Wereldhave

LifeCentral: opening the way to new growth

Integrated Annual Report 2021

make every day count

Wereldhave Full Service Centers contribute to a more joyful and comfortable everyday life.

A one-stop location that combines groceries, shopping, leisure, relaxation, sports, health, work and other daily needs – all supported by smart concepts and digital services. By investing sustainably to meet the needs of customers and local areas, we enrich communities, while caring for the environment, and have a positive effect on the way people live, work and shop. Wereldhave Full Service Centers play a vital role in people's everyday lives in leading regional cities in the Netherlands and Belgium.

About this Report

Welcome to Wereldhave's 2021 Integrated Annual Report. This report provides an overview of our business, strategy and performance, as well as our system of governance and decision-making. The report also looks at how we endeavor to create value for our main stakeholders – our tenants, business partners, and the millions of people who visit our centers every year.

Structure of this report

Our Integrated Annual Report comprises two main sections. The first describes our business and operating environment, our strategy, performance, outlook and governance. The second section contains our formal disclosures, including our financial statements. Our Supervisory Board Report is included under Governance (from page 57). Detailed sustainability disclosures may be found at the end of this report (from page 162). For more information about our approach to reporting, please see Basis of Preparation (page 85). If you have or any questions regarding this report, please contact investor.relations@wereldhave.com. Full contents are listed on page 3. We have included several feature articles in this report (on pages 7, 16 and 26). Each addresses a different aspect of our LifeCentral strategy.

Statement from our Board of Management

As Wereldhave's Board of Management, we take responsibility for the content and accuracy of this Integrated Annual Report. We believe this report provides a fair and balanced picture of Wereldhave's business, strategy and performance, and its ability to continue creating value for both stakeholders and wider society. This report is intended for all stakeholders, and will be of particular interest to providers of financial capital.

Reporting standards used

This Integrated Annual Report has been prepared in accordance with the International Integrated Reporting (IR) Framework, as well as standards issued by the Global Reporting Initiative (GRI). Financial statements are published in accordance with the International Financial Reporting Standards, as adopted by the European Union (EU-IFRS) and the Dutch Civil Code. For further information, see Basis of Preparation on page 85.

This document is the PDF version of the 2021 Integrated Annual Report of Wereldhave N.V. in the European single electronic reporting format (ESEF) and has been prepared for ease of use. The ESEF reporting package is available on our website. Please note that, in case of discrepancies between this PDF version and the ESEF reporting package, the latter prevails.

About Wereldhave

Established in 1930, Wereldhave is headquartered at Schiphol, near Amsterdam. Our shares are listed on Euronext Amsterdam, and included in the AScX® Index. We are registered in the Netherlands as an investment institution, which means our corporation tax rate is 0% (excluding our development activities). In Belgium, our investments consist of a 65.9% stake in Wereldhave Belgium, which is registered as a tax-exempt investment company, listed on Euronext Brussels. Our investments in France are subject to that country's SICC regime (société d'investissements immobiliers cotées). Wereldhave is a member of several leading industry organizations, including the European Public Real Estate Association (EPRA), the GRESB Real Estate Assessment and the Dutch Green Building Council.

Please note all abbreviations used in this report are listed on page 161.

DGBC Dutch Green Building Council Partner

EPRA European Public Real Estate Association

GRESB 2021

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Message from our CEO

Matthijs Storm

The year 2021 has been a year of transformation for Wereldhave. We used to be a specialist focused on shopping centers, but as part of our new LifeCentral strategy launched in February 2020, we are now transforming those shopping centers into Full Service Centers (FSC). It was encouraging to see that in 2021 we received the first evidence that this strategy is working, from a leasing, customer experience and valuation perspective.

"Over the past two years, we have re-shaped Wereldhave financially, and – through our Full Service Centers – have created a new category in commercial real estate that will allow the Company to grow again."

Major step forward in financial strength

In 2021, our finance and country teams took a major step forward in fulfilling one of our key strategic objectives: to strengthen our balance sheet and free up capital for our Full Service Center transformations. Despite Covid-19, our teams managed to sell three Dutch assets that had been earmarked for sale and four of our six centers in France. These disposals – plus the new financing we have arranged in both the Netherlands and Belgium – now put us in a position where liquidity is secured and funds are available to finance our LifeCentral strategy. According to a leading independent research and advisory firm[1], we now have one of the lowest leverage ratios of all European retail property companies. Our asset values have been reset significantly by appraisers in recent years, providing strong support to our current leverage ratio. After two years of focusing on our financing, we have shifted attention to transforming our assets – at the same time, we will make sure we divest our last two French assets at the right price.

First transformations completed, meanwhile operational resilience

Over the past year, we managed to kick-start many of our transformation projects after a 2020 that was dominated by Covid-19 and liquidity constraints. Although our LifeCentral strategy was drafted before Covid-19, the pandemic proved the need to transform our assets. By right-sizing traditional retail and seizing opportunities to adding other tenants in areas such as residential and healthcare, Wereldhave can embark on a new phase of growth.

1 Based on Green Street's Debt / EBITDA and Comprehensive Leverage comparison, published in Weekly REIT Pricing Review (28 January 2022)

After an era of “bigger is better” in shopping centers, we believe focus should now be on uses and services for local consumers and local communities. During 2021, we worked hard on the design, permits, concepts and leasing of several Full Service Center transformation projects. Meanwhile, our key operational indicators remained strong with shopping center occupancy rates above 96% and rent collection well above our peers – a further confirmation of continued operational excellence in our core markets, the Netherlands and Belgium. In 2021, we leased the entire former Hudson’s Bay property in Tilburg to De KOOPman, and delivered the first phase of our Belle-Île center in Liège. I am especially grateful to our French team who, despite knowing since February 2020 we were exiting the country, remained committed throughout and have managed to deliver strong occupancy rates and rent collection for the year.

Increasing evidence that our LifeCentral strategy starts paying off

When we launched LifeCentral in early 2020 we realized that such a radical change would demand a lot of our stakeholders. After two years, we feel increasingly confident that we made the right call. We have re-shaped Wereldhave financially and have created a new FSC concept that will allow the Company to grow again. In 2021, we signed a slew of new leases in the Netherlands and Belgium that will underpin our strategy, particularly with non-traditional retail operators in food & beverage (F&B) and healthcare; during the year, we also added residential plans to our pipeline in both countries. The large package deal agreed with F&B operator Albron in the first of our new Full Service Centers, to be delivered in 2022, was remarkable in that respect – and testimony to the new concepts created with our Customer Experience team. Alongside non-retail leasing, we also measure our success through the Net Promoter Score, a measure of customer satisfaction, which in 2021 increased significantly to +25 (2020: +4), driven by new concepts such as The Point, UpNext and most recently a partnership with StoreShippers for ship-from-store delivery. Wereldhave has also been recognized as a frontrunner in Environmental, Social & Governance (ESG) matters in recent years – and we are further enhancing that position as part of our LifeCentral strategy. With every transformation, we are implementing the Paris-Proof roadmaps, doing our utmost to further reduce carbon emissions and contribute to a better everyday life and environment. In 2021, we were again awarded a 5-star GRESB rating, placing us second among Europe's listed retail companies (an improvement from third in 2020).

Full steam ahead

2022 looks to be an exciting and promising year for Wereldhave. Our first two Full Service Centers have been completed and a further three are due for delivery – proving the success of this new concept. Alongside these deliveries, we will get more FSC projects underway, while keeping an eye on potential external growth opportunities that will come with phase 2 of our LifeCentral strategy. Meanwhile, we continue to focus on cost reductions. Now our balance sheet is amongst the strongest of our European retail peers, our task is to bring leverage down to our target range. We have narrowed that target range to 35-40% as asset values are stabilizing. The year 2022 will also be the last year of earnings decline for investors, as we promised back in 2020. From 2023, we expect to enter a new period of sustained earnings growth, driven by the completion of our FSC projects, continued cost efficiencies and an improving occupier market. Already shareholders are benefiting from improving prospects for our total returns (and dividend) – according to our forecast, those prospects will continue to improve in the period ahead.

Lastly, I would like to express my gratitude to all our stakeholders who have supported our strategy over the past years. As I said, we knew from the beginning our plan would take time and require some difficult decisions, not least the disposal of our French assets at below book value. That said, patience is now starting to pay off. Customer satisfaction is increasing; our operational metrics are also positive. With solid property values, our returns for investors are rising. Our strategy is beginning to bear fruit.

Matthijs Storm,
CEO

Wereldhave in 2021

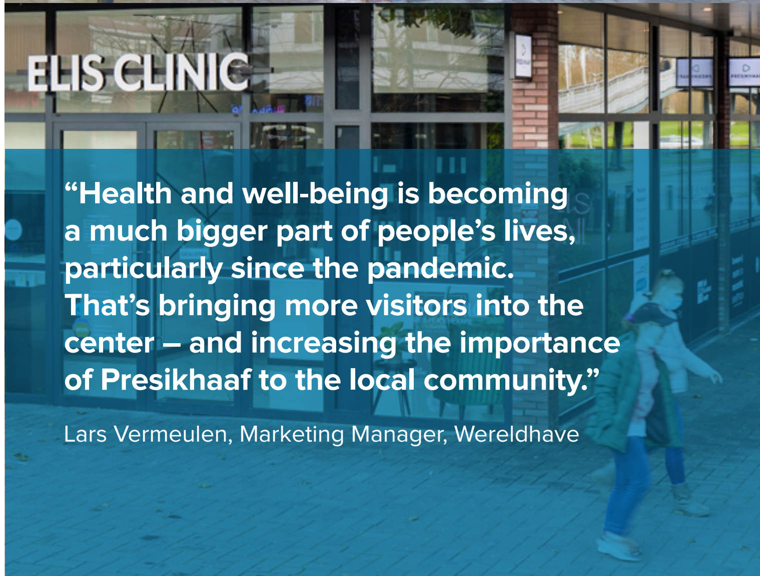
Feature: Introducing healthcare at Presikhaaf

Lars Vermeulen, Marketing Manager, Wereldhave
“Over the past year, we expanded the Health Cluster at our Presikhaaf center – it now includes a dental practice, a dietician, a laser clinic and a pharmacy that offers a pick-up service. We expect to sign up two new health tenants in 2022. Alongside the health cluster, we have also added a gym that has a separate external entrance.

"Increasingly, we see that these health and well-being services are attracting more visitors – especially younger people – from our main catchment area. As a result, the center is becoming more important to the local neighborhood. At the gym, for example, people come in to exercise, and then maybe pick up some shopping or go for something to eat in the center. Proportionally, the number of younger people visiting the center has more than doubled. You have to realize that health and well-being is becoming a much bigger part of people’s lives, particularly since the pandemic. We’re all spending more time and money on keeping ourselves fit, on relaxing – on eating healthily.

"At the same time, we’re proud to be strengthening ties with the community – we’re working with local organizations to bring in students and other young people to give them opportunities to work and become more involved with the center. For example, through Presikhaaf University, we’ve got youngsters helping with our online Connect initiative for grocers – and staffing The Point at the center.

"For us, this is all about putting together an eco-system of shops, services and activities that supports our overall LifeCentral strategy – and really benefits not only tenants and visitors to the center, but the local community as well.”



“Health and well-being is becoming a much bigger part of people’s lives, particularly since the pandemic. That’s bringing more visitors into the center – and increasing the importance of Presikhaaf to the local community.”

Lars Vermeulen, Marketing Manager, Wereldhave

Our business

Wereldhave owns and operates retail centers across the Netherlands, Belgium and France. We are currently transforming our locations into what we call Full Service Centers; these centers combine shopping with leisure, entertainment, fitness, healthcare and food & beverage (F&B).

At the end of 2021, we owned 22 centers with 593,600m² devoted to shopping, retail and other services; we also have 62,400 m² in office space. Most of our retail locations – 20 – are in the Netherlands or Belgium. Our aim is to become the leader in Full Service Centers in these two markets.

Most of Wereldhave's centers occupy prime sites in large regional cities, with close ties to local communities, including Arnhem, Hoofddorp, Nieuwegein and Tilburg in the Netherlands, Liège, Courtrai and Ghent in Belgium and Bordeaux in France. Despite the pandemic, the centers in our standing portfolio welcomed over 72 million visitors in 2021.

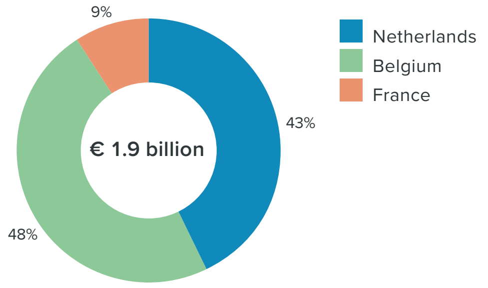
When investing, we choose centers that are well-connected – with good public transports links, for example, support from local government and where we can offer free parking for visitors. In our centers, food retail plays an important role – our centers are usually anchored around supermarkets or hypermarkets. Generally, food retail is more resilient than other sectors, and has proved to be again during the current Covid-19 crisis.

Alongside food retail, we also have tenants in other sectors, including fashion & accessories, health & beauty, multimedia and homeware. Fashion & accessories is a sector that we have seen shrinking in recent years. Among our tenants are some of Europe's best-known retail brands, including C&A, Carrefour, HEMA, H&M and Zara.

With our LifeCentral strategy, we will be devoting proportionally less space to fashion and more to mixed-use, including bars and restaurants, cinemas, co-working spaces and fitness clubs.

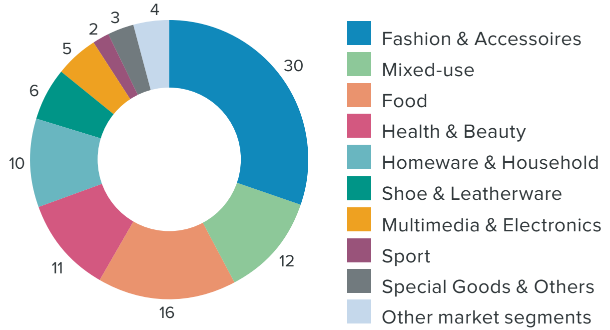
Breakdown of portfolio by location

Total value of portfolio (end-2021):



Tenant mix

(end-2021, % of annual rental income)



Leading tenants

(by share of annual rental income)

1	Ahold Delhaize
2	C&A
3	A.S. Watson Group
4	HEMA
5	Jumbo
6	Carrefour
7	Mirage Retail Group
8	H&M Group
9	Bestseller
10	Ceconomy

We take a deliberately long-term approach to business – our aim is to create value for local communities, for tenants, visitors and business partners, to increase the value of our investments, and provide attractive returns for shareholders. We invest continuously to maintain and modernize our centers, and ensure they are pleasant places in which to spend time. Typically, our centers have between 20,000 and 50,000 m^2 in lettable space; our largest centers currently are Cityplaza in Nieuwegein (50,209m^2) and Kronenburg in Arnhem (41,232m^2). See page 89 for a full list of our centers.

Purpose & local community

We want to "make every day count" – that's our purpose as a company. For us, that means meeting the daily needs of the people who visit our centers. These daily needs may be picking up groceries; it may be buying new clothes, catching the latest movie or meeting up with friends and family. Our centers go far beyond simply retail – they are rooted in local communities, which is why we take care of the environment and support social initiatives. We want to have a positive effect on the way people, in their communities, live, work and shop.

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Netherlands

- Arnhem (two centers)
- Capelle aan den IJssel
- Dordrecht
- Heerhugowaard
- Hoofddorp
- Leiderdorp
- Nieuwegein
- Purmerend
- Roosendaal
- Tilburg

9

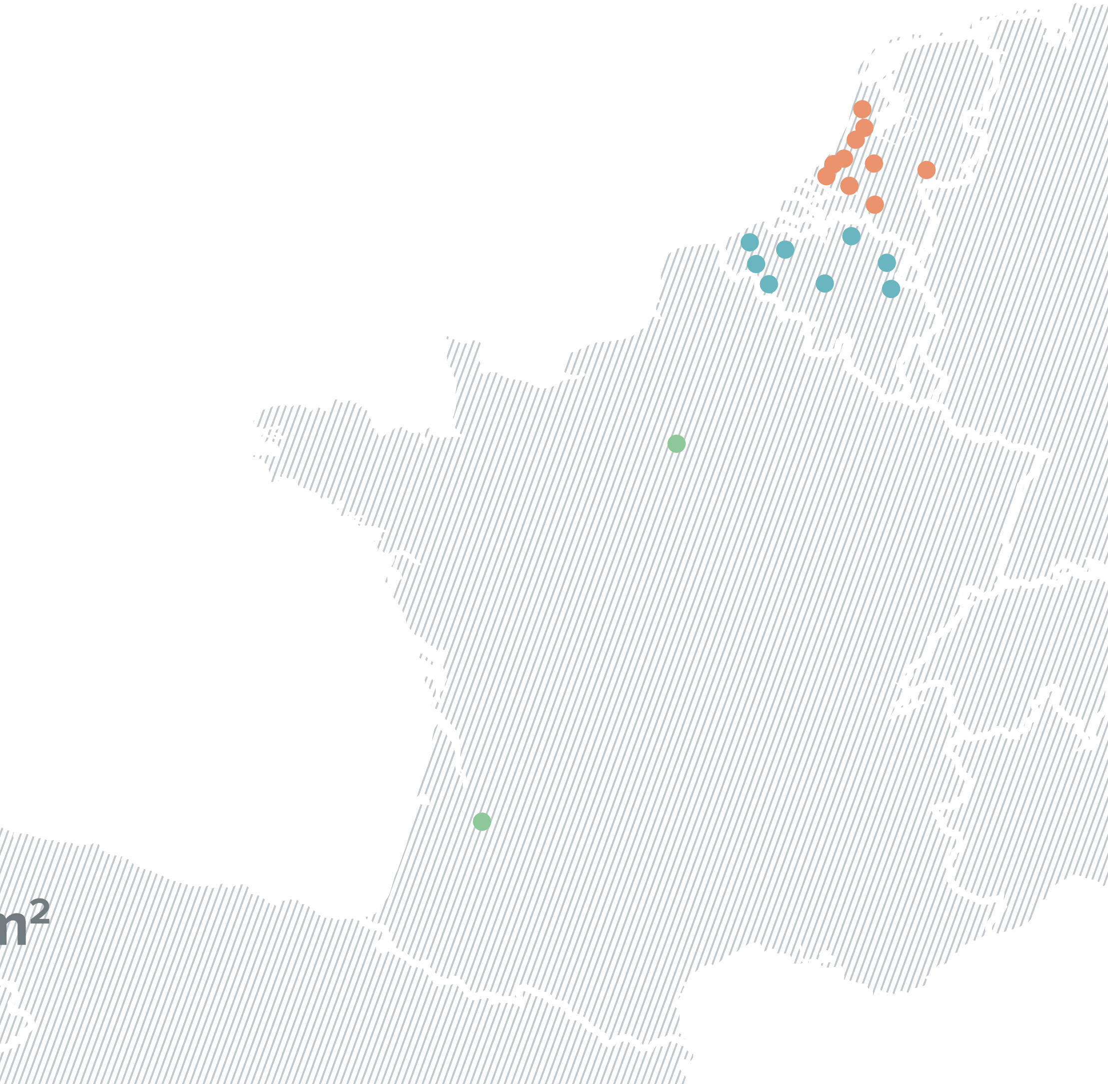
Belgium

- Bruges
- Courtrai
- Genk
- Ghent
- Nivelles
- Liège
- Tournai
- Turnhout
- Waterloo

2

France[1]

- Argenteuil (Paris)
- Bordeaux



Shopping centers

22

Shopping center surface owned

593,600 m^2

1 Please note that, during 2021, the following locations in France were sold: Docks Vauban (Le Havre), Docks 76 and Saint Sever (Rouen) and Rivetoile (Strasbourg). These locations are not shown on the map above. For details, see page 22

How our business works

We own properties across the Netherlands, Belgium and France. We rent out space in our centers to tenants; rent is paid either as a fixed amount or, in some cases, it varies according to the tenant's revenues. We also offer additional services to tenants, including access to market data. From our income, we pay costs – including maintenance and upkeep, salaries and utility bills. We also reinvest in our business to maintain our high standards, and add, remove, transform or upgrade floor space, where needed. We report both profits from our operations (our direct result) and an indirect result, mainly reflecting fluctuations in the value of our properties. We distribute a large proportion of our annual direct result in the form of dividends to shareholders.

5. We transform our locations into Full Service Centers, combining shopping with F&B, leisure & entertainment, fitness and healthcare.

4. We expect our centers to generate rates of return of at least 6% (unlevered) – we will divest centers that fail to meet this minimum. We work hard to provide attractive dividends to shareholders.

1. We invest in retail centers in large regional cities, with a focus on the Netherlands and Belgium. We also own office space in Belgium.

2. We use our knowledge and expertise to ensure these centers are in the right locations to attract tenants, and have the right mix of shops and services to attract visitors.

