apply the look-through approach in the context of its dividend policy. In this context, WDP distributes more in dividends at the consolidated level than what it generates itself in cash earnings at the statutory level (hence realised at consolidated group level, holding a low payout ratio at consolidated level), by considering through the look-through approach the cash earnings (as well as the earnings not yet distributed) of the 100% subsidiaries as distributable at group level. WDP believes that this does not pose any issues for the parent company or for its subsidiaries, considering they are fundamentally in good shape and the cash in question realised in the subsidiaries and is also effectively available in full within the parent company (through flow-up via interest, dividends, loan repayments etc.).

# FY 2020 non-consolidated statement of changes in the shareholders' equity

|                                                                                                                                                                          | 01.01.2020       | Allocation of results from the 2019 financial year |                                              |                                                  |                                             |                                                                   | Other elements of the overall result      |                                              | Other             |                                                                                |                                                                   |             | 31.12.2020       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------------|----------------------------------------------|--------------------------------------------------|---------------------------------------------|-------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|-------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------|------------------|
| in euros (x 1,000)                                                                                                                                                       |                  | Profit for the previous financial year             | Transfer of result on portfolio <sup>1</sup> | Transfer of the result of non-100% shareholdings | Dividend payments of non-100% shareholdings | Transfer of variations in the fair value of financial instruments | Net result for the current financial year | Variations in the fair value of solar panels | Capital increases | Dividends distributed and capital increase as a result of an optional dividend | Reclassification in relation to the sale of investment properties | Other       |                  |
| <b>A. Capital</b>                                                                                                                                                        | <b>185,746</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>0</b>                                  | <b>0</b>                                     | <b>0</b>          | <b>2,384</b>                                                                   | <b>0</b>                                                          | <b>0</b>    | <b>188,130</b>   |
| Subscribed capital                                                                                                                                                       | 197,623          |                                                    |                                              |                                                  |                                             |                                                                   |                                           |                                              |                   | 2,549                                                                          |                                                                   |             | 200,171          |
| Costs of capital increase                                                                                                                                                | -11,877          |                                                    |                                              |                                                  |                                             |                                                                   |                                           |                                              |                   | -165                                                                           |                                                                   |             | -12,041          |
| <b>B. Issue premiums</b>                                                                                                                                                 | <b>876,849</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>0</b>                                  | <b>0</b>                                     | <b>0</b>          | <b>46,994</b>                                                                  | <b>0</b>                                                          | <b>0</b>    | <b>923,843</b>   |
| <b>C. Reserves</b>                                                                                                                                                       | <b>647,590</b>   | <b>393,732</b>                                     | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>0</b>                                  | <b>4,297</b>                                 | <b>0</b>          | <b>-127,642</b>                                                                | <b>0</b>                                                          | <b>0</b>    | <b>917,352</b>   |
| Reserves for the balance of variations in the fair value of the properties (+/-)                                                                                         | 513,715          |                                                    | 265,172                                      |                                                  |                                             |                                                                   |                                           |                                              |                   |                                                                                | 194                                                               |             | 779,081          |
| Reserve for the share in the profit or loss and in the unrealised results of non-100% shareholdings that are administratively processed according to the 'equity' method | 20,094           |                                                    |                                              | 26,069                                           |                                             |                                                                   |                                           |                                              |                   |                                                                                |                                                                   |             | 46,163           |
| Reserves for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)            | -51,936          |                                                    |                                              |                                                  |                                             | -29,883                                                           |                                           |                                              |                   |                                                                                |                                                                   |             | -81,819          |
| Other reserves                                                                                                                                                           | 26,818           |                                                    |                                              |                                                  |                                             |                                                                   |                                           | 4,297                                        |                   |                                                                                |                                                                   | 0           | 31,115           |
| Result carried forward from previous financial years                                                                                                                     | 138,899          | 393,732                                            | -265,172                                     | -26,069                                          |                                             | 29,883                                                            |                                           |                                              |                   | -127,642                                                                       | -194                                                              | -625        | 142,813          |
| <b>D. Net result of the financial year</b>                                                                                                                               | <b>393,732</b>   | <b>-393,732</b>                                    | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>324,610</b>                            | <b>0</b>                                     | <b>0</b>          | <b>0</b>                                                                       | <b>0</b>                                                          | <b>0</b>    | <b>324,610</b>   |
| <b>Total shareholders' equity</b>                                                                                                                                        | <b>2,103,917</b> | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>324,610</b>                            | <b>4,297</b>                                 | <b>0</b>          | <b>-78,264</b>                                                                 | <b>0</b>                                                          | <b>-625</b> | <b>2,353,935</b> |

1 This concerns the changes in fair value of the real estate of WDP NV/SA and the real estate of the participations held for 100%.



## Statement of shareholders' equity prior to payment of dividends but after allocation of results

| in euros (x 1,000)                                                                                                                                                       | 31.12.2020       | Allocation of results from the 2020 financial year |                                              |                                                  |                                             |                                                                |                                     |          | 31.12.2020                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------------|----------------------------------------------|--------------------------------------------------|---------------------------------------------|----------------------------------------------------------------|-------------------------------------|----------|------------------------------------------------------------------------------------|
|                                                                                                                                                                          |                  | Profit for the financial year                      | Transfer of result on portfolio <sup>1</sup> | Transfer of the result of non-100% shareholdings | Dividend payments of non-100% shareholdings | Transfer of changes in the fair value of financial instruments | Proposed remuneration of the result | Other    | Shareholders' equity prior to payment of dividends but after allocation of results |
| <b>A. Capital</b>                                                                                                                                                        | <b>188,130</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                       | <b>0</b>                            | <b>0</b> | <b>188,130</b>                                                                     |
| Subscribed capital                                                                                                                                                       | 200,171          |                                                    |                                              |                                                  |                                             |                                                                |                                     |          | 200,171                                                                            |
| Costs of capital increase                                                                                                                                                | -12,041          |                                                    |                                              |                                                  |                                             |                                                                |                                     |          | -12,041                                                                            |
| <b>B. Issue premiums</b>                                                                                                                                                 | <b>923,843</b>   | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                       | <b>0</b>                            | <b>0</b> | <b>923,843</b>                                                                     |
| <b>C. Reserves</b>                                                                                                                                                       | <b>917,352</b>   | <b>324,610</b>                                     | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                       | <b>-145,520</b>                     | <b>0</b> | <b>1,096,442</b>                                                                   |
| Reserves for the balance of variations in the fair value of the properties (+/-)                                                                                         | 779,081          |                                                    | 184,850                                      |                                                  |                                             |                                                                |                                     | 395      | 964,326                                                                            |
| Reserve for the share in the profit or loss and in the unrealised results of non-100% shareholdings that are administratively processed according to the 'equity' method | 46,163           |                                                    |                                              | 20,796                                           |                                             |                                                                |                                     |          | 66,959                                                                             |
| Reserves for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)            | -81,819          |                                                    |                                              |                                                  |                                             | -48,085                                                        |                                     |          | -129,904                                                                           |
| Other reserves                                                                                                                                                           | 31,115           |                                                    |                                              |                                                  |                                             |                                                                |                                     | 17,347   | 48,462                                                                             |
| Proposed compensation for capital                                                                                                                                        | 0                |                                                    |                                              |                                                  |                                             |                                                                | -145,520                            |          | -145,520                                                                           |
| Result carried forward from previous financial years                                                                                                                     | 142,813          | 324,610                                            | -184,850                                     | -20,796                                          |                                             | 48,085                                                         |                                     | -17,742  | 292,119                                                                            |
| <b>D. Net result of the financial year</b>                                                                                                                               | <b>324,610</b>   | <b>-324,610</b>                                    | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                       | <b>0</b>                            | <b>0</b> | <b>0</b>                                                                           |
| <b>Total shareholders' equity</b>                                                                                                                                        | <b>2,353,935</b> | <b>0</b>                                           | <b>0</b>                                     | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                       | <b>-145,520</b>                     | <b>0</b> | <b>2,208,415</b>                                                                   |

# FY 2019 non-consolidated statement of changes in the shareholders' equity

|                                                                                                                                                                          | 01.01.2019       | Allocation of results from the 2018 financial year |                                                  |                                                  |                                             |                                                                   | Other elements of the overall result      |                                              | Other             |                                                                                |                                                                   |             | 31.12.2019       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------|---------------------------------------------|-------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|-------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------|------------------|
| in euros (x 1,000)                                                                                                                                                       |                  | Profit for the previous financial year             | Transfer of the result on portfolio <sup>1</sup> | Transfer of the result of non-100% shareholdings | Dividend payments of non-100% shareholdings | Transfer of variations in the fair value of financial instruments | Net result for the current financial year | Variations in the fair value of solar panels | Capital increases | Dividends distributed and capital increase as a result of an optional dividend | Reclassification in relation to the sale of investment properties | Other       |                  |
| <b>A. Capital</b>                                                                                                                                                        | <b>176,751</b>   | <b>0</b>                                           | <b>0</b>                                         | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>0</b>                                  | <b>0</b>                                     | <b>6,535</b>      | <b>2,527</b>                                                                   | <b>0</b>                                                          | <b>-67</b>  | <b>185,746</b>   |
| Subscribed capital                                                                                                                                                       | 184,952          |                                                    |                                                  |                                                  |                                             |                                                                   |                                           |                                              | 10,025            | 2,646                                                                          |                                                                   |             | 197,623          |
| Costs of capital increase                                                                                                                                                | -8,201           |                                                    |                                                  |                                                  |                                             |                                                                   |                                           |                                              | -3,490            | -119                                                                           | 0                                                                 | -67         | -11,877          |
| <b>B. Issue premiums</b>                                                                                                                                                 | <b>646,286</b>   | <b>0</b>                                           | <b>0</b>                                         | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>0</b>                                  | <b>0</b>                                     | <b>189,975</b>    | <b>40,587</b>                                                                  | <b>0</b>                                                          | <b>0</b>    | <b>876,849</b>   |
| <b>C. Reserves</b>                                                                                                                                                       | <b>428,965</b>   | <b>328,784</b>                                     | <b>0</b>                                         | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>0</b>                                  | <b>760</b>                                   | <b>0</b>          | <b>-110,695</b>                                                                | <b>0</b>                                                          | <b>-224</b> | <b>647,590</b>   |
| Reserves for the balance of variations in the fair value of the properties (+/-)                                                                                         | 323,314          |                                                    | 195,999                                          |                                                  |                                             |                                                                   |                                           |                                              |                   |                                                                                | -5,599                                                            |             | 513,715          |
| Reserve for the share in the profit or loss and in the unrealised results of non-100% shareholdings that are administratively processed according to the 'equity' method | 0                |                                                    |                                                  | 20,094                                           |                                             |                                                                   |                                           |                                              |                   |                                                                                |                                                                   |             | 20,094           |
| Reserves for the balance of variations in the fair value of permitted hedging instruments that are not subject to hedging accounting as defined in IFRS (+/-)            | -42,908          |                                                    |                                                  |                                                  |                                             | -9,027                                                            |                                           |                                              |                   |                                                                                |                                                                   |             | -51,936          |
| Other reserves                                                                                                                                                           | 26,411           |                                                    |                                                  |                                                  |                                             |                                                                   |                                           | 760                                          |                   |                                                                                |                                                                   | -353        | 26,818           |
| Result carried forward from previous financial years                                                                                                                     | 122,149          | 328,784                                            | -195,999                                         | -20,094                                          |                                             | 9,027                                                             |                                           |                                              |                   | -110,695                                                                       | 5,599                                                             | 128         | 138,899          |
| <b>D. Net result of the financial year</b>                                                                                                                               | <b>328,784</b>   | <b>-328,784</b>                                    | <b>0</b>                                         | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>393,732</b>                            | <b>0</b>                                     | <b>0</b>          | <b>0</b>                                                                       | <b>0</b>                                                          | <b>0</b>    | <b>393,732</b>   |
| <b>Total shareholders' equity</b>                                                                                                                                        | <b>1,580,786</b> | <b>0</b>                                           | <b>0</b>                                         | <b>0</b>                                         | <b>0</b>                                    | <b>0</b>                                                          | <b>393,732</b>                            | <b>760</b>                                   | <b>196,510</b>    | <b>-67,580</b>                                                                 | <b>0</b>                                                          | <b>-291</b> | <b>2,103,917</b> |

1 This concerns the changes in fair value of the real estate of WDP NV/SA and the real estate of the participations held for 100%.

