



Creating timeless living and working spaces adapted to the evolving needs of people and society



## WHAT WE DO

D'Ieteren Immo is the real estate arm of the D'Ieteren Group in Belgium. D'Ieteren Immo is responsible for the management of the real estate assets that are owned by D'Ieteren Group in Belgium, most of which are rented by D'Ieteren Automotive. The assets include offices, workshops, commercial assets, logistics centers, residential units and landbanks. Part of the activities includes the reconversion and redevelopment of sites that are no longer used by D'Ieteren Automotive. This part of activities is principally aimed towards the conversion of sites and the search for new development areas in the semi-industrial and service sectors, as well as in the residential market. In addition, D'Ieteren Immo supports the end customers, namely the tenants of the 31 sites held in the portfolio, with real estate advice, as well as an innovative range of services.

With its various activities, D'Ieteren Immo strives to ensure the prosperity of its estate, which, in some cases, has been part of the Group's assets for decades and more.

It aims for excellence in all areas of responsibility, through:

- rigorous governance;
- sustainable management of its property portfolio;
- long-term relationships with its customers, suppliers and authorities;
- a well-trained and proactive team.

D'IETEREN IMMO'S  
PORTFOLIO COMPRISES **31 SITES**  
WITH A TOTAL SURFACE AREA  
OF MORE THAN **760,000 M<sup>2</sup>**.





## Message from Paul Monville, CEO of D'leteren Immo

Looking back on this challenging year 2020 gives me the opportunity to identify the fundamental strengths that have enabled our company and our teams, not only to get through the crisis, but also, and above all, to emerge stronger. Even in this difficult environment, we have been able to make the most of our corporate vision: *mind. plan. build.* and this enables us to face current and future challenges with strength and creativity.

### **AGILITY, ADAPTABILITY AND RESILIENCE**

Agility has been at the heart of all our activities in 2020. In the way we work, first of all. Already, as early as mid-March, D'leteren Immo implemented a Scandinavian working model that concentrates meetings during the first part of the day, in order to free up time for reflection and work requiring concentration during the afternoon. The philosophy behind this model is "lagom", which literally means "the right amount". It has enabled all our employees to overcome periods of confinement and teleworking with as little stress as possible. I am also delighted that in our annual survey, employee satisfaction reached 74%, a score not seen since the creation of D'leteren Immo in 2016.

### **AN AMBITIOUS SUSTAINABILITY ROADMAP**

Since it was established, D'leteren Immo has positioned itself as an innovative and sustainable player on the Belgian real estate market, in which the fight against global warming is an absolute priority. In 2020, our vision of sustainability was crystallised in an action plan for the next 10 years. This plan, called 'Roadmap 2030', defines the 4 major ambitions of our sustainability policy. In order to

achieve them, 19 objectives, divided into 6 important themes, as well as Key Performance Indicators (KPIs) have been agreed upon.

### **STRATEGY 2021**

Creating value for all stakeholders is an essential part of D'leteren Immo's long-term strategy. The objective is to ensure the sustainable growth of the company, while respecting the values of the D'leteren Group and its shareholders, namely sustainability, circularity and flexibility.

Several interdisciplinary working groups were set up in 2020, with the mission of responding with creative solutions to the major societal challenges of today, and the needs of tomorrow. By devoting 10% of its total FTE capacity to innovation, D'leteren Immo will be able to implement these creative solutions and best practices in the current and future projects. In 2021, it will continue to develop innovative and sustainable solutions for the long term.

In this respect, one of the emblematic projects for 2020 is H2O, which now allows us to store surplus self-produced electricity at the Erps-Kwerps (Kortenbergh) site, in order to use it according to the site's needs. This intelligent energy management system will serve as a model for the future. A second example is the Circularium project: despite the pandemic, we were able to successfully establish an ecosystem of several organisations focused on the circular economy, creating a new dynamic for the district - and for the city - on a site abandoned by the automobile sector.

