



09

Corporate social responsibility

9.1

MESSAGE FROM THE CEO

As a pioneer in student housing and listed real estate, Xior has a great social responsibility. Housing students and taking care of them also means taking care of the future. We therefore realise more than ever that we need to take responsibility and lead by example, both for other companies in the sector as well as our other stakeholders.

In that respect, we have taken very important steps in 2019 to include sustainability as a key element in our long-term strategy. First of all, together with an external partner, we worked out a sustainability strategy based on two major pillars:

Best in class organisation and employees
Happy students in efficient buildings

With a presence in 4 countries and 26 cities, diversity is becoming an increasingly important keyword for Xior, both in terms of its tenants and its employees. The mixture of cultures, talents and languages of our tenants is therefore reflected in our valuable employees.

“With a presence in 4 countries and 26 cities, diversity is an important keyword for Xior.”

And we will, of course, do everything we can to reduce our ecological impact. In order to do this as efficiently as possible, we started mapping out our climate impact in 2019. Based on these results, we will continuously take steps to reduce our climate impact through awareness-raising campaigns and technical measures.

We are well aware that we still have steps to take, but at the same time we are also very pleased that there is a great deal of support and willingness among our employees to take those steps.

We at Xior are very proud of our first sustainability report. I would therefore like to invite you to read the report in detail and learn about our approach to sustainability.

9.2

MATERIALITIES

9.2.1 ANALYSIS

Together with an external consultant, Xior considered the main themes for its sustainability strategy. The first step consisted of an analysis of similar companies in the real estate sector and of relevant ESG assessments, frameworks and standards, such as the European Public Real Estate Association (EPRA), GRESB, Dow Jones Sustainability Index (DJSI), Sustainability Accounting Standards Board (SASB) and World Economic Forum. In the end, a preliminary selection of 14 materialities was made.

Through an analysis of the (potential) economic, social and environmental impact of Xior for each theme, the 14 themes were reduced to a list of 12 materialities.

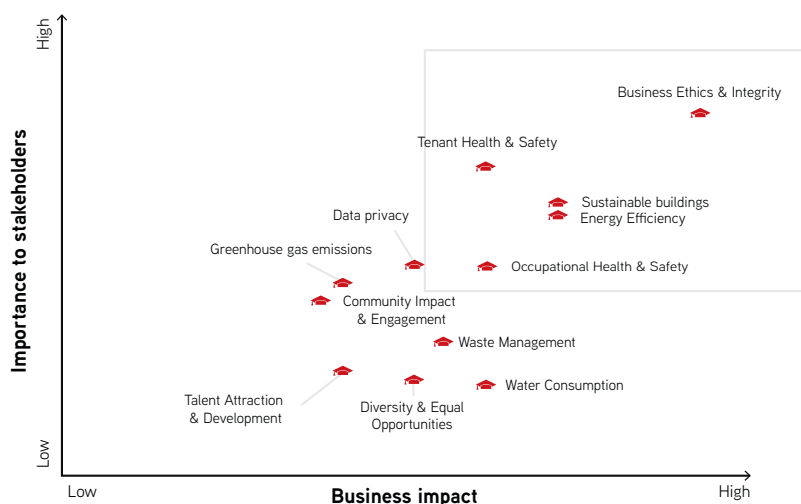
Based on an in-house workshop, by-proxy stakeholder interviews and an internal management review, these 12 themes were prioritised on the basis of two questions:


- to what extent do Xior's stakeholders attach importance to each of these materialities?
- what social impact can Xior have on each of these materialities, taking into account the associated risks and opportunities?

9.2.2 MATERIALITY MATRIX

The result of this analysis is a matrix showing the five most important focus themes²⁷ for Xior:

- Ethics and integrity
- Health, safety and well-being of employees
- Health, safety and well-being of tenants
- Energy efficiency
- Sustainable buildings



²⁷ The focus themes are marked with 

9.3

SUSTAINABILITY STRATEGY

9.3.1 SUSTAINABILITY FRAMEWORK

In order to shape Xior's approach to sustainability, a strategy was designed for the next three years. The sustainability framework consists of two pillars that bring together the main material themes.

- **Best in class organisation and employees:** Achieving operational excellence by ensuring that the organisation operates in an ethical and transparent manner, and that its people can flourish.
- **Happy students in efficient buildings:** Offering quality and sustainable housing where students feel comfortable, safe and at home.

These pillars form the basis of Xior's sustainability strategy in which these focus themes will be further elaborated in the coming years and in which the necessary action points and priorities will be defined.

Best in class organisation and employees

- Ethics and integrity
- Health, safety and well-being of employees

Happy students in efficient buildings

- Health, safety and well-being of tenants
- Sustainable buildings
- Energy efficiency

9.3.2 XIOR AND THE SUSTAINABLE DEVELOPMENT GOALS

The United Nations launched 17 Sustainable Development Goals (SDGs) and 169 sub-goals for 2030. SDGs provide governments, societies and companies worldwide with a clear framework to better protect and flourish our planet and its inhabitants.

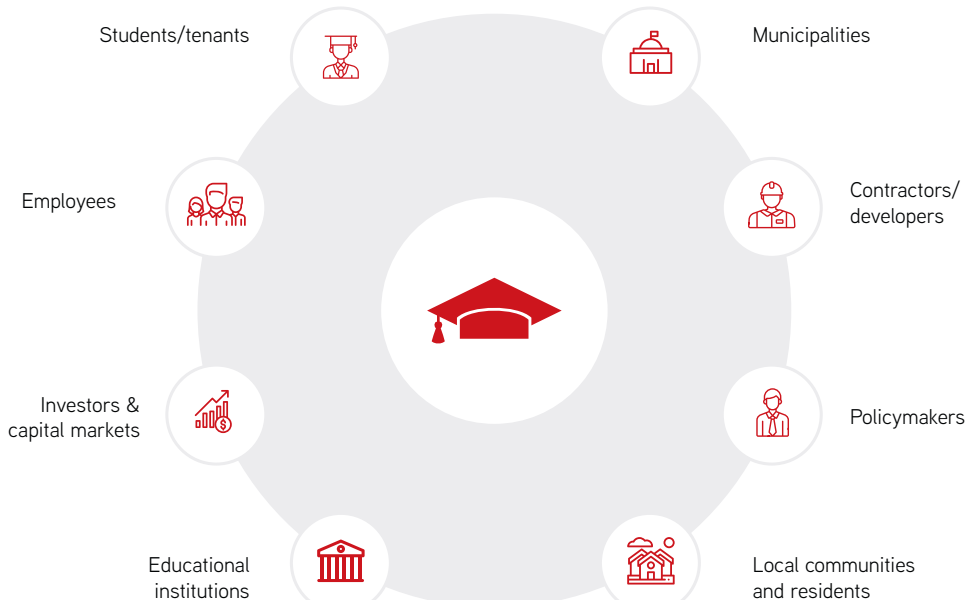
The SDGs therefore formed an important guideline for Xior's sustainability strategy, in which further actions on the selected focus themes will contribute to these four SDGs:

- 7 – Affordable and Clean Energy
- 9 – Industry, Innovation and Infrastructure
- 11 – Sustainable Cities and Communities
- 16 – Peace, Justice and Strong Institutions



9.3.3 THE XIOR STAKEHOLDERS

The Xior management identified the following main stakeholder groups for Xior:



The needs of these stakeholder groups formed an important criterion to determine the sustainability strategy and the material themes for Xior.

9.3.4 ASSOCIATIONS AND CORPORATE MEMBERSHIPS

Xior is a member of the following associations:



9.4 THE XIOR FAMILY: STUDENTS AND EMPLOYEES (Emp. Turnover)

The aim at Xior is to offer quality and reliable accommodation to students who are looking for a place where they can study, live and enjoy life in ideal conditions. A place with that little bit extra, where every student immediately feels at home. At Xior, every employee makes a significant contribution to that goal.

One of Xior's core values therefore centres around an ever larger and more international #Xiorfamily, whereby the company strives for a family atmosphere in the various residences as well as the workplace with a healthy work/life balance.

With a presence in four countries and 26 cities, diversity is an important keyword for Xior both in terms of its tenants and its employees. The mixture of cultures, talents and languages of the tenants is also reflected in the employees.

The health, safety and well-being of both its tenants and its employees are considered material for Xior. This chapter provides an overview of Xior's efforts to create a pleasant, healthy and safe living and working environment for students and employees. Xior will increase these efforts even further over the coming years.

All listed indicators are displayed in accordance with EPRA. An overview of all social performance indicators is provided in the EPRA tables in Chapter 9.7 of this Annual Report. The main observations and trends are discussed below.



+44%

Evolution of number of students
(number of lettable student units) from
5,505 in 2018 to 7,932 in 2019



+124%

Evolution of FTEs: from 25 employees
at the end of 2018 to 56 employees at
the end of 2019²⁸

We also focus on finding additional employees with talents that fit within our Xior family. In 2018, 25 employees were on the payroll. One year later, we have again grown significantly to 56 employees by the end of December 2019, thanks in part to our entry into Spain and Portugal²⁹.