3. We rent out space to tenants, offer add-on services and invest continuously to maintain and modernize our centers.

2021 in Review

First quarter

- Two centers are sold as part of our disposal program in the Netherlands - at Rijswijk and Etten-Leur.
- Wereldhave Belgium raises € 32m through the launch of its first-ever green bond in Belgium, showing that the Company can leverage its strong ESG performance to tap into new, more favorable sources of green financing.
- Wereldhave steps up plans to refurbish its Sterrenburg center in Dordrecht, and brings its last-mile delivery service Connect into operation at Kronenburg in Arnhem.
- Throughout the quarter, footfall and rent collection are again affected by Covid-19 restrictions. Shopping center occupancy rates across the Netherlands, Belgium and France remain stable at 94%.

Second quarter

- Wereldhave agrees the sale of four of its centers in France to Lighthouse Capital for € 305m; the sale is a major step in the Company's LifeCentral strategy. Meanwhile, our Benelux disposal program is completed with the sale of our Koningshoek center in Maassluis.
- Wereldhave extends its green revolving credit facility with Dutch bank ABN AMRO; the new € 120m facility will run for three years. During the first half of 2021, the Company also expands its treasury notes program and secures new green refinancing in Belgium.
- During the quarter, lockdown restrictions are gradually eased. Footfall in our centers improves as a result. Valuations in the Netherlands show signs of stabilizing for the first time in several years.
- Fashion group The Sting Companies agrees three new leases at our Tilburg center; the leases include a permanent agreement for the former 13,000m² Hudson's Bay location, occupied by De KOOPman, one of The Sting Companies' fastest-growing brand names.

Third quarter

- Wereldhave continues to expand its UpNext full service pop-up concept. During the quarter, four new contracts are signed – there are now ten UpNext contracts in place across our centers.
- Covid-19 restrictions continue to be lifted. In Belgium, cafés and restaurants are again free to operate. Across the group, occupancy rates exceed 95% thanks to the signature of new leases. In France, from August, visitors to shopping centers are required to show official health passes.
- HEMA becomes the latest addition to the every.deli fresh food street at Wereldhave's De Koperwiek center in Capelle aan den IJssel. HEMA's new "HEMA kitchen" concept will open before the end of the year.

Fourth quarter

- C&A agrees a ten-year extension to existing leases for six locations at Wereldhave centers in the Netherlands.
- During the quarter, Wereldhave continues to extend its food & beverage offering. A package deal is signed with Albron to open seven outlets at two centers in the Netherlands. Meanwhile, leases are also agreed in Belgium with KFC, Pitaya and Black & White Burger. At Mériadeck in Bordeaux, Wereldhave will create a brand new lunch and dining area with eight restaurants, including Chef Adji and Lobsta.
- An agreement is signed with NIX & NIX, the Netherlands' first non-alcoholic liquor store, to open three new pop-up branches at Heerhugowaard, Nieuwegein and Leiderdorp in time for the end-of-year holidays.
- Wereldhave launches pilots for same-day deliveries in partnership with StoreShippers; the pilots will take place at three centers: in Courtrai in Belgium and in Nieuwegein and Heerhugowaard in the Netherlands.
- Across Europe, restrictions are reimposed toward the end of the quarter to combat the spread of new Omicron variant; a full nationwide lockdown is ordered in the Netherlands a week before Christmas.

Key performance indicators

Operations shopping centers	2020	2021
Like-for-like NRI growth (in %)	-21.0	6.0
Occupancy (in %)	95.0	96.2
Visitors, like-for-like (in millions)	74.6	72.4
Leasing activities (# leases)	386	188
Proportion of mixed-use Benelux (in m^2)	10.0%	10.8%
Customer satisfaction Benelux (NPS)	4	25

Results & finance	2020	2021
Net rental income (in €m)	133.0	124.7
Direct result (in €m)	92.9	88.5
Indirect result (in €m)	-287.1	-301.8
Total result (in €m)	-194.2	-213.3
Direct result per share (in €)	2.01	1.88
EPRA Net Tangible Assets (NTA) per share (in €)	27.74	21.54
Dividend paid per share (in €)	0.63	0.50
Investment property (in €m)	2,578	1,939
Shareholders' equity (in €m)	1,124	867
Net debt (in €m)	1,186	788
Net Loan-To-Value (LTV) (in %)	46.7	41.0

Outlook 2022
Direct result per share between € 1.50 and € 1.60

Sustainability	2020	2021
Building energy intensity (kWh/m^2/year, retail)	56.25	50.60
Solar energy produced onsite (MWh, like-for-like)	3,917	3,549
Green spaces (m^2)	25,515	25,515
Employee engagement	7.6 (2018)	7.5
% Green lease	50%	58%
Society investments (x € 1m)	1.1	2.0

Business environment and strategy

Feature: Our partnership with NIX & NIX

Wim Boekema, founder and owner of NIX & NIX

"NIX & NIX opened the Netherlands' first-ever alcohol-free liquor store in summer 2021, and we were looking to expand and take advantage of the potential for strong sales during the Christmas and Dry January period.

"The opportunity came through Wereldhave's UpNext pop-up store concept, which enabled us to open up new branches quickly at the Heerhugowaard, Nieuwegein and Leiderdorp centers.

"In recent years, we've seen the non-alcoholic beverages sector really expand. More people are taking part in Dry January. As NIX & NIX, we can tap into growing demand among consumers for non-alcoholic spirits, wines and beers. Beer and wine drinkers have had options for many years, but non-alcoholic spirits have really only taken off since 2015.

"Currently, we have a portfolio of more than 150 non-alcoholic drinks from around the world. Our mission is to show people that non-alcoholic drinks – as well as being healthier – are also just as delicious.

"We've got customers of all types, and our concept really fits with the current trend toward more healthy lifestyles. NIX & NIX is also a great match with the broad visitor target group at Wereldhave's centers.

"The UpNext concept really worked for us. Wereldhave can help with everything from staff recruitment and payment terminals to fully shop-fitted stores. That's a huge advantage for entrepreneurs in today's market."

"The UpNext concept really worked for us – it can be a huge advantage for entrepreneurs in today's market."

Wim Boekema, founder and owner of NIX & NIX

Our business environment

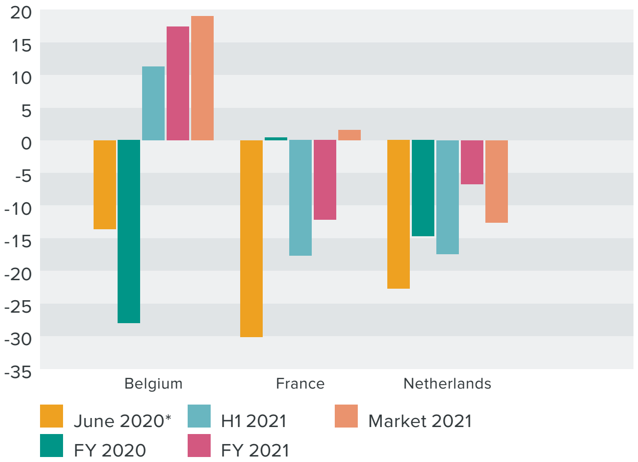
During 2021, economies rebounded, but Covid-19 remained. At times throughout the year, restrictions were imposed in the Netherlands, Belgium and France – our three markets. Government support – and our own Fair Support Policy – helped cushion tenants against the effects of these restrictions. Online shopping continued its recent growth, particularly in sectors such as clothes, shoes, toys and accessories. Meanwhile, consumers spent more time shopping, working and socializing close to home.

Pandemic continues to affect operations at our centers

Throughout 2021, Covid-19 continued to affect our markets. In the Netherlands, Belgium and France, governments introduced measures to combat successive waves of the virus. These measures clearly affected footfall in our centers – though during the second and third quarters, when infection rates were lower, visitor numbers returned near to pre-pandemic levels.

Change in visitors versus the same period previous year

(%)



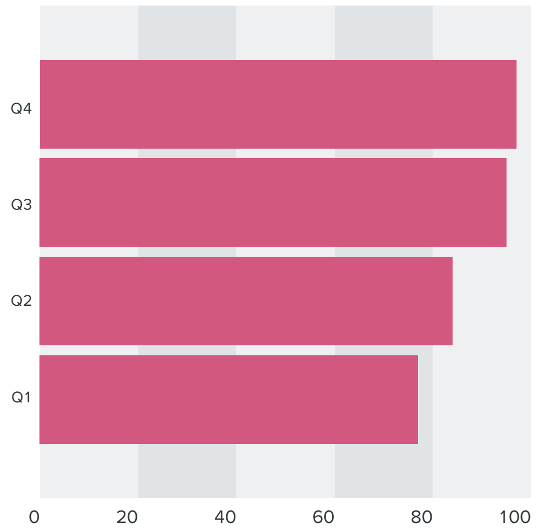
* For 2020: June data for Belgium and France due to lockdowns; Q2 data for the Netherlands, both Wereldhave data as well as benchmark data

Governments provide pandemic support to retailers

Governments continued their financial support for businesses during the pandemic. This support allowed smaller tenants in particular to maintain regular rent payments. For other tenants, we have agreed discounts and deferrals where appropriate, as part of our Fair Support Policy. Thanks to this approach, we were able to collect 97% of rents, as scheduled, in 2021.

Rent collection in 2021

(% collected as due)



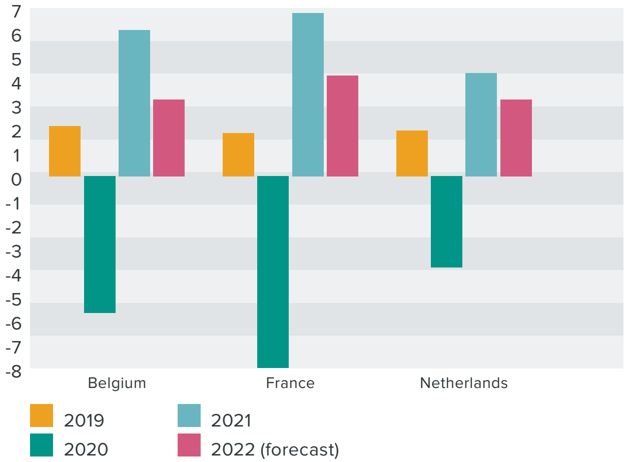
Figures shown are year-to-date, for rent falling due in each quarter, adjusted for agreed deferrals and discounts.

Economies rebound, but significant risks to recovery remain

European economies rebounded in 2021 thanks mainly to vaccination programs in many countries. Low interest rates, a recovery in international trade and an increase in consumer spending also helped support the economic recovery. Significant risks remain, however – from increased supply chain pressures and rising energy prices. Economies also remain vulnerable to a resurgence in Covid-19 infections.

GDP at market prices

2019-2022, (% growth year-on-year)

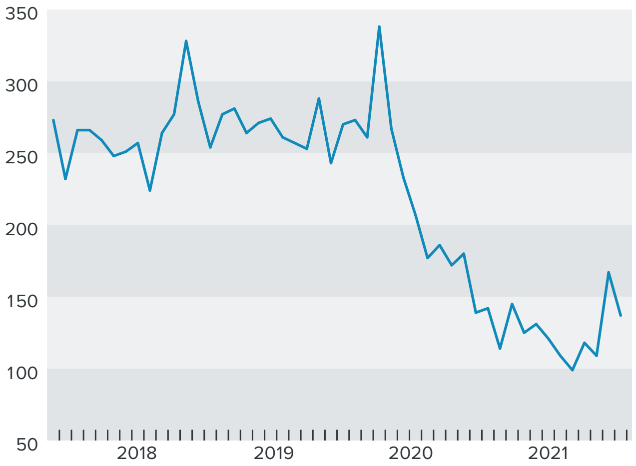


Source: Organization for Economic Cooperation & Development (OECD) Economic Outlook, December 2021.

Bankruptcies kept to a minimum

During the year, bankruptcies in our three markets – the Netherlands, Belgium and France – remained well below pre-pandemic levels thanks to continued financial support from governments. Banks have also been able to extend credits as the European Central Bank (ECB) continued to issue new money in 2021 to support the broader euro-zone economy.

Monthly bankruptcies in the Netherlands, 2018-2021



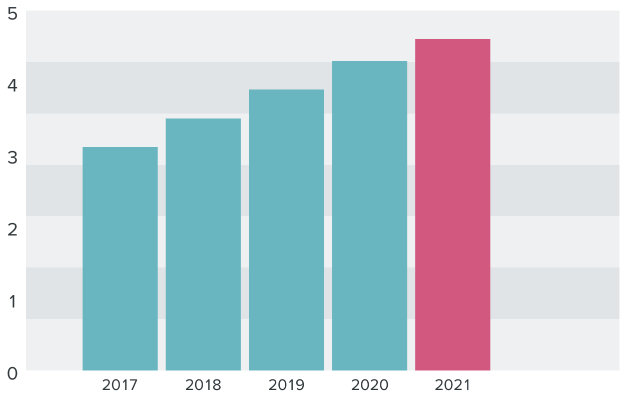
Source: Statistics Netherlands (CBS)

Retailers moving toward hybrid model with growth in online sales

Online shopping continued to grow during 2021, accelerated by the pandemic. Even so, most purchases still take place in store, leading to the emergence among retailers of a hybrid online /bricks-and-mortar approach – and the popularity of services such as click-and-collect; e-commerce already accounts for an estimated 20% of sales in the Netherlands. With the rise on online shopping, consumers are increasingly coming into stores for experiences – for services or advice – as well as to buy products.

e-commerce share of GDP in Europe

2017-2021 (% growth, year-on-year)



Source: 2021 European E-commerce Report

15 minutes

We're seeing more focus on the idea of a 15-minute city where most daily necessities can be accomplished by walking or cycling from our homes.

People are shopping, working and socializing more locally

Some sectors have performed better than others during the pandemic – and that continued in 2021. Fashion, shoes, toys and other accessories remain under pressure – despite an initial rebound linked to the return to economic growth. Other sectors such as food retail, DIY, sports, garden and electronics have prospered.

We launched the LifeCentral strategy in early 2020. Based on research, we know that consumers prefer if their daily needs can be done close to their homes. Even before Covid-19 this was the case, due to people's daily lives becoming overly busy. This leads them to search for opportunities to spend their valuable time more efficiently, spend less times on the to do's and create more time for the things they appreciate. Since our centers are strategically situated in the heart of densely populated catchment areas, we have the perfect spots to accommodate to this fast growing customer need. Full Service Centers are the one place helping people combine and enjoy their daily needs conveniently close to home. We're creating new alibi's for people to visit our centers. Making smart combinations so they will stay longer, come back sooner, spend more money and like us better. We're building experiences around our tenants so visitors will choose to spend time with us.

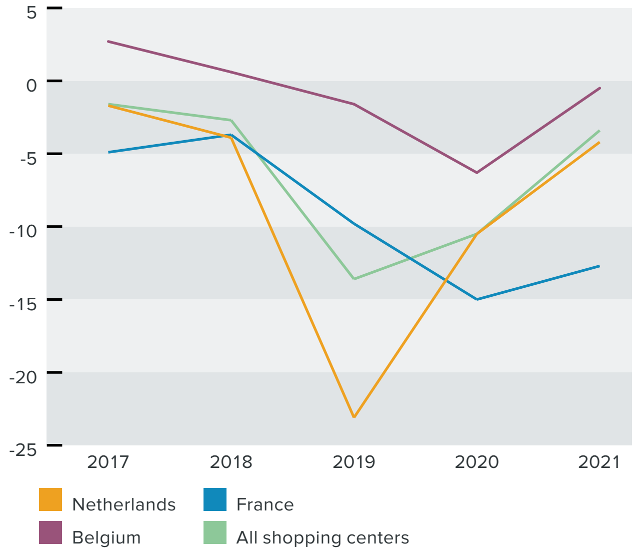
We connect with our local communities. By celebrating local heroes, working closely with the municipality and listening to the wishes of our tenants and visitors. Adapting our centers to the local needs, taking responsibility, and playing an active role in our neighborhoods. Ultimately improving the quality of life, everywhere we operate.

After a prolonged downturn, valuations are either bottoming out or are already improving

We are seeing a stronger investment market. Externally-assessed valuations in the Netherlands showed signs of stabilizing during the year, despite an increase in the country's transfer tax. In Belgium, meanwhile, valuations increased for the first time since 2019. During the year, investor interest focused in particular on smaller convenience centers, which have performed well during the pandemic.

Revaluations

(shopping centers, % vs. previous year)



Note on materiality

We carry out regular assessments of our business environment – to identify risk and opportunities, and pinpoint material topics for reporting and disclosure. Our materiality assessment, last updated in 2022, identified financial performance, tenant mix and health and well-being as the most important topics for our business and stakeholders. See page 88 for more information on our materiality assessment.

Our LifeCentral strategy

We launched our LifeCentral strategy in early 2020. As part of this strategy, we are transforming our locations from shopping centers to Full Service Centers; these Full Service Centers will become welcome and attractive places for people not only to shop, but also relax, stay healthy, have fun, work and socialize with friends and family.

Meanwhile, we have also worked to strengthen our balance sheet, securing new sources of financing, selling non-core centers in Benelux and phasing out most of our French operations – this will allow us to concentrate more on Full Service Center transformations in the years ahead.

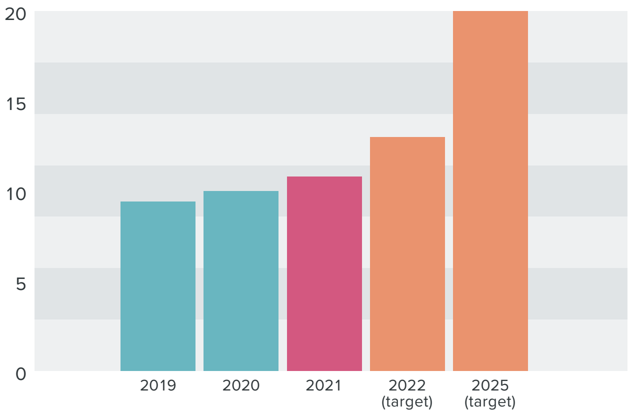
Over the past year, Covid-19 has continued to confirm the rationale behind our strategy, accelerating the rise of e-commerce and emphasizing the growing importance of local convenience.

Full Service Center transformations

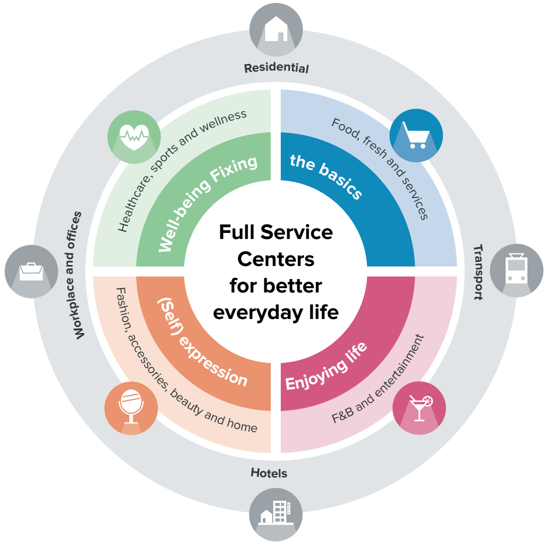
Our Full Service Centers offer a new concept in commercial real estate: a mix of traditional shopping, bars & restaurants, healthcare, entertainment, offices, other services and sports & fitness. Our centers will still be anchored around food retail – grocery shopping remains a basic need for most consumers. Under LifeCentral, however, we will devote more space to what is known as mixed use. Currently, mixed use – including food & beverage, entertainment and healthcare – accounts for just over 10% of the floor space in our centers; by 2025, we want to increase that to 20%. To do so, we are either reallocating existing retail space, or adding new space – as we are planning to do, for example, at Shopping Nivelles in Belgium. Alongside this, we are also bringing new services into our centers, including same-day delivery and new healthcare and fresh food “clusters”. We are also rolling out The Point, our service hub, to centers in the Netherlands, following its successful launch in Belgium – these new services are a crucial part of LifeCentral, improving visitors’ experience of our centers, and helping smaller retailers in particular take advantage of the increase in online shopping.

% of mixed use Benelux

(in m²) at Wereldhave centers



Over the past two years, we have increased the percentage of space devoted to mixed use; we expect an acceleration as we bring new Full Service Centers into operation from 2022 onward.



Our aim is that Full Service Centers should meet consumers’ daily needs under one roof. These needs, we believe fall into four principal categories; these categories are at the heart of our strategy:

1. Fixing the basics – i.e. shopping for groceries and other essentials
2. Self-expression, or “looking good and making the right impression” (fashion, home decoration, beauty & cosmetics)
3. Enjoying life – spending time with friends and family (bars, restaurants, cinemas and other leisure & entertainment)
4. Well-being – taking care of personal health and well-being (healthcare, fitness, leisure and personal development).