To reinforce this sustainable vision, starting from 1<sup>st</sup> of January 2021, D'leteren Immo has decided to convert all its electricity contracts into green contracts where the electricity is produced throughout Belgian solar energy.

#### **NEW TRANSFORMATION PROJECTS IN 2021**

With its team of about 50 skilled employees, D'leteren Immo is well equipped to continue its development programme in 2021 and beyond. In addition to the acquisition of 6 new sites between Mechelen and Antwerp, we will in 2021 be working on the redevelopment project of the historical headquarters of the D'leteren Group, rue du Mail, as well as the Kortenberg, Anderlecht (Mobilis) and Kontich sites, among others.

To conclude, I would like to pay tribute once again to the tremendous adaptability shown by our teams throughout this eventful year, which, thanks to our collective intelligence, enabled us to close the 2020 financial year in line

with forecasts. Finally, I would like to pay tribute to our Honorary Chairman, Roland D'leteren, who passed away as a result of a COVID-19 infection in December 2020. He was, for me - and for so many others - a caring and inspiring mentor.

*“Our collective intelligence has enabled us to face the upheavals of 2020 and, despite the health crisis, achieve an operating result in line with forecasts.”*

## > Overview of 2020

### Business environment/Covid-crisis management

Overall, the valuation of the properties in D'leteren Immo's portfolio has not been affected by the economic crisis. This good performance of the portfolio is mainly due to the long-term diversification strategy implemented by the company. And yet the property market has been severely disrupted by the coronavirus crisis, leading us to adapt and to be agile. The fact that construction sites were halted for many months and that there was a reduction in rental activities, tested - with success - the resilience of our company.

Our first concern has been to meet the expectations of our tenants and customers and provide them with the best possible support, listening to them all the time during this period of uncertainty. In some cases, this included temporary rent reductions to ensure we could sustain the relationship over the long term, in other cases we overworked their projects to meet their changing needs. At the same time, contracts with certain suppliers have been renegotiated in order to reduce energy costs and rental charges for our tenants.

We also took advantage of the slowdown periods in our tenants' activities to modernise certain technical installations and to improve our operational efficiency, in particular in the choice of new management software better adapted to constantly changing needs. Investments will be made in 2021 to implement this new IT infrastructure, and new project management software is also being implemented.

It is clear the COVID-19 crisis has caused a shockwave in the way of working for many large corporations. With working from home now becoming the norm for many, we have seen fundamental shifts in how we work and live. With the rapid adaptation to Home/Remote working, companies have been obliged to rethink their office/real estate needs. D'leteren Immo, as an innovator in the real estate sector, is well placed to take a leading role in this trend.

## Commercial performance

Highlights from 2020 include:

- Colruyt invested in a new shop format on the D'leteren site on the Leuvensesteenweg in Schaarbeek. The 4,000 m<sup>2</sup> area provides space for 2 separate shops. In one of them, Colruyt is testing a new shop formula for professional customers from the Brussels Region.
- D'leteren Immo installed 336 solar panels at the Porsche Center in Mechelen. The total installed power has now reached 134.4 kWp. This is connected to the complex's electricity grid via 4 inverters, and goes a long way to meeting the higher demand for power from Porsche's electric vehicles.
- The latest Färm (a new concept sustainable food business) opened its doors on 19 November 2020 in a former garage in the heart of the Vivier d'Oie district of Uccle. This prime location offers local residents organic, local, seasonal and short-circuit food. D'leteren Immo assisted Färm throughout the realisation of this project.
- To make the H2O-project even more efficient, D'leteren Immo installed in Kortenberg additional photovoltaic panels. In total, the panels generate an impressive 1,250 kWp.