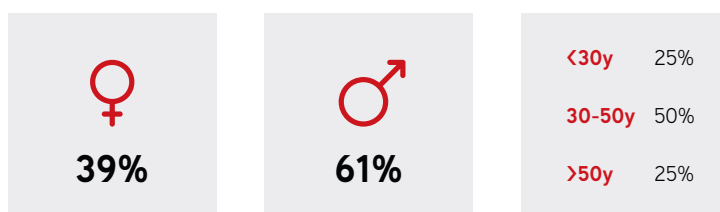
9.4.1 DIVERSITY (Diversity-Emp + Diversity-Pay)

Employee diversity

Xior is a fast-growing international company with a large regional distribution (active in four countries and 26 cities by the end of December 2019). It is very important for Xior to be able to continue to attract the right talents and integrate them in the company.

Xior also wants the great diversity of nationalities in its client base to be reflected in its employees. That's why it is essential to find a good mix of different talents, cultures and personalities. And, of course, the language skills of (potential) employees are also important. Xior's selection procedures are short, with objective selection criteria and a great deal of attention paid to diversity.

At Xior, employees find themselves in a safe, healthy and pleasant working environment, where everyone's opinion, skills and personal development are taken into account. Xior also offers its employees a fair salary package, fringe benefits (such as health insurance, a bonus system and more) and a good work/life balance. With regard to pay, no distinction is made between men and women, while men and women in the same job are treated equally, as shown by the good salary gap ratio, which is around 1 and which Xior considers important (cf. EPRA table in Chapter 9.7)³⁰.



²⁹ Number of employees excluding the Board of Directors.

³⁰ Salary gap ratio is 1.02 for other employees. These are the employees excluding the Board of Directors.

Student diversity

In terms of both tenants and employees, Xior is an organisation that brings together a great social mix, with people from all corners of the world and from all sections of the population. In 2019, Xior offered housing to more than 137 nationalities who study, live and enjoy life together in harmony.

FROM AROUND THE GLOBE  A WORLD CLASS FAMILY



We currently count 137 nationalities in 82 buildings

9.4.2 PERSONAL DEVELOPMENT (Emp-Training + Emp-Dev)



Despite its strong growth, the culture at Xior is still characterised by a flat organisational structure and a family atmosphere where entrepreneurship and initiatives are encouraged and supported and where everyone enters into an open dialogue with each other. Based on the belief that continuous training is one of the keys to increasing staff versatility, Xior launched the 'We Care for your Talent' programme in 2019. Through this programme, Xior aims to provide training of an average of five days per full-time equivalent employee (FTE). All Xior employees are encouraged to take part in training courses and seminars, while collective training courses are also organised on a regular basis. In 2019, 2.8 hours of training per FTE were officially declared. This will increase next year when our programme is fully operational.



Average amount of training per employee:
2.8 hours

In 2019, an evaluation meeting was organised for 61% of employees³¹ during which the necessary attention was paid to the growth of the team, the necessary resources, training and personal career expectations. In such meetings, the objectives for the following year are also set. In addition to these annual evaluation interviews, several on-the-job coaching and informal feedback sessions take place throughout the year.

Xior also continued its collaboration with university institutions throughout 2019, which resulted in employees from various departments (rental offices, marketing, PR, etc.) supervising several trainees a year.



9.4.3 HEALTH AND SAFETY

Healthy and safe in a student room (H&S-Assets + H&S-Comp)

Student safety will always remain an important priority for Xior. As such, rooms are equipped with access control and a fire safety system.

100% of the assets are subject to a safety inspection pursuant to the housing code as part of granting permits. These conformity checks are set out by law and include (depending on the various regional directives) fire safety checks and a technical inspection of the lifts, electricity, water quality, ventilation and heating systems, among other things. As indicated in the EPRA table (see Chapter 9.7), three incidents (of non-compliance with regulations and voluntary codes relating to the health and safety impact of our assets) were identified in 2019. In line with our policy, measures were taken as soon as the incidents were identified.

In addition, operational staff or residence managers regularly carry out site visits. They identify needs and potential improvements, and ensure that any problems are addressed quickly. If there is still an urgent technical problem, the operational teams are at the students' disposal 24 hours a day, 7 days a week.

The implementation of the new C-scan programme in 2020 will also enable Xior to continuously monitor the air quality (CO₂, smoke, humidity, etc.) in student rooms and, if necessary, to intervene or make adjustments. It is Xior's vision to equip more student residences with such a system in the future following a successful test phase in four buildings.

³¹ The employees in Spain have recently been recruited and will be invited for an evaluation interview in 2020.

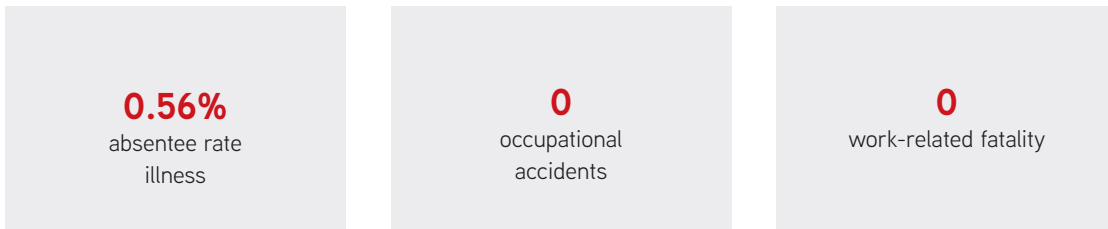


Healthy and safe at work (H&S-Emp)

"Relax in your own place! Xior offers students high-quality and secure student rooms where you can study, live and enjoy life in ideal conditions"

As in 2018, in 2019 there were no occupational accidents or work-related deaths. Xior promotes a healthy work/life balance, resulting in low absenteeism (cf. EPRA table Chapter 9.7).

From 2019, every Belgian member of staff will also have **hospitalisation insurance** through Xior. At the beginning of 2020, all Belgian offices switched to a 39-hour working week (instead of a 38-hour week). This change was made to bring the work schedule more in line with employees' needs, giving them **six extra days of leave** to use. Xior will also roll out the **'Healthy and safe at work'** policy statement in 2020.



Exercise at work and in student accommodation (H&S-Emp)

Exercise contributes to better health and clarity of mind for both students and employees. That's why Xior already provides gyms and relaxation facilities in some of its buildings, including pool and table tennis tables.



Alma/Roxi - Brussels



Diagonal Besòs - Barcelona

The ESG working group also launched a **corporate well-being programme** for employees – XIORIZE. Launched in March 2020 in collaboration with Energy Lab, the programme challenges employees to exercise more together and to become healthier and happier. Employees are taking on the challenge of making a journey of 40,075 kilometres, exactly the distance of a complete trip around the world, to raise money for charity. In order to achieve this goal, each step or kilometre by employees will be logged. Moreover, Xior is also challenging its staff to become real Xior heroes and take part in an Olympic triathlon (swimming, cycling and running). Thirty-six colleagues from Belgium, the Netherlands and Spain have already committed to training for an Olympic triathlon for six months, after a personal screening and with personal guidance.

Furthermore, Xior is currently analysing whether the programme can also be extended to students for the 2021/2022 academic year. By doing so, Xior could significantly increase its impact, further promote the sense of community and encourage students to move more and commit themselves to a good cause.



Empathy with students

Xior does everything in its power to make students feel at home. In order to achieve this, it is essential that Xior knows how tenants are feeling. In this context, it is important to bring universities closer to Xior's sphere of influence. Universities monitor students' physical and mental health and are therefore ideally placed to follow up on any concerns regarding a tenant.

Everyone also knows that the most difficult period for many students is usually the exam period. That's why Xior likes to pamper students during these periods (with a luxury breakfast, for example). Xior also regularly supports or sponsors student events and associations.

Xior plans to measure tenant satisfaction through **a satisfaction survey**, after which the results will be used to draw up an action plan.

9.4.4 COMMUNITY IMPACT AND ENGAGEMENT

Inclusive communities (Comty-Eng)

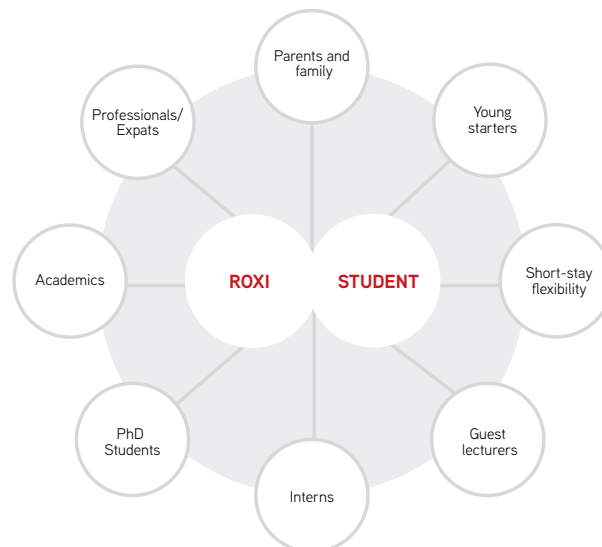
At Xior, it is the students, as clients, who determine the scope of operations, and they form the community to which Xior is committed on a daily basis. It is a challenge for Xior to form, support and actively engage this community with the issues (such as ecological ones) facing Xior.

As indicated in the EPRA table, residence managers are present in 54% of the residences (see p. 218), with Xior present on site through these residence managers as well as through the regional offices. Xior is committed to students' well-being, and this is reflected in the facilities provided for them as residences have sufficient communal areas to promote social contact and relaxation among students.