Under our LifeCentral strategy, we are transforming our assets into Full Service Centers. Two of our assets now qualify as FSCs: Les Bastions in Tournai and Presikhaaf in Arnhem. Multiple assets are in transformation. Our aim is to deliver the next three FSCs before the end of 2022; a further two will follow in 2023 (see table below). In all, we plan to have converted 15 of our 17 shopping center locations by 2025. We have blueprints for each center, setting out project plans, financing and timetables in detail. These blueprints also include measures needed to ensure each center is "Paris-Proof" – in other words that, in carrying out the work, we remain within the Paris Climate Agreement's well below +2°C target. Our blueprints are updated every year. Work takes place in phases, so we can reassess progress and make adjustments to financing plans or tenant mix, where necessary. When transforming our centers, we apply a strict minimum rate of return of 6% (unlevered). For centers that fail to meet this hurdle, we will take action to improve returns where possible; otherwise, we may earmark them for disposal.

Committed Full Service Center transformations

Location	Lettable area	2021	2022	2023
City-Center, Tilburg (Netherlands)	11,065 m²			
Sterrenburg, Dordrecht (Netherlands)	12,896 m²			
Ring Shopping, Courtrai (Belgium)	32,677 m²			
De Koperwiek, Capelle aan den IJssel (Netherlands)	30,743 m²			
Vier Meren, Hoofddorp (Netherlands)	30,550 m²			
Kronenburg, Arnhem (Netherlands)	41,232 m²	(phase 1 only)		

Divestments and capital expenditure

When launching our strategy, we said we would need to invest a total of € 300-350m in LifeCentral. We had to put a brake on initial spending, largely because of uncertainty surrounding the pandemic. However, divestments in France and the Netherlands – plus new financing – will now allow us to accelerate the transformations to Full Service Centers. In 2022, we are planning to more than double capital expenditure on our Full Service Center transformations.

During 2021, we completed our program of disposals in Benelux with the sale in May of our Koningshoek center in Maassluis. We also sold four of our six locations in France, part of a planned phase-out of our French operations; by year-end 2021, we had raised a total of € 479m from divestments.

Benelux disposals (2020-2021)

Center	Lettable area	Transaction date
Koningshoek, Maassluis (Netherlands)	20,317 m²	May 2021
Shopping center, Etten-Leur (Netherlands)	22,826 m²	March 2021
In de Bogaard, Rijswijk (Netherlands)	19,833 m²	February 2021
Emiclaer, Amersfoort (Netherlands)	19,700 m²	December 2020
WoensXL, Eindhoven (Netherlands)	10,400 m²	March 2020

Phase-out of French operations (2021)

Center	Lettable area	Transaction date
Docks Vauban, Le Havre	52,585 m²	September 2021
Docks 76, Rouen	37,108 m²	
Saint Sever, Rouen	34,102 m²	
Rivetoile, Strasbourg	29,306 m²	
Les Passages de Mériadeck, Bordeaux*	7,350 m²	December 2020

*Please note that this is a separate retail area adjacent to our Mériadeck center

For further information on our divestments, see page 41.

Residential opportunity

Alongside our strategy, we see a clear opportunity to develop our residential portfolio. In recent years, residential property prices have increased substantially, particularly in the Netherlands. More importantly, residential would make an ideal fit with our Full Service Center concept. For Wereldhave, residential represents a long-term project, given the time required to secure permits and carry out any necessary construction work. We have, however, identified ten locations on which we could build apartments. Of these, we have signed letters of intent on the following four:

- Kronenburg, Arnhem (500-700 units in partnership with property development and investment firm Amvest)
- Winkelhof, Leiderdorp (approximately 100 units)
- Nivelles (approximately 230 units)
- Waterloo (approximately 80 units).

Value creation

We create value in several ways – by investing in our centers, providing the right mix of shops and services to visitors, or by creating a supportive business environment for tenants. This value is often financial in nature – we pay dividends to shareholders and make regular payments to suppliers, employees and other business partners. It may also be social or environmental – our centers offer access to vital services, to shops, healthcare and entertainment; our centers also act as social hubs for local communities.

At the same time, we are aware that our activities may also deplete value. Our centers consume energy and natural resources, for example – especially when undergoing construction work. Through our tenants, we are also part of wider value chains, producing and selling clothes, cosmetics, furniture and other consumer goods, which may also have negative social and /or environmental effects. We work to minimize these effects as far as possible – in particular by cutting down on waste and reducing carbon emissions across our value chain.

Our stakeholders

We have five main stakeholder groups: tenants & visitors, employees & sub-contractors, investors, business partners and "society". Our aim is to create value for each of these groups, though we realize of course that at times, in creating value for one group, we may reduce value for another. Ultimately, our social license to operate depends on our creating long-term value across all stakeholder groups. The table opposite sets out our main stakeholder groups, their expectations and the nature of their relationship with Wereldhave:

Stakeholder group	Expectations	Relationship
Tenants & visitors to our centers	• Attractive location • High standard of services and facilities within centers • Easy access via public transport /free parking • Clean, pleasant and comfortable environment • Right mix of food & beverage (F&B), traditional retail, leisure, healthcare, entertainment etc.	We offer a one-stop location for groceries, retail, leisure, healthcare etc., attracting footfall to our centers.
Investors, including shareholders and creditors	• Attractive returns on investment • Clear communications to financial markets • Effective strategy, governance and decision-making	Investors provide us with financial capital. In return, they receive returns through interest payments, dividends and share price performance.
Employees	• Safe, healthy and inclusive working environment • Fair remuneration and working conditions, with good work-life balance • Opportunities for training and career development	Employees contribute time, skills and expertise. In return, we provide salaries, benefits, job satisfaction and career development.
Business partners, suppliers	• Prompt payment for goods and services provided • Constructive, long-term partnership • Opportunities for business development	From suppliers, we buy goods and services. We also work with other partners to develop our business and theirs.
Society, including local communities, governments and public service providers	• Centers acting as social hubs for local communities • Compliance with laws, regulations and social and environmental standards • Job creation and support for local businesses, especially smaller retailers • Payment of local and transfer taxes	Society provides our license to operate; it also gives us access to labor and business markets. In return, we support local communities, and protect the environment by reducing waste and emissions.

On the following page, we have set out our value creation model. This model comprises three main sections: the resources we need to operate our business (on the left); our business model (in the center) and outcomes – i.e., creation or loss of value for stakeholders resulting from our business activities.

Our value creation model

Resources

Gross rental income: € 162m
Net debt: € 788m
Shareholders' equity: € 867m

Financial resources
Including equity and debt financing, rents and other forms of income.

Total lettable area: 655,956 m²
Value of portfolio: € 1,939m
Total capex: € 44m

Our locations
Including retail and Full Service Centers, and office space in the Netherlands, Belgium and France.

New leases processed: 188
Number of centers using *flow by Wereldhave*: 17
General expenses: € 19m[1]

Internal processes & systems
Including IT and data management systems, procurement, leasing and facilities management.

Training & development spend: € 116,000
Total number of employees (FTEs): 123

Human capital
Including time, skills and personal engagement of employees, temporary staff and outside suppliers and sub-contractors.

Total number of leases: 1,611
Total number of visitors: 72m
Number of suppliers and contractors: 1,586

Business relationships
Including relationships with tenants, visitors, business partners, governments and local communities.

Energy consumption: 57,812 kWh
Total water use: 208,493 m³

Natural resources
Including energy, water, and building materials needed to heat, cool and maintain our centers.

Value created

Tenants and visitors
During 2021, customer experience improved substantially. New services were introduced or extended. Covid-19, however, continued to cause significant disruption for both tenants and visitors.

Customer experience (NPS): +25 (vs. +4)[2]
Lettable area devoted to mixed use: 10.8% (vs. 10.0%)
Shopping centers meeting our Full Service Center criteria: 2 (vs. none)

Investors
Our share price made modest gains in 2021. We also resumed full-year dividend payments to shareholders and made significant progress with our LifeCentral strategy. Company earnings were still affected by Covid-19, though valuations showed signs of stabilizing in both Belgium and the Netherlands.

Total dividend payments: € 28m (vs.€ 34m)
Direct result: € 88m (vs. € 93m)
Indirect result: -€ 302m (vs. -€ 287m)

Business partners, suppliers and employees
Payments to suppliers and sub-contractors declined during 2021, as did salaries and benefits – a reflection of continued cost-cutting measures. At our centers, transformation projects were delayed by Covid-19, but we expect work to accelerate again going into 2022.

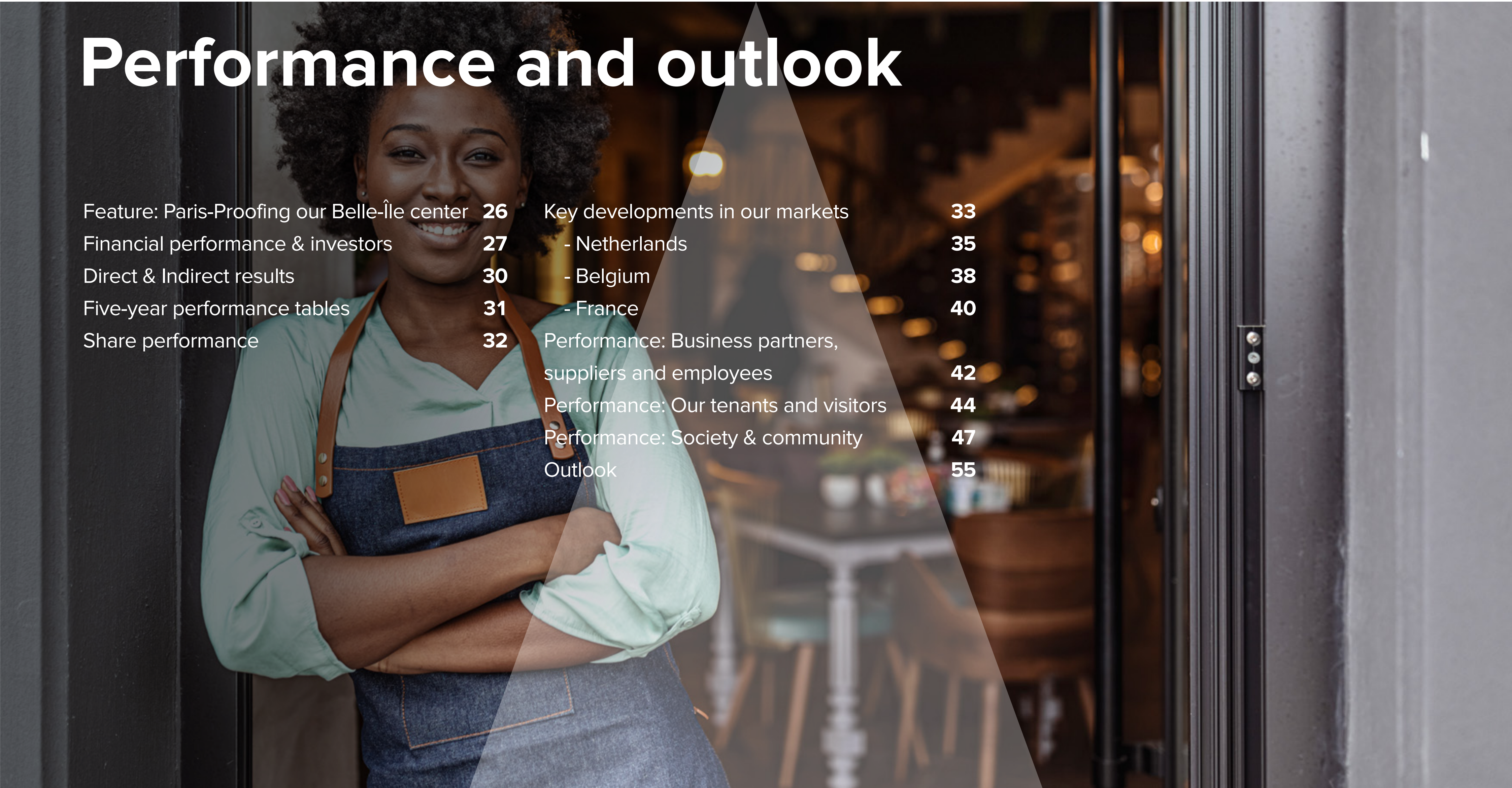
Payments made to suppliers and other sub-contractors: € 113m (vs. € 141m)
Salaries, pension costs & other benefits paid to employees: € 23m[3] (vs. € 20m)

Society
During 2021, we further reduced emissions and waste as part of our A Better Tomorrow program. We continued to include Paris-Proofing in blueprints for our Full Service Centers, and support social initiatives – though some projects and events were canceled due to Covid-19.

Carbon emissions (scopes 1 and 2) like-for-like: 2,427 metric tons (vs. 2,454 metric tons)
Waste going to landfill: 482 metric tons (vs. 543 metric tons)
Contributions to social initiatives: € 2m (vs. € 1m)

1 Additional costs included in 2021 for closure of the French management office and severance payments for employees in France.
2 NPS — Net Promoter Score. For centers in the Netherlands and Belgium only. See page 44 for further details

Note: All figures relate to 2021. Where relevant, comparable figures for 2020 are provided in parentheses (to show value created or lost during the year). Our model is based on the Integrated Reporting <IR> Framework, published by the Value Reporting Foundation (VRF). For more information, see www.valuereportingfoundation.org. Resources listed on the left are based on the Framework's six capitals (financial, manufactured, intellectual, human, social & relationship and natural). The right side of the diagram shows value created by stakeholder group. Please note that, for reporting purposes, we have grouped together two stakeholder groups (employees /business partners, suppliers and sub-contractors); the same approach is used in the Performance section of this report (from page 25)



Performance and outlook

Feature: Paris-Proofing our Belle-Île center

Frank Adriaensen, Development Director, Wereldhave Belgium
"We have a target to cut carbon emissions by 30% by 2030 – and to become carbon neutral by 2045. So, as we convert Belle-Île into a Full Service Center, we are making the investments needed to meet those targets. That's what we mean when we say we're making our centers Paris-Proof.

"In 2021, we finalized a number of initiatives at Belle-Île that support these objectives. They may sound small, but they'll make a significant difference. We've built these changes into our blueprint for the center.

"To improve energy efficiency, for example, we've insulated large areas of the roof and sections of the floor around the garage entrances. Studies have shown that we lose around a quarter of our heated air through uninsulated floors. We've also installed additional solar panels on the roof – these now account for 27% of the electricity we use – for heating, cooling, lighting, elevators, and escalators. At entrances to the car park we replaced two of the sliding doors with revolving doors, which help prevent heat loss and maintain a more stable ambient temperature.

"We also introduced a pilot project at the center to construct a light steel structure over the glass roof, where we will grow hops from March to October. The plants will act as a partial sun barrier, helping to keep the center cooler in the summer and giving it a more natural, organic feel. We're also now searching for a brewery that can harvest and use the hops in a locally-brewed beer, so it's a win-win.

"After the flooding in July, when the Meuse overflowed into parts of the city center, we began looking for ways to deal with rainwater collecting and running off the center roof. So we're planting an area with trees near the center. Surplus rainwater will first collect in a special tank we're installing, before flowing into this new area and draining into the ground. It's ecologically sound – and we've had support for it from the local authorities."

> **"As we convert Belle-Île, we're making the investments needed to meet our climate targets."**
>
> Frank Adriaensen, Development Director, Wereldhave Belgium.

Financial performance & investors

Our financial performance

Total result

Wereldhave's total result for 2021 was -€ 213.3m (2020: -€ 194.2m). The 6.5% decline compared with the previous year was mainly a result of our disposals. Results, however, came in above our expectations, due to better than forecast turnover-based rents, specialty leasing income in Belgium, cash collection from aged debtors in France and leasing results in the Netherlands. In addition, arrangements were made to provide tenants with financial support during recent lockdowns, ranging from flexible payment schemes to waiving part of the rent.

Direct result

(in €m)	2020	2021
Net rental income	133.0	124.7
General costs	-11.4	-11.3
Net interest	-28.9	-24.8
Taxes on result	0.1	-0.1
Total direct result	**92.9**	**88.5**

Our direct result for 2021 totaled € 88.5m. Gross rental income amounted to € 161.8m, down from € 189.4m the previous year, because of disposals made during the year. Property expenses decreased from € 47.2m to € 31.3m. Expenses were still affected by provisions made for Covid-19 agreements with tenants, but these provisions were substantially lower than in 2020. Our results included a € 10.6m expense for doubtful debts to account for lower payments among tenants, ongoing rent negotiations, as well as the increased bankruptcy risk among tenants as a result of the ongoing Covid-19 pandemic. Net rental income for 2021, meanwhile, decreased to € 124.7m, compared with € 133.0m in 2020, as a result of disposals.

At February 4, 2022, our adjusted rent collection rate (for rents due in 2021) stood at 97%. Out of the total due for the year, we granted discounts of € 7.0m. On the remaining € 3.6m, negotiations are proceeding. During the year, we continued our cost-conscious approach, which in 2021 again led to lower direct general expenses. We expect to realize further cost savings in 2022, mainly from organizational changes following the disposal of our centers in France and the intended move of our headquarters.

Net interest expense declined to € 24.7m as a result of a lower net debt and a slight increase in our average interest rate to 2.3% by end-2021, as we used proceeds from our French disposals to repay loans carrying below-average rates.

Indirect result

(in €m)	2020	2021
Valuation result	-293.1	-65.9
Result on disposal	0.2	-228.4
General costs	-2.8	-7.6
Other income and expense	7.2	-1.4
Taxes	1.3	1.5
Total indirect result	**-287.1**	**-301.8**

Our indirect result to shareholders for 2021 amounted to -€ 301.8m, mainly due to a loss on disposals of -€ 228.4m, and a downward revaluation of € 65.9m in our property portfolio (equivalent to 3.3% of the portfolio's total value on a like-for-like basis), mainly in the first half of the year. The downward valuation adjustment in H2 was just -0.4%.

In 2021, the value of our Dutch properties decreased by € 37m (-4.2%). Of this amount, € 15.7m was due to a 2% increase in transfer tax in the Netherlands, effective January 1, 2021. Excluding this, the value of our Dutch portfolio declined by just -2.2%, compared with -10.5% in 2020. During the year, investors showed increased appreciation for smaller convenience centers and stronger mixed-use locations; this helped further support the valuation of our Dutch portfolio. By the end of 2021, our Dutch portfolio's average EPRA Net Initial Yield (NIY) stood at 6.5%, a 50bps compression mainly due to disposals made during the year and yield compression for our first Full Service Centers. On a like-for-like basis, the valuation yield on our portfolio was down by 20bps. In 2021, real estate investors in both Belgium and France adopted a wait-and-see approach, resulting in limited market transactions during the year. Our average EPRA NIY in France declined 30bps to 4.6%; for our Belgian shopping centers, it increased slightly to 5.7%. In France, values decreased by € 24.7m (-12.7% like-for-like) following a downward adjustment in expected market rents. In Belgium, the value of our portfolio was relatively stable, down just € 4.2m (or 0.5%) for the whole year, but up 0.3% in H2.

Capital & financing

Wereldhave's disciplined capital allocation framework is focused toward a strong balance sheet, delivering outperforming long-term value growth for shareholders through its investments, and returning appropriate dividends to shareholders.

To ensure acceptable leverage and long-term growth, management has decided to allocate the Company's recurring income partly to finance investments needed under its LifeCentral strategy, alongside required dividend distributions.

In 2021, Wereldhave's LTV ratio improved to slightly above our revised 35-40% target range.

Current debt position

Interest-bearing debt totaled € 814.9m at December 31, 2021, which together with a cash balance of € 26.8m resulted in a net debt for the year of € 788.1m. Undrawn borrowing capacity amounted to € 525m. Our net loan-to-value (LTV) ratio stood at 41.0% (year-end 2020: 46.7%). Assuming our Green Revolving Credit Facility is fully drawn, Wereldhave's gross LTV stood at 45.7% at year-end 2021, well below our bank covenant limit of 60%.

Debt position as at 31 December

(in €m unless otherwise stated)	2020	2021
Interest-bearing debt	1,252.8	814.9
Cash position	67.0	26.8
Net debt	**1,185.8**	**788.1**
Undrawn borrowing capacity	306.0	525.0
Net loan-to-value in %	46.7%	41.0%

At year-end 2021, our average cost of debt and Interest Coverage Ratio (ICR) were 2.3% and 5.8x respectively (our bank covenant requires an ICR of at least 2.0x). The weighted average term to maturity of the Company's interest-bearing debt was 3.8 years.

On 30 September 2021, the Company received payment for the sale of four French shopping centers. Proceeds were used to reduce debt, freeing up the Group's revolving credit facilities. As a result of the transaction, our LTV ratio improved to the figure mentioned above. A reduction in our net debt position resulted in lower interest costs. However, the Company's average cost of debt increased - this was because proceeds from our French sales were used initially to repay debt under credit facilities with lower-than average interest rates, though these repayments were without penalties. It should be noted that maturities falling due in 2022 carry interest rates above our current average cost of debt and refinancing rates.