## Future diversification of the portfolio

In 2020, D'leteren Immo continued to reflect on its future development. The changes in the automotive sector, and the rental vacancies this is generating within the properties operated by D'leteren Immo on behalf of D'leteren Automotive, require a strategic reorientation in the allocation of sites formerly dedicated to the automotive sector. Mobilis, in Anderlecht, is a very good example of this: following a competition carried out with the Master Builder of the Brussels Region, the architectural firm XDGA (Xaveer De Geyter Architects) was commissioned to design a multifunctional, flexible and sustainable building, promoting interconnectivity between current and future modes of urban transport. We are very proud that the Mobilis project is one of the winners of the Brussels regional initiative Be Circular 2020 in the category "circular building sites".

With the same goal of diversification, we have signed several rental contracts with major names in the distribution sector (food, parapharmacy, etc.) for properties located in the Brussels-Capital Region and the surrounding area. Thanks to this strategy, intra-group turnover has gone from 92% to 86% in 2020.

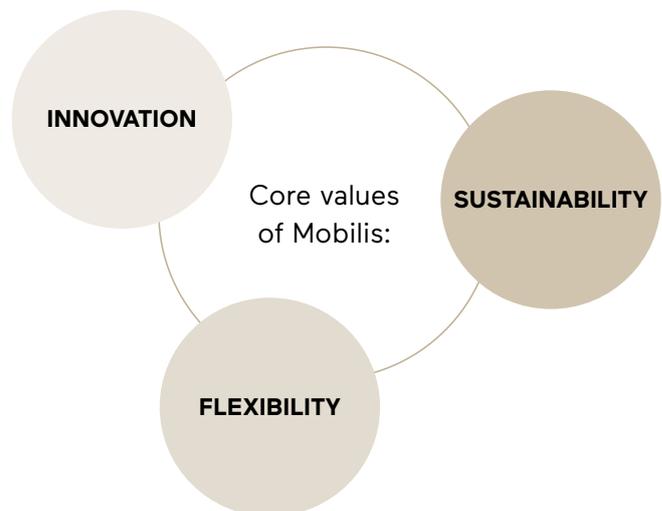


## Mobilis: ambitions for the future

The Mobilis project — on the corner of the Industrielaan and the Paepsemlaan in Anderlecht, Brussels — is the cornerstone, both literally and figuratively, of an ambitious vision, one in which commercial and productive activity, future-oriented mobility and well-considered urban district development go hand in hand.

The existing 10,400 m<sup>2</sup> site will be converted into a climate-proof and bold mixed-urban project with a total developed surface area of 35,000 m<sup>2</sup> that encourages interactions between its users. Among other things, the site will house the 'garage of the future', a sales and after-sales service area for Volkswagen, ŠKODA and SEAT, covering an area of 14,000 m<sup>2</sup>. The rest of the space, up to and including the roof, is earmarked for urban productivity in the broadest sense.

Approval has been granted to start the build in early 2021.



**Stanislas Vankerhove,**  
Project Manager D'leteren Immo

*“Our primary aim is to construct a multi-purpose, flexible and sustainable building that has the ambition to stand the test of time throughout a basic structure with a lifespan of 100 years. The Mobilis building will house a great variety of activities and functions where fruitful interaction will be promoted.”*

## Reinvention via the project Circularium

Circularium is the transformation of more than 20,000 m<sup>2</sup> of industrial area in Anderlecht, Brussels into a centre dedicated to circularity, cultural life and neighbourhood life. The showrooms, where cars were still being sold during the summer, are already hosting creative and instructive exhibitions. After a short phase of architectural masterclasses and the selection of the own-site activator Makett, in just a few short months, it has become a space for working, living and meeting for more than 20 different tenants and an occupancy rate of 65%. It is a good example of how D'leteren Immo is finding ways to reinvent itself as a Real Estate entrepreneur.