Bonnefanten - Maastricht

With **ROXI**, Xior launched a new hybrid housing concept that allows both long and short stays and also addresses other target groups in students' wider and living environments: parents who come to visit, PhD students, academics, guest lecturers, recent graduates taking their first steps on the job market, etc.



Roxi focuses on different target groups in the students' environment

Xior also pays attention to facilities for disabled persons. Many buildings have wider doors for wheelchair users, more spacious rooms and bathrooms for disabled persons, while the building on Brusselsepoortstraat (Ghent) has a lower counter in the kitchen for wheelchair users and a lift platform has been installed in the communal area in the residence on Oudergemlaan (Etterbeek).

Xior also makes every effort to promote students' well-being when it comes to the student rooms. By way of example, Xior and Donum joined forces to promote the 'Tipton' chair: an ergonomic office chair that improves students' study performance. This chair will be fitted in all student rooms in the new residences and now forms part of the standard room furnishings. Office chairs in existing buildings are also gradually being replaced by the 'Tipton' chair.

Affordability for the tenants

Xior is acutely aware that studying and living in rented student accommodation is a major investment for students and their parents. Xior therefore makes every effort to make high-quality and secure accommodation, where students can study, live and enjoy life in ideal conditions, accessible to the widest possible audience. As such, Xior strives for an optimal mix of student rooms, including 'budget rooms', so that student accommodation does not have to be a luxury product.

Xior also works with educational institutions and housing corporations in order to be able to provide an additional 'social' range. In Barcelona, Xior also offers 20 scholarships, allowing 20 students to rent a student room at a greatly reduced price.

The Xior employees once again organised a successful **'Win a year free housing'** campaign in Belgium. Students from different residences in Belgium were asked to complete a wordsearch, in which all the words to be found described Xior's ecological approach. This served to raise awareness among students of their ecological impact both when at home and during their student life. The main prize was a free room for one year.



Good neighbours

Xior strives for good relationships and a good understanding with the neighbours of all of our residences. In order to achieve this, regular consultations take place with the neighbours both from the start of the permit process and after the building has been occupied.

The aim is to keep any nuisance (noise, waste, etc.) to an absolute minimum for both co-inhabitants and neighbouring residents. This is done by means of awareness-raising campaigns as well as active and intensive follow-up by the residence managers present on site.

Municipalities and educational institutions

Constant and interactive communication with educational institutions and the (local) authorities is an important priority for Xior. About 18% of the annualized rental income from the property portfolio is currently linked to some form of collaboration with an educational institution (contracts, guarantees and partnerships).

Cooperation with local social enterprises

In the Besòs residence in Barcelona, Xior works with various social non-profit organisations:

- Foundation Formació i Treball: Xior works with this foundation for the restaurant, catering and cleaning of communal areas. Established in 1992 by Caritas, the foundation aims to help people find a job that is impossible or more difficult to find on the regular employment market.
- ILUNION: Xior works with ILUNION for the processing of laundry and linen. ILUNION wants to create quality jobs for people with disabilities.
- TEB: TEB is the regular partner for garden maintenance. TEB looks for jobs for people with intellectual disabilities. By caring for nature, these people gain considerably more self-confidence.
- Diswork: All night concierges are provided through Diswork, an organisation that helps people with disabilities find jobs.



Food surpluses

In 'The Lofttown' in Barcelona, tasty, healthy and balanced meals (made with as many local and organic products as possible) are served to the students. All food surpluses are donated to a charity that in turn distributes them to the most underprivileged in the city.

Warmste Week

During the 'Warmste Week' annual charity fundraiser organised by radio station Studio Brussel, an event was organised in Antwerp and Leuven for students and colleagues in support of Auxilia vzw, an organisation of voluntary teachers who help underprivileged children, youngsters and adults who need some extra help with their education. This campaign yielded EUR 1,200, with Xior matching the amount so that Auxilia vzw received a total of EUR 2,400.



9.5

ETHICS AND INTEGRITY



Xior is committed to doing business honestly and correctly at all times, communicating openly and reporting as fully and transparently as possible. Xior strives for the highest values and standards when it comes to ethics. Integrity, honesty and reliability are therefore keywords within the Xior culture.

Since 2019, all new employees have been asked to sign the employment regulations, dealing code, the internal notification procedure and the privacy policy.

9.5.1 CORPORATE GOVERNANCE CHARTER

In order to achieve all this and to provide everyone within the organisation with clear guidelines, a Corporate Governance Charter has been drawn up (can be viewed online), with the Belgian Corporate Governance Code as reference. This charter, including the dealing code and the complete integrity policy, can be consulted freely on the Xior website. Xior reports annually on its operational management via the corporate governance statement in the annual report.

Xior has also developed an internal reporting procedure for employees who wish to report a (potential) violation of the Corporate Governance Charter. The procedure ensures that they can do so in complete confidence and confidentiality as soon as there is a reasonable suspicion of a violation.

9.5.2 DEALING CODE

Xior has drawn up its own dealing code for financial transactions. This document (available online) contains the main rules to be observed to prevent the abuse of market and insider information.

9.5.3 GDPR

The EU General Data Protection Regulation (GDPR) came into force in May 2018. With this regulation, Europe aims to ensure a higher level of protection for all individuals whose personal data is held and processed. Xior took several actions in 2019 to comply with this regulation, including switching to a more secure IT cloud environment and changing both the internal procedures and the privacy settings on its website. You can also consult the privacy policy on the Xior website. This new IT infrastructure will be further rolled out in 2020, including a new state-of-the-art security system.

Internal training on GDPR will be organised in 2020, with a focus on the protection and processing of personal data and the handling of data breaches. In this way, we are trying to ensure that the attention and knowledge of all our employees remain at the highest level and that our internal procedures are kept up to date with the latest developments in the field.

9.5.4 WHAT'S NEXT?

In 2020/2021, the Code of Conduct and the car and travel policies will be set out in more detail, while Xior will also further develop the international corporate culture and corporate values.

Furthermore, at the beginning of 2020, the Corporate Governance Charter was adapted to the new Belgian Corporate Governance Code 2020 and the remuneration policy was set out in a separate document to be submitted to the shareholders for approval at the general meeting.

9.6

ENVIRONMENTAL AND ENERGY PERFORMANCE

As a real estate player in student housing, Xior is actively working with all students to reduce its ecological footprint.

In 2019, Xior committed itself to further systematic mapping of its environmental performance, partly on the basis of a more comprehensive set of indicators. For example, this year the climate impact of student accommodation was calculated for the first time, while all waste collectors were contacted to gain insight into the evolution of waste flows. Active efforts were also made to improve the energy efficiency of the entire portfolio, during the design and development as well as during the use of the infrastructure, by focusing on user awareness, resulting in an annual reduction of the environmental impact.

All consumption and associated greenhouse gas emissions are collected centrally based on measurements and invoices. This report only discusses the performance data of the units under own management and considers 2018 as the base year for the trend analysis. Consumption in 2018 was adjusted retrospectively on the basis of actual figures from invoices and measurements. The methodology used for all measurements is described in detail in Chapter 9.8. This methodology applies mainly to the environmental part, but also to the social part.

An overview of all environmental performance indicators is provided in the EPRA tables in Chapter 9.7. The main observations and trends are discussed below.

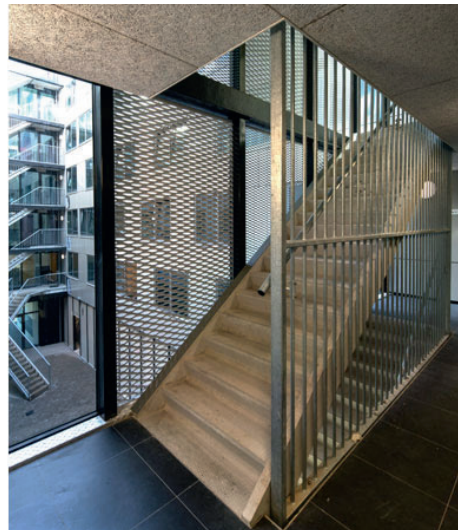


9.6.1 SUSTAINABLE BUILDINGS



Building in the spotlight: Woudestein

The modular precast concrete system CD20 was chosen for the construction of the Woudestein residence in Rotterdam. This system is very quick and clean to assemble, saves material and can also be completely dismantled and reused.



By using this system, the building height per floor was reduced by 20 to 30 cm. Building with CD20 also contributes to a CO₂-neutral construction.

Building in the spotlight: Woodskot

Woodskot was completed in Brussels at the end of 2019. It is a student residence that, as the name suggests, is primarily made of wood and meets strict ecological standards. On the site of an old shoe factory, Woodskot is now an ecological home to more than 91 students.



Woodskot is mainly composed of cross-laminated timber (CLT), a building material consisting of elements of certified wood joined together in several layers to guarantee the strength of the material. As this wood usually comes from regions that are reforested, it is considered a renewable source. And while the production of concrete emits a lot of CO₂, wood stores CO₂. In addition, a construction with wood provides a healthier living environment, as wood regulates humidity more closely and provides better thermal and acoustic performance.

"With Woodskot, Xior hopes to contribute to the regeneration of the neighbourhood."

There will also be nine social housing units at the back of the building. With the diversity that students and social housing bring, Xior hopes to make a positive contribution to the regeneration of the neighbourhood.