Financing & credit facilities

During 2021, Wereldhave obtained € 202m in additional funding by agreeing new credits and extending existing facilities. Following a € 32m private placement in the first quarter, a new € 120m green financing facility was arranged in the Netherlands with ABN AMRO.

In Belgium, a € 50m facility was refinanced through a new, four-year green credit facility. Additionally, our Treasury notes program was expanded from € 100m to € 150m.

Note on credit rating

In February 2021, Wereldhave ended its engagement with Moody's regarding the Company's credit rating, as the issuance of public debt is not part of our funding strategy in the near term.

Equity & net asset value

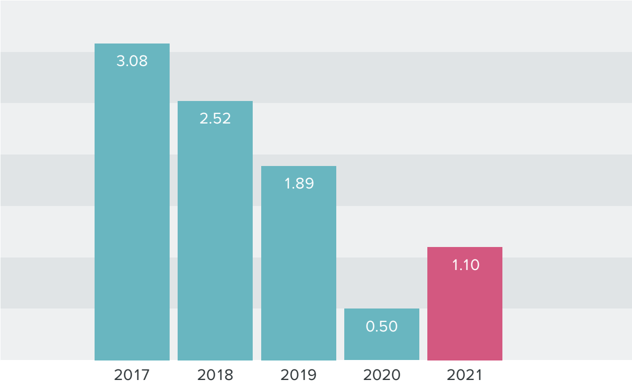
At December 31, 2021, our total equity – including non-controlling interests – amounted to € 1,095.5m (December 31, 2020: € 1,334.7m). The number of shares in issue remained unchanged at 40,270,921 ordinary shares. A total of 146,594 treasury shares are held by the Company.

Dividend payment to investors

Wereldhave intends to propose to the Company's Annual General Meeting of Shareholders (AGM) a dividend for 2021 of € 1.10 per share (equivalent to a payout of € 44.3m and a pay-out ratio of 59%). With regard to the 2022 dividend, our aim will be to return to a pay-out ratio of 75-85% of our direct result, as set out in our dividend policy, albeit at the lower end of that range.

Payment of annual dividends

(€ /share)



Charts shows dividends for each financial year. Please note that, in 2020, because of the Covid-19 pandemic, Wereldhave decided to cancel its final dividend for 2019 (payable in 2020) and suspend interim payments for 2020. Dividend payments were resumed in May 2021.

Share price performance

During 2021, our share price gained nearly 19%; most of the increase came at the end of the first quarter due to an easing in Covid-19 restrictions in our main markets. Total shareholder return for the year – including the € 0.50 per share dividend – came to 23.1%.

By comparison, our benchmark – the FTSE EPRA Nareit Developed Europe Index – rose 18.2% during 2021.

Communications with investors

We value the trust investors put in us – we have an open and transparent process of capital allocation. During the year, we continued with online meetings with investors because of the Covid-19 pandemic. We held 50 one-to-one meetings and another 63 group meetings. We also spoke at industry conferences and held separate meetings with equity and US Private Placement investors to present our financial results and progress with our strategy. To comply with social distancing, we once again limited in-person attendance at our 2021 AGM – shareholders were able to join the meeting online, however. To increase dialogue with retail shareholders, we took part in podcasts and launched an "in conversation with…" campaign in the Netherlands, hosting an interactive webinar attended by over 400 private investors.

Direct & Indirect result

	2021		2020	
(in € 1,000)	direct result	indirect result	direct result	indirect result
Gross rental income	161,840	-	189,372	-
Service costs charged	28,931	-	31,030	-
Total revenues	**190,771**	**-**	**220,402**	**-**
Service costs paid	-34,772	-	-40,130	-
Property expenses	-31,329	-	-47,243	-
Total expenses	**-66,101**	**-**	**-87,373**	**-**
Net rental income	**124,669**	**-**	**133,029**	**-**
Valuation results	-	-65,880	-	-293,064
Results on disposals	-	-228,439	-	202
General costs	-11,298	-7,590	-11,378	-2,810
Other income and expense	6	-214	-	-178
Operational result	**113,377**	**-302,123**	**121,651**	**-295,850**
Interest charges	-24,763	-	-28,900	-
Interest income	13	-	16	-
Net interest	**-24,749**	**-**	**-28,884**	**-**
Other financial income and expense	-	-1,133	-	7,384
Result before tax	**88,628**	**-303,256**	**92,767**	**-288,466**
Income tax	-147	1,483	133	1,346
Result	**88,481**	**-301,772**	**92,899**	**-287,120**
Profit attributable to:				
Shareholders	75,332	-301,582	80,643	-267,575
Non-controlling interest	13,149	-190	12,256	-19,545
Result	**88,481**	**-301,772**	**92,899**	**-287,120**
Earnings per share (€)	1.88	- 7.52	2.01	- 6.66

Five-year performance tables

Result (in €m)

	2017	2018	2019	2020	2021
Net rental income[1]	167.3	166.4	171.5	133.0	124.7
Result	84.3	-55.6	-318.9	-194.2	-213.3
Direct result	150.1	146.7	128.6	92.9	88.5
Indirect result	-65.8	-202.3	-447.5	-287.1	-301.8

1 From continuing operations

Net rental income geographical distribution (in %)

	2017	2018	2019	2020	2021
Belgium	24%	25%	31%	33%	38%
Finland	14%	14%	-	-	-
France	21%	20%	22%	17%	18%
Netherlands	41%	41%	47%	50%	44%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Balance sheet (in €m)

	2017	2018	2019	2020	2021
Investment property in operation[1]	3,651.3	3,220.2	2,839.3	2,518.9	1,912.7
Investment property under construction	122.4	60.0	67.4	58.7	26.6
Shareholders' equity	1,928.6	1,744.5	1,319.6	1,124.3	866.8
Interest-bearing debt	1,557.7	1,358.3	1,335.7	1,252.8	814.9

1 Including lease incentives

Investment portfolio sector distribution (in %)

	2017	2018	2019	2020	2021
Retail	97%	97%	97%	96%	95%
Offices	3%	3%	3%	4%	5%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Investment portfolio geographical distribution (in %)

	2017	2018	2019	2020	2021
Belgium	23%	29%	33%	36%	48%
Finland	15%	-	-	-	-
France	23%	27%	28%	27%	9%
Netherlands	39%	44%	39%	37%	43%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Acquisition of investment properties (in €m)

	2017	2018	2019	2020	2021
Belgium[1]	-	73	3	-	-2
Finland	-	-	-	-	-
France	-	-	-	-	1
Netherlands	-	-	15	0	0
Total	**0**	**73**	**18**	**0**	**-1**

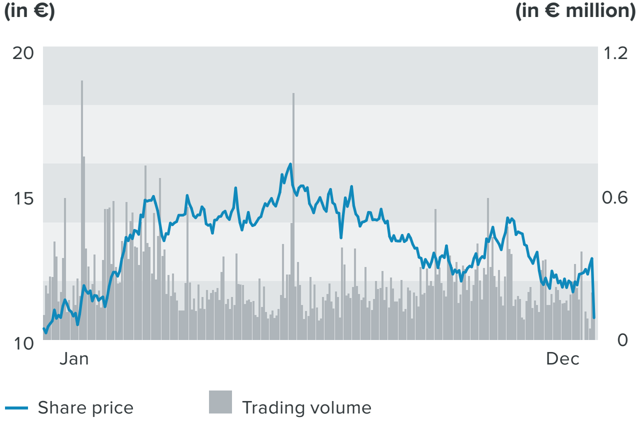
[1] 2021 includes settlement which has been adjusted on acquisition price

Disposal of investment properties (in €m)

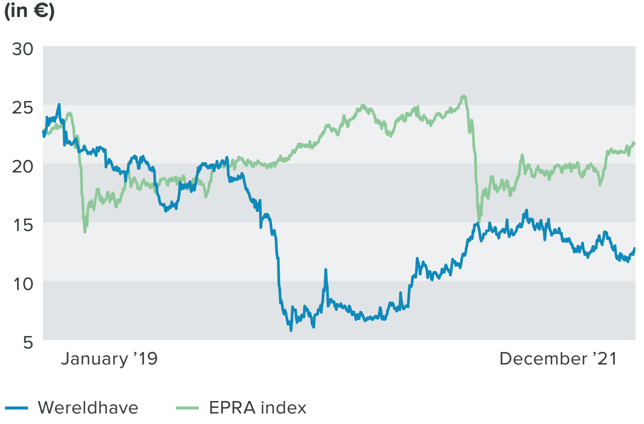
	2017	2018	2019	2020	2021
Belgium	-	19	-	8	-
Finland	-	583	-	-	-
France	-	-	-	11	507
Netherlands	81	34	13	85	105
Total	**81**	**635**	**13**	**104**	**612**

Share performance

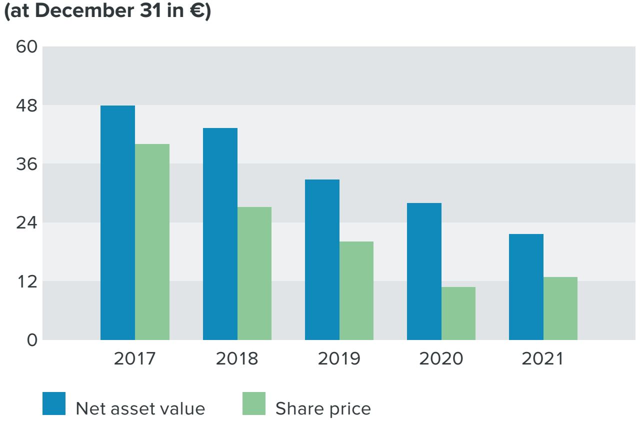
Wereldhave 2021 share price & trading volume



Three-year share price development vs EPRA index



IFRS Net asset value versus share price



Share data (in €)

	2017	2018	2019	2020	2021
IFRS NAV	47.92	43.35	32.78	27.97	21.60
Direct result	3.43	3.33	2.81	2.01	1.88
Indirect result	-1.75	-5.02	-10.98	-6.66	-7.52
Dividend[1]	3.08	2.52	1.89	0.50	1.10
Pay-out	90%	76%	90%	25%	59%
Result per share	1.68	-1.69	-8.17	-4.65	-5.64

1 For 2021 the proposed dividend is shown

Number of outstanding shares

	2017	2018	2019	2020	2021
At 31 December	40,270,921	40,270,921	40,270,921	40,270,921	40,270,921
Average during the year[1]	40,248,165	40,243,857	40,251,654	40,212,448	40,146,461

1 Excluding remuneration shares, number used to calculate EPS

Key developments in our markets

In 2021, our operations were again affected by Covid-19. Despite the pandemic, some sectors continued to do well, including food retail, DIY and multimedia. During the year, we saw increased demand from F&B operators, and signed several new package deals in the Netherlands and Belgium. Furthermore, in line with the strategy, we now have almost completed our disposal program.

Covid-19 restrictions

For a second year, governments imposed measures to protect public health; inevitably, these measures had an adverse effect on Wereldhave's operations. Across our three main markets, restrictions were eased from the second quarter. During that period, footfall in our centers returned almost to pre-pandemic levels. Measures were re-imposed toward the end of the year, however, including a full lockdown in the Netherlands over the Christmas and New Year holidays. Restrictions included mask-wearing in stores, social distancing, limits on customer numbers and – at times – the forced closure of non-essential stores. In August, a health pass was introduced for visitors to our centers in France. Among the hardest hit sectors was food & beverage (F&B), with bars, cafés and restaurants often subject to additional measures. Wereldhave's decision to anchor centers around food retail and convenience helped mitigate the worst effects of the pandemic. In many cases, centers also performed better than local high streets as shoppers attempted to avoid crowds.

Health measures at our centers

Throughout 2021, Wereldhave continued with health measures to protect customers, tenants and other visitors to our centers. Among measures taken were additional cleaning, security and ventilation, hand disinfection stations, encourage more visitors during non-peak hours and shopping by appointment services. We also installed vending machines for face masks at our centers in Belgium and the Netherlands.

Impact on retailers

Retailers followed a similar pattern to 2020. Essential sectors like food retail and pharmacies performed well, as did DIY, sports goods, home decoration, multimedia and electronics. Non-essential sectors did less well, including fashion, shoes and other accessories. Retail bankruptcies remained low, however – due to continued government financial support in the Netherlands and France. During the year, we continued with our Fair Support Policy, agreeing rent discounts and deferrals for smaller retailers in particular.

Occupancy and leasing activity

During 2021, the occupancy rate in our shopping center portfolio remained high, increasing by 120bps to 96.2%; at thelsame time, occupancy at our Belgian offices declined 150bps to 76.0%, however. In 2021, a total of 188 leases were signed for our shopping centers, at an average of 1.1% above market rents, and 4.5% below previous rent levels, largely because of a continued decline in market rents for larger fashion locations. There was strong demand, particularly from F&B operators toward the end of the year. During the year, we agreed new package deals in the Netherlands with several leading retailers, including C&A, H&M, The Sting Companies and MediaMarkt. As such, leases with the majority of our top 10 tenants in The Netherlands and in Belgium have now been renewed, extended and marked to market.

Occupancy rates

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Belgium	94.4%	95.1%	96.2%	96.0%	97.2%
France	92.8%	92.3%	93.5%	94.8%	94.7%
Netherlands	96.6%	94.9%	94.9%	94.9%	95.7%
Shopping centers	**95.0%**	**94.3%**	**94.9%**	**95.3%**	**96.2%**
Offices (Belgium)	**77.5%**	**70.8%**	**74.7%**	**75.5%**	**76.0%**
Total portfolio	**94.1%**	**93.1%**	**93.8%**	**94.0%**	**94.9%**

Operations shopping centers

Country	# of contracts	Leasing volume	ERV uplift	MGR uplift	Occupancy rate	like-for-like NRI growth
Shopping centers						
Belgium	84	15.4%	6.2%	-3.4%	97.2%	15.2%
France	16	12.3%	-13.2%	2.3%	94.7%	34.3%
Netherlands	88	11.0%	-0.6%	-6.4%	95.7%	-3.5%
Total Shopping Centers	**188**	**12.8%**	**1.1%**	**-4.4%**	**96.2%**	**6.0%**

Rent collection & footfall

In 2021, our adjusted rent collection rate at 97.4% returned almost to pre-pandemic levels, particularly in Belgium at 97.4% and the Netherlands at 98.3%. We have been actively pursuing unpaid rents for 2020 (for which the adjusted rent collection rate now stands at 99%). In France, for the four centers sold, outstanding rents were paid in full by the new owner from the third quarter. Rent collection in France for the remaining portfolio came to 91.3%.

Footfall (like-for-like)

Shopping centers	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Belgium	-38.5%	-14.7%	63.6%	5.0%	43.5%
France	-39.3%	-43.4%	31.5%	-17.7%	1.2%
Netherlands	-22.5%	-39.6%	10.4%	-0.5%	4.9%
Overall	**-30.4%**	**-36.9%**	**22.3%**	**-1.9%**	**11.3%**

Progress with LifeCentral strategy

During 2021, we made significant progress with our disposal program – a key part of our LifeCentral strategy. We completed planned sales in Benelux, with divestment of our Etten-Leur, In de Boogaard and Koningshoek centers. In France, we sold four of our six centers in Le Havre, Rouen and Strasbourg (see page 41). These disposals strengthened our balance sheet, bringing our LTV ratio down to 41.0% by year-end (close to our current target of 35-40%); they also allowed us to step up investment in our Full Service Centers, with the next three centers – at Tilburg, Dordrecht and Courtrai – due to come into operation by the end of 2022.

Full Service Center performance

As part of our LifeCentral strategy, we are transforming our assets into Full Service Centers. As two of our assets now qualify as FSCs and multiple assets are in transformation, we start tracking the performance of our assets based on their transformation status: Full Service Center, Development, Shopping Center. Initial results show decent performance from our two Full Services Centers, especially on the leasing side, with new leases signed above old rent and ERV. The total property return from these two assets was above our target of 6%. The NPS of the two FSCs is now in line with other assets, but as this is the average of the past four quarters and as multiple concepts have just been launched, we expect the NPS to further increase over the coming year.

KPI	Full Service Centers	Centers under Development	Shopping Centers
# Assets	2	6	9
Mixed use percentage	18%	10%	10%
MGR uplift	7.3%	-4.6%	-6.4%
MGR vs. ERV	10.5%	-1.6%	4.8%
NPS	+21	+24	+20
Direct result	4.8%	5.2%	5.7%
Valuation result	1.2%	-3.1%	-2.9%
Total Property Return[1]	6.1%	2.0%	2.8%

[1] According to MSCI definition

Key developments
The Netherlands

11
Number of centers

328,829
Lettable space (m^2)

46.5m
Footfall (total visitors)

Top 10 tenants

1. Ahold Delhaize
2. Jumbo
3. Mirage Retail Group
4. A.S. Watson Group
5. C&A
6. Hema
7. Ceconomy
8. Deichmann
9. The Sting
10. H&M Group

Economic background and outlook

The Dutch economy rebounded in 2021 thanks to a successful vaccination program and continued government support for business. GDP growth reached an estimated 4.3%, driven by a turnaround in private consumption after a slump in 2020. Growth is likely to continue in 2022, though at a slower rate. Unemployment is expected to stay at 3.5% or below through to 2023, with bankruptcies running at record lows over the past year. As elsewhere in Europe, there are clear inflationary pressures – a consequence mainly of higher energy prices. Covid-19 support measures for business were initially phased out in October, though some were reintroduced in mid-November with the resurgence of the pandemic.

Key economic parameters

	2020	2021E[1]	2022E[1]	2023E[1]
GDP growth, year-on-year (yoy)	-3.8%	4.3%	3.2%	1.8%
Harmonized index of consumer prices, yoy	1.1%	2.4%	3.1%	1.7%
Unemployment	3.8%	3.4%	3.5%	3.4%
Private consumption, yoy	-6.6%	2.8%	4.9%	2.8%

1 E = estimated
Excluding assets sold in 2021

Market developments

The Dutch market was again affected by Covid-19; restrictions were gradually eased during the first quarter, with non-essential stores allowed to reopen on April 28. Footfall followed the pattern of restrictions, recovering almost to pre-pandemic levels in the second and third quarters; the Dutch government again ordered a full lockdown shortly before Christmas. The Covid-19 pandemic proved to be less impactful than initially feared. The Dutch government provided sufficient financial support to keep retailer bankruptcies at an all-time low. During the year, demand for retail space remained firm, particularly at convenience-oriented retail locations; occupancy rates also remained high. We believe that rent levels have now started to bottom out. Demand from the F&B, fitness and healthcare segments remained strong.

During the year, the investment market for retail property remained active despite an increase in the transfer tax. Centers anchored around groceries and convenience stores continued to attract significant investor interest; investment opportunities in this sector are, however, becoming increasingly scarce. Consequently, interest from institutional investors has shifted toward well-established core centers.

Key data shopping center operations

	2020	2021
Net rental income (in €m)	66.8	55.2
Occupancy	96.6%	95.7%
Investment properties in operation (in €m)[1]	919.7	830.2
Investment properties under construction (in €m)	46.0	13.1
Acquisitions (in €m)	0.4	-
Disposals (in €m)	85.0	105.3
EPRA NIY	7.0%	6.5%

1 Including lease incentives

Portfolio developments

During the year, we completed our disposal program in the Netherlands, with the sale of our Etten-Leur, In de Boogaard and Koningshoek centers. We made further progress with Full Service transformations at our De Koperwiek (Capelle aan den IJssel), Sterrenburg (Dordrecht), and Tilburg centers. Work at Presikhaaf in Arnhem, meanwhile, was finalized. In addition, we have started work on two other center transformations: at Vier Meren in Hoofddorp and Kronenburg in Arnhem.

We are studying possible transformation projects at four other centers in the Netherlands: Winkelhof (Leiderdorp), Cityplaza (Nieuwegein), Middenwaard (Heerhugowaard) and Eggert (Purmerend).

Operational performance

At end-2021, our EPRA occupancy rate stood at 95.7%, slightly down from end-2020; even so, occupancy rates have been improving since the first quarter. The decrease in 2021 stemmed from the delayed effect of the bankruptcy of multi-brand fashion retailer Miss Etam. Like-for-like Net Rental Income (NRI), meanwhile, declined 3.5%, due mainly to an increase in doubtful debt provisions resulting from the Covid-19 crisis. In the Netherlands, Covid-19 lockdowns were more severe and lasted longer than in 2020. Leasing activity remained robust, with 88 leases signed in 2021, at an average 0.6% below market rents and 6.4% below previous rent levels. During the year, we agreed a lease for three locations with The Sting Companies in Tilburg for more than 17,000 m^2 and signed contracts for seven C&A locations. Regarding F&B, we signed a letter of intent for a package deal with national F&B operator Albron. As part of this deal, Albron will open new outlets at our centers across the Netherlands; in Tilburg, we will be welcoming brands, including Anne&Max, Frites Affairs, Strada and CoffeeCompany. Additionally, we signed contracts this year with Starbucks and Robuust at Cityplaza, Burger Me at Sterrenburg and I Love Sushi at Middenwaard. As well as new leases, we extended new services for tenants and visitors at our Dutch centers; we continued to roll out UpNext, with the opening of three new NIX & NIX pop-up stores.