**Gery Olbrechts,**  
Head of Asset Management D'leteren Immo

*“Circularium opened on 10 October 2020. During the opening event, a tour of the site and a number of exhibitions allowed visitors to discover several exciting projects. The initial project has been extended by an additional 10.000 m<sup>2</sup>. At the end of 2020, the occupancy reached 65% of the total area, allowing a numerous entrepreneurs active in Circular Economy to develop their activities and exchange their experience in a unique place dedicated for them.”*



## H2O: a unique project in Europe

For several years now, the Erps-Kwerps site (Kortenbergh) has been producing its own green energy thanks to photovoltaic panels (1,250 kWp) and a cogeneration plant that supplies both electricity and heat to the site's buildings. D'leteren Immo took another significant step in 2020 via the implementation of an intelligent system for storing the self-generated energy in a highly secure battery container; an investment of €1.4 million. Despite the coronavirus crisis, this ambitious project was completed on time and on budget. The EMS (Energy Management System) has been fully operational since December 2020. D'leteren Immo's objective is to set up similar systems on other sites.

**Bernard Alaerts,**  
Property Manager D'leteren Immo.

*“To use energy as efficiently as possible, D'leteren Immo opted for an Energy Management System (EMS) from Aatechnics. This takes into account different variables: the expected sunshine and outdoor temperature, the prices of natural gas and electricity, including day and night tariffs, the consumption profiles of the entire site, the efficiency of the installations and the wear and tear of the batteries. The cherry on the cake is that the system is ‘self-learning’ and adapts to the changing activities on the site.”*





## Other highlights

### **CREATION OF A NEW WEBSITE**

In August 2020, D'leteren Immo launched its new website. This is part of a more dynamic policy of employer branding. In 2020, the company also developed its presence on social networks, and has already reached a thousand subscribers for its LinkedIn page.

### **NEW OPERATIONAL EFFICIENCY IMPROVEMENT PROJECTS**

The Property, Asset & Architecture teams have redefined the company's operating model for its new structure, and have been implementing new ERP tools including Planon 2.0, Adfinity and Jedox.

### **ENCOURAGING BIODIVERSITY**

The protection of biodiversity is an important part of every real estate development project. To this end, D'leteren Immo has joined forces with the social economy company Pro Natura, whose mission is to improve the ecological quality of living and working places.

- Orchard in Erps Kwerps: reconstruction of a neglected orchard via careful maintenance, planting of new apple trees to replace some old trees, creation of a garden with berry bushes and establishment of a picnic area.
- Drogenbos: extension of ecological maintenance to the entire site and development by planting of the green area in front of the renovated Bentley-Lamborghini showroom. The choice of plants has been specifically adapted to local dry conditions and consists of a selection of plant species that provide good support for biodiversity.



### **NEW SHOWROOMS FOR LAMBORGHINI**

The renovation of the Lamborghini showroom in Drogenbos (on the outskirts of Brussels) was completed despite the constraints linked to the pandemic. This new showroom reflects the latest trends in commercial architecture and meets the high level requirements of this luxury car brand. The Lamborghini garage in Wommelgem (province of Antwerp) also underwent major modernisation work in 2020.



## Sustainability approach

A long-term “Invest and hold” strategy is at the heart of D’leteren Immo’s sustainability ambitions. This equates to investing for the very long term, without any objective of rapid increases in value. D’leteren Immo ensures that its heritage thrives through rigorous governance, sustainable management, long-term relationships with all its stakeholders and a well-trained and proactive team.

In 2019, D’leteren Immo started an intensive and bottom-up approach, together with external expert Futureproofed, to develop a coherent and ambitious sustainability strategy. This resulted in the creation of 8 sustainability themes, that included specific goals and aims. In 2020, the company reviewed and refined its strategy based on ongoing internal stakeholder consultations. The revision of the strategy was twofold.