Certificates (Cert-Tot)

In Belgium, the sites or individual self-contained rooms have an energy performance certificate (EPC) that maps out the energy efficiency of the student residences. A similar Energy Index (EI) is established for self-contained student rooms in the Netherlands, while new construction projects also have an EPC value.

In 2019, a start was made on collecting and centralising all energy certificates. Currently, the EPC/EI certificates of 74% of the sites in the measurement scope have been mapped but, as this process is still ongoing, Xior is well aware that this does

not yet give a complete and correct picture. In addition, some reports are still being requested as a result of renovations or new construction projects, while some certificates are still missing as in the Netherlands, there is only an obligation to measure the energy performance of self-contained units.

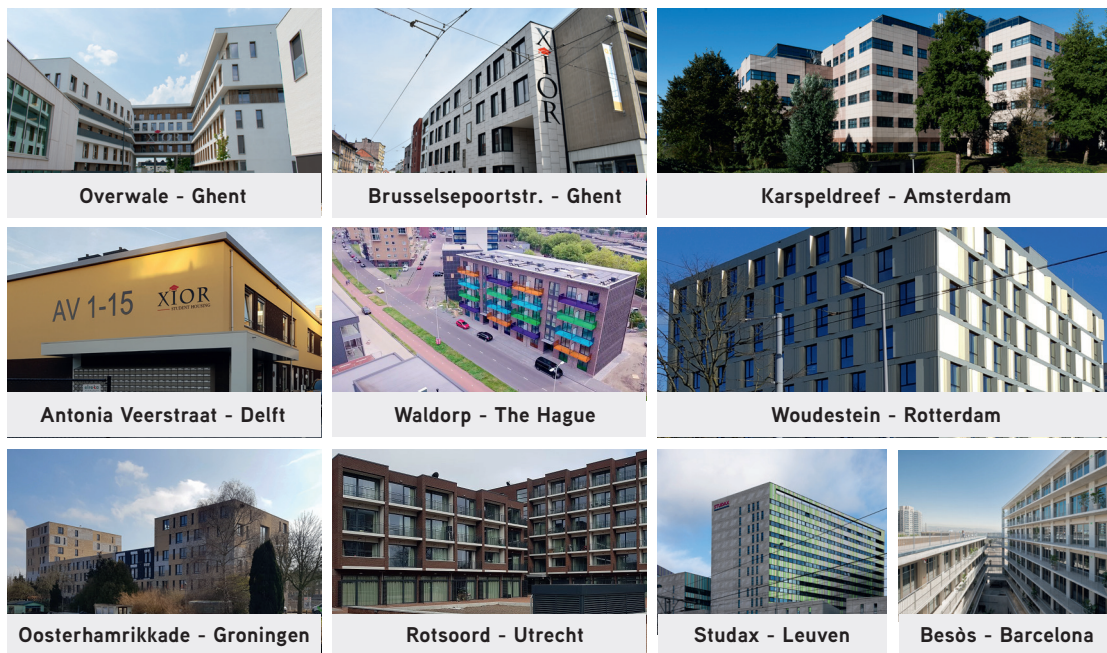
Xior undertakes to further integrate these energy scores in future sustainability reports as well as to increase the scores, which is a clear reflection of Xior's strategic commitment to greening its portfolio. In order to further improve and digitalise this mapping process, a new system has been set up that will be further rolled out in 2020 and will serve to centralise all inspections (in addition to all certificates) for the entire real estate portfolio and to further optimise management afterwards.

Green assets and Green Finance Framework

Xior developed a 'Green Assets Portfolio' – a selection of the most ecologically advanced buildings in the real estate portfolio. As part of Xior's sustainability ambitions and with the aim of attracting specific funding for (re)financing green projects and assets, Xior has developed a Green Finance Framework. This framework provides a context that complies with the Green Loan Principles (GLP), launched by The Loan Markets Association (LMA) and supported by the International Capital Market Association (ICMA). Based on this framework, a first green financing target of EUR 25 million was achieved in February 2019. This Green Finance Framework was upgraded, with certification by a Second Party Opinion from Sustainalytics, and now complies with the Green Bond Principles (GBP). The Green Finance Framework and the Second Party Opinion can be consulted online on the Xior website. In April 2019, Xior realised a successful US Green Bond private placement for a total amount of EUR 100 million divided into a EUR 34 million tranche with a 6-year maturity and coupon of 1.92% and a EUR 66 million tranche with a 12-year maturity and coupon of 2.32%. This brings the total green financing to EUR 125 million.

At the end of December 2019, the green portfolio consists of 10 sites, three more than in 2018. As indicated in the EPRA table (see Chapter 9.7), eight of these sites are part of the current measurement scope.

The overview below shows the sites in the green portfolio in the year 2019. Xior is committed to further increasing the share of "green" buildings in its portfolio in the coming years.





9.6.2 ENERGY EFFICIENCY



In the European Union, buildings are responsible for 40% of the total energy demand and 36% of the total CO₂e emissions. At Xior, people understand that the company has a great responsibility that cannot be ignored. The further mapping of the energy consumption and climate impact of the student residences will form the basis for further initiatives to further reduce energy consumption. The energy indicators are presented in accordance with the EPRA guidelines and can be found in the EPRA table of environmental indicators in Chapter 9.8.

Energy intensity of buildings

In the like-for-like scope, a 6% decrease in energy intensity was observed, to an average energy consumption of 171 kWh/m².³²

-6%
Energy intensity
(kwh/room) - LfL

"This year, we extensively mapped out our energy consumption with a view to reducing our energy intensity and greening our energy demand."

Solar energy and green electricity

Nine of the residences in the scope (six in the Netherlands and three in Belgium) currently produce their own solar energy. The total installed power of the solar panels is approximately 332,130 WP. Xior will continue to invest in solar energy and the installed capacity will also increase due to the commissioning of new sites (such as Diagonal Besòs in Barcelona and Studax in Leuven³³).

Xior is currently working on an exercise in which all contracts with energy suppliers are mapped out and evaluated. In 2019, 12% of the total electricity demand was covered by green electricity (from renewable energy sources) from the sites measured, with 6% self-generated and 6% coming from green energy contracts. Xior aims to increase this percentage significantly in the coming years. In view of the fixed duration of current energy contracts, we expect more and more contracts to be converted to green electricity when they expire, meaning this percentage will increase at an ever faster rate.

In the past, the electricity contracts for some of the residences in the portfolio were closed on a unit-by-unit basis. Xior wants to internalise these contracts as much as possible in order to get a better grip on the type of contract (e.g. green electricity) that is concluded. Today, Xior is already responsible for the electricity contracts of 91% of the residences in the portfolio in scope (landlord-obtained).

Electricity consumption

Absolute consumption (Elec-Abs)

In 2018, the scope included 54 buildings responsible for electricity consumption of 3,430 MWh. This year, consumption of 4,148 MWh for 57 buildings was measured, of which 12% came from renewable sources.

Like-for-like consumption (Elec-LfL)

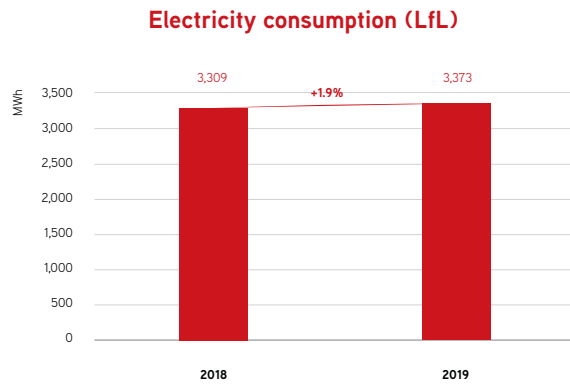
Due to the growth of the portfolio, it is more important for Xior to analyse the trends based on a constant scope rather than based on absolute consumption. This is why like-for-like analysis is studied as an indicator of the trend in consumption.

The like-for-like analysis compares the electricity consumption of 44 buildings that were operational in the last two years. The analysis shows a slight increase of +1.9% (64 MW) compared to 2018. However, the share of green electricity in the like-for-like scope also increased from 4% to 11%. There is no direct cause for the slight increase of 1.9%. This may be due to improved data collection. The 7% increase in the share of green electricity is a direct result of all efforts to renegotiate

³² In percentage terms, this decrease is greater than the decreases in the like-for-like scopes of the various energy sources. This is due to a different scope of measurement for energy intensity. In order to calculate an accurate intensity, only sites are included in the intensity calculation for which data was available for each type of energy consumed on the site. For a more detailed explanation of the EPRA measurement methodology, we refer to Chapter 9.8 "Measurement methodology and assumptions".

³³ Diagonal Besòs (Barcelona) and Studax (Leuven) are not included in the scope for 2019.

some of the electricity contracts.



Fossil fuels

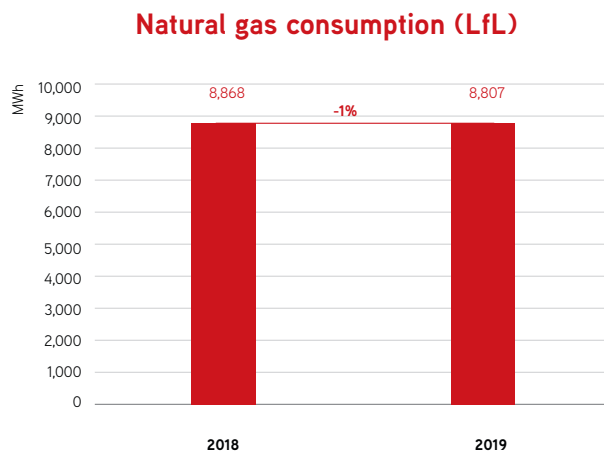
The heating of student accommodation represents the largest part of the reported energy consumption (62% in 2019). Student accommodation is mainly heated with natural gas. Absolute natural gas consumption will increase with the commissioning of several sites in 2019. In the like-for-like scope, Xior observes a slight decrease.