## 12. PERMANENT DOCUMENT



Profitable and defensive

“

An REIT as an alternative  
to direct real estate



Dividend  
Scale  
Diversification

## Basic information

### Company name (Article 1 of the coordinated Articles of Association)

Warehouses De Pauw, or WDP for short.

### Place of registration, company number, identification code for legal entities

The Company is registered in the Crossroads Bank for Enterprises, in the district of Brussels, Dutch language division, under the legal entity registration number 0417.199.869. Its identification code for legal entities (LEI – legal entity identifier) is 549300HWDYC5JXC85138.

### Legal form, incorporation<sup>1</sup>

The Company was founded as a public limited company ('NV'/'SA') under the name Rederij De Pauw by a deed executed before civil-law notary Paul De Ruyver in Liedekerke on 27 May 1977, published in the Annexes to the Belgian Official Gazette on 21 June 1977 under number 2249-1. By means of a general merger and demerger operation, this NV became the holding company bringing together the property portfolios of nine companies. At the same time, the name of the Company was changed to Warehousing & Distribution De Pauw and was converted into a partnership limited by shares under Belgian law (Comm. VA). The associated amendments to the Articles of Association were provisionally enacted by a deed executed by civil-law-notary Siegfried Defrancq in Asse-Zellik, acting as substitute for civil-law-notary Jean-Jacques Boel in Asse due to his statutory incapacity, on 20 May 1999, subsequently published in the Annexes to the Belgian Official Gazette on 16 June under number 990616-21, and endorsed in two deeds dated 28 June 1999 by the same civil-law notary, subsequently published in the Annexes to the Belgian Official Gazette on 20 July under numbers 990720-757 and 758.

The company name was changed during the Extraordinary General Meeting of 25 April 2001 into Warehouses De Pauw, as set out in the deed executed by the aforementioned notary Siegfried Defrancq, replacing the aforementioned notary Jean-Jacques Boel, due to his statutory incapacity, published in the Annexes to the Belgian Official Gazette on 18 May 2001 under number 20010518-652.

At the Extraordinary General Meeting of 11 September 2019, the legal form of WDP was changed to a public limited company ("naamloze vennootschap") effective as of 1 October 2019, as established in the deed executed before civil-law-notary Tim Carnewal, published in the Annexes to the Belgian Official Gazette of the following 25 September 2019, under number 19127672.

At the Extraordinary General Meeting on 11 September 2019, it was decided to split the share by a factor of 7. This declaration deed was executed before Civil-Law Notary Eric Spruyt in Brussels and was published in the Annexes to the Belgian Official Gazette on 5 February 2020 under number 20020249.

The Articles of Association of WDP were last amended on 8 February 2021 by means of a deed of determination before notary Tim Carnewal in Brussels, following the decision to increase the capital in cash within the limits of the authorised capital of 3 February 2021 (accelerated bookbuilding or ABB). This deed was published in the Annexes to the Belgian Official Gazette of 24 February 2021 under number 0024240.

### REIT status

#### BELGIUM: Regulated Real Estate Company (GJV/SIR) status (Article 1 of the coordinated Articles of Association)

Since 28 June 1999, WDP has been registered with the Belgian Financial Services and Markets Authority (the FSMA), as a fixed-capital Belgian REIT (a Vastgoedbevak/SICAF). On 16 October 2014, in order to better meet the economic realities, and due to the changes in the legal framework related to our capacity as an operational and commercial real estate company, WDP changed its status to that of a public regulated real estate company under Belgian law (public "GJV/SIR"). The relevant amendments to the Articles of Association were enacted in a deed executed by the civil-law notary Yves De Ruyver replacing the aforementioned civil-law notary Jean-Jacques Boel, due to his statutory incapacity, as published in the Annexes to the Belgian Official Gazette on 31 October 2014 under number 14199666. Therefore, WDP is subject to the legal system as determined in the GJV/SIR legislation.

Generally speaking, a public regulated real estate company under Belgian law, and therefore also WDP since 16 October 2014, must satisfy a number of crucial conditions in order to be able to make use of the favourable regime while guaranteeing greater transparency and a limitation of risk for the investor.

<sup>1</sup> See also chapter 2. *This is WDP*.

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A public regulated real estate company under Belgian law:

- ◆ is a real estate company that (i) mainly makes immovable goods available to users, (ii) may possess other types of property within the statutory limits (holding rights in public and institutional fixed capital Belgian REITs (a ‘Vastgoedbevak/SICAF’), holding rights in certain foreign ICBs, shares issued by other REITs, property certificates and holding rights in a FIIS/GVBF), and (iii) within the framework of making immovable goods available, may perform any and all activities associated with the construction, conversion, renovation, development (for the company’s own portfolio), acquisition, disposal, management and operation of immovable goods and (iv) within the legal limits, may also invest in the infrastructure sector (including through PPPs) and the energy sector (including renewable energy);
- ◆ has a statutory maximum gearing ratio of 65% of its assets;
- ◆ must distribute at least 80% of its profits to its shareholders;
- ◆ has the obligation of periodic and occasional valuation of the fair value of the property by an independent property expert;
- ◆ diversifies its properties in such a way as to spread the risks appropriately, by type of property, geographic area and category of user or tenant, and no single transaction shall result in more than 20% of its consolidated assets constituting a single property;
- ◆ is subject to corporate income tax at the standard rate, although only on a limited taxable base (i.e. non-deductible professional expenses, abnormal or gratuitous benefits and special assessment of secret commissions). When a GVV/SIR participates in a merger, a demerger or a similar transaction, this transaction shall not benefit from the tax neutrality regime but will give rise to the application of the exit tax at the rate of 15% as of 1 January 2020. As a rule, the dividends paid by a GVV/SIR to a shareholder give rise to the collection of an advanced levy at the rate of 30%;
- ◆ follows a strategy intended to retain possession of its properties over the long term;
- ◆ prioritises active management in the performance of its activities, which specifically entails that the company itself is responsible for the development and day-to-day management of the immovable goods, and that all other activities that it performs provide added value for these same immovable goods or their users, such as offering services that supplement provision of the immovable goods;
- ◆ for performance of the aforementioned activities, has its own management structure, administrative, accounting, financial and technical organisation and suitable internal control;
- ◆ is subject to the provisions of the GVV/SIR Act and of the Royal Decree on GVV/SIRs;

- ◆ must be incorporated in the form of a public limited liability company (“NV/SA”);
- ◆ is listed, and at least 30% of the shares must be distributed in the market;
- ◆ cannot act (directly or indirectly) as a property developer (other than occasionally);
- ◆ may possess companies in which it owns, directly or indirectly, over 25% of the shares (“perimeter” companies), which may or may not take the status of an institutional GVV/SIR;
- ◆ must adhere to strict rules regarding conflicts of interest and internal auditing structures.

Public or institutional GVV/SIRs fall under the supervision of the FSMA. For more information on the GVV/SIR status, please refer to our website.

Aside from Articles 7:96 (conflicts of interest of directors) and 7:97 (conflicts of interest of affiliated companies) of the Belgian Code of Companies and Associations, which apply to all listed companies, special rules apply to GVV/SIRs regarding functional conflicts of interest (by virtue of Article 37 of the GVV/SIR Act).

For more information relating to each of these procedures, please refer to chapter 8. *Corporate Governance Statement - Conflicts of Interest*.

### THE NETHERLANDS: Fiscale Beleggingsinstelling (Fiscal Investment Institution) (FBI)

As of 1 November 2010, the FBI (Fiscal Investment Institution) regime applies to WDP Nederland S.A., as a result of which the corporate income tax rate of 0% applies. The company must satisfy the following conditions in order to benefit from this regime:

- ◆ WDP Nederland must be a B.V., N.V. or a mutual fund.
- ◆ The statutory objective as per the Articles of Association and the actual activities of WDP Nederland S.A. are limited to the investment of capital.
- ◆ Only 60% of the financing of the funds for investment (fiscal book value) can be loan capital, in the case immovable goods. For other investments (not related to immovable goods), only 20% of the fiscal book value of financing can be loan capital.
- ◆ The operating profits of WDP Nederland S.A. must be provided to the shareholder of WDP Nederland S.A. starting from application of the FBI regime within eight months after the end of the financial year.
- ◆ The profits distribution must be distributed evenly across all shares.



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- ◆ 75% or more of the shares in WDP Nederland S.A. must be held by a body that is not subject to a tax based on profit.
- ◆ 5% or more of the shares cannot be held directly or indirectly by natural persons.
- ◆ 25% or more of the shares cannot be held by funds based abroad for persons residing or legal entities domiciled in the Netherlands.

For more information on the evolution of the FBI status, we refer to chapter 7. *Financial results and property report - Status regarding policy related to Dutch REIT status.*

**FRANCE: Société d'Investissement Immobilier Cotée (SIIC)**

Since 2005, WDP has been under the SIIC regime (Société d'Investissement Immobilier Cotée) via its permanent establishment in France and its subsidiary WDP France SARL, which means that a corporate income tax rate of 0% applies. The company must satisfy the following conditions in order to benefit from this regime:

- ◆ The parent company must have the structure of an NV/SA or any other form of company limited by shares that can be admitted for listing on the stock market. This parent company must be listed on a stock market under EU law.
- ◆ The main activity of the SIIC must be limited to leasing immovable goods. Property developments are not permitted to exceed the limit of 20% of the gross book value of the portfolio.
- ◆ No more than 60% of the shares in WDP can be held by a single investor or a group of investors acting in mutual consultation.
- ◆ The profit originating from the letting of buildings, the capital gains realised on the sale of buildings, the capital gains realised on the sale of securities in the partnerships or subsidiaries that are liable for corporate income tax and that have opted for SIIC status, contributions disbursed through their subsidiaries that have opted for SIIC status and shares in the profit in partnerships are exempt from corporate income tax.
- ◆ A distribution obligation applies to the results for 95% of the exempt profit originating from rental income, 60% of exempt profit originating from the sale of buildings and securities of partnerships and subsidiaries that are subject to SIIC status and 100% of the dividends that are paid to them by their subsidiaries that are liable for corporate income tax and that have opted for SIIC status.
- ◆ Payment of an exit tax at a rate of 19% on the unrealised gains on buildings that are the property of the SIIC or its subsidiaries that are liable for corporate income tax and have opted for SIIC status, and on the securities of partnerships that are not subject to corporate income tax.

**Website and e-mail address of the Company (Article 4 of the coordinated Articles of Association)**

The website of the Company is [www.wdp.eu](http://www.wdp.eu) and the Company can be contacted at the following e-mail address: [shareholdersmeetings@wdp.eu](mailto:shareholdersmeetings@wdp.eu).

**Registered office of the Company (Article 3 of the coordinated Articles of Association)**

The Company is based in the Flemish Region. The registered offices can be relocated in Belgium by a decision of the Board of Directors, provided the relocation does not require a change in the language of the Articles of Association to comply with applicable language legislation.

**Duration (Article 2 of the coordinated Articles of Association)**

The duration of the Company is unlimited.

**Company objective (Article 5 of the coordinated Articles of Association)**

Article 5 of the Articles of Association states that the sole objective of the Company is to:

- a) to make immovable goods available to users directly or through a company in which it has a holding, in accordance with the provisions of GVV/SIR legislation and the decisions and regulations in the implementation thereof; and
- b) within the limits of GVV/SIR legislation, to own real estate as mentioned in Article 2, 5°, i to xi of the GVV/SIR Act.

Real estate shall be understood to mean:

- i) real estate as defined in articles 517 and thereafter of the Civil Code and rights in rem to the said real estate, excluding the real estate of a forestry, agricultural or mining nature;
- ii) shares with voting rights issued by real estate companies, of which the company directly or indirectly retains more than 25% of the capital;
- iii) option rights on real estate;
- iv) shares in public or institutional GVV/SIRs, provided in the latter case that the company holds over 25% of the share capital, directly or indirectly;

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- v) rights arising from contracts giving the company leasehold of one or more assets, or other analogous rights of use;
- vi) holding rights in public and institutional real estate investment funds;
- vii) holding rights in foreign institutions for collective investment in real estate registered in the list referred to in Article 260 of the Act of 19 April 2014;
- viii) holding rights in institutions for collective investment in real estate based in a different Member State of the European Economic Area and not included in the list referred to in Article 260 of the Act of 19 April 2014, insofar as they are subject to equivalent supervision as public real estate investment trusts;
- ix) shares or holding rights issued by companies (i) with a legal personality; (ii) governed by the law of another Member State of the European Economic Area; (iii) whose shares may or may not be admitted to trading on a regulated market and which may or may not be subject to a regime of prudential supervision; (iv) the principal activity of which consists of the acquisition or construction of immovable property with a view to placing it at the disposal of users, or the direct or indirect holding of shares in the capital of companies with a similar activity; and (v) which are exempt from tax on income from profits resulting from the activity referred to under (iv) above, subject to compliance with certain legal obligations, and which are obliged to distribute at least part of their income to their shareholders ("Real Estate Investment Trusts" (or "REITs" for short);
- x) mortgage debentures as referred to in Article 5(§ 4) of the Act of 16 June 2006;
- xi) holding rights in a FIIS/GVBF;
- xii) as well as any other goods, shares or rights defined as real estate by the GVV/SIR legislation.