We also completed our new healthcare cluster at Presikhaaf – and launched same-day delivery services at our Cityplaza and Middenwaard centers.

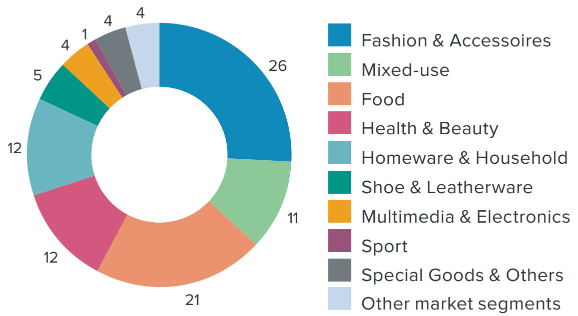
Customer satisfaction at our Dutch centers increased to +17, versus -8 in 2020, reflecting appreciation of new and upgraded services and amenities at our centers, in combination with the disposal of underperforming assets. Visitor numbers declined 6.7% year-on-year compared with an overall decline in the market of 12.6%. Numbers were still 18% down on 2019 following lockdowns. When centers were fully open, visitor numbers were roughly 8% below pre-pandemic levels, mainly due to continued Covid-19 restrictions.

Results & valuation

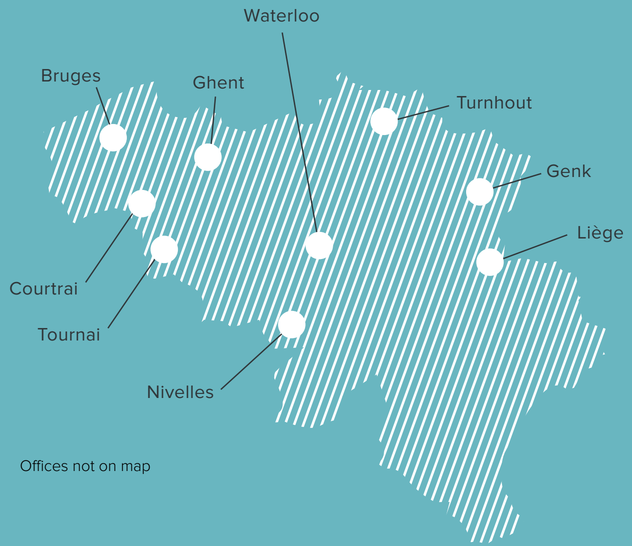
Net rental income in the Netherlands was impacted by the disposals and by the pandemic and amounted to € 55.2m (2020: € 66.8m). The rent collection rate for 2021, adjusted for tenant arrangements in the scope of our Fair Support Policy, amounted to 98% as of February 4, 2022. Revaluations amounted to € -37m, excluding investments held for sale, mainly as a result of yield shifts reflecting market evidenced transactions and, to a lesser extent, due to changes in projected market rent levels. At the end of 2021, the average EPRA Net Initial Yield on the Dutch portfolio stood at 6.5%. Our total portfolio was valued at € 843m at the end of 2021 (2020: € 966m). The value of our development portfolio stood at € 13m (2020: € 46m).

Tenant mix in the Netherlands

(end-2021, % of annual rental income)



Key developments Belgium



9
Number of centers

221,505
Lettable space (m²)

16.3m
Footfall (total visitors)

Top 10 tenants

1. Carrefour
2. Ahold Delhaize
3. C&A
4. A.S. Watson Group
5. Bestseller
6. Brico
7. Lunch Garden
8. Cassis Paprika
9. H&M Group
10. Redisco

Economic background and outlook

Belgium's economy returned to growth in 2021, thanks to a recovery in household consumption and renewed business investment; the economy will continue to grow in 2022, albeit at a slower rate. Unemployment is expected to peak in 2022 as the government unwinds financial support for business during the pandemic. The economy remains vulnerable to labor shortages, particularly in construction and IT. Government spending, meanwhile, is likely to be constrained by high levels of public debt.

Key economic parameters

	2020	2021E[1]	2022E[1]	2023E[1]
GDP growth, yoy	-5.7%	6.1%	3.2%	1.4%
Harmonized index of consumer prices, yoy	0.4%	2.9%	3.3%	2.1%
Unemployment	5.6%	6.3%	6.6%	6.4%
Private consumption, yoy	-8.2%	5.7%	6.6%	2.2%

1 E = estimated
Excluding assets sold in 2021

Market developments

In the first half of 2021, stores in Belgium were subject to continued Covid-19 restrictions. Lockdown measures introduced in 2020, which were subsequently expanded in March 2021, were gradually eased in April and May, leading to increased footfall in our centers. As from June, most restrictions were lifted. The Belgian government tightened measures again toward the end of the year, given an upsurge in infections. At shopping centers, the recovery in footfall was stronger than at high-street locations, particularly in Flanders, where visitor numbers were close to pre-pandemic. Across Wallonia, shopping center traffic during the second half of 2021 remained roughly 10-15% below pre-pandemic levels.

Among larger retail chains, there were relatively few bankruptcies. Leasing activity in the Belgian retail market was strong during 2021. A rebound in retailer activity resulted in a strong take-up of retail space in the food & beverage (F&B) sector, but demand from international fashion brands also rebounded. The outlook for rents has improved for quality shopping center locations. Prime rent levels for shopping centers stabilized during 2021, and market observers expect increases in 2022 and beyond. There were no material transactions in the large retail property investment market, due to a lack of supply. Instead, deal activity was focused on supermarkets and standalone out-of-town retail locations.

Key data shopping center operations

	2020	2021
Net rental income (in €m)	36.9	42.4
Occupancy	94.4%	97.2%
Investment properties in operation (in €m)[1]	817.8	818.2
Investment properties under construction (in €m)	12.6	13.5
Acquisitions (in €m)	-	-1.7
Disposals (in €m)	7.5	-
EPRA NIY	5.6%	5.7%

[1] Including lease incentives

Portfolio developments

In 2021, we continued work on our Full Service Center transformation program.
Renovation at our Ring Shopping center in Courtrai began during the second quarter; it is due to be finalized in mid-2022. In early 2021, all necessary permits were obtained for the extension of our Belle-Île center in Liège. In view of letting prospects, the project is under review. Of our remaining centers in Belgium, we are still officially to confirm plans for Nivelles, including an extension for F&B, leisure and, potentially, offices. Phase 1 work at Genk Shopping was also completed in 2021.

Operational performance

In 2021, EPRA occupancy rate for our shopping center portfolio increased by 280bps to 97.2%. Like-for-like net rental income (NRI) was up 15.2%, due to the reduced impact of Covid-19 on doubtful debts, offset partially by the effect of reduced income from turnover-based rents. In the fourth quarter, Net Promoter Score (NPS) – our main measure of customer satisfaction – rose to +33 from +18, a reflection of new services and amenities at our centers, including our toilets concept, play & relax areas, upgraded parking, and services like the Point and Connect. In shoes, turnover lagged behind the overall market, but the fashion sector as a whole performed surprisingly well, with turnover above 2019 levels.

In Belgium, during 2021, we signed 84 new shopping center leases and 9 office leases. These leases were signed at 6.2% above average market rents for our shopping centers. Across our Belgian centers, we saw significant demand from the F&B sector. We signed new leases in the fourth quarter with several F&B operators, including KFC at Courtrai Ring, Pitaya at Nivelles, Black & White Burger at Les Bastions – as part of our Full Service Center transformations. We also signed a lease on a new 925 m^2 store at Belle-Île for home decoration specialist Maisons du Monde.

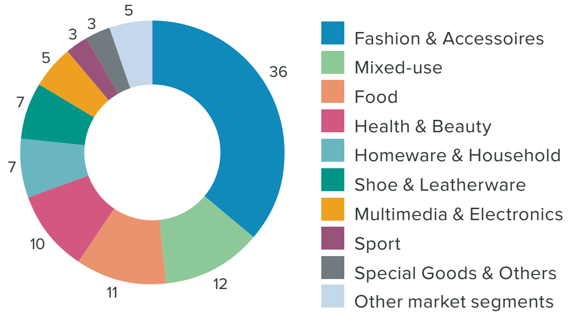
In 2021, the EPRA occupancy rate for our Belgian offices decreased by 150bps to 76.0%, though rates recovered strongly after an initial low-point in the first quarter thanks to the agreement of new leases with Maersk in Antwerp under our new office concept, The Sage. We are currently negotiating new leases at both of our office parks.

Results & valuation

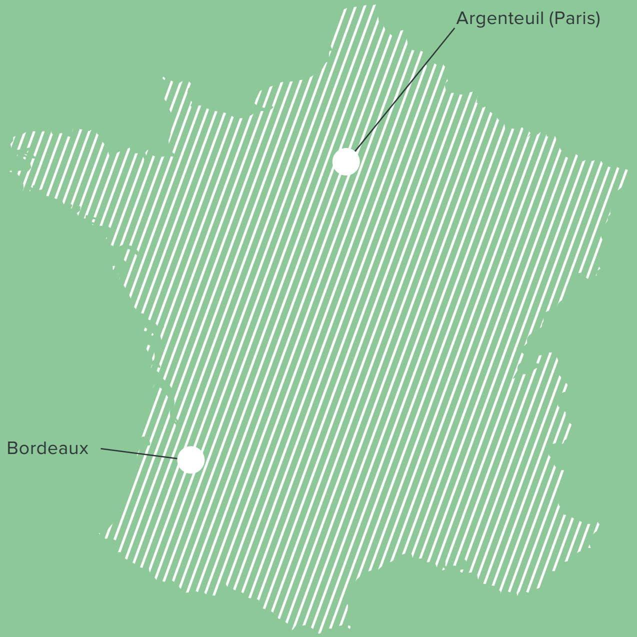
NRI in Belgium amounted to € 47.3m (2020: € 43.5m) - of this, € 42.4m came from shopping centers. The rent collection rate for 2021, adjusted for tenant arrangements in the scope of our Fair Support Policy, amounted to 97% as of February 4, 2022. Revaluations amounted to € -4.2m. At the end of 2021, our average EPRA Net Initial Yield on the Belgian shopping center portfolio stood at 5.7% and on the office portfolio at 6.4%. Our total portfolio was valued at € 928m at the end of 2021 (2020: € 921m). The value of our development portfolio, meanwhile, stood at € 14m (2020: € 13m).

Tenant mix in Belgium

(in % of contract rent)



Key developments France



2
Number of centers
Excluding assets sold in 2021

43,223
Lettable space (m²)

9.6m
Footfall (total visitors)

Top 10 tenants

1. Auchan
2. Sephora
3. Pharmacie
4. Mango
5. Générale d'Optique
6. Hema
7. H&M Group
8. Yves Rocher
9. Footlocker
10. SFR

*Please note that, during 2021, the following locations in France were sold: Docks Vauban (Le Havre), Docks 76 and Saint Sever (Rouen) and Rivetoile (Strasbourg). These locations are not shown on the map above. For details, see page 41.

Economic background and outlook

France's economy was hit particularly hard by the pandemic. In 2021, however, it rebounded strongly, with growth of 6.8%, driven by government support and increased domestic demand. The labor market showed signs of improvement; job vacancies reached historic highs. Unemployment is expected to decline over the next 2-3 years. Inflation is rising going into 2022 – though wages remain stable and the government has imposed a temporary freeze on regulated energy prices. France's government continues to provide broad economic support, particularly through its 2030 France Relance recovery program.

Key economic parameters

	2020	2021E[1]	2022E[1]	2023E[1]
GDP growth, yoy	-8.0%	6.8%	4.2%	2.1%
Harmonized index of consumer prices, yoy	0.5%	2.1%	2.3%	1.4%
Unemployment	8.1%	7.8%	7.6%	7.5%
Private consumption, yoy	-7.2%	4.8%	6.8%	2.3%

1 E = estimated
Excluding assets sold in 2021

Market developments

Because of Covid-19, our centers in France were closed for three months before reopening in mid-May. Footfall did not recover to pre-pandemic levels as restrictions continued on customer numbers in restaurants and cinemas. Following reopening, the growth in visitor numbers was limited by a combination of continued restrictions on restaurants and cinemas, and the introduction of the government's health pass for non-essential venues; online sales, meanwhile, continued to increase.

Retail sales, however, were buoyed by an overall reduction in home-working, compared with 2020. Sales of household equipment, DIY and home appliances remained stable, though below levels seen the previous year. Conversely, sales of clothing and perfumery/beauty products strengthened, returning to their pre-crisis levels. Following an adjustment in 2020, market rents started to stabilize. As a result, rents for certain shopping centers became more affordable, drawing demand from retail park tenants, healthcare operators, as well as local food retailers and discount brands. Over the past year, the French investment market for retail property remained subdued, with investors focused mainly on convenience centers, offering essential goods.

Key data shopping center operations

	2020	2021
Net rental income (in €m)	22.7	22.2
Occupancy	92.8%	94.7%
Investment properties in operations (in €m)[1]	690.6	170.1
Investment properties under construction (in €m)	-	-
Acquisitions (in €m)	-	0.7
Disposals (in €m)	11.1	506.8
EPRA NIY	4.9%	4.6%

1 Including lease incentives

Portfolio developments

During 2021, we sold four of our six locations, part of a planned exit from the French market. The four centers – Docks Vauban in Le Havre, Docks 76 and Saint Sever in Rouen and Rivetoile in Strasbourg – were sold to Lighthouse Capital for € 305m. The sale, completed at the end of September, strengthened our balance sheet, will help finance our LifeCentral strategy and allow us to concentrate on the Belgian and Dutch markets. Cost savings from the sale will take effect fully in 2022. We have already scaled down our French organization; operational and financial management for our two remaining centers, Côté Seine at Argenteuil (Paris) and Mériadeck at Bordeaux, will be outsourced until these locations are sold. Except for the Country Director, who is employed by Wereldhave N.V., all staff have been transferred to new service providers, to Lighthouse Capital or have been laid off in consultation with local trade unions.

Operational developments

Because of Covid-19, non-essential stores in our French centers were forced to close between February 1 and May 19. On June 9, F&B operators inside our centers could reopen under certain conditions. Restrictions on customer numbers at F&B venues and cinemas remained until July 1. Footfall for 2021 was down 12.2% year-on-year and 36% below 2019. Footfall for Q4 was up 1.2% compared with the same period in 2020.

Our EPRA occupancy rate in France increased by 190bps to 94.7%. Like-for-like NRI growth came in at +34.3%. Continued government support for tenants reduced the impact of Covid-19 on doubtful debts and bankruptcies.

In 2021, we signed 16 lease contracts for our two remaining French centers. We also started developing a new food hall at Mériadeck. For this project, rental contracts have now been signed for eight out of nine units. At Côté Seine, Argenteuil, we increased our healthcare offer by expanding the center's pharmacy to nearly 500 m^2, and signed new leases with Foot Korner and Pitaya. Additionally, we were also in advanced talks to sign a new 1,600 m^2 fitness center to strengthen Côté Seine's position as a convenience location.

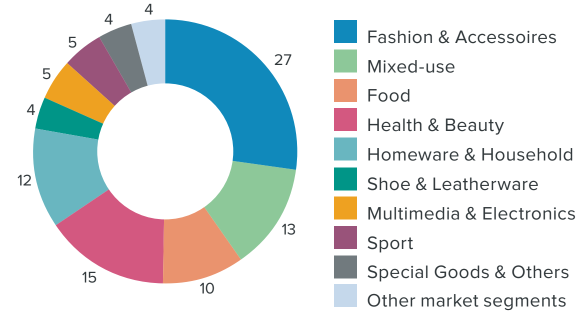
Results & valuation

Net rental income in France was significantly impacted by disposals and lockdowns following the pandemic, amounting to € 22.2m (2020: € 22.7m). The rent collection rate for 2021, adjusted for tenant arrangements in the scope of our Fair Support Policy, amounted to 91% as of February 4, 2022. Revaluations on the continuing portfolio amounted to € -25m.

The result on the disposals was € -214m. At the end of 2021, the average EPRA Net Initial Yield on our French portfolio stood at 4.6%. Our total portfolio was valued at € 170m (2019: € 691m).

Tenant mix in France

(in % of contract rent)



Performance: Business partners, suppliers and employees

By the end of 2021, we had 123 employees (FTEs); during the year, of which were 24% part-time employees. During the year, the size of our workforce decreased – a consequence mostly due to the closing of our French operations following the sale of four of our six centers there.

Of our workforce – 52.7% – are women. Our goal is to ensure women make up at least a third of senior management, in line with best practice in the Netherlands. This will be achieved primarily by promoting from within the Company; at the end of 2021, women accounted for 57% of senior management.

Much of the value we create for employees is through salaries and benefits; in 2021, we paid € 22.2m in salaries and social security[1]. We contributed another € 1.3m in pension payments. All employees and temporary hires are bound by our Code of Conduct and Business Integrity policy (for more details, please see our Governance section, pages 57-83).

Employee engagement

At Wereldhave, our aim is to create an efficient and supportive working environment. We have four core values, which define our approach to business: entrepreneurial, customer-inspired, responsible and connected.

We regularly measure employee engagement; we have an employee survey, previously carried out every two years. In 2021, we increased the frequency to twice a year – a full survey, supported by a second, more targeted survey conducted separately. Our last full survey – conducted in June 2021 – resulted in an average engagement score for the Netherlands and Belgium[2] of 7.5, compared with 7.6 previously. Our target is to maintain an engagement score of at least 7.5 in each of our main operating countries. Alongside engagement, the survey measures several other criteria, including work atmosphere and employee-NPS (eNPS). In 2021, we also carried out a culture survey among employees to identify ways of modernizing work practices and bringing our corporate culture fully into line with our strategic objectives.

7.5 vs. 7.6
Average employee engagement 2021 vs. 2018 (Netherlands and Belgium only)

+24
Employee Net Promoter Score (eNPS) 2021[1]

Training, talent and development

We provide regular training to our staff. In 2021, we spent € 116,000 on training and development programs. Training covers both educational issues, including health and safety – and new skills (such as customer relationship management, digital and data analytics etc.). Wereldhave employees spent 947 hours in training in 2021. Within our

1 Including incremental salary payments following closure of French management office.
2 Please note that we did not conduct an employee survey in France in 2021, given the planned phase-out of our French operations.
3 Employee Net Promoter Score (eNPS), similar to NPS, measures employees' willingness to recommend Wereldhave as an employer to others. The eNPS survey was introduced in 2021 at Wereldhave.

workforce, we also identify key talents – we aim to retain these talents, where possible, by matching market rates for salaries and benefits, and offering attractive opportunities for career advancement.

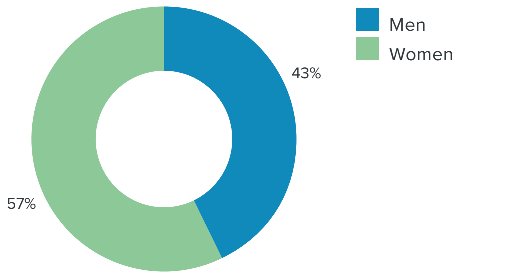
Collective bargaining and works councils

Across our operations, we comply with regulations regarding collective bargaining and freedom of association. Given our limited size, we have no Collective Bargaining Agreement. To maintain dialogue, we have two works' councils, representing all Wereldhave employees in the Netherlands and France (covering 56% of the Company's total workforce at end-2021). At works' council meetings during 2021, various topics were discussed with the Board of Management, including culture, our performance management system, health and safety in the context of Covid-19, organizational changes and the intended move of our headquarters. During 2021, our works councils were kept fully informed of progress with our disposal program in line with regulation.

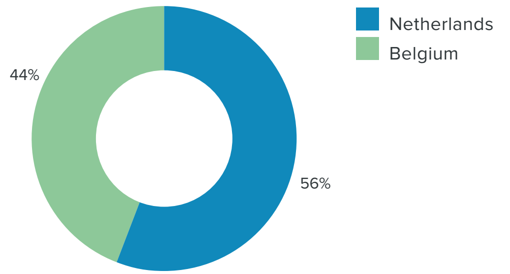
Our suppliers and sub-contractors

We work with approximately 1,500 suppliers and sub-contractors, mostly in maintenance, cleaning and security. In 2021, we spent € 113m on outside goods and services, down 20% from the previous year; the decrease was due mainly to further cost-cutting measures and disposals in France and the Netherlands. We also delayed some development projects due to the pandemic. Suppliers are governed by our Supplier Code of Conduct, which applies to all contracts; for those worth € 10,000 or more, we require explicit sign-off from suppliers. Provisions in the Code cover issues such as human and labor rights, health & safety, corruption and environmental protection. In 2021, we carried out a review of leading suppliers to assess compliance[1]; the review found that the majority of suppliers have sustainability policies that meet the standards set out in our Code. All new suppliers are screened against social and environmental criteria. For details of our Supplier Code of Conduct, see our Governance section. A copy of the Code is also available on our website https://www.wereldhave.com/siteassets/documents/reports/sustainability-reports/wereldhave-sustainable-supplier-code.pdf.