Absolute consumption (Fuel-Abs)

In 2019, 12,103 MWh of natural gas was consumed in 38 buildings. Again, due to the growing portfolio and better data collection, it is mainly interesting to study a constant scope (Lfl analysis) as an indicator of the trend in consumption.

Like-for-like consumption (Fuel-Lfl)

This like-for-like analysis compares the consumption of 28 buildings that were in operation in the last two years and for which complete data is available. The data shows a decrease compared to last year.



This decrease can be explained by a combination of efforts (e.g. insulation and windows according to the latest insulation standards) and a milder winter. However, a normalisation of consumption data based on degree days is not relevant in this context since part of the natural gas is also used to heat domestic water. A more detailed explanation is provided in the measurement methodology in Chapter 9.8.

District heating (DH&C-Abs & Lfl)

With CO₂ emissions 30% lower than natural gas, the use of heat distribution has a positive effect on the ecological footprint of a building. Seven Xior residences are connected to such a system:

- Woudestein (Rotterdam, The Netherlands)
- Ariënsplein (Enschede, The Netherlands)³⁴
- Naritaweg/Barajasweg (3 buildings), Karspeldreef (Amsterdam, The Netherlands)
- Diagonal Besòs (Barcelona, Spain)³⁴

There is no data available yet for the Ariënsplein site in Enschede. Data is available for the two buildings on Naritaweg (Amsterdam), Barajasweg (Amsterdam) and Karspeldreef (Amsterdam), although not for the last two years as they have not yet been in the portfolio for that long. Consequently, a trend can only be observed for Woudestein as the only site in the like-for-like analysis scope. The observed increase of 3.7% may be due to this year's more complete data collection compared to last year. Xior will also give preference to such a sustainable system for new investments, if possible.

Raising awareness among tenants

As far as energy efficiency is concerned, Xior is working hard to raise awareness among students. Every student gets a flyer with tips and tricks on how to save energy, while posters are also put up in several buildings.



Individual meters are also provided per room at several locations in the Netherlands and Belgium. Such meters ensure that students are aware of their energy consumption far more quickly.

³⁴ Diagonal Besòs (Barcelona) and Ariënsplein (Enschede) are not part of the scope for 2019.

LED relighting programme

In 2019, the LED relighting programme continued, replacing conventional lighting with more sustainable LED lighting. In Belgium, about 50% of the old conventional lighting has already been replaced. In addition, all new construction projects are fitted with motion detectors in stairwells, corridors and sanitary areas as standard.

9.6.3 WATER

More efficient water use (Water-Int)

In addition to a number of technical measures such as dual flush buttons in the toilets and energy-saving shower heads, Xior is particularly committed to raising awareness among students. To this end, all students receive a shower hourglass as a gift, which teaches them to be aware of the duration of their shower and their water consumption. The combination of technical measures and awareness-raising led to a clear 10% decrease in water intensity in 2019.

Absolute water consumption (Water-Abs)

In 2019, 101,127 m³ of water was consumed across 56 buildings. This corresponds to 0.9 m³ of water per square metre. Consumption in 2018 (cf. EPRA table in Chapter 9.7) was adjusted based on actual figures from invoices and measurements.

Like-for-like water consumption (Water-LfL)

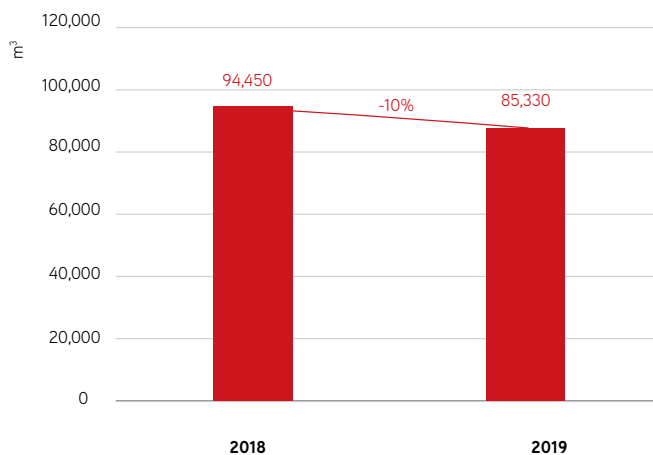
In order to determine the evolution in 2019 compared to 2018, the like-for-like consumption of 48 sites was studied. The results confirm the declining trend, with a 10% decrease compared to last year in the like-for-like scope.

This decrease is a consequence of the many technical interventions and awareness-raising campaigns carried out in 2019, which had a positive impact on water consumption.



"Although the scope of measurements has increased, Xior notes a significant drop in water demand."

Water consumption 2019 (LfL)



-10%

Water intensity (m³/m²) - LfL

"This year, Xior worked with the students to raise awareness about water use. The results are clearly visible."

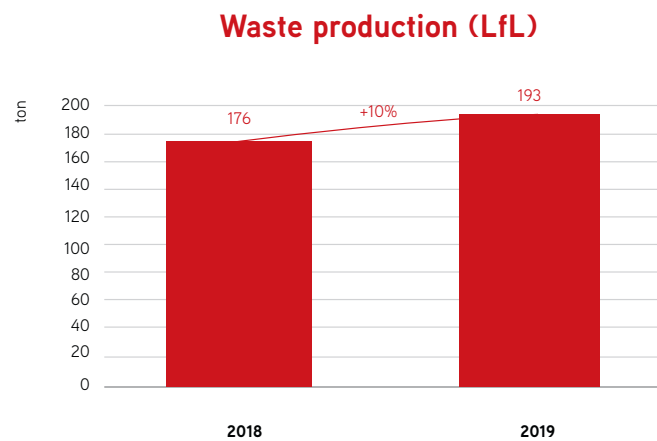
9.6.4 WASTE PRODUCTION

Absolute waste production (Waste-Abs)

In cooperation with the waste collection companies, data was collected for 14 buildings in 2019 and 24 in 2018. For the 14 buildings for which data is already available for 2019, a total waste production of 217 tonnes was determined. This is almost as high as the quantity for 24 buildings in 2018. However, it should be noted that 28% of the result for 2019 comes from extrapolated data.

Like-for-like waste portfolio (Waste-Lfl)

If a smaller scope is taken into account, including the 12 buildings for which data is available for both 2018 and 2019, an increase of approximately 10% is observed.



This first analysis clearly shows that important steps still need to be taken in the area of waste production. In order to achieve a reduction, Xior will again combine technical measures with awareness-raising campaigns among students and will continue to work on a systematic way of improving the mapping of waste production even further.

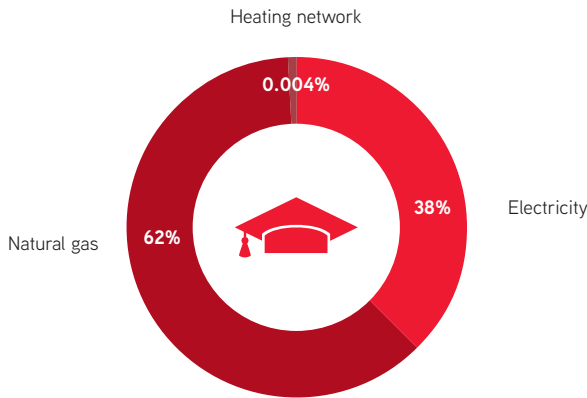
9.6.5 THE CLIMATE IMPACT

General results

In line with international ambitions and climate agreements, Xior, in collaboration with an external partner, calculated the climate impact of the student accommodation for the first time in 2019. For this purpose, the regulations of the Greenhouse Gas (GHG) Protocol – one of the most widespread tools to understand, quantify and manage greenhouse gases – were used.

Direct greenhouse gas emissions are mainly linked to the use of fossil fuels for heat production. Most of the sites are heated using natural gas, which has a lower impact than the heating oil used in the past. Indirect greenhouse gases originate from electricity production at the various electricity suppliers.

Total greenhouse gas emissions in 2019: Distribution by source



Absolute emissions (GHG-Dir-Abs en GHG-Indir-Abs)

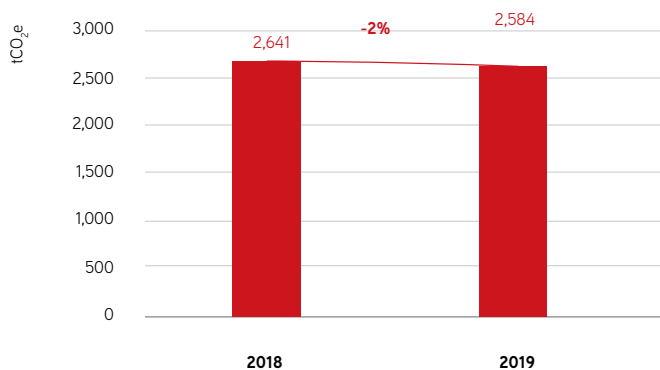
The climate impact of the student accommodation for 2018 and 2019 was calculated for the buildings within the relevant measuring scope and amounts to 2,979 tCO₂e and 3,626 tCO₂e respectively.