Real estate as referred to in (vi), (vii), (viii), (ix) and (xi) that constitute holding rights in alternative investment funds within the meaning of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on managers of alternative investment funds and amending Directives 2003/41/EC and 2009/65/EC and of the Regulations (EC) no. 1060/2009 of the European Parliament and the Council of 16 September 2009 on credit rating agencies and (EU) no. 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European supervisory authority (European Securities and Markets Authority) amending Decision no. 716/2009/EC and repealing Commission Decision 2009/77/EC cannot be qualified as voting shares issued by real estate companies, regardless of the amount of the shareholding held directly or indirectly by the company.

- c) the long-term conclusion of or accession to one or more of the following, with a public contractor and either directly or by means of a company in which it holds a stake in accordance with the provisions of the GVV/SIR legislation, where applicable in collaboration with third parties:
  - i) DBF agreements, so-called "Design, Build, Finance" agreements;
  - ii) DB(F)M agreements, so-called "Design, Build, (Finance) and Maintain" agreements;
  - iii) DBF(M)O agreements, so-called "Design, Build, Finance, (Maintain) and Operate" agreements; and/or
  - iv) contracts for public works concessions relating to buildings and/or other real estate infrastructure and associated services, and on the basis of which:
    - i) the company is responsible for the provision, maintenance and/or operation for a public entity and/or citizens as end users, in order to satisfy a social need and/or to allow the provision of a public service; and
    - ii) the company, without necessarily having rights in rem, can assume, in whole or in part, the associated financing risks, availability risks, demand risks and/or operating risks, in addition to any construction risk.
- d) the long-term development, incorporation, management and operation, possibly by means of third parties, and provision of the following, either directly or by means of a company in which it holds a stake in accordance with the provisions of the GVV/SIR legislation, where applicable in collaboration with third parties:
  - i) utilities and storage facilities for the transport, distribution or storage of electricity, gas, fossil or non-fossil fuels and energy in general and associated assets;
  - ii) utilities for transport, distribution, storage or purification of water and associated assets;
  - iii) installations for the generation, storage and transport of renewable or non-renewable energy and associated assets; or
  - (iv) waste and incineration plants and associated assets.

In the context of the provision of real estate, the Company may exercise all activities related to the incorporation, construction (without infringing the prohibition on acting as a property developer, except for occasional transactions), alteration, fitting out, renovation, development, acquisition, sale, letting, sub-letting, exchange, inclusion,



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transfer, sub-division, bringing real estate assets into a system of co-ownership or joint ownership, as described above, the granting or receipt of the right of superficies, the right to the usufruct, long-term lease or other real or personal rights, management and running of properties.

In accordance with the GVV/SIR legislation, the Company may also:

- ◆ rent immovable goods with or without a purchase option;
- ◆ let immovable goods, with or without a purchase option, with the understanding that it is only permitted to let immovable goods with a purchase option as a secondary activity;
- ◆ invest in securities other than properties within the meaning of the GVV/SIR legislation, on an occasional or temporary basis. These investments are made in accordance with the risk management policy adopted by the Company and shall be diversified to ensure suitable risk diversification. The Company may also possess unallocated liquid assets. The liquid assets may be held in any currency in the form of demand or term deposits or by any money market instrument susceptible to rapid mobilisation;
- ◆ offer mortgages or any other securities or guarantees for the financing of the real estate activities of the Company or its Group;
- ◆ grant loans;
- ◆ perform transactions on permitted hedging instruments (as defined in the GVV/SIR legislation) to the extent that these transactions are part of a policy defined by the Company to hedge financial risks, with the exception of speculative transactions.

The Company may acquire, lease or rent, transfer or exchange any and all movable or immovable goods, materials and necessities, and in general perform all commercial or financial operations directly or indirectly related to its objective and the exploitation of all intellectual rights and commercial properties pertaining to these.

Taking GVV/SIR legislation into account, the Company may obtain a share by contribution in cash or in kind, merger, demerger or other restructuring under company law, subscription, shareholding, financial intervention or by any other means, in all existing companies and enterprises, or those yet to be formed, in Belgium or abroad, whose company objective is similar to its own or which, by its nature, seeks to accomplish or facilitate the accomplishment of its own objective.

Any amendments to the Company's Articles of Association shall require the prior approval of the FSMA.

## Company capital

### Capital (Article 7 of the coordinated Articles of Association)

The capital of WDP NV/SA amounts to 208,405,199.33 euros and is represented by 181,900,449 ordinary shares, each of which represents 1/181,900,449 part of the capital. None of these shares provides special voting or other rights.

### Authorised capital (Article 8 of the coordinated Articles of Association)

The Board of Directors is authorised, within the constraints of the mandatory provisions contained in the applicable company law, to increase the capital on the dates and subject to the conditions that it specifies, on one or more occasions, up to a maximum amount of:

- i) 98,811,320.55 euros, if the capital increase to be realised is a capital increase by cash with the possibility for the shareholders of the Company to exercise their preferential right or the irreducible allocation right (as referred to in the GVV/SIR legislation); and
- ii) 98,811,320.55 euros, if the capital increase to be realised involves a capital increase in the context of paying an optional dividend; and
- III. 19,762,264.11 euros if the capital increase is achieved (a) through a contribution in kind, (b) a contribution in cash without the option for company shareholders to exercise their statutory preferential rights or irreducible allocation rights (as referred to in the GVV/SIR legislation) or (c) any other form of capital increase; with the understanding that the capital under this authorisation may not be increased by an amount exceeding the amount of the capital on the date of the Extraordinary General Meeting which approves the authorisation, being 29 April 2020.

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This authorisation is renewable.

On the date of this annual report, the Board of Directors has used its capital increase authorisation two times and thus, on the date of this annual report, the available balance of authorised capital amounts to:

- i) 98,811,320.55 euros, if the capital increase to be realised is a capital increase by cash with the possibility for the shareholders of the Company to exercise their preferential right or the irreducible allocation right (as referred to in the GVV/SIR legislation); and
- ii) 98,811,320.55 euros, if the capital increase to be realised involves a capital increase in the context of paying an optional dividend; and
- iii) 11,528,523.82 euros if the capital increase to be realised is (a) a capital increase through a contribution in kind or (b) achieved by a contribution in cash without the option for company shareholders to exercise their preferential right or irreducible allocation right (as referred to in the GVV/SIR legislation) or (c) any other form of a capital increase;

with the understanding that in the context of the authorised capital, for the five-year authorisation period, the capital can never be increased beyond an amount of 197,622,641.10 euros.

Capital increase(s) may be performed by contributions in cash or in kind or the conversion of reserves, including profits carried forward and issue premiums as well as all the equity components in the Company's individual IFRS annual financial statements (compiled on the basis of the GVV/SIR legislation) which can be converted into capital, with or without issuing or creating shares or other securities (of any existing kind), in accordance with the mandatory provisions set out in the applicable company law and the GVV/SIR legislation.

Eventual issue premiums will be shown in one or more separate accounts under shareholders' equity in the liabilities on the balance sheet. The Board of Directors shall be free to decide to place any issue premiums – possibly after deduction of an amount not exceeding the cost of the capital increase in the meaning of the applicable IFRS rules – to an unavailable account, which shall constitute the third-party guarantee on the same basis as the capital and cannot under any circumstances be reduced or eliminated except by a resolution of the General Meeting voting as for an amendment to the Articles of Association, except in cases of conversion into capital.

Under the conditions and within the limits set out in paragraphs one to five inclusive of this article, the Board of Directors can create or issue not only shares, but also subscription rights (whether or not attached to another security), convertible bonds, bonds repayable in shares, or other securities (of any existing kind), complying at all times with the mandatory provisions set out in the applicable company law and the GVV/SIR legislation.

Without prejudice to application of the mandatory provisions of the applicable company law and the GVV/SIR legislation, the Board of Directors may limit or cancel preferential rights in this case, even if it benefits one or more persons, other than employees of the company.

The Board of Directors has the power to amend the Company's Articles of Association in accordance with capital increase(s) performed in the context of the authorised capital.

### Share repurchases (Article 11 of the coordinated Articles of Association)

The Company may acquire, accept in pledge and sell its own shares and associated depository receipts in accordance with the applicable company law.

In addition, the Board of Directors is authorised to perform the following actions for five years starting on 11 September 2019:

- ◆ acquire shares in the Company and associated depository receipts and accept these in pledge, at a minimum price or countervalue equal to 0.01 euros and at a maximum price or counter value equal to 125% of the closing price on the trading day before the date of the transaction, without the Company being allowed to own shares of the Company or depository receipts relating thereto representing more than 10% of the total number of shares;
- ◆ transfer shares in the Company and associated depository receipts, such as to one or more specific persons who are not employees, at a minimum price or countervalue equal to 75% of the closing price of the trading day before the date of the transaction.

On 31 December 2020, WDP NV/SA did not possess any of its own shares.

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**Changes in capital (Article 12 of the coordinated Articles of Association)**

Except for the option to use authorised capital by a decision of the Board of Directors, and taking into account the mandatory provisions in the applicable company law and the GVV/SIR legislation, only an Extraordinary General Meeting can decide to increase or decrease the capital, in the presence of a civil-law notary.

## ◆ Capital increase in cash

Where the capital is increased by a cash contribution and without prejudice to the application of the mandatory provisions of the applicable company law, the preferential right can be restricted or cancelled.

In such cases, if the mandatory provisions of GVV/SIR legislation require the granting of an irreducible allocation right to existing shareholders when new securities are allocated, this irreducible allocation right must at least satisfy the following conditions:

- 1° it applies to all new securities issued;
- 2° it is granted to the shareholders in proportion to the share of capital that their shares represent at the time of the transaction;
- 3° a maximum share price shall be announced by no later than the evening prior to the opening of the public subscription period; and
- 4° in such cases, the public subscription period must be at least three trading days.

However, a capital increase in cash can also take place with the suspension of the statutory preferential right and without the allocation of an irreducible allocation right, provided that the following conditions are satisfied:

- 1° the capital increase takes place using the authorised capital;
- 2° the cumulative amount of capital increases carried out in accordance herewith over a period of twelve months shall not exceed 10% of the amount of the capital at the time of the decision to increase the capital.

This allows a GVV/SIR, among other things, to realise an exempted private offering of new shares by means of an accelerated private placement with an order book (so-called accelerated bookbuilding or ABB).

## ◆ Capital increase in kind

When issuing securities against contributions in kind, the following conditions must be met without prejudice to the mandatory provisions contained in the applicable company law:

- 1) The identity of the party making the contribution must be stated in the special report of the Board of Directors concerning the capital increase by way of contribution in kind, as well as, if applicable, in the convocations for the general meeting where the contribution in kind will be decided upon;
- 2) the issue price cannot be lower than the lowest value of (a) a net value per share dating from no more than four months prior to the date of the contribution agreement or, at the discretion of the company, prior to the date of the capital increase deed, and (b) the average closing price of the thirty calendar days preceding this date;
- 3) unless the issue price as well as the method used are determined and announced to the public at the latest on the business day following the conclusion of the contribution agreement, stating the period within which the capital increase will effectively be carried out, the deed of the capital increase shall be executed within a maximum period of four months; and
- 4) the report provided for under point 1 above must also explain the impact of the proposed contribution on the position of the former shareholders, in particular as regards their share in the profits, in the net value per share and in the capital, as well as the impact on voting rights.