Gender diversity at senior management level



Geographic breakdown of workforce



1 The review covered 12 of Wereldhave's top 36 suppliers; the intention is to survey at least ten leading suppliers annually, so that each suppliers will be assessed approximately once every three years

Performance: Our tenants and visitors

In 2021, we worked to improve tenants' and visitors' experience of our centers. We added new services, including same-day delivery, and extended The Point and our UpNext concept. We also signed leases with new mixed-use tenants, particularly in food & beverage. Throughout the year, the Net Promoter Score – our main customer experience measure – showed significant improvement, a sign that customers are beginning to appreciate the changes made as part of our LifeCentral strategy.

Defining our customer experience

With our LifeCentral strategy, we are – in effect – introducing a brand-new concept in commercial real estate. Over the past year, we've developed four basic principles to define what we believe visitors to our Full Service Centers – and tenants – should experience; these principles are based on our ambition: everything for a better everyday life.

Wereldhave customer experience principles:

Convenience	**Hospitality**	**Better together**	**Local impact**
We make your everyday life as easy as possible.	We make sure you enjoy staying with us.	We are better together every day.	We have a positive impact on our communities.
Which means: We simply take care and are eager to develop smart solutions that save both tenants and visitors time and effort.	*Which means*: We make sure people feel welcome with our personal, friendly and customer-centric approach.	*Which means*: We work together and create synergy with our business partners to add value for everyday life and business.	*Which means*: We strengthen our communities by supporting local initiatives and invest in a better tomorrow.

Over the past year, we have taken important steps to support these principles:

- We are mapping out customer journeys to identify possible areas of improvement. For visitors, these journeys will chart everything from transport to and from our centers, through to their experience of facilities, shops, F&B and other services etc. Similarly, for tenants, the journey will run from finding the right location through to opening a store, daily operations and – finally – moving out.
- We are extending The Point, our service hub, to centers in the Netherlands. The Point – already a proven concept at our centers in Belgium – offers a range of services, including parcel pick-up and return, ATMs, public transport tickets, gift cards and wrapping, and a fitting and adjustment service for clothes.
- We are also working to improve basic facilities at our centers (restrooms, parking, sign-posting, play & relax areas etc.) to make visitors' experience at our centers as pleasant and convenient as possible.

In addition, we are creating "clusters" at our centers, bringing together tenants from the same sector in a single location, so that customers can find what they are looking for quickly and easily.

At Presikhaaf, for example, we have set up a healthcare "cluster", which includes a dentist, a dietician, a laser clinic and a pharmacy. At De Koperwiek in Capelle aan den IJssel, we have introduced a new fresh food zone, part of our every.deli concept – the idea behind these clusters is to attract more customers to our centers, who will then use other shops or services.

Measuring customer experience

We measure progress with customer experience regularly, using the Net Promoter Score (NPS). We have set clear NPS targets for ourselves; these are built into both our strategy and blueprints for our centers. In 2021, we saw significant improvement in our NPS (see chart on the following page) for both Belgium and the Netherlands – a reflection of recent improvements made as part of our LifeCentral strategy. Additional services proved popular among visitors, including charging points for mobile phones and our "borrow a stroller" program. Visitors also enjoyed the bars and cafés in our centers. With the latest increase, we are now ahead of our 2025 NPS target of +20.

Our rising Net Promoter Score in 2021

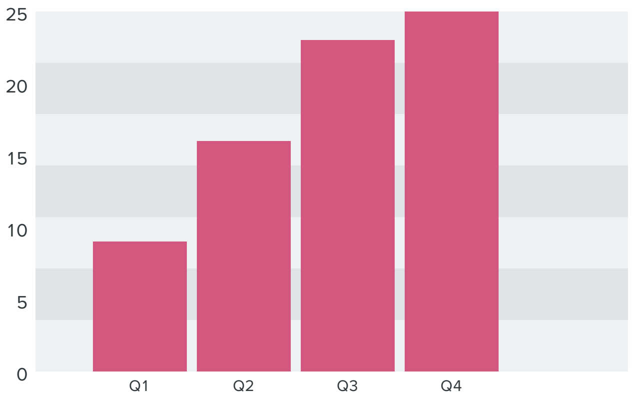


Chart shows combined scores for Netherlands and Belgium. NPS measures the likelihood that customers would recommend Wereldhave centers to others. Customers are asked to rate their response on a scale of 0 to 10 (with 10 being extremely likely). NPS is calculated by subtracting the percentage of detractors (those scoring 6 or below) from promoters (those scoring 9 or above). Using this method, we can identify possible areas of improvement to transform detractors into promoters.

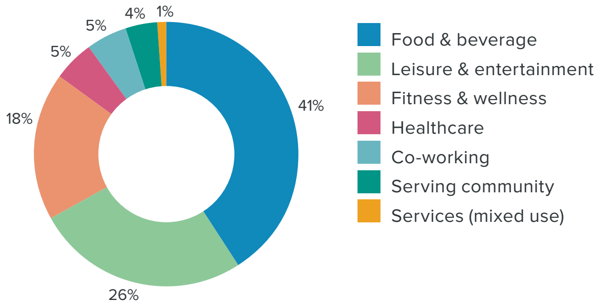
For tenants, we measure satisfaction through our Customer Satisfaction index (CSAT). Scores for 2021 show little change from the previous year. We have worked hard to improve services to tenants, though Covid-19 restrictions remained the main point of discussion in 2021, at times leading to lower footfall in our centers or even the closure of non-essential shops. In the Netherlands, CSAT was unchanged at 8.0; in Belgium, it declined to 8.2, down from 8.3 the previous year. Our aim for 2025 is to score at least 8.0 in both countries.

Tenant mix

As we implement LifeCentral, we are changing our mix of tenants. We are increasing the percentage of space in our centers devoted to non-traditional retail – to F&B, leisure, entertainment, sports & fitness and healthcare. Over the past year, we have signed a series of new mixed use leases. We have also agreed package deals with several leading retailers, including C&A, H&M and MediaMarkt. Toward the end of 2021, we saw increased F&B demand – notably, we signed a deal with Dutch operator Albron for seven new outlets at our centers in Tilburg and Vier Meren.

Planned composition of mixed use, Netherlands

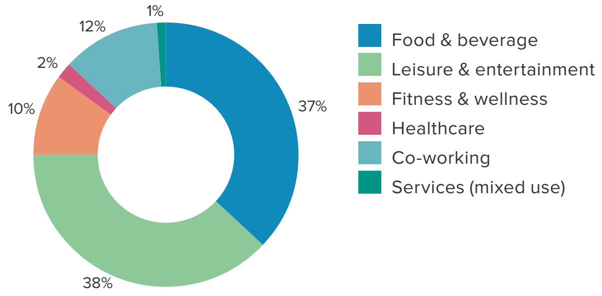
Total area: 75,000m²



Based on 2021 updates

Planned composition of mixed use, Belgium

Total area: 52,000m²



Based on 2021 updates

We take a scientific approach to managing our centers. Using data enables us to assess performance, particularly how well our centers meet customers' everyday needs. In many cases, performance may come down to the right mix of tenants within our centers, or the positioning of specific stores. Data also allows us to compare performance and identify shopping patterns. Through our *Flow by Wereldhave* digital platform, we have constant communication with our tenants. We realize that, fundamentally, the retail customer base is changing – and that our centers increasingly must reflect these changes. Populations are getting older; more are living in single-person households; when customers shop online, they want fast delivery. And millennials – roughly those born in the 1980s and 1990s – want to shop at stores that align with their own beliefs, particularly with regard to climate change and social movements like MeToo and Black Lives Matter.

In 2021, we expanded our UpNext label and piloted a new same-day delivery service jointly with StoreShippers to provide greater flexibility and help smaller retailers in particular benefit from the current growth in online shopping (see opposite); it is often smaller retailers that lack the resources or know-how they need to offer service levels online that customers would expect:

- Pop-up stores have now opened under our UpNext label, launched in 2020. The latest was NIX & NIX, the Netherlands' first non-alcoholic liquor store, which opened three new branches at Wereldhave centers ahead of the end-of-year holidays. Other pop-up stores at our centers include SF Mode, Shoeby, Loods of Stock and The Fashion Factory.
- Meanwhile, same-day delivery was launched at three Wereldhave centers (see opposite): at Courtrai in Belgium and at Cityplaza and Middenwaard in the Netherlands. If successful, the service will be extended to other locations. The new service operates alongside Connect, which provides an e-commerce platform for smaller fresh produce retailers. In March, we extended Connect to a third center: Kronenburg in Arnhem (after Presikhaaf and Koningshoek in 2020).

Same-day deliveries from our centers

Under our new service, launched jointly with StoreShippers, customers will be able to order online, and pick up their orders either at our centers or at home, if they live locally. The new service brings a host of benefits: it meets customers' need for speedy delivery. It also allows retailers in a center to pool their resources – an advantage for smaller retailers who often lack resources to compete online. At the same time, the new service will limit the number of delivery vans on the road – positive for the environment. Bricks-and-mortar stores, meanwhile, will get a new function – orders will be dispatched directly from stores, effectively transforming them into decentralized warehouses.

Performance: Society & community

In 2021, we made further progress with our A Better Tomorrow program, reducing waste, cutting back on energy consumption and installing more solar panels at our centers. We also continued support for local social initiatives, despite the pandemic. By year-end, we had Paris-Proof roadmaps in place for more than two-thirds of our locations in the Netherlands.

A Better Tomorrow

In 2021, we continued to roll out our sustainability program. Known as A Better Tomorrow, the program is based on three focus areas:

- Better footprint – reducing our impact on the environment, and bringing our business into line with the Paris climate objectives.
- Better nature – adapting our centers to the effects of climate change, particularly downpours and heat stress.
- Better living – supporting local communities and ensuring our centers are safe, healthy and pleasant places in which to work, shop and socialize.

A Better Tomorrow is an integral part of our LifeCentral strategy. Sustainability elements are included directly in blueprints for our new Full Service Centers[1]. For each of our three focus areas, we have set clear priorities and ambitions for 2030, also linked to the UN Sustainable Development Goals (SDGs).

Over recent years, we have been able to use our sustainability performance to access new sources of financing, as evidenced by the new three-year green financing facility agreed in 2021 with Dutch bank ABN AMRO (see page 28).

Better footprint

By 2030, we want to reduce emissions from our business by 30% – this will put us on course to become net zero by 2045[2]. To achieve this, we are implementing Paris-Proof roadmaps at our centers; these roadmaps set out what measures are needed to meet our 2030 target. By the end of 2021, roadmaps were in place at nine centers – seven in the Netherlands and two in Belgium. Roadmaps for the remaining Full Service Centers will be completed in 2022, and the rest of our locations by the end of 2023.

To reduce emissions, we are cutting back on energy consumption, partly through greater efficiency. We are also switching to renewable energy, where possible. In 2021, the communal areas in our centers were all powered by renewable electricity. During the year, we also expanded production of solar power – we now have 16,068 solar panels in use, accounting for just over 6% of our total energy needs.

We also took other measures:

- At our Cityplaza center, we strengthened roof insulation to cut back on energy use.
- We installed lower-consumption LED lighting at several centers including Winkelhof, Belle-Île, Nivelles and Middenwaard.
- We drew up plans to replace refrigerants at our centers with a non-greenhouse gas alternative. Used to cool our centers in summer, refrigerants are a major contributor to our scope 1 emissions.

In 2021, carbon emissions from our own business operations (scopes 1 and 2, like-for-like) totaled 2,427 metric tons, down 1% due to new energy-savings initiatives and Covid-19 lockdowns during the year[3]. We are currently working with tenants, visitors and suppliers to reduce this figure – our aim is to be fully Paris-Proof across our entire value chain by 2045. In Belgium, we held a series of dedicated ECO-days

1 Sustainability elements, such as charging points for electric vehicles and joint procurement of green energy etc. are included in the framework we use to assess the effectiveness of Full Service Centers.
2 Versus baseline 2018. Target relates to emissions under Wereldhave's operational control. Our 2030 target has been verified by the Science-Based Targets Initiative (SBTi).
3 Full figures for 2021 scope 3 emissions will be available later in 2022, and will be published as part of our CDP submission and in our next Annual Report.

offering visitors tips on how to live more ecologically. Green leases have been standard for tenants across the Company since 2014 – these set out minimum provisions for energy use, waste and water consumption. Currently, 58% of our leases are green.

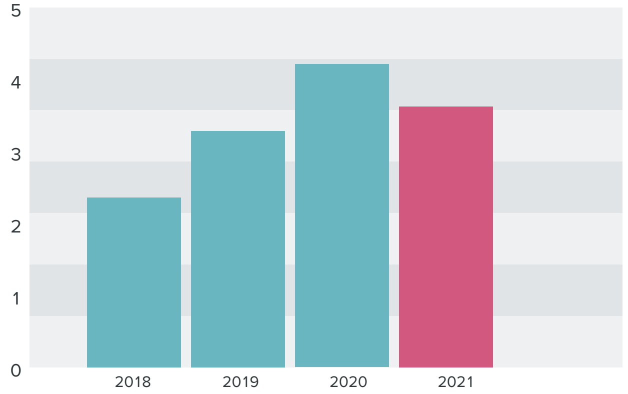
Beyond emissions, we are also working to reduce waste – our goal for 2030 is to have zero waste going to landfill. Where applicable, our centers split waste into four streams for recycling: plastics, cardboard and paper, compostables and glass. In 2021, we also launched a partnership with Too Good To Go – together, we will work to reduce food waste among retailers at our centers in Belgium and France. During the year, we also introduced new recycling points for visitors at Belle-Île and Nivelles – and installed smart meters at our centers in the Netherlands to help monitor water consumption.

Better footprint - ambitions and performance

Relevant SDGs	*Priorities*	*Ambitions*	*Performance 2021*
7 AFFORDABLE AND CLEAN ENERGY	**Energy & carbon**	• Reduce carbon emissions by 30%	• Carbon emissions (CO_2 equivalent, scopes 1 and 2): 3,641 metric tons, down 16% vs. 2020 • Onsite solar energy production, like-for like: 3,549 MWh, down 10% • Renewable energy use (as % of total consumption): 6%
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Materials**	• Zero waste to landfill and increased use of circular solutions	• Percentage of waste to landfill: 12% vs. 12% in 2020 • Water consumption: 208,493 m^3, down 19% • Percentage of waste recycled: 31% vs. 28%
17 PARTNERSHIPS FOR THE GOALS	**Value chain impacts**	• Partner with tenants and visitors to reduce emissions and waste	• Carbon emissions (CO_2 equivalent, scope 3): 118 metric tons, down 93% • Reduction in food waste through Too Good To Go partnership, active in all our shopping centers in Belgium (9) and France (2)

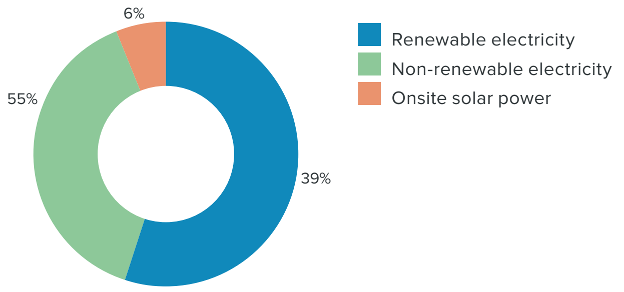
Electricity produced onsite from solar panels

(MWh)



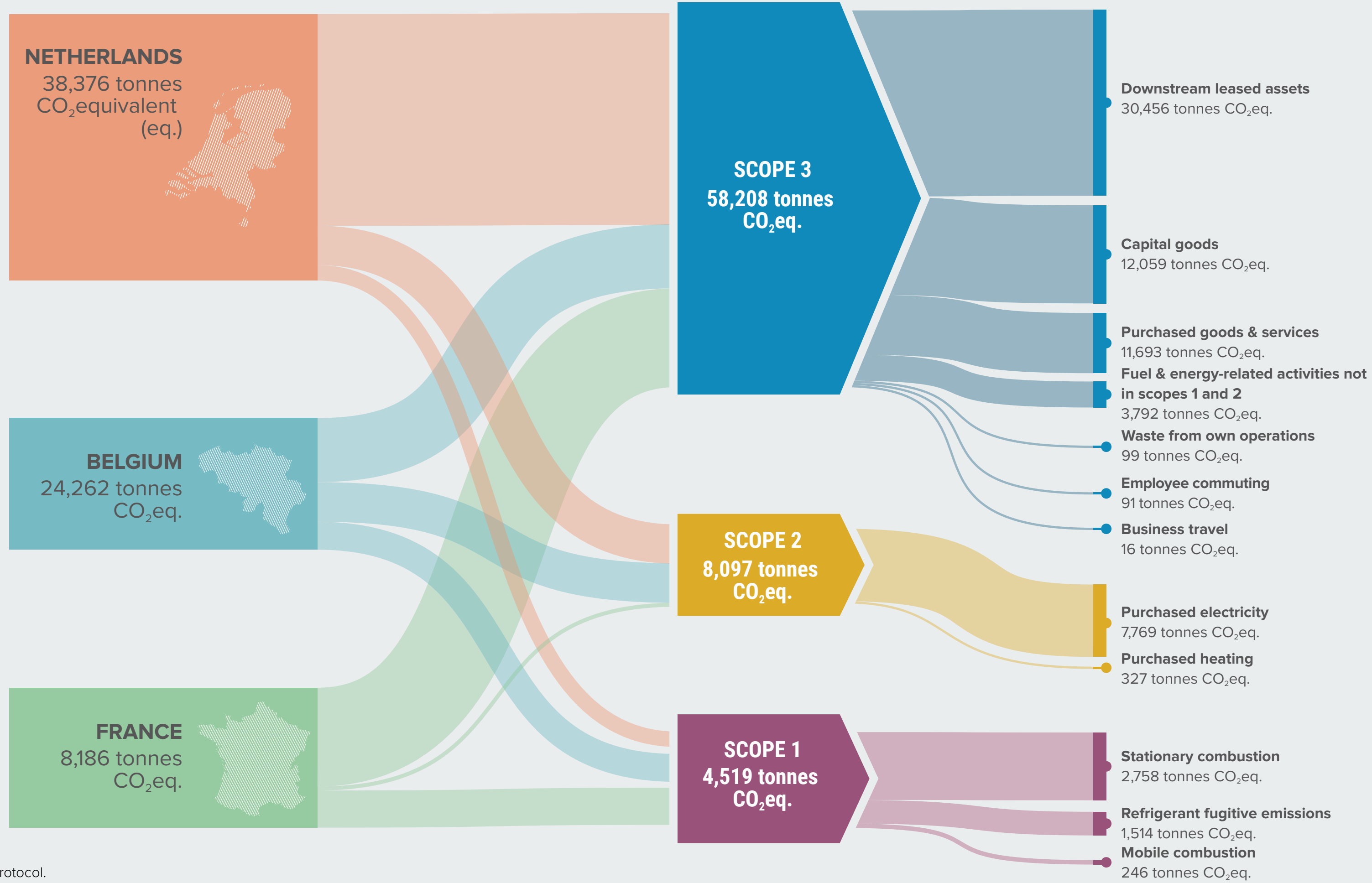
At the end of 2021, we had 16,068 solar panels installed at our centers in the Netherlands and Belgium.

Our energy mix 2021



Carbon flow analysis

Reading this chart
This chart shows Wereldhave's 2020 CO_2 emissions by country and scope. Scope 1 relates to emissions from our own operations; scope 2 to emissions from energy bought by the Company; scope 3 to emissions resulting indirectly from our value chain (from waste and travel, for example, or from the activities of our tenants)[1]. Due to increased data granularity, more scope 1 and 2 emissions were shifted to scope 3 as part of tenants' consumption than we were able to calculate as part of our 2018 baseline. Refrigerant Fugitive Emissions were also recalculated using IPCC leakage rates per machinery type, which is a more correct reflection of daily practice. This lowered the fugitive emissions with a factor 10.



(based on 2020 data)

1 Definitions are based on those of the Greenhouse Gas Protocol.

Better nature

As well as reducing our environment impact, we need to protect our centers against the effects of climate change. To do so, we have put in place climate resilience plans; resilience measures are also part of our Paris-Proof roadmaps.

Our main risks are flash floods, heavy rainfall and heat stress; in 2021, we saw serious flooding close to our Belle-Île center in Liège. Physical climate risk is also part of our regular environmental assessments. To conduct these assessments, we use two main methods: BREEAM[1] in-Use and the Carbon Risk Real Estate Monitor (CRREM).