Firstly, 4 overarching ambitions that set out the top-level goals for the coming 5 to 10 years were formulated. These ambitions form the strategic axes of the strategy:

1. D’leteren Immo aims to **improve the operational performance of its portfolio** by enhancing the energy performance, comfort standards and ecological value of its properties as well as carrying out sustainable maintenance and use, whilst building and strengthening long-term relationships with all stakeholders.
2. D’leteren Immo wishes to ensure that new investments and refurbishment projects are **designed and built in a future-proof way**. In doing so, it will provide flexible and attractive living and working environments that respond to current and future needs, while also minimising their environmental impact.
3. D’leteren Immo has a clear ambition to reduce both the company and portfolio-based Greenhouse Gas Emissions and **become CO<sub>2</sub>-neutral**, by 2040 at the latest. (progress on the other 3 ambitions are part of this effort to reduce greenhouse gas emissions).
4. D’leteren Immo strives to **be a top employer** by creating meaningful jobs and promoting opportunities for personal and professional growth in a healthy and attractive working environment.

Secondly, the number of sustainability themes was reduced from 8 to 6 compared to the previous year. By integrating the themes “sustainable mobility” into “improved quality of life” and making “futureproof infrastructure” one of the global ambitions, the distinction between different themes is now clearer, and any overlap between the specific goals has been avoided.

The 6 sustainability themes are (1) climate positive buildings, (2) natural environment, (3) smart water management, (4) efficient material management, (5) improved quality of life, and (6) strong relationships and partnerships.

## Roadmap 2030

To translate these goals into tangible actions, we created a plan entitled ‘Roadmap 2030’. This Roadmap includes a detailed vision on the actions required to achieve the 4 ambitions of the strategy, both on the short- and long-term. The Roadmap is the result of an intensive, bottom-up approach with 3 working groups, each focusing on a separate priority: corporate management, property management and project management.

KPIs have been formulated to help keep track of the progress made towards achieving these ambitions. In addition, D’leteren Immo has developed internal project guidelines to ensure new projects are designed and built according to the goals and standards set out in the sustainability strategy. These guidelines contain a detailed set of criteria to guide project teams, and this already from the concept and design stage.

In the coming years, internationally acknowledged frameworks, such as BREEAM New Construction and BREEAM In Use will be used to follow up on performance and progress of our new investments and refurbishments. In 2021, D’leteren Immo will appoint a governance structure, consisting of representatives from all departments within D’leteren Immo working in interdisciplinary groups, to follow up on progress and decide on future steps. The first meeting is scheduled for the first quarter of 2021, with other meetings to be held every 4 to 6 months thereafter.

*More information can be found in D’leteren Immo’s in the Non-Financial Disclosure p.173-184.*

# > Strategy 2021 and beyond

## Diversification of the portfolio

Over and above Mobilis, where building work is scheduled to start in the spring of 2021, the reallocation of space within the portfolio will continue in 2021 with analysis on the transformation of the Group's main site but also the sites of Knokke, Kortenberg and Kontich will be given a new lease of life over the next years.

## The right approach

D'leteren Immo is investing time and money to identify the 'right' approach for its activities, so it can learn and transfer best practice to other projects. Sustainability in everything it does is one key driver, but this systemic approach also involves working more closely with the local authorities, and including them as important stakeholders in the future. In this way, D'leteren Immo will continue to ensure its projects offer value to everyone concerned, including shareholders, authorities, tenants and the general public.

## An innovative and sustainable company

Creating value for all its stakeholders is an essential aspect of D'leteren Immo's long-term strategy. The objective is to ensure the sustainable growth of the company, while respecting the values of the D'leteren Group and its shareholders. Interdisciplinary working groups, whose members devote 10% of their working time to innovation, have been set up for this purpose. In 2021, they will continue to develop innovative and sustainable solutions for the long term.

## Customer satisfaction survey

With our "real estate as a service" concept, D'leteren Immo's ambition is to offer its end customers an innovative set of services that are included in their rent: services that contribute to the well-being and health of occupants, such as the facilities that encourage people to come to work by bicycle. The customer satisfaction survey, which could not be carried out in 2020 due to the pandemic, will be carried out in 2021. It will give a better understanding of the expectations and needs of all customers.

## Experts service

The growing and diversifying portfolio and new customers ask for new competences and skills from our teams. In a transition to a more experts-environment, they constantly invest in learning and training, to keep up with this fast moving world, to inspire and hand at all time the best advice to our historical and new customers.