For the application of point 2 above, an amount may be deducted from the sum specified in clause 2(b) above, that is equal to the part of the undistributed gross dividend to which the new shares may not grant a right. Where applicable, the Board of Directors shall specifically justify the dividend amount deducted, as described above, in its special report, and explain the financial conditions of the transaction in its annual financial report.

The special rules for capital increases in kind, explained above, do not apply to the contribution of a right to a dividend in the context of payment of an optional dividend, insofar as this is effectively open for payment to all shareholders.

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## ◆ Mergers, demergers and equivalent operations

The special rules for capital increases in kind, explained above, apply mutatis mutandis to mergers, demergers and similar operations to which the GVV/SIR legislation refers in this specific context. In this case, the “date of the contribution agreement” refers to the date on which the merger or demerger proposal was deposited.

## Control over the Company

Special rights of control are not granted to any categories of shareholders. WDP currently has only one reference shareholder, who has one representative on the Board of Directors by virtue of the binding right of appointment as set out in Article 15 of the coordinated Articles of Association, an excerpt of which is provided below:

“Notwithstanding the mandatory provisions in the applicable company law and notwithstanding the GVV/SIR legislation, and subject to the conditions and terms of this article, every natural person, legal entity or company (with or without legal personality) that individually and directly holds at least 10% of the shares in the Company (a “**Reference Shareholder**”), shall have a binding right to appoint one director at the annual meeting. A Reference Shareholder shall have a binding right, subject to the terms and conditions contained in this article, to appoint one additional director for each block of 10% of the shares that the Reference Shareholder owns individually and directly in the company...”

## Statutory auditor (Article 23 of the coordinated Articles of Association)

On 25 April 2007, Deloitte Bedrijfsrevisoren, a company under civil law in the form of a cooperative company with limited liability under Belgian law (“CVBA”) that is a member of the Belgian Institute of Registered Auditors with offices at Gateway building Luchthaven Brussel Nationaal 1 J, 1930 Zaventem, was appointed as the statutory auditor for WDP.

On 27 April 2016, the statutory auditor, represented by its permanent representative, Kathleen De Brabander, was reappointed until the annual meeting of 2019.

On 6 December 2016, WDP launched an open call for tenders for this term of appointment as statutory auditor in accordance with the European Audit Directive 537/2014/EU. Due to this legislation, the term of Deloitte Bedrijfsrevisoren already ended at the Annual General Meeting of 26 April 2017. This meeting concerned the reappointment of Deloitte Bedrijfsrevisoren, represented by its permanent representative, Kathleen De Brabander, until the annual meeting of 2020.

The Annual General Meeting of 24 April 2019 conducted an internal rotation of the permanent representatives of the statutory auditor in the context of Article 22(§ 3) of the Act of 7 December 2016 organising the profession and public supervision of statutory auditors. Kathleen De Brabander was succeeded by Rik Neckebroek for the remainder of the term, i.e. until the annual meeting of 2020.

At the Annual General Meeting of 29 April 2020, it was decided to reappoint Deloitte Bedrijfsrevisoren, with Rik Neckebroek as permanent representative, for a period of three years, i.e. until the Annual General Meeting of 2023.

The duties of the statutory auditor consist of the auditing the consolidated and separate financial statements of WDP NV/SA and the other Belgian subsidiaries.

In France, Deloitte & Associés, represented by Pierre-Marie Martin, with offices at 67, rue de Luxembourg, 59777 Euralille, was appointed as statutory auditor for the subsidiary WDP France SARL.

In the Netherlands, Deloitte Accountants BV, represented by Martijn Heerschop, with offices at Gustav Mahlerplein 2970, 1081 LA Amsterdam, the Netherlands, was appointed as the statutory auditor for the WDP Nederland S.A. and WDP Development NL S.A. subsidiaries.

In Luxembourg, Deloitte Audit SARL, represented by Ronan Richard, with offices at Boulevard de Kockelscheuer 20, 1821 Luxembourg, was appointed as statutory auditor of the WDP Luxembourg S.A. subsidiary.

In Romania, Deloitte Audit SRL, represented by Elena-Irina Dobre, with offices at Building

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The Mark, Calea Griviței no. 84-98 și 100-102, etajul 8 și etajul 9, Sector 1, Bucharest, was appointed as the statutory auditor of the Warehouses De Pauw Romania SRL subsidiary.

The fees of the statutory auditor are determined on the basis of prices in line with market conditions and independently of WDP as per the code of conduct and the standards of the Belgian Institute of Registered Auditors and in accordance with the applicable provisions with regard to the independence of statutory auditors set out in the Belgian Code of Companies and Associations.

For more information on the statutory auditor's fees, we refer to note XXVII *Financial relations with third parties* in chapter 11. *Financial Statements*.

### Financial service (paying agent)

ING België NV/SA

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The fees for financial services are determined on the basis of market conditions as a percentage of the volume of the transactions concerned (such as dividend payments, optional dividends, etc.) and are independent of the Company.

For more information on financial service fees, please see explanatory note XXVII. *Financial relations with third parties* in chapter 11. *Financial Statements*.

### Property expert

In accordance with the GVV/SIR legislation, the expert values all buildings of the GVV/SIR and its subsidiaries at the end of each financial year. The book value of the buildings appearing on the balance sheet is adjusted to these values.

In addition, at the end of each of the first three quarters of the financial year, the independent property expert updates the overall valuation prepared at the end of the previous year based on the development of the market and the individual characteristics

of the properties in question. The expert also values the properties of the GVV/SIR and its subsidiaries if the GVV/SIR wishes to perform transactions such as share issues or mergers.

All immovable goods that the GVV/SIR or its subsidiaries want to acquire or transfer are valued by the independent property expert prior to the transaction. The valuation of the expert shall apply as a minimum price (in cases of disposal), or maximum price (in cases of acquisitions) for the GVV/SIR when the counterparty is a person that is closely involved with the GVV/SIR (as determined in the applicable regulations for GVV/SIRs) or if such persons receive any benefits from the transaction in question.

The GVV/SIR legislation formulates statutory obligations on procedures followed by property experts to ensure the necessary degree of independence of property appraisers in the valuation of the property. It is stipulated that the remuneration cannot be related to the value of the property that forms the subject matter of the expert's report.

An obligation is also imposed on the GVV/SIR to ensure replacement of the expert(s) that it appoints under a double rotation requirement. Thus, the GVV/SIR may only appoint the expert for a renewable term of three years. Moreover, an expert may only be entrusted with the valuation of a particular property for a maximum period of three years, after which a cooling-off period of three years must be observed. Therefore, an expert who has already served a three-year term may only be appointed for a new three-year term if, for this period, the expert is responsible for valuing a different part of the assets of the public GVV/SIR or its subsidiaries. Special rules apply if the expert is a legal entity.

On 31 December 2020, the property experts appointed by WDP NV/SA are:

- ◆ Stadim CVBA, Mechelsesteenweg 180, 2018 Antwerp - Belgium, represented (within the meaning of Article 24 of the GVV/SIR Act) by Elke De Wael, Matisse De Keninck and Nicolas Janssens;
- ◆ Jones Lang LaSalle BV, Marnixlaan 23, 1000 Brussels – Belgium, represented (within the meaning of Article 24 of the GVV/SIR Act) by Greet Hex;
- ◆ Cushman & Wakefield VOF, Gustav Mahlerlaan 362-364, 1082 ME Amsterdam, the Netherlands, represented (within the meaning of Article 24 of the GVV/SIR Act) by Kristiaan Engelman;
- ◆ CBRE Valuation & Advisory Services B.V., Gustav Mahlerlaan 405, 1082 MK Amsterdam, the Netherlands, represented (within the meaning of Article 24 of the GVV/SIR Act) by W.F.A. Rodermond and J.B.H. Baars;

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- ◆ BNP Paribas Real Estate, 167 quai de la Bataille de Stalingrad, 92867 Issy-Les-Moulineaux Cedex, France, represented (within the meaning of Article 24 of the GVV/SIR Act) by Laure Gougeon;
- ◆ CBRE REAL ESTATE CONSULTANCY SRL, Aviatorilor Blvd 8A, 1st District, Bucharest, Romania represented (within the meaning of Article 24 of the GVV/SIR Act) by Florin Ianculescu-Popa;
- ◆ Jones Lang laSalle Luxembourg SECS, rue du Puits Romain 37, L-8070 Bertrange, Luxembourg, represented (within the meaning of Article 24 of the GVV/SIR Act) by Jaime del Alamoo
- ◆ Cushman & Wakefield (U.K.) LLP – German Branch, Rathenauplatz 1, 60313 Frankfurt – Germany, represented (within the meaning of Article 24 of the GVV/SIR Act) by Michael J. Störrlein.

Remuneration for property experts is not connected to the value of the property and is based on a fixed fee per property valued and/or a variable fee according to the surface area valued. The agreements with the property experts satisfy the relevant regulations.

For further explanation of the distribution of the real estate portfolio and the fees of the property experts, we refer to note *XII. Investment property* in chapter 11. *Financial Statements* and note *XXVII. Financial relations with third parties* in chapter 9. *Financial Statements*.

## Insurance cover

WDP and its subsidiaries must take out adequate insurance cover for all of their immovable goods. The insurance cover must be in line with customary market conditions.

All WDP buildings are insured for their new construction value.

For further explanation of the insured value and premiums paid for insurance cover, we refer to note *XII. Investment property* in chapter 11. *Financial Statements* and note *XXVII. Financial relations with third parties* in chapter 11. *Financial Statements*.

## Structures abroad

To ensure optimal management of the property portfolio abroad, WDP NV/SA has subsidiaries and sub-subsidiaries in a number of European countries (these companies do not have the status of an institutional GVV/SIR).

- ◆ The companies in the Group have a number of features in common.
- ◆ The company structure is also the local equivalent of a private company (“BV”) or a public limited company (“NV/SA”).
- ◆ WDP owns 100% of the shares in all foreign subsidiaries and sub-subsidiaries, except for WDP Romania (80%), WDP Luxembourg (55%) and WVI (Germany) (50%).

WDP NV/SA is represented in France by its permanent establishment at rue Cantrelle 28, 36000 Châteauroux, France.

WDP Nederland S.A. has another 100% subsidiary, WDP Development NL S.A., Hoge Mosten 2, 4822 NH Breda.

The results of the subsidiaries are subject to local corporate income tax, except for WDP Nederland which has FBI status (Fiscale Beleggingsinstelling) and WDP France which has SIIC status (Société d'Investissement Immobilier Cotée), with the corresponding fiscal transparency.

More information on the FBI status and the SIIC status is available under *REIT status* earlier on in this chapter.

The net profits can be disbursed to WDP, in which case the withholding tax or exemption depends on the EU Parent-Subsidiary Directive, its implementation in the local legislation of the respective countries and the applicable double taxation agreements between Belgium and the various countries in which WDP is active. Results from foreign subsidiaries are included in the consolidation, after elimination of the depreciation of immovable goods and offset of deferred tax receivables.

The choice of financing method (group loans versus bank loans) must always take into account the impact of this financing on the consolidated gearing ratio for WDP (the maximum gearing ratio at the consolidated level must be respected and amounts to 65% as per GVV/SIR legislation. This same maximum gearing ratio also applies to the separate statements of the GVV/SIR). At the consolidated level, subordinated group loans do not affect the Group's gearing ratio. On the other hand, bank loans do.

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For this financing strategy, the main factors to consider (aside from the gearing ratio) are the two key principles of taxation that differ from country to country:

- ◆ the rules on the thin capitalisation obligation for companies;
- ◆ the advance levy percentage to be deducted on interest payments on outstanding group loans disbursed to the country of origin.



## 13. ANNEXES



Sale-and-lease-back  
guarantees operating  
continuity and ambition



Growth  
Security

Ambition  
Safety

“

Tap into the capital  
of your real estate



## EXTERNAL VERIFICATION

### Conclusions of the property experts

Dear Sirs,

We are pleased to present you with our estimate of the value of the property portfolio of WDP NV as of 31 December 2020.

WDP appointed us as independent property experts to determine the investment value and fair value of its property portfolio. Estimates were made taking into account both the observations and definitions mentioned in the reports, and the guidelines of the International Valuation Standards issued by the IVSC.

The fair value is defined in standard IAS 40 as the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. IVSC deems these conditions to be met if the above-mentioned definition of market value is respected. The market value must reflect the current lease contracts, the current gross margin of self-financing (or cash flow) the reasonable assumptions relating to potential rental income and the expected costs.