*Absolute emissions in 2019:
3,626 tCO₂e
= 1,520 return flights to New York
= 360 x emissions of average Belgian in 2018
= 330 x emissions of average Dutchman in 2018*

Like-for-like emissions (GHG-Dir-Lfl en GHG-Indir-Lfl)

Through a like-for-like analysis, Xior observes a decreasing trend compared to 2018. This analysis compares the climate impact of the student accommodation that was operational in the last two years and for which complete data is available. Compared to 2018, the climate impact decreased by 2%, which is in line with the previously observed reductions in energy consumption.

Greenhouse gas emissions (Lfl)



Intensity of greenhouse gases (GHG-Int)

As a result of a lower energy intensity, the greenhouse gas intensity per square metre decreased by 7% compared to last year.

Electricity

Electricity consumption today accounts for approximately 38% of Xior's total climate impact. As part of this first climate study, electricity emissions were calculated based on the average CO₂ intensity per kWh of the national electricity networks (location-based) used by Xior, with the addition of grid losses. However, the climate impact of electricity production differs from one producer to another (market averages or market-based).

By choosing an energy supplier that can supply certified green electricity, or by generating its own electricity from renewable energy sources, Xior could therefore reduce the total reported climate impact by 38%.

In 2019, 205 tCO₂e was avoided thanks to green electricity contracts and producing its own electricity using solar panels. Xior is taking the necessary steps to map out the details of current energy contracts and then reassess them.

-7%
Greenhouse gas intensity
(kwh/m²) - LfL

"In line with international ambitions, Xior checked the climate impact of our student accommodation and head office for the first time in 2019. In 2019, we avoided 205 tCO₂e (6% of our climate impact) thanks to producing our own electricity and purchasing certified green electricity. We are committed to increasing this share further."

Fossil fuels

Most of Xior's sites are heated on natural gas. The measurements show that natural gas is responsible, on average, for 62% of the greenhouse gas emissions linked to the portfolio.

Head office

This year, the climate impact of the company's own head office was calculated for the first time. Due to the low energy demand of 69 kWh per square metre supplied solely by electricity, the head office is responsible for an annual impact of 4.2 tCO₂e. Green electricity can reduce the reported climate impact (scope 1, 2 and 3) to 0.

Conclusion of climate impact

Xior mapped out the climate impact of the student accommodation for the first time in 2019, based on data from 2018 and 2019. This initial calculation should mainly be seen as an initial estimate, with the focus primarily on identifying and collecting the data needed to measure climate indicators. Xior undertakes to monitor emissions closely for the coming years and to provide additional data.

With an adapted reduction strategy, Xior will then explore further possibilities to reduce emissions. In formulating its climate ambitions, Xior seeks to be inspired by the internationally established "science-based targets" that map out a path per sector towards the objectives set out in the Paris Climate Agreement.

9.7

EPRA TABLES

9.7.1 EPRA SBPR TABLES OF ENVIRONMENTAL PERFORMANCE INDICATORS – FULL PORTFOLIO AND HEAD OFFICE, SEGMENT ANALYSIS BY COUNTRY

Impact area	GRI Standards (CRESS) Indicators	EPRA sustainability performance measurement	Measuring unit	Portfolio								
				Total portfolio								
				Absolute measurements (Abs)		Like-for-Like (Lfl)		% change				
				2018	2019	2018	2019					
			Sites in scope	59	69							
Energy (landlord-obtained ¹)	302-1	Elec-Abs & Lfl	Total electricity consumption	Annual kWh	3,429,903	4,148,099	3,308,699	3,372,736	2 %			
				Number of buildings in calculation (green and grey electricity)	Number of buildings	54	57	44	44			
				Share of extrapolation of consumption data	%	1%	2%	1%	2%			
				Share of electricity from renewable sources (own production + purchase)	%	4%	12%	4%	11%			
				Share of electricity from renewable sources (own production)	%	4%	6%	4%	4%			
				Share of electricity from renewable sources (purchase)	%	0%	6%	0%	7%			
	302-1	DH&C-Abs & Lfl	Total consumption of district heating and cooling	Annual kWh	769,723	3,431,564	769,723	798,334	4%			
				Number of buildings in calculation	Number of buildings	1	5	1	1			
				Share of extrapolation of consumption data	%	0%	0%	0%	0%			
				Share of district heating and cooling from renewable sources	%	N/A ²	N/A ²	N/A ²	N/A ²			
	302-1	Fuels-Abs & Lfl	Total consumption of fossil fuels	Annual kWh	10,237,278	12,103,001	8,868,467	8,806,862	-1%			
				Number of buildings in calculation	Number of buildings	42	38	28	28			
				Share of extrapolation of consumption data	%	4%	7%	4%	7%			
			Share of renewable energy	%	N/A	N/A	N/A	N/A				
	302-3, CRE1	Energy-Int	Total energy intensity of the building	Annual kWh per m ²	185	112	181	171	-6%			
Greenhouse gas emissions (landlord-obtained ¹)			Total greenhouse gas emissions (scope 1 & 2 - market-based)	Annual tonnes of CO ₂	N/A ³	N/A ³	N/A ³	N/A ³	-			
				Total greenhouse gas emissions (scope 1 & 2 - location based)	Annual tonnes of CO ₂	2,979	3,626	2,641	2,584	-2%		
				305-1	GHG-Dir-Abs&Lfl	Direct (scope 1)	Annual tonnes of CO ₂	1,894	2,239	1,641	1,629	-1%
							Number of buildings in calculation	Number of buildings	42	38	28	28
				305-2	GHG-Indir-Abs&Lfl	Indirect (scope 2 - location based)	Annual tonnes of CO ₂	1,085	1,386	1,001	955	-5%
							Number of buildings in calculation	Number of buildings	52	49	39	39
				305-2	GHG-Indir-Abs & Lfl	Indirect (scope 2 - market based)	Annual tonnes of CO ₂	N/A ³	N/A ³	N/A ³	N/A ³	
	305-4, CRE3	GHG-Int	Total greenhouse gas intensity of buildings	Annual kg CO _{2,e} per m ²	39	25	38	35	-7%			

¹ Xior only reports the results of energy invoices paid by Xior (landlord-obtained). It is Xior's vision to relieve students of the responsibilities of their own energy contracts. For some sites in the Netherlands, Xior is still switching from personal contracts to a collective contract. Further information is provided in the methodology. ² Xior did not receive any details on the origin of the energy through its energy supplier and therefore did not report a share from renewable energy. Xior is taking steps, in consultation with its energy producers, to analyse the origin of its energy in more detail and re-evaluate it where necessary.

Portfolio										Head office			Page
Portfolio by country: Belgium					Portfolio by country: The Netherlands					Absolute measurements (Abs)			
Absolute measurements (Abs)		Life-for-like (Lfl)		% change	Absolute measurements (Abs)		Like-for-like (Lfl)		% change	Absolute measurements (Abs)		% change	
2018	2019	2018	2019		2018	2019	2018	2019		2018	2019		
35	38				24	31							
1,298,989	1,416,883	1,246,862	1,287,007	3%	2,130,914	2,731,216	2,061,837	2,085,729	1%	24,510	24,507	0%	p. 205
32	30	25	25		22	27	19	19		1	1		
1%	3%	1%	3%		1%	2%	1%	1%		0%	0%		
6%	5%	6%	6%		4%	15%	4%	15%		N/A	N/A		
6%	5%	6%	6%		4%	7%	4%	4%					
0%	0%	0%	0%		0%	9%	0%	11%					
N/A	N/A	N/A	N/A	-	769,723	3,431,564	769,723	798,334	4%	N/A	N/A		p. 207
					1	5	1	1					
					0%	0%	0%	0%					
					N/A ¹	N/A ¹	N/A ¹	N/A ¹					
5,233,691	4,730,296	4,652,902	4,417,213	-5%	5,004,067	7,372,706	4,215,564	4,389,649	4%	N/A	N/A		p. 206
28	19	18	18		14	19	10	10					
1%	2%	1%	1%		7%	10%	8%	13%					
N/A	N/A	N/A	nvt		N/A	N/A	N/A	N/A					
190	152	188	184	-2%	181	93	175	158	-9%	69	69	0%	p. 205
N/A ³	N/A ³	N/A ³	N/A ³	-	N/A ³	N/A ³	N/A ³	N/A ³	-	N/A ³	N/A ³		p. 210
1,179	1,104	1,063	1,018	-4%	1,800	2,522	1,579	1,566	-1%	4,2	4,2	0%	
968	875	861	817	-5%	926	1,364	780	812	4%	N/A	N/A		p. 210
28	19	18	18		14	19	10	10					
211	229	202	201	0%	874	1,158	799	754	-6%	4,2	4,2	0%	p. 210
31	28	24	24		21	21	15	15		1	1		
N/A ³	N/A ³	N/A ³	N/A ³		N/A ³	N/A ³	N/A ³	N/A ³		N/A ³	N/A ³		p. 210
34	27	34	33	-2%	43	24	41	37	-10%	12	12	-10%	p. 210

³ Xior did not receive any details on the origin of the energy from the energy suppliers and therefore did not report market-based greenhouse gas emissions. Xior is taking steps to further analyse the origin of energy in consultation with its energy producers.