**Vanessa Hagen,  
Lead Project Architect.**

*"The automotive sector is in full transition. We help D'leteren Automotive to imagine the car dealerships of the future and to adapt the installations to the fast-changing needs/wishes of their customers."*

## Very long-term investment strategy

Pursuing the "Invest, enhance, hold when core and divest when non-core" strategy, D'leteren Immo is clearly positioning itself as a responsible real estate company that thinks about and anticipates economic, societal and environmental developments. It also continues to innovate in order to create long-term value for all its stakeholders, including its customers and suppliers, its employees and shareholders, and society as a whole.

## A stronger, more capable team

Despite — or perhaps because of — the Covid crisis, the D'leteren Immo team has come together in a big way, and is certainly more tightknit and committed than ever before. The team is, of course, a work in progress, as it always will be, but everyone is now smarter, stronger and more capable than they were just a few years ago, having — on average — followed 5 days/year of outside training. This is a source of huge satisfaction for the management and bodes well for the future.



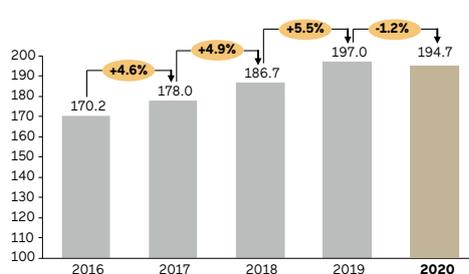
# D'Ieteren Immo

## Key Figures

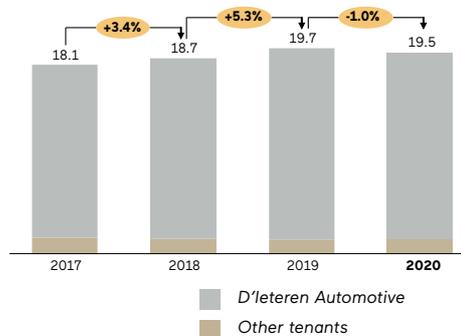
### REAL ESTATE PORTFOLIO (m<sup>2</sup>)

|                        | m <sup>2</sup> |
|------------------------|----------------|
| Car parks              | 434,617        |
| Work shops             | 36,600         |
| Showrooms              | 41,861         |
| Storage                | 74,654         |
| Offices                | 30,736         |
| Technical/utility      | 22,080         |
| Residential            | 4,705          |
| Other                  | 163,937        |
| <b>TOTAL</b>           | <b>808,990</b> |
| of which covered       | 273,021        |
| <b>TOTAL LAND AREA</b> | <b>768,024</b> |

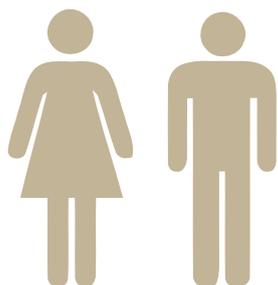
### BOOK VALUE OF THE REAL ESTATE PORTFOLIO (EUR million)



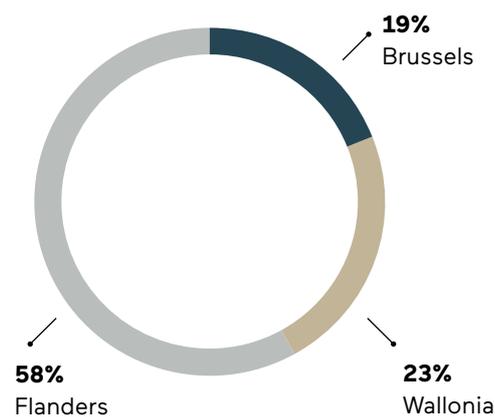
### NET RENTAL INCOME (EUR MILLION)



### 37 TEAM MEMBERS\*



### 31 SITES



1 At identical perimeter  
\* at year-end 2020