In this context, the transaction costs must be adjusted to the actual situation on the market. The fair value is calculated by adjusting the investment value based on customary transaction costs.

As property experts, we possess relevant and recognized credentials as well as up-to-date experience with properties of a type and location similar to those of the properties in WDP's property portfolio.

In giving an estimate of the properties, we took into account both the current rental agreements and all rights and obligations arising from these agreements. Each property was valued separately. The estimates do not account for any potential capital gain that might be realized by offering the portfolio on the market in its entirety. Our estimates also do not account for marketing costs specific to a transaction, such as estate agents' fees or publicity costs. In addition to an annual inspection of these properties, our estimates are also based on the information provided by WDP regarding the rental

situation, surface areas, sketches or plans, rental charges and taxes associated with each property concerned, compliance and environmental pollution. The information provided was deemed accurate and complete. Our estimates assume that undisclosed items are not such that they would affect the value of the property.

Each independent property expert is responsible for valuing the part of the portfolio that was contractually assigned to him or her.

Based on the above statements, we can confirm that the fair value of the property portfolio of WDP (excluding solar panels but including Assets held for sale) on 31 December 2020 amounted to 4,644,102,909 euros (four billion, six hundred forty-four million, one hundred and two thousand, nine hundred and nine euros).

Yours faithfully,

**Nicolas Janssens**

Partner | Stadim

**Greet Hex**

Director, Valuation & Advisory | Jones Lang LaSalle Belgium

**Walter de Geus**

Director | CBRE Netherlands

**Frank Adema**

International Partner, Head of Valuation & Advisory - The Netherlands | Cushman & Wakefield

**Jean-Claude Dubois**

President of the Valuation department | BNP Paribas Real Estate France

**Roderick Scrivener**

Head of Valuations & Consulting Belux | Jones Lang LaSalle Secs

**Florin Ianculescu-Popa**

Director | CBRE Romania

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## Report of the statutory auditor on the annual financial statements

Statutory auditor's report to the shareholders' meeting of Warehouses De Pauw NV/SA for the year ended 31 December 2020 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Warehouses De Pauw NV/SA ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 29 April 2020, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2022. We have performed the statutory audit of the consolidated financial statements of Warehouses De Pauw NV/SA for 14 consecutive periods.

### Report on the consolidated financial statements

#### Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated balance sheet as at 31 December 2020, the consolidated profit and loss account, the consolidated statement of overall result, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 4.790.405 (000) EUR and the consolidated statement of overall result shows a profit for the year then ended of 328.601 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2020 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

#### Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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**Key audit matter****Valuation of investment properties**

- ◆ Investment properties measured at fair value (4 566 601 (000) EUR)) represent 95 per cent of the consolidated balance sheet total as at 31 December 2020. Changes in the fair value of the investment properties have a significant impact on the consolidated net result for the period and equity.
- ◆ The portfolio includes completed investments and properties under construction. Acquisitions and divestments of investment properties are individually significant transactions.
- ◆ The Group uses professionally qualified external valuers to fair value the Group's portfolio at three-monthly intervals. The valuers are engaged by the Directors and they perform their work in accordance with the International Valuation Standards issued by the 'IVSC'. The valuers used by the Group have considerable experience in the markets in which the Group operates.
- ◆ The portfolio is valued based on a discounted cash flow model, or income capitalisation model and / or based on comparative market transactions. Development properties are valued by the same methodology with a deduction for all costs necessary to complete the development together with a remaining allowance for risk. The key inputs into the valuation exercise are yields and current market rent, which are influenced by prevailing market forces, comparable transactions and the specific characteristics of each property in the portfolio.
- ◆ Therefore, the audit risk relates to the assumptions and critical judgments linked to those key inputs.

**Reference to disclosures**

We refer to the Financial Statements, including notes to the Financial Statements: Note III. Valuation rules and Note XII. Investment properties.

**How the matter was addressed?**

- ◆ We considered the internal control implemented by management and we tested the design and implementation of controls over investment properties.
- ◆ We assessed the competence, independence and integrity of the external valuers.
- ◆ We analysed and challenged the valuation process, performance of the portfolio and significant assumptions and critical judgement areas, including yields and estimated rental values.
- ◆ We benchmarked and challenged the key assumptions that were used in the valuation to external industry data and comparable property transactions, in particular the yield.
- ◆ We performed audit procedures to assess the integrity and completeness of information provided to the independent valuers relating to rental income, key rent contract characteristics and occupancy.
- ◆ We agreed the amounts per the valuation reports to the accounting records and from there we agreed the related balances through to the financial statements.
- ◆ As part of our audit procedures performed on the acquisitions and divestments of investment properties, we examined the most significant contracts and documentation on the accounting treatment applied to these transactions.
- ◆ For development properties, we also confirmed that the supporting information for construction contracts and budgets was consistent with the cost to complete deducted from the valuation of development properties. Capitalized expenditure was tested on a sample basis to invoices, and budgeted costs to complete were compared to supporting evidence (for example by inspecting original construction contracts).
- ◆ Furthermore, we assessed the appropriateness of the disclosures provided on the fair values of investment properties.

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**Responsibilities of the board of directors for the preparation of the consolidated financial statements**

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

**Responsibilities of the statutory auditor for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ◆ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- ◆ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- ◆ conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- ◆ evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

## EXTERNAL VERIFICATION

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

### Other legal and regulatory requirements

#### Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements.

#### Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

#### Aspects regarding the directors' report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements, i.e.:

- ◆ 3. Strategy and value creation, 5. Transactions and realisations, 7. Financial results and property report, 8. Corporate Governance Statement, 9. Risk factors and 11. Financial statements

are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

#### Statements regarding independence

- ◆ Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- ◆ The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

#### Other statements

- ◆ This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Zaventem.

#### The statutory auditor

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**Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL**

Represented by Rik Neckebroek



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## Report of the statutory auditor on the Profit Forecast

The board of directors  
on behalf of Warehouses De Pauw NV/SA  
Blakebergen 15  
B-1861 Wolvertem

Dear Ladies and Gentlemen

### Warehouses De Pauw NV/SA

We report on the forecasted EPRA earnings (as defined in August 2011 (and amended in November 2016) in the report “Best Practices Recommendations Guidelines“ of the European Public Real Estate Association) of Warehouses De Pauw NV/SA (“WDP”, “the Company”) and its subsidiaries (together “the Group”) for the 12 months period ending 31 December 2021 (the “Profit Forecast”). The Profit Forecast, and the material assumptions upon which it is based are set out in chapter 7 Financial results and property report, paragraph Outlook of the 2020 annual report of the WDP Group (“the 2020 Annual Report”) issued by the Company. We do not report on the other elements of the net result nor on the EPRA earnings per share, the projected dividend or the projected balance sheet.

This report is voluntarily required upon request by the board of directors of the Company for the purpose to confirm the Profit Forecast has been compiled and prepared in accordance with elements (a) and (b) as defined under item 11.2 of Annex 1 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Commission Regulation (EC) No 809/2004 (the “Commission Delegated Regulation”) and for no other purpose.

### Responsibilities

It is the responsibility of the directors of the Company (the “Directors”) to prepare the Profit Forecast in accordance with Annex 1 section 11 of the Commission Delegated Regulation.

It is our responsibility to form an opinion as to the proper compilation of the Profit Forecast and to report that opinion to you.

Save for any responsibility arising under art. 26 of the Law of 11 July 2018 to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the Commission Delegated Regulation, consenting to its inclusion in the Universal Registration document.

### Basis of Preparation of the Profit Forecast

The Profit Forecast has been prepared on the basis stated in chapter 7. *Financial results and property report*, paragraph Outlook of the 2020 annual report and is based on a forecast for the 12 months to 31 December 2020. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Group.

### Basis of opinion

We conducted our work in accordance with the International Standard on Assurance Engagement 3400 “The Examination of Prospective Financial Information” (“ISAE 3400”) issued by the International Auditing and Assurance Standards Board (“IAASB”). Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group. Whilst the assumptions upon which the Profit



## EXTERNAL VERIFICATION

Forecast are based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed or if any material assumption made by the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside Belgium, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

### Opinion

In our opinion, the Profit Forecast has been properly compiled on the basis stated which is comparable with the historical financial information and is consistent with the accounting policies of the Group.

### Declaration

For the purposes of art. 26 of the Law of 11 July 2018 we are responsible for this report as part of the Universal Registration document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to

affect its import. This declaration is included in the Universal Registration document in compliance with Annex 1 item 1.2 of the Commission Delegated Regulation.

Signed at Zaventem.

**The statutory auditor**

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**Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL**

Represented by Rik Neckebroeck

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## Statutory auditor's report on selected environmental, social and governance performance indicators

Statutory auditor's report on the limited review performed on selected environmental, social and governance performance indicators published in the document "Annual report" of Warehouses De Pauw NV/SA for the year ended 31 December 2020

### To the board of directors

As statutory auditors we have been engaged to perform review procedures to express a limited assurance on selected environmental, social and governance performance indicators ("the CSR Data") published in the document "Annual report" of Warehouses De Pauw NV/SA for the year ended 31 December 2020 ("the Document"). The CSR Data have been defined following the Best Practices Recommendations of the "European Public Real Estate Association" (EPRA) regarding sustainable development reporting (EPRA BPR on Sustainability Reporting, 3rd version). The CSR Data are identified with the symbol ✓ in the Document.

The scope of our work has been limited to the CSR Data covering the year 2020 and includes only the environmental performance indicators of the buildings, the social and governance indicators retained within the reporting scope defined by Warehouses De Pauw NV/SA.

As indicated in the Annual Report "*EPRA sustainability performance measures*", the scope of reporting for environmental performance indicators for Warehouses De Pauw NV's property portfolio is 53% for fuel and 80% for electricity (in m<sup>2</sup>). The scope of the reporting relating to the social and administrative performance indicators covers the entire Warehouses De Pauw NV organisation.

The limited review was performed on the data gathered and retained in the reporting scope by Warehouses De Pauw NV/SA. Our conclusion as formulated below covers therefore only these CSR Data and not all information included in the Document.

### Responsibility of the board of directors

The board of directors of Warehouses De Pauw NV/SA is responsible for the CSR Data and the references made to it presented in the Document as well as for the declaration that its reporting meets the requirements of the "EPRA BPR on Sustainability Reporting".

This responsibility includes the selection and application of appropriate methods for the preparation of the CSR Data, for ensuring the reliability of the underlying information and for the use of assumptions and reasonable estimations. Furthermore, the board of directors is also responsible for the design, implementation and maintenance of systems and procedures relevant for the preparation of the CSR Data.

### Nature and scope of work

Our responsibility is to express an independent conclusion on the CSR Data based on our limited review. Our assurance report has been made in accordance with the terms of our engagement letter.

We conducted our work in accordance with the international standard ISAE (International Standard on Assurance Engagements) 3000 (Revised).

Applying these standards, our procedures are aimed at obtaining limited assurance on the fact that the CSR Data do not contain material misstatements. These procedures are less profound than the procedures of a reasonable assurance engagement.

The scope of our work included, amongst others the following procedures:

- ◆ Assessing and testing the design of the systems and procedures used for data-gathering, processing, classification, consolidation and validation, and that for the methods used for calculating and estimating the 2020 CSR Data identified with the symbol ✓ in the table as mentioned in the Document;
- ◆ Conducting interviews with responsible officers;
- ◆ Examining, on a sample basis, internal and external supporting evidence and performing consistency checks on the consolidation of these CSR Data.

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**Conclusion**

Based on our limited review, as described in this report, nothing has come to our attention that causes us to believe that the CSR Data related to Warehouses De Pauw NV/SA identified with the symbol ✓ in the Document, has not been prepared, in all material respects, in accordance with EPRA Best Practices Recommendations on Sustainability Reporting (3rd version).