To strengthen resilience, we are expanding vegetation in and around our centers. At the end of 2021, we had just over 25,515 m^2 of green space at our locations in Belgium and the Netherlands. These green spaces have several purposes: as well as increasing resilience, they reduce heat in summer, lower energy consumption required for cooling, and improve the visitor experience. Green spaces also help protect local biodiversity – in 2021, we doubled the number of beehives at our center in Nivelles, introduced new aquatic plants to the wadi at Les Bastions and refurbished two roundabouts at our Belle-Île center in Liège to encourage bees and other insects.

Better nature - ambitions and performance

Relevant SDGs	*Priorities*	*Ambitions*	*Performance 2021*
11 Sustainable cities and communities	**Resilience**	• 100% of assets have action plans to mitigate physical effects of climate change.	• Percentage of centers and other assets with climate resilience plans: 76%
13 Climate action	**Habitats**	• Double surface of vegetation on roofs and green spaces by 2030 (baseline: 2018).	• Percentage of centers with at least one initiative in place to encourage local biodiversity: 69% • Total green spaces at Wereldhave centers: 25,515m^2 (unchanged)

Better living

Our centers play an important role in local communities; they provide access to vital services, and — by offering a welcoming environment and hosting events — help combat loneliness and social exclusion.

Every year, we allocate the equivalent of 1% of our Net Rental Income (NRI) to support good causes. This includes space we make available in our centers for use by charities and social enterprises. In 2021, we allocated a total of € 2m to good causes, equal to 1.7% of our NRI, well above our target.

In 2021, our work with local charities and other organizations included:

- Fund-raising sales for Ile de Paix, Red Cross, Doctors Without Borders, SOS Kinderdorpen, Ik Trakteer (or 'My Treat'), and other NGOs
- Social events at our centers to promote health and well-being, or help disadvantaged groups
- Collection and delivery of donations to the Red Cross and Sint Vincentius Association for those affected by flooding in Liège
- Creation of special parking spaces for the disabled and senior citizens at Cityplaza, part of a wider renovation of the center's parking garage.
- Support at our Nivelles center for Association Graine de Vie to replant trees to fight climate change in Africa.
- Supporting youngsters through Presikhaaf University in Arnhem to provide work experience and promote pride in the local neighborhood.

Ultimately, we want our centers to be healthy, safe and pleasant places in which to spend time. With the pandemic, we have continued to take health measures to protect visitors, tenants and employees. At our Presikhaaf center, residents could get themselves vaccinated in a special vaccination bus, provided by the local health authority. We provide safety training to our employees and sub-contractors – and carry out regular health & safety assessments. Health & Safety is also included in our Supplier Code. For more information on employees, sub-contractors and business partners, see pages 42-43.

1 BREEAM - Building Research Establishment's Environmental Assessment Method

Better living - ambitions and performance

Priorities	*Ambitions*	*Performance 2021*
Well-being	• Aim for zero safety incidents at Wereldhave centers	• Percentage of centers covered by health & safety assessment in 2021: 76%
Employees	• Employee engagement score of at least 7.5 for each country of operation	• Employee engagement score: 7.5 (vs. 7.6 in previous survey, carried out in 2018)
Communities	• Contribute at least 1% of net rental income to socio-economic and social inclusion initiatives	• Support for social activities and facilities, charities and other good causes (in cash and in-kind): €2m • Percentage donations /NRI : 1.7% (vs. 0.8%)

In addition, we support a number of other causes beyond the direct remit of our centers. These include our support to the Royal Theatre Carré Amsterdam in making its prestigious 19th century circus theatre more sustainable (see following page).

Supporting the Royal Theatre Carré in Amsterdam

Harriëtte Loeffen, Director of Carré Fonds, Royal Theatre Carré, Amsterdam

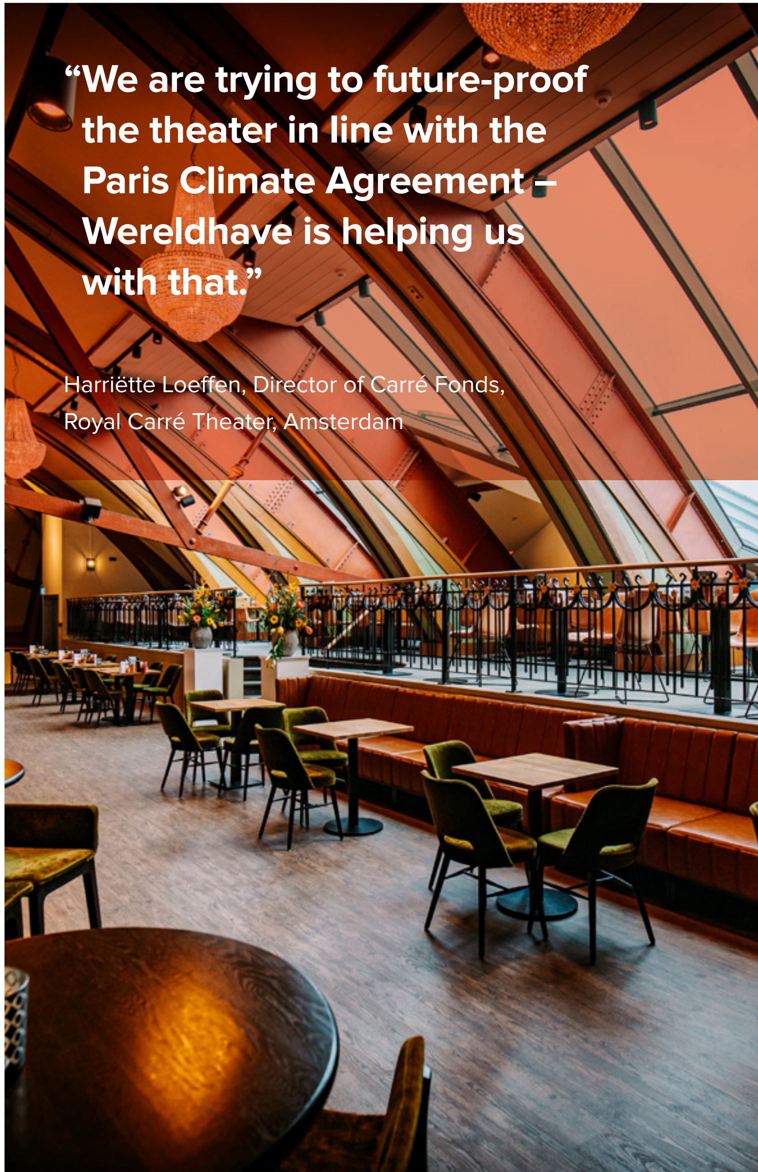
“The relationship between the Carré Theater and Wereldhave began in 2016. We were looking for a partner who could help us maintain the building, make technical changes but still conserve its character.

“The Carré is very important culturally to the Netherlands. It’s a Royal theater, so national events such as Liberation Day are celebrated there. It matters to artists too. In Dutch show business, topping the bill at the Carré poster is a real claim to fame.

“The theater celebrates its 135th birthday this year and requires a lot of upkeep. The roof used to leak and made the foyer unusable. It was covered with a synthetic roof 20 years ago to save money. Wereldhave advised us on how to get it back to its original state. We are also trying to future-proof the theater in line with the goals of the Paris Climate Agreement – and Wereldhave is helping us with that, too. Its team of experts has been important technically, helping us understand building estimates to find the best solution.

“Unlike some other theaters in the Netherlands, we aren’t subsidized. That’s where partners like Wereldhave have really helped us, particularly during the pandemic. We were closed for ten months in the last year and a half. Wereldhave continued supporting us even when the theater was closed, and we’re very grateful for that. It’s great that companies like Wereldhave are ready to protect our cultural heritage without expecting much from it, beyond helping maintain it and innovate for the future.

“We will continue working with Wereldhave on future projects. We’re now putting up green roofs to collect rainwater and are looking at ways of saving energy. We want to future-proof the building but, in doing so, we have to be sure that we’re not fundamentally changing the character of a theater that is so well known and loved.”



Please note that "A Better Tomorrow" – our CSR program – is tied directly to a number of underlying SDG targets: 7.2, 7.3, 8.8, 11.5, 11.6, 11.7, 11.B, 12.2, 12.5, 13.1, and 17.16. For more information, see: https://sdgs.un.org/goals
SDGs 7, 11, and 13 link directly to the EU's new taxonomy for sustainable activities (to the taxonomy's Climate Change Mitigation objective and to three designated economic activities: construction of new buildings, 26.2; renovation of existing buildings, 26.3; and acquisition and ownership of buildings, 26.5). For more information on the EU's taxonomy, see: https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en.

How our program links to the international development agenda

As part of A Better Tomorrow, we've linked our ambitions directly to the UN Sustainable Development Goals (SDGs). We've chosen six SDGs as strategic – where we believe Wereldhave can contribute the most. Through our Full Service Center blueprints, SDGs are also tied directly to our LifeCentral strategy. In addition, use of proceeds under our Green Finance Framework with ABN AMRO are mapped to three of our strategic SDGs (SDGs 7, 11 and 13).

Affordable and clean energy

We use renewable energy where possible; we also produce solar energy from panels at our centers.

Decent work and economic growth

We have high standards of health and safety at our centers – and work with tenants and sub-contractors to maintain them.

Sustainable cities and communites

We are improving climate resilience at our centers – and providing public access to green spaces. We also support local community initiatives.

Responsible consumption and production

We are working to cut back waste generation, increase recycling and use circular solutions in our development projects.

Climate action

We are reducing our carbon footprint – and aiming for Paris-Proof by 2045.

Partnerships for the Goals

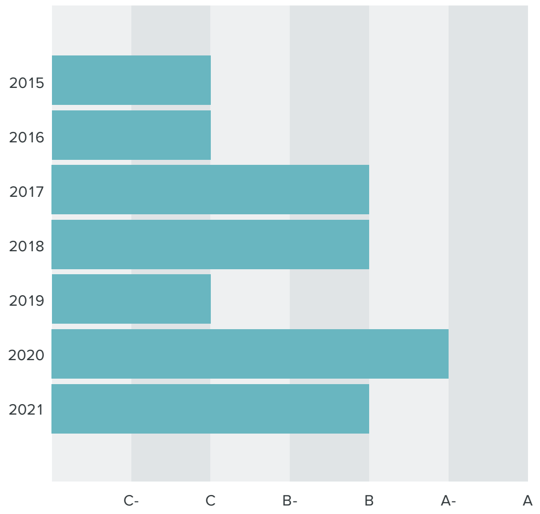
We are working closely with tenants and visitors to reduce emissions and waste across our value chain.

External benchmarks and certifications

Building Research Establishment's Environmental Assessment Method (BREEAM)	All eligible Wereldhave centers are BREEAM-certified as "very good" or higher[1]. Our De Koperwiek and Belle-Île centers will be certified in 2022, and Sterrenburg after redevelopment. In 2021, we also started the certification process for our Shopping 1 center in Genk. From next year, we also plan to extend BREEAM certificates to our Belgian offices. Our current BREEAM certificates expire either in 2022 or 2023. See also chart opposite.
Dutch Association of Investors for Sustainable Development (VBDO)	Wereldhave gained +2 points in VBDO's 2021 Tax Transparency Benchmark. We were ranked joint 20th (out of 77 Dutch companies); since 2018, we have increased our score by 9 points.
Energy Performance Certificates (EPC)	Of our centers in the Netherlands, most have an A-grade EPCs: Presikhaaf (Arnhem), De Koperwiek (Capelle aan den IJssel), Middenwaard (Heerhugowaard), Vier Meren (Hoofddorp), Cityplaza (Nieuwegein), Eggert (Purmerend) and our locations in Tilburg. Our Roselaar and Kronenburg centers (in Roosendaal and Arnhem, respectively) have C-grade EPCs. Our Sterrenburg center in Dordrecht has a D-grade, but is currently under development. From 2022, we plan to certify a majority of our shopping locations in Belgium.
European Public Real Estate Association (EPRA)	Wereldhave won a sixth gold for its sustainability reporting from EPRA.
GRESB Real Estate Assessment	For the eighth consecutive year, Wereldhave earned a five-star rating from GRESB Real Estate Assessment; overall, we ranked second in the European-listed real estate sector.
Institutional Shareholder Services (ISS) ESG corporate rating	In 2021, ISS-ESG rated Wereldhave as C+ Prime, unchanged from the previous year, putting us in the top 10% of rated companies. ISS-ESG also reviewed our current Green Finance Framework (see page 28).
MSCI ESG	MSCI ESG upgraded Wereldhave to A from BBB to reflect recent improvements in the Company's sustainability performance.

For more information on our social and environmental performance, see pages 162-170.

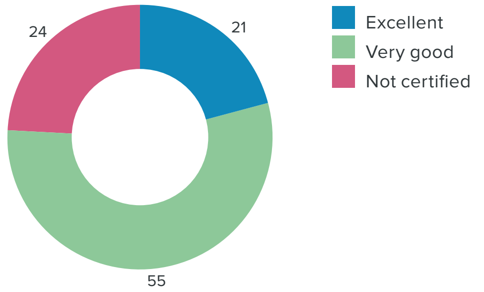
Wereldhave CDP score (2015-2021)



CDP – formerly Carbon Disclosure Project.

BREEAM-certified centers and other properties

(shown as % of GLA)



1 For either "asset" or "management"

Outlook

We expect continued economic growth in 2022 – though at a slower rate than in 2021. Much will depend on the progress of the Covid-19 pandemic and the Ukraine crisis. Valuations should further stabilize during the year, while social and environmental performance will continue to be important. As forecast previously, we expect our direct result per share to bottom out in 2022 at € 1.50-1.60 before returning to annual growth of 4-6%. After disposals in both Benelux and France, our focus in 2022 will be on our Full Service Center transformations.

Economic conditions

Economies in our main markets will continue to grow in 2022. The pace of growth will be slower, however, after the strong rebound seen in 2021. Growth will be driven essentially by private spending, with consumers continuing to draw down on savings made during the first year of pandemic and interest rates likely to remain low. Inflation will continue rising, going into 2023 – a result mainly of higher energy prices. Governments will continue with their economic recovery plans, though Covid-19 support measures will ultimately depend on the progress of the pandemic and the Ukraine crisis.

Retail market

E-commerce will continue its recent expansion, fueled by the pandemic. Bankruptcies may increase as governments end financial support. But, in our main markets, we expect company failures to remain at relatively low levels. We expect that high energy prices and high inflation due to the Ukraine crisis will impact consumer spending power. Restructuring is expected to continue, with retailers moving to a more hybrid model (combining online and physical stores). Food retail, furniture, and DIY will continue to benefit from the pandemic – though rising inflation may curb consumers' discretionary spending. In our centers, we are also experiencing increased demand from F&B operators and healthcare. Valuations are stabilizing – or even increasing slightly – in both Belgium and the Netherlands. We expect this trend to persist in 2022.

Social & environmental

Covid-19 put more focus on social issues; in many major economies, inequalities widened with the pandemic. In business, there is greater emphasis on diversity and social responsibility. At the same time, climate issues remain important, especially following the COP-26 meeting in Glasgow in November 2021. European governments have put climate at the center of their economic recovery plans, post-pandemic. Real estate will remain a focus of regulators, given its significant contribution to carbon emissions[1]. In addition, there is a stronger link between sustainability and financing, as evidenced by our Green Finance Framework, renewed for another three years in 2021. Companies will also be required to report more on social and environmental issues; the EU's new Corporate Sustainability Reporting Directive is due for adoption later in 2022, part of the EU's sustainable finance package[2].

Financial & strategic performance

With recent divestments, we are going into 2022 in a much stronger financial position. As a result, we will be able to step up investment in our strategy; we expect to have delivered the first five Full Service Centers before the end of 2022. In doing so, we will pursue our strict approach to capital management – we will continue with our minimum hurdle rate of 6%[3]. We are committed to further strengthening our balance sheet, reducing our loan-to-value ratio to 35-40% by the end of 2022. To do so, we are pressing ahead with the sale of our two remaining centers in France – in Bordeaux and Argenteuil. Gains from residential investment will also help us meet our LTV target – and offset the effect of higher capital expenditure.

1 According to the Dutch Green Building Council, the built environment accounts for nearly 40% of the Netherlands' energy consumption and almost a third of the country's CO_2 emissions.
2 This package also includes a taxonomy of sustainable activities, and new sustainability reporting rules for asset managers and other financial market participants (the Sustainable Finance Disclosure Regulation – SFDR).
3 Internal rate of return (unlevered).

Wereldhave's aim is to become the market leader in FSCs in the Benelux, improve our customer experience and broaden our digital capabilities. Fundamentally, we are well-positioned to deliver on our strategy. Through our LifeCentral strategy, we will work to transform our assets, adapting them to new market realities, restoring the retail balance and adding new functions and uses.

Transforming our locations into FSCs will be carried out alongside our continued disposal program. This will further lower our debt and strengthen our balance sheet.

In 2022, we anticipate our direct result per share (DRPS) will further decrease to a low-point of € 1.50-1.60. This has already improved from the trough DRPS of € 1.40-1.50 we communicated earlier. As of 2023, we expect our DRPS to return to an annual growth of between 4% and 6% driven by the completion of our Full Service Centers, a bottoming retail rental market and further cost savings.

Wereldhave will propose a dividend for 2021 of € 1.10 per share. With regard to the 2022 dividend, our aim is to return to a pay-out ratio of 75-85% of our direct result, as set out in our dividend policy, albeit at the lower end of the this range.

Governance

Governance

Wereldhave is committed to a high standard of Corporate Governance. We adhere to strict principles of business ethics and the adequate provision of forward-looking information. Transparency is a key cultural value to us. The Company's business ethics are embedded in the Business Integrity Policy and the Code of Ethics for employees, which is published on our website www.wereldhave.com.

Legal structure

Wereldhave N.V. is a real estate investment company, listed on Euronext Amsterdam and included in the AScX® Index. The Company was founded in 1930 and is listed since 1947. Wereldhave has the fiscal status of an investment institution, so it is subject to a 0% corporation tax rate in the Netherlands (other than for development activities in the Netherlands). Its Belgian investments consist of a 65.9% interest in Wereldhave Belgium N.V., a tax-exempt investment company with variable capital listed on the Euronext Brussels Stock Exchange. The investments in France are subject to the SIIC (Société d'Investissements Immobiliers Cotée) regime.

Wereldhave has a two-tier board structure. Additional regulations for the Boards are set out in the Governance Charter of Wereldhave which can be downloaded at our website.

Board of Management

The members of the Board of Management are jointly responsible for the management and running of Wereldhave N.V. and its subsidiaries, with due respect for their roles and tasks. The CEO takes the lead in this and is the main point of liaison for the Supervisory Board.

The Board of Management is accountable to the Supervisory Board and to the General Meeting of Shareholders.

The Board of Management consists of Mr. Matthijs Storm (CEO) and Mr. Dennis de Vreede (CFO). The Board is supported by a management team of the three Country Directors and supported by the Company Secretary. The management team does not qualify as an executive committee. The members of the Board of Management are the statutory directors of the Group's real estate companies and as such, solely responsible for the decision making. The Board of Management is appointed and dismissed by the General Meeting of Shareholders, from a nomination to be drawn up by the Supervisory Board. The members of the Board of Management have been appointed for a period of four years. The agreements contain a break option with a four months' notice and a maximum severance payment of one year's salary.

Supervisory Board

The role of the Supervisory Board is to supervise the strategy and the business of the Company and its subsidiaries, as well as to support the Board of Management by providing advice. The Supervisory Board shall be guided by the interests of the Company, taking the interests of the Company's stakeholders into account. The Supervisory Board has two standing Committees, an Audit Committee and a Remuneration and Nomination Committee.

The Supervisory Board of Wereldhave N.V. currently consists of three members. The independence requirements referred to in best practice provisions 2.1.7 to 2.1.9 inclusive of the Dutch Governance Code have been fulfilled and all members meet the independence criteria. The members of the Supervisory Board and its Committees are: Mr. Adriaan Nühn (Chair Supervisory Board and member Remuneration and Nomination Committee), Mr. Hein Brand (Chair Audit Committee) and Mrs. Françoise Dechesne (Chair Remuneration and Nomination Committee and member Audit Committee). The profile for members of the Board as well as brief resumes can be found at the Company's website.

At the AGM on April 26, 2021, Mr. Nühn was reappointed for a term of four years and Mr. H. Brand was reappointed for a term of three years.

The Supervisory Board maintains regular contact with the external auditor and focuses on the effectiveness of the Company's internal risk management and control systems and the integrity and quality of the financial reporting. The Supervisory Board has joint responsibility and acts without a mandate and independently of any particular interests associated with the company.

Committees of the Supervisory Board

The Audit Committee's main role is to oversee financial accounting and reporting, internal control and risk management. In this context, the Audit Committee examines and reports to the Supervisory Board on matters such as (interim) financial reporting and accounts, asset valuations, risk management, accounting methods, finance and tax planning and the relationship with the internal and external auditors.

The remuneration committee and the selection and appointment committee have been combined in one committee, the Remuneration and Nomination Committee. The committee's main role is to prepare the Board meetings with respect to selections and nominations, evaluations and remuneration levels and succession planning.