Impact area	GRI Standards (CRESS) Indicators	EPRA sustainability performance measurement	Measuring unit	Portfolio					
				Absolute measurements (Abs)		Like-for-Like (Lfl)		% change	
			Sites in scope	2018	2019	2018	2019		
Water (landlord-obtained ⁵)	303-1	Water-Abs&LFL	Total water consumption	Annual cubic metres (m ³)	146,562	101,127	94,450	85,330	-10%
				Number of buildings in calculation	55	56	48	48	
				Share of extrapolation of consumption data	6%	4%	5%	3%	
				Share of city water	100%	100%	100%	100%	
CRE 2	Water-Int	Total water intensity of the building	Water intensity per m ²	1,2	0,9	1,2	1,1	-10%	
			m ³ per m ²						
Waste (landlord obtained)	306-2	Waste-Abs&Lfl	Total waste production	Annual tonnes of waste	275	217	176	193	10%
				Number of buildings in calculation	24	14	12	12	
				Share of extrapolation of consumption data	0%	28%	0%	23%	
				Total production of hazardous waste	N/A	N/A	N/A	N/A	
				Total production of non-hazardous waste	275	217	176	193	
				Combustion with energy recuperation: Residual waste	224	154	127	133	
				Recycling:					
				Glass	7	11	7	10	
				Paper	40	47	40	45	
				PMD	4	5	2	5	
Waste-Int	Total waste intensity of the building	Waste intensity per m ²	0,010	0,008	0,008	0,009	10%		
		ton per m ²							

⁴ Water consumption for head office is housed in the association of co-owners. Xior is taking steps to get a better view of the details of consumption data.

⁵ Xior reports the results of the water invoices it has paid (landlord-obtained). It is Xior's vision to relieve students of the responsibilities of their own water contracts. For some sites in the Netherlands, Xior is still switching from personal contracts to a collective contract.

Portfolio										Head office			Page
Portfolio by country: Belgium					Portfolio pby country: The Netherlands					Absolute measurements (Abs)			
Absolute measurements (Abs)		Life-for-like (Lfl)			Absolute measurements (Abs)		Like-for-like (Lfl)			Absolute measurements (Abs)			
2018	2019	2018	2019	% change	2018	2019	2018	2019	% change	2018	2019	% change	
35	38				24	31							
30,082	34,494	28,913	34,193	18%	116,480	66,633	65,537	51,138	-22%	N/A⁶	N/A⁶	-	p. 208
31	31	30	30		24	25	18	18					
1%	1%	1%	1%		7%	5%	7%	4%					
100%	100%	100%	100%		100%	100%	100%	100%					p. 208
0,7	0,8	0,7	0,9	18%	1,4	1,0	1,6	1,3	-22%				
201	126	102	126	24%	75	91	75	68	-9%	N/A⁶	N/A⁶	-	p. 209
20	8	8	8		4	6	4	4					
0%	31%	0%	31%		0%	23%	0%	9%					
N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A					
201	126	102	126		75	91	75	68					
178	95	81	95		46	59	46	38					
7	10	7	10		0	1	0	0					
11	16	11	16		29	31	29	30					
4	5	2	5		0	0	0	0					
													p. 209
0,011	0,010	0,008	0,010	24%	0,008	0,007	0,008	0,008	-9%				

⁶ Xior has received no details of collection from the collection service. Xior is taking steps to gain a better insight into the various waste streams.

Impact area	GRI Standards (CRESS) Indicators		EPRA sustainability performance measurement		Measuring unit
	Certified assets	CRE 8	Cert-Tot	Mandatory (Energy Performance Certificate - EPC) ⁷	
				Share of buildings with an EPC	% of scope
				BELGIUM (EPC score):	
				50-100	% of area in scope with score
				101-200	% of area in scope with score
				201-300	% of area in scope with score
				301-500	% of area in scope with score
				501+	% of area in scope with score
				NETHERLANDS (energy index score):	
				A++ label	% of area in scope with score
				A+ label	% of area in scope with score
				A- label	% of area in scope with score
				B label	% of area in scope with score
				C label	% of area in scope with score
				D label	% of area in scope with score
				E label	% of area in scope with score
				F label	% of area in scope with score
				G label	% of area in scope with score
				Voluntary	
				Sites in "green portfolio"	Number of buildings

⁷ 2019 is the first year that Xior reports on the EPC certificates. The focus is on centralising the data, which is why not all of these scores could be reported for 2019. The type of certification varies from country to country. In Belgium, we measure the EPC (energy performance certificate), while in the Netherlands we measure the EI (Energy Index).

Portfolio						Head office			Page
Total portfolio		Portfolio by country: Belgium		Portfolio by country: The Netherlands		Absolute measurements (Abs)			
Absolute measurements (Abs)		Absolute measurements (Abs)		Absolute measurements (Abs)		Absolute measurements (Abs)			
2018	2019	2018	2019	2018	2019	2018	2019	% change	
59	69	35	38	24	31				
									p. 203-204
N/A ⁷	74%	N/A ⁷	66%	N/A ⁷	84%	N/A	N/A	N/A	
	2%		6%						
	6%		22%						
	2%		7%						
	1%		4%						
	0%		1%						
	0%				0%				
	18%				25%				
	17%				23%				
	4%				5%				
	10%				14%				
	8%				12%				
	3%				4%				
	0%				0%				
	0%				0%				
									p. 204
5	8	2	2	3	6				

9.7.2 EPRA SBPR TABLE OF SOCIAL PERFORMANCE INDICATORS

Impact area	GRI Standards (CRESS) Indicators	EPRA sustainability performance measurement	Measuring unit					
Employee diversity	405-1	Diversity-Emp	Gender diversity among direct employees	All employees ⁸	% women			
				% men				
				Management (executive board)	% women			
				% men				
				Non-executive board	% women			
				% men				
				Other employees ⁸	% women			
				% men				
				405-2	Diversity-Pay	Gender ratio of the salary incl. remuneration	All employees ⁸	Ratio male vs. female
							Management (executive board)	Ratio male vs. female
Non-executive board	Ratio male vs. female							
Other employees ⁸	Ratio male vs. female							
Employee development	404-1	Emp-Training	Employee development training	Average number of hours per employee				
	404-3	Emp-Dev	Performance appraisal of employees	% of employees with performance appraisal				
	401-1	Emp-Turnover	Employee turnover and retention ⁸	New employees	Number			
				%				
				Former employees	Number			
				%				
Health and safety	403-2	H&S-Emp	Health and safety of employees	Accidents	Ratio			
				Absentee rate due to illness	Ratio			
				Lost days	Ratio			
				Work-related fatalities	Number			
	416-2	H&S-Assets	Health and safety assessments of our assets	Mandatory assessment in the context of obtaining the permit	% of assets in the scope of measurement			
				403-2	H&S-Comp	Incidents of non-compliance with health and safety assessments	Number of incidents in the scope of measurement	
Community	413-1	Comty-Eng	Our impact on the community	Impact on the student community	% of assets in the scope of measurement with a student coach			

Performance		Pag
2018	2019	
		p. 193
40%	39%	
60%	61%	
N/A ⁹	0%	
N/A ⁹	100%	
N/A ⁹	25%	
N/A ⁹	75%	
N/A ⁹	42%	
N/A ⁹	58%	
		p. 193
N/A ⁹	1.80	
N/A ⁹	N/A ¹⁰	
N/A ⁹	1.20	
1.00	1.02	
N/A⁹	2.8	p. 194
100%	61%	p. 194
		p. 192
7	37	
28%	54%	
4	7	
16%	10%	
		p. 196
0	0	
2.17%	0.56%	
0	0	
0	0	
		p. 195
N/A ⁹	100%	
N/A⁹	3	p. 195
		p. 197-200
N/A ⁹	54%	

9.7.3 EPRA SBPR TABLE OF GOVERNANCE PERFORMANCE INDICATORS

Impact area	GRI Standards (CRESS) Indicators	EPRA sustainability performance measurement	Measuring unit	Performance 2019	Page
				Totaal	
Governance	102-22	Gov-Board	Composition of body (Board)	Infra 6.1.4, 6.1.5 and 6.1.8 Corporate Governance - Board of Directors, Composition & Reliability, Expertise and Experience	p.79-82
			Number of executive board members	number	2
			Number of independent/non-executive board members	number	4
			Average term	years	4
			Competences of board members relating to environmental and social topics	number	6 ³⁵
	102-24	Gov-Select	Process for nominating and selecting the Board	Infra 6.1.4.1 Corporate Governance - General	p.79
	102-25	Gov-Col	Process for managing conflicts of interest	Infra 6.1.14 Corporate Governance - Conflicts of interest	p.88

9.8

MEASUREMENT METHODOLOGY AND ASSUMPTIONS

Xior reports environmental, social and governance performance in accordance with the EPRA Sustainability Best Practice Recommendations (sBPR). This reporting is divided into several sections consisting the overarching EPRA recommendations, the environmental performance indicators, the social performance indicators and the governance performance indicators.

9.8.1 REPORTING PERIOD AND ORGANISATIONAL BOUNDARIES

The reporting period of this report is equal to that of the annual financial report, in this case the financial year 2019. From now on, Xior will publish an annual update of its activities in the field of sustainability in this report. Xior's portfolio was analysed on 31 December 2019, when a selection was then made of the assets to be included in the calculation scope of the EPRA indicators.