Signed at Zaventem on 24 March 2021

**The statutory auditor**

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**Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL**

Represented by Rik Neckebroeck

## ALTERNATIVE PERFORMANCE MEASURES

### Result on the portfolio (including share joint ventures) - group share

This relates to the realised and unrealised capital gains/loss with respect to the latest valuation by the property expert, taking into account the effective or deferred capital gains tax due, including WDP's proportionate share in the portfolio of associated companies and joint ventures and excluding the minority interests.

| in euros (x 1,000)                                                     | FY 2020        | FY 2019        |
|------------------------------------------------------------------------|----------------|----------------|
| Movement in the fair value of investment property                      | 186,417        | 285,353        |
| Result on disposal of investment property                              | 408            | 10             |
| Deferred taxation on result on the portfolio                           | -2,727         | -7,972         |
| Participation in the result of associated companies and joint ventures | 3,574          | 2,507          |
| <b>Result on the portfolio</b>                                         | <b>187,672</b> | <b>279,897</b> |
| Minority interests                                                     | 232            | -2,475         |
| <b>Result on the portfolio - Group share</b>                           | <b>187,904</b> | <b>277,423</b> |

### Change in the gross rental income based on an unchanged portfolio

This the organic growth of the gross rental income year-on-year on the basis of an unchanged portfolio, excluding development projects, acquisitions and disposals during both periods of this comparison.

| in euros (x 1,000)                                  | FY 2020        | FY 2019        | Δ y/y (%)   |
|-----------------------------------------------------|----------------|----------------|-------------|
| <b>Properties owned throughout the two years</b>    | <b>186,674</b> | <b>182,425</b> | <b>2.3%</b> |
| Development projects                                | 36,430         | 16,772         | n.r.        |
| Acquisitions                                        | 7,247          | 2,614          | n.r.        |
| Disposals                                           | 170            | 1,458          | n.r.        |
| <b>Total</b>                                        | <b>230,521</b> | <b>203,268</b> | <b>n.r.</b> |
| To be excluded                                      |                |                |             |
| Rental income of joint ventures                     | -2,120         | -1,481         | n.r.        |
| Indemnification related to early lease terminations | 0              | 961            | n.r.        |
| <b>Rental income (IFRS)</b>                         | <b>228,401</b> | <b>202,748</b> | <b>n.r.</b> |

## ALTERNATIVE PERFORMANCE MEASURES

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## Operating margin

The operating margin, obtained by dividing the operating result (before the result on the portfolio) by the property result. Operating margin is a measure of profitability that can indicate how well the company is managing its operating property operations.

| in euros (x 1,000)                                                                                      | FY 2020      | FY 2019      |
|---------------------------------------------------------------------------------------------------------|--------------|--------------|
| Property result (IFRS)                                                                                  | 242,703      | 216,566      |
| Operating result (before the portfolio result) (excluding depreciation and write-downs on solar panels) | 220,064      | 198,287      |
| <b>Operating margin</b>                                                                                 | <b>90.7%</b> | <b>91.6%</b> |

## Average cost of debt

This refers to the weighted average yearly interest rate for the reporting period, taking into account the average outstanding debt and the hedging instruments during that same period.

| in euros (x 1,000)                                                       | FY 2020          | FY 2019          |
|--------------------------------------------------------------------------|------------------|------------------|
| Financial result (IFRS)                                                  | -69,723          | -70,099          |
| To be excluded:                                                          |                  |                  |
| Changes in fair value of financial assets and liabilities                | 31,049           | 29,883           |
| Interest capitalised during construction                                 | -6,105           | -3,471           |
| Interest cost related to leasing debts booked in accordance with IFRS 16 | 2,355            | 2,300            |
| Other financial costs and revenues                                       | -246             | -246             |
| To be included:                                                          |                  |                  |
| Interest expenses of joint ventures                                      | -208             | -146             |
| <b>Effective financial expenses (proportional) A</b>                     | <b>-42,877</b>   | <b>-41,778</b>   |
| Average outstanding financial debt (IFRS)                                | 1,992,393        | 1,835,658        |
| Average outstanding financial debt of joint ventures                     | 22,048           | 21,189           |
| <b>Average outstanding financial debt (proportional) B</b>               | <b>2,014,441</b> | <b>1,856,847</b> |
| <b>Annualised average cost of debt A/B</b>                               | <b>2.1%</b>      | <b>2.2%</b>      |

## ALTERNATIVE PERFORMANCE MEASURES

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## Financial result (excluding the changes in fair value of financial instruments)

This is the financial result according to IFRS exclusive of the change in fair value of financial assets and liabilities, and reflects the actual financial expenses of the company.

| in euros (x 1,000)                                                                     | FY 2020        | FY 2019        |
|----------------------------------------------------------------------------------------|----------------|----------------|
| Financial result                                                                       | -69,723        | -70,099        |
| To be excluded:                                                                        |                |                |
| Changes in fair value of financial instruments                                         | 31,049         | 29,883         |
| <b>Financial result (excluding the changes in fair value of financial instruments)</b> | <b>-38,674</b> | <b>-40,216</b> |

## Hedge ratio

Percentage of fixed-rate and floating-rate debts hedged against interest rate fluctuations by means of derivatives. This economic parameter is not an obligatory parameter under the Belgian regulated real-estate investment companies Law (Wet betreffende de gereglementeerde vastgoedvennootschappen or 'GJV-Wet').

| in euros (x 1,000)                                                                   | FY 2020          | FY 2019          |
|--------------------------------------------------------------------------------------|------------------|------------------|
| Notional amount of Interest Rate Swaps                                               | 1,317,425        | 1,172,364        |
| Fixed rate financial debt                                                            | 602,098          | 417,752          |
| <b>Fixed-interest financial debt at balance sheet date and hedging instruments</b> A | <b>1,919,523</b> | <b>1,590,116</b> |
| Current and non-current financial debt (IFRS)                                        | 2,119,454        | 1,854,828        |
| Proportional share in joint ventures in current and non-current financial debt       | 23,688           | 17,346           |
| <b>Financial debt at balance sheet date</b> B                                        | <b>2,143,142</b> | <b>1,872,174</b> |
| <b>Hedge ratio</b> A/B                                                               | <b>89.6%</b>     | <b>84.9%</b>     |

## ALTERNATIVE PERFORMANCE MEASURES

**Gearing ratio**

Statutory ratio calculated based on the GVV/SIR legislation by dividing the financial and other liabilities by the total assets. For the method used in the calculation of the gearing ratio, refer to the RD on Regulated real Estate Companies.

| in euros (x 1,000)                                                                                                      |            | 31.12.2020<br>(IFRS) | 31.12.2019<br>(proportionate) | FY 2019<br>(IFRS) | FY 2019<br>(proportionate) |
|-------------------------------------------------------------------------------------------------------------------------|------------|----------------------|-------------------------------|-------------------|----------------------------|
| Non-current and current liabilities                                                                                     |            | 2,386,612            | 2,425,925                     | 2,072,929         | 2,100,285                  |
| To be excluded:                                                                                                         |            |                      |                               |                   |                            |
| I. Non-current liabilities - A. Provisions                                                                              |            | 170                  | 170                           | 357               | 357                        |
| I. Non-current liabilities - C. Other non-current financial liabilities - Permitted hedging instruments                 |            | 129,901              | 129,901                       | 81,819            | 81,819                     |
| I. Non-current liabilities - F. Deferred taxes - Liabilities                                                            |            | 18,187               | 22,460                        | 13,357            | 15,908                     |
| II. Current liabilities - A. Provisions                                                                                 |            | 0                    | 0                             | 0                 | 0                          |
| II. Current liabilities - E. Other current liabilities - Other: Hedging instruments Hedging instruments                 |            | 3                    | 3                             | 0                 | 0                          |
| II. Current liabilities - F. Accruals and deferred income                                                               |            | 20,652               | 22,169                        | 18,413            | 18,418                     |
| <b>Total debt</b>                                                                                                       | <b>A</b>   | <b>2,217,700</b>     | <b>2,251,222</b>              | <b>1,958,984</b>  | <b>1,983,784</b>           |
| Total assets                                                                                                            |            | 4,790,405            | 4,829,718                     | 4,222,790         | 4,250,146                  |
| To be excluded:                                                                                                         |            |                      |                               |                   |                            |
| E. Financial fixed assets - Financial instruments at fair value through profit and loss - Permitted hedging instruments |            | 0                    | 0                             | 0                 | 0                          |
| <b>Total assets taken into account for the calculation of the gearing ratio</b>                                         | <b>B</b>   | <b>4,790,405</b>     | <b>4,829,718</b>              | <b>4,222,790</b>  | <b>4,250,146</b>           |
| <b>Gearing ratio</b>                                                                                                    | <b>A/B</b> | <b>46.3%</b>         | <b>46.6%</b>                  | <b>46.4%</b>      | <b>46.7%</b>               |



## ALTERNATIVE PERFORMANCE MEASURES

**Loan-to-value**

The loan-to-value is obtained from the IFRS statements by dividing the net financial liabilities by the sum of the fair value of the property portfolio, the fair value of the solar panels and financing to and holdings in associated companies and joint ventures.

| in euros (x 1,000)                                                           |            | <b>FY 2020<br/>(IFRS)</b> | <b>FY 2019<br/>(IFRS)</b> |
|------------------------------------------------------------------------------|------------|---------------------------|---------------------------|
| Non-current and current financial debt                                       |            | 2,119,454                 | 1,854,828                 |
| Cash and cash equivalents                                                    |            | -11,240                   | -3,604                    |
| <b>Net financial debt</b>                                                    | <b>A</b>   | <b>2,108,214</b>          | <b>1,851,223</b>          |
| Fair value of the real estate portfolio (excluding right of use concessions) |            | 4,534,584                 | 3,963,820                 |
| Fair value of the solar panels                                               |            | 122,353                   | 121,010                   |
| Financing of and participations in associated companies and joint ventures   |            | 31,275                    | 24,450                    |
| <b>Total portfolio</b>                                                       | <b>B</b>   | <b>4,688,212</b>          | <b>4,109,280</b>          |
| <b>Loan-to-value</b>                                                         | <b>A/B</b> | <b>45.0%</b>              | <b>45.0%</b>              |

## ALTERNATIVE PERFORMANCE MEASURES

## NET DEBT / EBITDA (adjusted)

The net debt / EBITDA (adjusted) is calculated starting from the proportional accounts: in the denominator taking into account the trailing-twelve-months EBITDA but adjusted to reflect the annualized impact of external growth; in the numerator taking into consideration the net financial indebtedness adjusted for the projects under development multiplied by the loan-to-value of the group (as these projects are not yet income contributing but already (partially) financed on the balance sheet).

| in euros (x 1,000)                                                                      | 31.12.2020       | 31.12.2019       |
|-----------------------------------------------------------------------------------------|------------------|------------------|
| Non-current and current financial debt (IFRS)                                           | 2,119,454        | 1,854,828        |
| - Cash and cash equivalents (IFRS)                                                      | -11,240          | -3,604           |
| <b>Net debt (IFRS) A</b>                                                                | <b>2,108,214</b> | <b>1,851,223</b> |
| <b>Operating result (before the result on the portfolio) (IFRS) (TTM)<sup>1</sup> B</b> | <b>212,793</b>   | <b>191,761</b>   |
| + Depreciation and write-down on solar panels                                           | 7,270            | 6,526            |
| + Share in the EPRA Earnings of joint ventures                                          | 1,257            | 610              |
| <b>EBITDA (IFRS) C</b>                                                                  | <b>221,321</b>   | <b>198,897</b>   |
| <b>Net debt / EBITDA A/C</b>                                                            | <b>9.5x</b>      | <b>9.3x</b>      |

| in euros (x 1,000)                                                                               | 31.12.2020       | 31.12.2019       |
|--------------------------------------------------------------------------------------------------|------------------|------------------|
| Non-current and current financial debt (proportionate)                                           | 2,143,142        | 1,872,174        |
| - Cash and cash equivalents (proportionate)                                                      | -14,359          | -4,433           |
| <b>Net debt (proportionate) A</b>                                                                | <b>2,128,782</b> | <b>1,867,741</b> |
| - Projects under development x Loan-to-value                                                     | -115,864         | -119,917         |
| - Financing to joint ventures x Loan-to-value                                                    | -1,511           | -1,065           |
| <b>Net debt (proportionate) (adjusted) B</b>                                                     | <b>2,011,407</b> | <b>1,746,759</b> |
| <b>Operating result (before the result on the portfolio) (IFRS) (TTM)<sup>1</sup> C</b>          | <b>212,793</b>   | <b>191,761</b>   |
| + Depreciation and write-down on solar panels                                                    | 7,270            | 6,526            |
| + Operating result (before the result on the portfolio) of joint ventures (TTM) <sup>1</sup>     | 1,747            | 1,026            |
| <b>Operating result (before the result on the portfolio) (proportionate) (TTM)<sup>1</sup> D</b> | <b>221,811</b>   | <b>199,313</b>   |
| Adjustment for normalized EBITDA <sup>2</sup>                                                    | 21,075           | 18,193           |
| <b>EBITDA (proportionate) (adjusted) E</b>                                                       | <b>242,886</b>   | <b>217,506</b>   |
| <b>Net debt / EBITDA (adjusted) B/E</b>                                                          | <b>8.3x</b>      | <b>8.0x</b>      |

1 For the calculation of this APM, it is assumed that the operating result (before the result on the portfolio) is a proxy for EBITDA. TTM stands for trailing 12 months and means that the calculation is based on financial figures for the past 12 months.

2 On a normalized basis, i.e. including the annualized impact of external growth in function of the realized disposals, acquisitions and projects.

## HISTORICAL FINANCIAL INFORMATION INCLUDED BY REFERENCE

| Information included by way of reference | Document                     |                                                                                                                                        |
|------------------------------------------|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <b>Business activities</b>               | 2019 Annual financial report | 2. This is WDP (p. 8-19)                                                                                                               |
|                                          |                              | 3.1 2019, an excellent start to the 2019-23 growth plan – Transactions and realisations (p. 22-49)                                     |
|                                          |                              | 3.3.1 2019, an excellent start to the 2019-23 growth plan – Property report – Review of the consolidated property portfolio (p. 68-80) |
|                                          | 2018 Annual financial report | 2. Strategy (p. 12-20)                                                                                                                 |
|                                          |                              | 4.3 Management report – Transactions and realisations (p. 38-46)                                                                       |
|                                          |                              | 5.1 Property report – Review of the consolidated property portfolio (p. 100-112)                                                       |
| <b>Main markets</b>                      | 2019 Annual financial report | 3.3.1 2019, an excellent start to the 2019-23 growth plan – Property report – Review of the consolidated property portfolio (p. 68-80) |
|                                          |                              | 3.3.2 2019, an excellent start to the 2019-23 growth plan – Property report – Review of the logistics property market (p. 81-82)       |
|                                          |                              | 9.2 Financial statements – Explanatory notes – V. Segmented information - Operating result (p. 208-209)                                |
|                                          |                              | 9.2 Financial statements – Explanatory notes – VI. Segmented information - Assets (p. 210)                                             |
|                                          |                              | 9.2 Financial statements – Explanatory notes – XII. Investment properties (p. 214-220)                                                 |
|                                          | 2018 Annual financial report | 5.1 Property report – Review of the consolidated property portfolio (p. 100-112)                                                       |
|                                          |                              | 5.2 Property report – Review of the logistics property market (p. 113-114)                                                             |
|                                          |                              | 9.2 Financial statements – Explanatory notes – V. Segmented information - Operating result (p. 198-199)                                |
|                                          |                              | 9.2 Financial statements – Explanatory notes – VI. Segmented information - Assets (p. 200)                                             |
|                                          |                              | 9.2 Financial statements – Explanatory notes – XII. Investment properties (p. 204-210)                                                 |
| <b>Investments</b>                       | 2019 Annual financial report | 3.1 2019, an excellent start to the 2019-23 growth plan – Transactions and achievements (p. 22-49)                                     |
|                                          | 2018 Annual financial report | 4.3 Management report – Transactions and realisations (p. 38-46)                                                                       |
| <b>Financial position</b>                | 2019 Annual financial report | 3.1 2019, an excellent start to the 2019-23 growth plan (p. 21-90)                                                                     |
|                                          |                              | 11.2.1 Annexes – External audit – Conclusions of the property experts (p. 269-270)                                                     |
|                                          |                              | 7.1 Reporting according to recognised standards - EPRA key performance indicators (p. 163-169)                                         |
|                                          |                              | 9. Financial statements (p. 185-254)                                                                                                   |
|                                          |                              | 11.2.2 Annexes – External audit – Statutory auditor's report on the financial statements (p. 271-274)                                  |
|                                          |                              | 11.4 Annexes – Alternative Performance Measures (p. 282-285)                                                                           |
|                                          | 2018 Annual financial report | 4. Management report (p. 25-69)                                                                                                        |
|                                          |                              | 5. Property report (p. 99-116)                                                                                                         |

## HISTORICAL FINANCIAL INFORMATION INCLUDED BY REFERENCE

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| Information included by way of reference | Document                     |                                                                                                                             |
|------------------------------------------|------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Historical financial information         | 2019 Annual financial report | 9. Financial statements (p. 171-262)                                                                                        |
|                                          |                              | 9.1 Financial statements – Consolidated financial statements for the 2019 financial year – Profit and loss account (p. 188) |
|                                          |                              | 9.1 Financial statements – Consolidated financial statements for the 2019 financial year – Balance sheet (p. 191-192)       |
|                                          |                              | 9.1 Financial statements – Consolidated financial statements for the 2019 financial year – Cash flow statement (p. 193)     |
|                                          |                              | 9.2 Financial statements – Explanatory Notes (p. 198-241)                                                                   |
|                                          | 2018 Annual financial report | 9.1 Financial statements – Consolidated financial statements for the 2018 financial year – Profit and loss account (p. 174) |
|                                          |                              | 9.1 Financial statements – Consolidated financial statements for the 2018 financial year – Balance sheet (p. 177-178)       |
|                                          |                              | 9.1 Financial statements – Consolidated financial statements for the 2018 financial year – Cash flow statement (p. 179)     |
|                                          |                              | 9.2 Financial statements – Explanatory Notes (p. 184-234)                                                                   |
|                                          |                              | 11.2.2 Annexes – External audit – Statutory auditor's report on the financial statements (p. 271-274)                       |
| Statement of the statutory auditor       | 2019 Annual financial report |                                                                                                                             |
|                                          | 2018 Annual financial report | 9.3 Financial statements – Report of the statutory auditor (p. 235-247)                                                     |
| Dividend                                 | 2019 Annual financial report | 3.4 2019, an excellent start to the 2019-23 growth plan – Forecasts – Dividend forecasts (p. 86)                            |
|                                          | 2018 Annual financial report | 4.6 Management Report – Forecasts – Dividend forecasts (p. 64)                                                              |
| Transactions with affiliated parties     | 2019 Annual financial report | 9.2 Financial statements – Explanatory Notes – XXV. Transactions between affiliates (p. 239)                                |
|                                          | 2018 Annual financial report | 9.2 Financial statements – Explanatory Notes – XXV. Transactions between affiliates (p. 232)                                |
| Information about the workforce          | 2019 Annual financial report | 9.2 Financial statements – Explanatory Notes – XXIV. Average workforce and breakdown of personnel costs (p. 231)            |
|                                          | 2018 Annual financial report | 9.2 Financial statements – Explanatory Notes – XXIV. Average workforce and breakdown of personnel costs (p. 238)            |

## STATEMENTS

The annual report is available at the Company's registered office and can be consulted on the website [www.wdp.eu](http://www.wdp.eu) in three language versions (Dutch, French and English). Only the printed Dutch version of the annual report is legally valid. The electronic versions of the annual reports may not be copied or made available anywhere. It is also prohibited to print the text for further distribution.

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### Universal Registration Document

WDP declares that:

- ◆ the 2020 Annual Report was filed with the FSMA as a Universal Registration Document on the date of 29 March 2021, as the competent authority under Regulation (EU) 2017/1129 without prior approval under Article 9 of Regulation (EU) 2017/1129;
- ◆ the Universal Registration Document may be used with a view to offering securities to the public or the admission of securities to trading on a regulated market, provided that it is approved by the FSMA, where applicable, along with any amendments and a securities note and summary approved in accordance with Regulation (EU) 2017/1129.

The information made available via the website does not form part of this Universal Registration Document unless such information is included as a reference.

### Persons responsible for the content of the annual report

The members of the Board of Directors of WDP NV/SA the composition of which is described in chapter 8. *Corporate Governance Statement*, are responsible for the information provided in this annual financial report.

### Statements

- ◆ Tony De Pauw and Joost Uwents, both managing directors and co-CEOs, hereby declare, on behalf of the Board of Directors, the composition of which is described in chapter 8. *Corporate Governance Statement*, after having taken all measures to guarantee and to their knowledge, that the data in this annual report reflect the reality and no data has been omitted, the disclosure of which would alter the purport of this annual report and that, to their knowledge:
- ◆ the financial statements, which have been drawn up in accordance with the applicable standards for financial statements, give a true and fair view of the group's equity, financial position and of the results of the issuer and of the companies included in the consolidation;
- ◆ the annual report gives a true overview of the development and the results of the company and of the position of the issuer and the companies included in the consolidation, as well as a description of the main risks and uncertainties they are faced with (including the crisis related to Covid-19);
- ◆ no significant changes have occurred in the financial position or financial performance of the Group since 31 December 2020, besides for the information in 7. *Financial results and property report – Management of financial resources* and 11. *Financial statements – XXVIII. Significant events after the balance sheet date*; and
- ◆ subject to what has been published with regard to the Dutch REIT status, no government interventions, lawsuits or cases of arbitration exist – or have recently occurred – that could influence WDP's financial position or profitability. They also declare that, to their knowledge, no circumstances or facts exist that could lead to such government interventions, lawsuits or cases of arbitration.

## STATEMENTS

### Available documents

WDP hereby declares that, at least during the period of validity of the Universal Registration Document, the following documents are available for consultation on its website at [www.wdp.eu](http://www.wdp.eu):

- ◆ the latest deed of incorporation and articles of association of WDP;
- ◆ the annual reports;
- ◆ the reports, and respectively, the conclusions of the statutory auditor and the property experts;
- ◆ press releases and mandatory financial information. The company's financial reporting is published in the financial press where required by law;
- ◆ the Corporate Governance Charter;
- ◆ the obligations of the Company and the rights of the shareholders with regard to the General Meeting are published on the [Investor Relations](#) section of WDP's website from the meeting notice until participation and voting in full. This information remains available on the Company website for a period of at least five years starting from the date of the General Meeting to which it pertains.

In accordance with the relevant provisions of the law, the separate and consolidated financial statements of the Company are deposited with the National Bank of Belgium.

Decisions related to the appointment and dismissal of members of the Board of Directors are published in the Annexes to the Belgian Official Gazette.

### Information from third parties

WDP declares that the information provided by the property experts and the statutory auditor has been faithfully reproduced. To WDP's knowledge, and based on what it has been able to deduce from the information published by the property experts and the statutory auditor, no facts were omitted that would render the information provided by the property experts or the statutory auditor incorrect or misleading.

WDP also confirms that the statutory auditor and property experts have given their approval for the content of their report and conclusions respectively to be included in the annual report.

For confidentiality reasons, the full report of the property experts has not been included and cannot be consulted.

### Required components of the annual report

In accordance with Articles 3:6 and 3:32 of the Belgian Code of Companies and Associations, the required components of the WDP annual report appear in the following chapters:

- ◆ 7. Financial results and property report;
- ◆ 8. Corporate Governance Statement;
- ◆ 9. Risk factors; and
- ◆ 11. Financial statements.

This annual report provides an overview of the activities and financial statements for the financial year ending on 31 December 2020.

## GLOSSARY

### Acquisition price

This refers to the value of the property at the time of purchase. Any transfer costs paid are included in the purchase price. See also *Transfer costs*.

### Accelerated bookbuild (ABB)

An exempt accelerated private placement with international institutional investors with the composition of an order book.

### Advance levy

An advance levy deducted by a bank or financial intermediary on the payment of a dividend. The standard rate of the advance levy on dividends in Belgium is fixed at 30%.

### APM (Alternative Performance Measure)

Financial measurement of historic or future financial performance, financial position or cash flow of a company that has not been defined in the customary reporting guidelines. The Alternative Performance Measures (APM) adopted by WDP—including the EPRA key performance indicators—are always accompanied by a symbol (▼) and are provided with their definition and reconciliation in the annexes to this report.

### BREEAM (Building Research Establishment Environmental Assessment Method)

BREEAM is a sustainability certificate related to the performance of a building over its complete life cycle. BREEAM is the main and most commonly used sustainability label for buildings in Europe. Unlike other standards, BREEAM applies a multi-criteria approach. The certification process examines not only the energy consumption of a property, but also land use, ecology, the construction process, water use, waste, pollution, transport, materials, health and comfort. As a total score, a building is rated Acceptable (only applicable to BREEAM In-Use), Pass, Good, Very Good, Excellent or Outstanding.

### Bullet loan

A debt instrument of the bullet type entails that over the term, interest liabilities are due on the principal sum and repayment in full of the capital is due on the final expiry date.