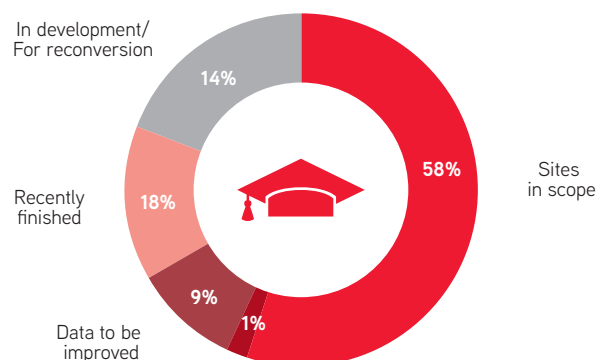
A distinction is made between 'core' and 'non-core' assets in the portfolio. Student accommodation is the largest part of the total portfolio and is Xior's core business. Currently, 99% of the fair value falls under core business. The portfolio outside the scope (1%) is diverse and includes retail, car parks and offices.

For some of these 'core' assets, no data is currently available, which means they will also be excluded from the 2019 scope of measurement:

- 14% of the fair value comes from sites under development or awaiting reconversion.
- 18% of the sites have been completed too recently to be able to collect sufficient data.
- For 9% of the sites an extra effort is made to collect qualitative consumption data (e.g. takeover management by third parties, incomplete data, etc.).

In accordance with the extrapolation methodology, sites for which at least one month of data is not available are excluded.

Distribution of the portfolio according to fair value



9.8.2 MEASURING SCOPE AND COVERAGE

In 2019, 58% of the total fair value belonged to the measurement scope. This corresponds to 69 student residences and the Xior head office. Consumption data was collected based on invoice data. In the event of incomplete or missing data, the data was extrapolated according to the EPRA guidelines or the site was not considered.

In Chapter 9.7 you can find the EPRA tables with the various performances, including the share of buildings in scope for each of the performance indicators and the size of the extrapolation.

9.8.3 ESTIMATION AND EXTRAPOLATION OF CONSUMPTION DATA UNDER THE RESPONSIBILITY OF XIOR

As indicated earlier, at the time of publication of this report, not all data is available for the 2019 measurement year. If data is available for at least one month, this data has been extrapolated according to EPRA guidelines. If no data is available for 2019, the building is not included in the calculation. If no data is available for more than 200 days of the year, extrapolation is made based on averages for the previous year.

Consumption in 2018 was adjusted based on actual figures from invoices and measurements. Buildings with data for both 2019 and 2018 fall within the like-for-like scope.

9.8.4 REPORTING OF CONSUMPTION DATA UNDER THE RESPONSIBILITY OF XIOR AND UNDER THE RESPONSIBILITY OF THE STUDENT

Xior reports in accordance with an "operational control approach", which means that all utility data for the reported assets is based entirely on invoices for Xior's attention. Previously, part of the tenant's portfolio was covered by an individual electricity contract for the leased unit. This report contains only the consumption purchased by Xior as landlord and does not include the tenant's own consumption data (invoices received directly by the tenant). It is Xior's ambition to internalise these contracts wherever possible.

In 2019, Xior was already responsible for most of the contracts for the student accommodation in the measurement scope. For electricity bills it concerns 91% of the buildings, for natural gas and heating networks 100% of the buildings and for water bills 97%. By managing the contracts itself, late payment is avoided and Xior can enter into optimal electricity contracts on a larger scale.

9.8.5 REPORTING FROM THE HEAD OFFICE

This year, the head office was added to the report. This concerns the space that Xior occupies at its head office in Antwerp. For the head office, only the consumption related to the floors occupied in the building is reported. The data is taken from consumption invoices for the attention of Xior. In accordance with the EPRA methodology and in accordance with the reporting on these assets, the percentage of the data that has been extrapolated is also indicated here. Only the water bill is communal. At the moment, Xior has no insight into its own share of consumption.

9.8.6 ANALYSIS OF THE CALCULATION

Standardisation and intensities

Xior calculates the intensity indicators based on the floor area (m²), since this variable is comparable across the entire scope. To do this, Xior uses the data based on primary energy. In order to calculate a relevant intensity indicator, on the one hand sites were excluded for which data falls under the name of the student and on the other hand only sites for which data was available for each type of energy consumed on the site were included.

Consumption data was not standardised according to degree day analyses. No hypotheses were added in order to keep the uncertainties in the calculations as low – and as visible – as possible. With the current method of energy supply, it is not possible to distinguish between the proportion of energy used to heat rooms and that used to heat sanitary water. After all, the latter is independent of the number of degree days and therefore of whether or not the winter is mild.

In addition, Xior is aware that not for all of the sites it is known whether or not they are electrically heated by the placement of heating elements by the students themselves. Improving on this point is part of the commitment to evolve towards improved data centralisation so that appropriate measures can be taken as part of the company's own sustainability commitments.

Segmentation analysis: geographical location

Within the measurement scope, all sites fall under the 'core' category of 'student accommodation'. Therefore, no distinction was made per type of asset in the reporting, but one based on geographical segmentation. After all, energy suppliers often differ from country to country, as does the climate impact of electricity production. Since the Netherlands, for example, has more carbon-intensive electricity production, it might be more interesting to focus on greening electricity there first. The EPRA tables showing the various performances, including the breakdown by country, are provided in Chapter 9.7.

Measurement methodology of climate impact

To measure the climate impact related to the core business, CO₂ emissions were calculated according to the Greenhouse Gas (GHG) Protocol. This protocol makes it possible to calculate the climate impact of companies in a consistent manner. Both CO₂ and other greenhouse gases released during the production of the energy demand (CH₄, N₂O) are taken into account and expressed in CO₂ equivalents.

Xior calculates scope 1 (direct on-site emissions – natural gas), scope 2 (emissions of electricity and heat produced elsewhere) and some scope 3 emissions (grid losses) by multiplying the consumption by the corresponding emission factors. The emission factors originate from the Bilan Carbone[®] database, which is used universally.

The protocol prescribes that the climate impact of electricity can be calculated both based on an average CO₂ intensity per kWh of the national electricity networks ('location-based') as well as based on the producer's energy mix ('market-based'). In this first exercise, the climate impact was calculated using the location-based approach. Over the next few years, Xior aims to analyse and, if necessary, re-evaluate the energy contracts in collaboration with the various producers.

9.9

EXTERNAL VERIFICATION OF REPORTING

INDEPENDENT LIMITED ASSURANCE REPORT ON EPRA SUSTAINABILITY INDICATORS 2019 OF XIOR STUDENT HOUSING

This report has been prepared in accordance with the terms of our engagement contract dated 28 January 2020, whereby we have been engaged to issue an independent limited assurance report in connection with the EPRA sustainability indicators as included in the 2019 Annual Report of Xior Student Housing NV (the "Report").

Responsibility of Board of Directors

The Board of Directors of Xior Student Housing NV ("the Company") is responsible for the preparation of the EPRA sustainability indicators as included in chapter 9.7 of the 2019 Annual Report of Xior Student Housing NV (the "Subject Matter Information"), in accordance with the EPRA Sustainability Best Practices Recommendations Guidelines (the "Criteria").

This responsibility includes the selection and application of appropriate methods for the preparation of the Subject Matter Information, for ensuring the reliability of the underlying information and for the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility of the Board of Directors includes the design, implementation and maintenance of systems and processes relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an independent conclusion about the Subject Matter Information based on the procedures we have performed and the evidence we

have obtained. Our assurance report has been prepared in accordance with the terms of our engagement contract. We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information". This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain limited assurance as to whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Criteria issued by the Company.

The objective of a limited-assurance engagement is to perform the procedures we consider necessary to provide us with sufficient appropriate evidence to support the expression of a conclusion in the negative form on the Subject Matter Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The selection of such procedures depends on our professional judgment, including the assessment of the risks of management's assertion being materially misstated. The scope of our work comprised the following procedures:

- Assessing and testing the design and functioning of the systems and processes used for data-gathering, collation, consolidation and validation, including the methods used for calculating and estimating the Subject

Matter Information as of and for the year ended 31 December 2019 presented in the Report;

- Conducting interviews with responsible officers including site visits;
- Inspecting internal and external documents.

We have evaluated the Subject Matter Information against the Criteria. The accuracy and completeness of the Subject Matter Information are subject to inherent limitations given their nature and the methods for determining, calculating or estimating such information. Our Limited Assurance Report should therefore be read in connection with the Criteria.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures performed, as described in this Independent Limited Assurance Report, and the evidence obtained, nothing has come to our attention that causes us to believe that the EPRA sustainability indicators as included in chapter 9.7 of the 2019 Annual Report of Xior Student Housing, are not fairly stated, in all material respects, in accordance with the Criteria.

Restriction on Use and Distribution of our Report

Our report is intended solely for the use of the Company, in connection with their Report as of and for the year ended 31 December 2019 and should not be used for any other purpose. We do not accept or assume and deny any liability or duty of care to any other party to whom this report may be shown or into whose hands it may come.

Sint-Stevens-Woluwe, 17 April 2020

PwC Bedrijfsrevisoren BV
Represented by

Marc Daelman¹
Registered auditor

¹ Marc Daelman BV, member of the Board of Directors, represented by its permanent representative Marc Daelman



XIOR
STUDENT HOUSING

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