### Compliance Officer

The compliance officer is tasked with monitoring compliance of the laws, regulations and codes of conduct applicable to the Company and, in particular, the rules related to the integrity of the Company's activities.

### Contractual rent

The gross rental prices as contractually stipulated in the lease agreements on the date of conclusion.

### Contribution in kind

The assets contributed when a company is incorporated or when its capital is increased, other than by depositing money.

### Corporate Governance Code 2020

Belgian code drawn up by the Corporate Governance Committee with practices and provisions on sound governance that must be met by companies under Belgian law whose shares are traded on a regulated market.

### Dealing Code

Code of conduct with rules to be followed by members of the Board of Directors and the persons designated therein who would like to trade in financial instruments issued by the company.

### Derivatives

As a borrower, WDP would like to hedge itself against any interest rate increases. The interest rate risk can be hedged in part by using derivatives (such as interest rate swaps).

### Discounted cash flow

This is a valuation method based on a detailed projected revenue flow that is discounted to the current net value at a specific discount rate according to the risk of the asset to be valued.

### Distribution percentage

Percentage of EPRA earnings paid out as dividends over a given fiscal year.

### Dividend yield

Gross dividend divided by the trading price.

### Due diligence

Extensive investigation conducted within the framework of all acquisitions and/or financial transactions in the areas of real estate, economics, taxation, law, bookkeeping and administration, possibly in association with specialist external advisors.

### EDGE (Excellence in Design for Greater Efficiencies)

Certification programme for green buildings that focuses on the efficient use of resources. EDGE supports developers and builders to quickly and cost-effectively reduce energy and water consumption or energy absorbed by materials. EDGE certificates are issued worldwide and are an initiative of IFC, part of the World Bank Group.

### EMIR (European Market Infrastructure Regulation)

This regulation specifies that information on all European derivative transactions must be reported to transaction registers and must be accessible to supervisory authorities, including the European Securities and Markets Authority (ESMA), so policy-makers and supervisors have a clear overview of the markets.

This regulation also states that standard derivative contracts must be cleared through a Central Counter Party (CCP), sets margin requirements on uncleared transactions and subjects these CCPs to strict organisational requirements, codes of conduct and prudential requirements.



## GLOSSARY

**EPRA (European Public Real Estate Association)**

EPRA is a pan-European association of listed real estate companies that aims to promote the sector, introduce best practices for bookkeeping, reporting and corporate governance, provide qualitative information to investors and serve as a think tank for challenges facing the sector.

**Estimated rental value (ERV)**

The estimated rental value is the rental value determined by the independent property experts.

**Ex-date**

Start date of trading the share on the stock market without entitlement to the next dividend distribution, in other words, the cut-off date of the coupon.

**Exit tax**

Companies that request recognition as a GVV/SIR or that merge with a GVV/SIR are subject to what is known as the exit tax. This tax is deemed equal to a liquidation tax on the unrealised net gains and on the tax-exempt reserves, and amounts to 15%.

**Expiry date of a rental contract**

Date on which a termination option is available within a lease.

**Fair value**

The fair value is defined in IAS 40 as the amount for which the property could be exchanged between two well-informed, willing parties in an arm's length transaction. The market value must additionally reflect the current rental incomes, the current gross margin for self-financing (or cash flow), the reasonable assumptions regarding potential rental income and the expected costs.

**FBI (Fiscale Beleggingsinstelling)**

Special fiscal status in the Netherlands available if specific requirements are met. See also *12. Permanent document*.

**Free float**

Percentage of shares owned by the public. According to the definition of EPRA and Euronext, this means every individual shareholder that possesses 5% of the total number of shares.

**FSMA (Financial Services and Markets Authority)**

Along with the National Bank of Belgium (the NBB), the FSMA supervises the Belgian financial sector. The powers of the FSMA fall into the following six areas: supervision of financial markets and listed companies, conduct supervision, product supervision, supervision of financial service providers and intermediaries, supervision of supplementary pensions and facilitation of better financial education.

**Gearing ratio (proportionate)**

Legal ratio calculated according to the GVV/SIR legislation by dividing the financial and other debts by the total assets. For the method used to calculate the gearing ratio, please refer to the GVV/SIR Royal Decree.

**Gross dividend**

The gross dividend per share is the dividend before deduction of the advance levy. See also *Advance levy*.

**GVV/SIR Act**

Act of 12 May 2014 on regulated real estate companies and, together with the GVV/SIR Act, the so-called GVV/SIR legislation. See also *GVV/SIR Royal Decree*, *GVV/SIR legislation* and *REIT*.

**GVV/SIR legislation**

The Act of 12 May 2014 (GVV/SIR Act) and the Royal Decree of 13 July 2014 (GVV/SIR Royal Decree).

**GVV/SIR Royal Decree**

Royal Decree of 13 July 2014 on regulated real estate companies and, together with the GVV/SIR Act, the so-called GVV/SIR legislation. See also *GVV/SIR Act*, *GVV/SIR legislation* and *REIT*.

**IFRS 9 Financial instruments: recognition and measurement**

IFRS 9 is a standard that determines how a company must classify and measure the financial instruments on its balance sheet. Among other things, this standard provides for the obligation that all derivatives must be booked in the balance sheet at their fair value.

**IAS 16 Tangible fixed assets**

IAS 16 is an IAS/IFRS that applies to the administrative treatment of tangible fixed assets unless a different standard requires or permits different treatment. The main issues arising in the administrative treatment of tangible fixed assets is the recognition of assets, calculation of their book value and depreciation costs and special impairment losses to be recognised in relation to the assets.

**IAS 40 Investment properties**

IAS 40 is an IAS/IFRS that applies to recognition and measurement of and the provision of information on investment properties. This standard therefore provides the treatment method for investment properties and the corresponding disclosure requirements.

**IAS/IFRS**

The IAS (International Accounting Standards) and IFRS (International Financial Reporting Standards) apply to the preparation of financial statements and are drafted by the International Accounting Standards Board (IASB).

**Income capitalisation**

This is a valuation technique used for valuing real estate where the income stream is discounted in a perpetuity at a certain required rate of return. Subsequently, certain corrections are applied to account for deviations in full occupancy under market conditions (subletting, incentives, vacancies, etc.).

**Indexation**

The rent is contractually adjusted for inflation annually on the anniversary of the contract start date based on the reference index in each specific country.

**Initial yield**

The ratio of the (initial) contractual rent of a purchased property to the acquisition cost. See also *Acquisition price*.

## GLOSSARY

**Inside Information**

Any information of a precise nature which has not been made public, relating, directly or indirectly, to one or more issuers of financial instruments or to one or more financial instruments and which, if it were made public, would likely have a significant effect on the prices of those financial instruments (or on the price of related derivative financial instruments).

**Interest hedging**

The use of derivative financial instruments to protect existing debt positions against an increase in interest rates.

**Interest Rate Swap (forward)**

An IRS for which the start date takes place in the future.

**Interest Rate Swap (IRS)**

An interest rate swap is an instrument in which parties exchange interest payments with one another for a set term. WDP uses Interest Rate Swaps to convert floating interest payments into fixed interest payments, to hedge against interest rate increases.

**Intrinsic value**

The value of the portfolio as determined by the independent property experts, including transaction costs. The fair value (see also *Fair value*), in the sense of the IAS/IFRS reference scheme, can be obtained by deducting an appropriate quota for registration duties and/or VAT from the investment value.

**IVSC (International Valuation Standards Council)**

An independent body that develops global standards regarding valuations that investors and other third parties or stakeholders should be able to trust.

**Liquidity**

This is the average number of shares traded per trading day measured over a specific period of time.

**Market capitalisation**

Closing price on the stock market multiplied by the number of shares in circulation on that date.

**Net dividend**

This is equal to the gross dividend after deduction of the 30% advance levy. See also *Advance levy*.

**Occupancy rate**

The occupancy rate is calculated based on the rental values of the leased properties and non-leased surface areas, including the income from solar panels. This does not include projects under development or renovations.

**Operating margin**

The operating margin is obtained by dividing the operating result (before the result on the portfolio) by the property result.

**Optional dividend**

With an optional dividend, the dividend claim linked to an established number of existing shares provides the right to a new share, at an issue price per share that may include a discount compared to the stock market price (whether or not an average stock market price over a certain period). The issue of shares within the framework of the optional dividend is subject to standard company law on capital increases. If, in addition to a contribution in kind within the framework of the distribution of an optional dividend, a contribution in cash is made, the special provisions of article 26, § 1 of the GVV/SIR Act concerning capital increases in cash cannot be declared applicable in the articles of association, insofar as this optional dividend is effectively made payable to all shareholders. The special rules on contribution in kind to a GVV/SIR, as provided for by Article 26, § 2 of the GVV/SIR Act, do not apply either, provided certain conditions are met.

**Partial demerger**

A partial demerger is a legal transaction in which part of the assets of a company (both rights and obligations) is transferred to an existing or new company without dissolution, in exchange for transfer of shares in the acquiring company to shareholders in the demerging company.

**Portfolio value**

The portfolio value is composed of investment properties, investment properties under construction for own account with the purpose of being rented out, assets held for sale and the fair value of the solar panels.

**Project management**

Management of construction or renovation projects. WDP has an internal team of project managers working exclusively for the company.

**Property management**

Day-to-day management of the property portfolio, more specifically formulation of the policy for management of existing buildings (maintenance, modification and improvement works). WDP has an internal team of property managers working exclusively for the company.

**Property portfolio**

The investment properties including the buildings intended for rental, the investment properties under development with a view to rental and the assets intended for sale.

**PV installation**

Photovoltaic or solar panel system.

**Quality distribution of the properties in the property portfolio**

The quality distribution of the properties within the property portfolio is based on a classification according to Class A green certified warehouse, Class A warehouse, Class B warehouse and Class C warehouse. This classification is based on the following parameters: age and location of the property, clear height, prospects for expansion and/or development, equipment and parking.

## GLOSSARY

### Record Date

The date on which the positions are closed for identification of shareholders entitled to dividends, also known as the ex-date for short.

### Reference shareholder

Any natural person, legal entity or company (possibly with a legal personality) that holds at least 10% of the shares in the Company individually and directly, in accordance with Article 15 of the Articles of Association of the Company.

### Regulated Real Estate Company (GVV/SIR)

A regulated real estate company is a listed operational real estate company that specialises in making real estate available to users and meets the legal requirements as set out in the GVV/SIR legislation. It positions itself in an international context as a REIT, characterised by a regime of fiscal transparency. The GVV/SIR is subject to the prudential supervision of the FSMA. See also *GVV/SIR legislation*.

### REIT (Real Estate Investment Trust)

International designation for listed real estate investment funds with a special tax status (such as in Belgium (see also *GVV/SIR*), the Netherlands (see also *FBI*) and France (see also *SIIC*)).

### Renewable Energy Certificates (RECs)

These are granted by the Flemish Electricity and Gas Market Regulator (the “VREG”) in Flanders, the Wallonia Energy Commission (the “CWaPE”) in Wallonia and the Romanian Energy Regulatory Authority (the “ANRE”) in Romania for alternative energy projects, including solar power, with a minimum price per certificate.

### Risk management

Identification of the main risks facing the company, their potential impact and development of a strategy to mitigate any impact.

### Sales value

The fair value at which a particular property was sold.

### SIIC (Société d'Investissement Immobilier Cotée)

Special tax status available in France that listed real estate companies can opt for if the specific requirements are met. See also *12. Permanent document*.

### Take-up

The total take-up of surface area by users on the rental market over a particular period of time.

### Thin capitalisation

Thin capitalisation refers to excessive use of debt capital by a company, in order to maximise the tax deduction on interest. Local tax regimes typically impose limits on this by restricting the tax deduction on interest on the part of the debt that is considered excessive.

### Trailing-twelve-months

This describes financial figures calculated based on the last twelve months.

### Transfer costs

The transfer of ownership of a property is, in principle, subject to the collection by the state of transfer rights that constitute the bulk of the transaction costs. The amount of these rights depends on the method of transfer, the capacity of the buyer and the geographical location of the property.

### Velocity

The number of shares traded per year divided by the total number of shares at the end of the year.

### WVV (CCA)

Belgian Code of Companies and Associations, introduced by Art. 2 Act of 23 March 2019 (Belgian Official Gazette 4 April 2019).



# WDP

WAREHOUSES WITH BRAINS

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