General Meeting of Shareholders

At least once a year, a General Meeting of Shareholders will be held. The agenda of the Annual General Meeting of Shareholders shall in each case contain the report of the Board of Management, the dividend policy, the adoption of the financial statements, the report of the Supervisory Board, the remuneration report and the proposal to distribute dividends or other distributions. Resolutions to release the members of the Board of Management and Supervisory Boards from liability for their respective duties shall be voted on separately.

Requests of investors who solely or jointly represent 1% of the issued capital to place items on the agenda of the General Meeting of Shareholders shall be honored if such requests are submitted to the Board of Management or the Supervisory Board at least 60 days before the scheduled date of the Meeting, unless, in the opinion of the Supervisory Board and the Board of Management, there are vital interests of the Company opposing the inclusion of such item or items in the agenda. The resulting discussion in the General Meeting should not affect the orderly course of the Meeting.

The secretary of the Company will take minutes of the proceedings at the meeting. The minutes will be signed by the Chairman of the Meeting and the Company Secretary. In principle, the minutes will be published on the Wereldhave website within one month after the Meeting and copies of such minutes are available free of charge on request.

Wereldhave pursues increased shareholder participation at its general meetings, by making proxy forms and voting instructions available online, by enabling voting via internet prior to the meeting and by contacting the known larger shareholders to question them to attend or vote. The attendance rate at the AGM on April 26, 2021 stood at 37% of the issued share capital. The meeting approved the proposal to repurchase shares, but voted against the proposal to grant the authority to the Board of Management to issue shares. The voting results were analyzed and the largest voters against were consulted about their objections. The Board has explained the importance of the topic from a business perspective. During the year 2021, no shares were issued or repurchased except as part of the LTI scheme.

The policy on communications between the Company and its shareholders can be found at the Company's website.

Protective devices

The protective devices consist of the possibility to issue preference shares up to 50% of the issued share capital (less one share), calculated after issue.

The contract between the Company and the Foundation in relation to the preference shares Wereldhave entails the granting to the Foundation of the right to, on a continuous basis, take, if necessary in tranches, preference shares up to a maximum of, after exercise, 50% of the issued capital (less one share). Both parties have the interim right to cancel the agreement. Following the issue and subsequent repurchase or withdrawal of the preference shares, the Company intends to discuss the protective devices with the General Meeting of Shareholders.

The objective of the Foundation, in accordance with article 2 paragraph 1 of its articles of association, is to promote the interests of Wereldhave, of the companies affiliated to Wereldhave and all stakeholders, whereby the foundation also takes into account maintaining the independence, continuity and identity of the Company.

The Board of the Foundation consisted of Mr. P. Bouw (Chairman), Mr. S. Perrick and Mr. R. de Jong. The Foundation is independent from the Company within the meaning of section 5:71 paragraph 1 under c of the Financial Supervision Act. The foundation does not hold any shares in Wereldhave at present.

The Foundation intends to take preference shares if, amongst others, a threatening situation occurs where a significant interest might come in the possession of legal entities or persons who possibly aim to acquire control over the Company without the involvement of the Board, without guarantees with respect to the independency and continuity of Wereldhave and its affiliates and without the possibility to safeguard the interests of employees, other shareholders and other parties related to Wereldhave or, affiliated companies, or without the real value of the Wereldhave shares being reflected in a take-over bid, or if power is, or may be exercised with the intention to amend the strategic policy which is determined by the Board and Supervisory Board.

Wereldhave and the Foundation have agreed that the Foundation can request the Company to withdraw or buy back the shares six months after issuance of the preference shares. In addition, Wereldhave is obliged to convene a general meeting of shareholders within eighteen months after the issuance date of the preference shares, where the withdrawal or buy back of the preference shares will be put on the agenda. These contractual clauses imply that the issue of any preference shares is intended as a temporary protective device.

ESG engagement

Wereldhave has dedicated governance in place for Environmental, Social & Governance (ESG); this helps us achieve our sustainability goals. At board level, our CFO is responsible for Wereldhave's sustainability policy; the Group ESG manager reports directly to the CFO. ESG reporting is integrated into management reporting, with quarterly updates from country units on sustainability performance and progress against our KPIs. All data collected through quarterly reports is verified to ensure the quality of the information.

Implementation of our sustainability policy is overseen by the Group ESG Manager in cooperation with individual initiators in each country. Individual managers are responsible for implementing sustainability in their own departments. Projects contributing to achievement of our targets are integrated into Wereldhave's budget business plans.

With this governance structure, Wereldhave is able to embed sustainability more effectively into its daily operations.

Dutch Corporate Governance Code

In the scope of the Dutch Corporate Governance Code, as amended in 2016, the Company maintains a reconciliation table in which is set out how the principles of the Corporate Governance Code are complied with. This reconciliation table is published on our website.

Risk management and internal controls

Risk profile

As a retail property investor in the Netherlands, Belgium and France, Wereldhave is particularly sensitive to factors that impact demand for space from retailers. This is primarily driven by customer behavior. A decline in customer footfall and spending may lead to a lower demand for space, with negative impact upon:

- The value of our assets
- Occupancy rates, rental levels and subsequently rental income
- Property market liquidity for acquisitions and disposals

In addition, (local) governmental decisions such as the introduction of paid parking can severely impact footfall and retail sales, thus putting a pressure on rent. Ease of access of our centers is an essential element in the customers' choice where to go for shopping.

Risk Management

Wereldhave is focusing on the preservation of its reputation, assets, competitive advantage and profits, applying enterprise-wide risk management (ERM). ERM is the process of systematically identifying, analyzing, evaluating and mitigating risks that may impact the achievement of our corporate objectives. We consider risk management to be an essential ingredient of good corporate governance. Better understanding of risks and taking mitigating measures enables Wereldhave to prevent risks to actually occur, minimize losses of incidents and to optimally benefit from opportunities.
Risk management and internal control is embedded in the organization using these five interrelated components:

1. **Governance and Culture**: Governance sets the organizational tone, establishing oversight responsibilities for risk. Culture pertains to our Code of Ethics and the understanding of the risks we are exposed to.

2. **Strategy and Objective-Setting**: A risk appetite is established and aligned with our strategy; business objectives put strategy into practice while serving as a basis for identifying, assessing, and responding to risk.

3. **Performance**: Risks that may impact the achievement of strategy and business objectives need to be identified and assessed. Risks are prioritized by severity in the context of our risk appetite. We select appropriate risk responses and review the risk we run at a portfolio level. We aim to be transparent about this exposure towards our key risk stakeholders.

4. **Review and Revision**: By reviewing entity performance, we evaluate the performance of our enterprise risk management components over time and review what changes are needed.

5. **Information, Communication, and Reporting**: We regard enterprise risk management as a continuous process of obtaining and sharing necessary information, from both internal and external sources, which flows up, down, and across the organization.

Wereldhave adopts the so-called "three lines of defense" when it comes to managing risks. The overall responsibility for establishing, operating and monitoring risk management and internal controls is with the Board of Management, from which the CFO is contact point for risk management and internal control activities. The primary responsibility for managing risks is with the business, meaning country managers and their direct reports. On the group level Wereldhave has several staff departments which support in managing specific risk areas. The Finance and Control team facilitates and monitors the overall risk management process. The third line of defense is the internal audit. Risk management is a full Supervisory Board topic to ensure sound risk management and internal control systems are maintained. Reports are always discussed in full in the Supervisory Board, the Audit Committee prepares but does not filter or select.

The internal auditor assesses the design and operating effectiveness of internal controls and risk mitigating measures and reports to the Board of Management. The internal auditor has a direct escalation reporting line to the Audit Committee. Wereldhave has outsourced the internal Audit Function to BDO. The internal Audit plan is discussed with and approved by the Board of Management, followed by the review and approval of the Supervisory Board.
The internal Audit plan priorities are directly derived from Wereldhave's latest annual risk assessment and focused in 2021 on our leasing process including covid-19 arrangements, data management and compliance as well as the CSR reporting process.

Fraud risks form an integral part of our risk assessment. A variety of controls is in place ranging, ranging from a strict code of conduct outlining our business integrity principles to integrity awareness training and enforcing segregation of duties for key operational and financial transactions. Wereldhave is continuously working on automating its business processes to ensure transactions are processed in a more effective and efficient way. As part of these projects, we always consider embedding internal controls in the IT systems that we purchase or develop. The Board of Management considers the controls in place as sufficient and adequate to control the fraud risk.

Strategic objectives of our strategy

We aim to position our centers as Full Service Centers in close proximity of dense urban areas, to fulfil daily needs of life. Our centers should offer a broad range of partnerships and services to support tenants in doing better business and empower people to live a more well-balanced everyday life close to home. Together with all partners within the local eco-systems we will build full-service platforms to make every day count.

Our strategic long-term objectives are to:

1. Grow rental income and drive property returns of our assets to create value
2. Become a customer oriented Company
3. Attract and retain tenants
4. Be responsible, ambitious and innovative
5. Maintain strong and flexible financing

The high impact risks of the Group are periodically reviewed by the Board of Management and Supervisory Board. The high impact risks in relation to our strategy are presented on the following pages. In comparison to 2020, no new high impact risks were identified. The arrow depicts how the high impact risk assessment changed during the year in comparison to 2020. Controls have been designed, both preventive and detective, to mitigate risks as far as possible. These controls are embedded in our business processes and defined in our Internal Control Framework.

Climate-related risks, both physical as the transition to a lower-carbon economy, are part of our risks assessments. The main focus of our risk assessments is the direct effect of transitional risks, such as the need to meet regulatory standards or future tenant needs. Paris-Proof carbon roadmaps address this risk and are integrated in the redevelopment or maintenance planning of our assets to achieve the 2030 emission reduction target of 30% and are an input to the valuations of our investment portfolio. Direct effects of physical risks are included in our BREEAM-in-use assessments. We have concluded that the effect of climate-related risks do not have a material impact on accounts and disclosures, including judgments and estimates in the financial statements.

The high impact risks of the Group in relation to our strategy are:

Our strategic long-term objectives are to:

- Grow rental income and drive property returns of our assets to create value
- Become a customer oriented Company
- Attract and retain tenants
- Be responsible, ambitious and innovative
- Maintain strong and flexible financing

Preventable

Risk		*Key controls*	*Relates to strategic objective:*	*KPI's*
A	**Access to Equity markets**	• Investor relations stakeholder engagement • Conference calls on results • Investor relations reports to Supervisory Board • Frequent consultations of large shareholders	Change during year: →	• Share price • Discount to NAV • TSR
B	**Availability and costs of finance**	• Treasury Policy • Continuous dialogue with financiers • Green financing framework	Change during year: ↘	• Average interest rate • Duration • Spread of funding • LTV
C	**Attract and retain tenants**	• Monthly operational reporting on leasing activity and funnel, occupancy, visitor and sales developments • Category leasing management • Data sharing to assess performance • Sustainability committee per center • Key tenant management • Network and leads	Change during year: →	• Total return • Total property return • Total shareholder return • NPS • Footfall • Tenant feedback • Retail balance
D	**Development risks**	• Monitoring to prevent cost and time overruns • Pre-letting conditions • Recurring external appraisals • Investment proposals • Post-completion analyses	Change during year: ↗	• Total return • Total property return • Total shareholder return

Risk		*Key controls*	*Relates to strategic objective:*	*KPI's*
Preventable				
E	**Change of culture**	• Number of new concepts launched • Multiple income streams • Digitalization of processes • Monitoring organizational costs • Attract and retain top talents • Customer centricity	Change during year:	• NPS • Footfall • Tenant feedback • Employee satisfaction • Staff turnover ratio
F	**Regulatory compliance**	• Safety and emergency plans including regular safety checks • Monitor changes in zoning regulations • Monitor changes in legal and tax landscape	Change during year:	• Total return • Total property return • Total shareholder return
Strategic risks				
G	**Failure to find the right response to changing market conditions or failure to execute the new strategy correctly**	• Annual budget cycle: bottom-up from asset level business plans to consolidated budget • Disciplined IRR driven asset selection	Change during year:	• Total return • Total property return • Total shareholder return
H	**Maintain tax status of tax exempt investment institution in NL, BE and FR**	• Monitor regulatory requirements • Monitor trends and developments in political landscape • Consult and discuss with tax authorities	Change during year:	• Total shareholder return
I	**Achievement of sustainability targets**	• Quarterly KPI reporting • Benchmarking • BREEAM certification	Change during year:	• Total return • Total property return • Total shareholder return • Sustainable development goals

Risk		*Key controls*	*Relates to strategic objective:*	*KPI's*
External				
J	**Decreasing property values**	• Regular internal and external appraisals • Disciplined hold/sell analyses	 Change during year: 	• ICR • Total return • Total property return • LTV
K	**Events and emergencies**	• Monitor terrorism threat levels • Cyber-attack sensitivity assessments • Insurance for physical damage and business interruption • Response procedures for (pandemic) events	 Change during year: 	• Total return • Total property return • Total shareholder return

Supervisory Board report

Dear Stakeholders,

The impact of Covid-19 is still continuing, with the Netherlands just coming out of a third lockdown for the Omicron wave. All over Europe, infection rates are at extremely high levels. It implies an impact on footfall, tenant turnover and thus lower sales based rents and compensation requests from tenants that have to shut their stores. Negotiations with Dutch tenants about the compensation to be paid will become less protracted, now that the Supreme Court of the Netherlands has rendered a judicial verdict on how to calculate the impact of a loss in turnover and how to share the burden of the unforeseen circumstances of Covid-19 between tenant and landlord.

In 2021, the Supervisory Board saw three key issues: the cash collection rate, the liquidity from refinancing and disposals and the exit from the French market. The cash collection rate was discussed as a recurring topic in all meetings. Wereldhave made good progress on the Dutch disposal program. In the first half of 2021, the shopping centers in Amersfoort, Etten-Leur, Maassluis and Rijswijk were sold. Particularly the disposals of Etten-Leur and Rijswijk in the Netherlands were below book value. It was a tough decision, but the disposals dovetail the Company's strategy, because even at the disposal price the IRR was below target. These centers struggled because of their location, shared ownership, high vacancy and paid parking. In addition, these disposals contributed to a decrease in the LTV, which improved Wereldhave's refinancing capabilities.

The decision to dispose of four French shopping centers to Lighthouse Capital for € 305m was discussed at length in several Supervisory Board meetings. The Supervisory Board ascertained the fairness of the transaction level with an independent expert opinion, which was discussed with the valuator without the Board of Management being present. The Supervisory Board also discussed the prospects for the value development of the remaining two assets as well as the prospects for a future disposal. Although this was a painful decision, the Board decided that the disposals were vital to improve the liquidity profile and to enable the Company to continue the execution of LifeCentral, the strategy of transformation of the shopping center portfolio, This has become even more important as the market shake out of weaker retailers continued its accelerated pace due to Covid-19 measures.

Now the proceeds from disposals and new financing arrangements have come available, disciplined acquisitions and focus on general costs have become even more important. The two remaining French assets are to be sold when markets rebound. General costs development has been a recurring focus item throughout the year.

Composition and meetings of the Supervisory Board

The Supervisory Board consists of three members. The Board is chaired by Mr. Adriaan Nühn, who was reappointed in 2021 for a period of four years. Mr. Hein Brand, the Chair of the Audit Committee, was also reappointed in 2021, but for a period of three years. The overlapping expirations allow for a gradual change in composition of the Board. Mrs. Dechesne is a member of the Audit committee and she chairs the remuneration and nomination committee. Mr. Nühn is the other member of the latter committee. Diversity within the Supervisory Board is at 33%, in line with the targets as set in Wereldhave's Governance Charter.

With a Board of Management of only two persons, Wereldhave focuses on diversity targets at the level of the Management Team. In December 2021, Katja Stello was appointed Chief Marketing Officer and became a member of the Management Team effective January 2022. The female gender representation of the Management Team has become 20% consequently. The Supervisory Board is pleased with the improvement, which is however still below target. The female gender representation at senior management level in the Netherlands and Belgium is 57%.

A total of ten Supervisory Board meetings was held in 2021, with an overall attendance rate of 100%. Given the limited size of the Board, it was decided to combine the meetings of the Audit Committee with the meetings of the Supervisory Board. The meeting starts with the discussion of the audit related topics. Mr. Hein Brand chairs this part of the meeting and Mr. Nühn, who is not a member of the Audit Committee, also attends and participates in the discussion.

The second part of the meeting is the regular Supervisory Board meeting for the non-audit related topics such as strategy, operations, investments and divestments.

The Supervisory Board is pleased with the improved LTV and the operational performance of the Company during 2021 and wishes to express its gratitude towards all officers and staff of the Company for the relentless efforts to drive the performance of the Company, particularly in France, where most employees were facing the termination of their employment once the disposals were completed. Loyalty has remained firm throughout the entire process.

Financial statements

The Board of Management submitted the 2021 financial statements and the Board's Management Report to the Supervisory Board. The Supervisory Board recommends the doption of these financial statements. The financial statements have been audited by KPMG, who issued an unqualified auditor's opinion. The Supervisory Board discussed the audit report and the auditor's opinion with the auditor. The members of the Supervisory Board approved the accounts and signed the 2021 financial statements. The Board of Management assessed that the 2021 results and the current liquidity position allows to distribute a dividend of € 1.10 in cash per share to the shareholders, in compliance with the fiscal dividend distribution requirement for the year. The Supervisory Board supports this proposal.

Strategy update

In December 2021, the Supervisory Board held an extra meeting to discuss the impact of market developments on the Company strategy. The Board notes that in spite of continuing lockdowns from Covid, Wereldhave's LifeCentral strategy has become even more important. In the year 2022 results are to bottom out as the transformation of the portfolio starts to bear fruit. Spearheads for the full service center strategy are Les Bastions in Tournai (transformation completed) and Kortrijk Ring shopping center in Belgium and Presikhaaf in Arnhem (transformation completed), Vier Meren in Hoofddorp, Sterrenburg in Dordrecht and Tilburg city center in the Netherlands. Wereldhave management and staff are working hard to prepare other future FSC projects as well. Ultimately, Wereldhave aims to become market leader for FSC's in the Benelux.

Financing

The Supervisory Board actively monitors the financing of the Company, including the balance sheet and the available headroom against the loan covenants. The disposal proceeds were, among others, used to repay maturing debt and to reduce drawings under revolving credit facilities, thus freeing up liquidity headroom significantly, whilst the LTV improved. A € 120m green financing facility was arranged in the Netherlands. In Belgium, corporate bonds were issued by Wereldhave Belgium for an amount of € 32m and a € 50m bank loan was refinanced with a term of four years. All financing transactions were in the scope of the Green Financing Frameworks of the Group.

The debt profile and the refinancing strategy is discussed regularly with the Board of Management. Other recurring financial items that were discussed are dividend levels, the budget, the outlook and guidance, the achievement of the financial objectives from the 2021 budget, the management agenda and the portfolio valuations.

Operations

Operational performance is a recurring topic on every meeting of the Supervisory Board. The development projects and the associated required capex investments are also a standard topic. The managing directors of Belgium, the Netherlands and France presented their budget and plans for the year 2022. The country budgets form the basis for the Groups consolidated budget, which is also discussed in the December meeting of the Board. CSR investments as well as the Customer Experience expenditures are part of the business plans per asset, which ultimately lead to a bottom-up consolidated budget. The budget for 2022 was discussed and approved in the Board's meeting in December 2021.

Sustainability

The Supervisory Board is pleased that Wereldhave continued its 8 year streak of a 5-star GRESB rating. This ranks Wereldhave number 2 within the space of listed European shopping center companies. Wereldhave's sustainability ambitions are aligned with 6 of the 17 Sustainable Development Goals of the United Nations.

In 2021 Wereldhave also received its sixth Gold Award for best practice sustainability reporting from the European Public Real Estate Association (EPRA). MSCI ESG upgraded Wereldhave to an A rating from BBB for its sustainability performance.

The Supervisory Board is pleased to see the progress in setting targets to meet the Company's 2030 SBTi climate and 2045 Paris net-zero targets. By the end of 2021, roadmaps were in place for seven Dutch and two Belgian locations, including budgeting of capital expenditure required.

Risk Management

The Supervisory Board considers risk management to be a full Board topic, prepared by the Audit Committee. The risk management framework was redesigned in 2019 and reviewed in 2020 and again reviewed in February 2022. The Internal Audit function is performed by BDO. The internal Audit plan for 2021 was discussed and agreed in February 2021, with specific focus on the divestment process in each country and the treasury procedures for monitoring covenant compliance.

The findings were discussed in multiple sessions in the combined meetings of the Audit Committee and the Supervisory Board.

Culture

The Supervisory Board continued the practice that country managers and key employees regularly attend its meetings for a presentation and discussion of their key focus points. Several heads of staff attended the meetings, with presentations on corporate branding, customer experience, tax and legal risks and ICT.

Culture within the Group was discussed twice in 2021. The HR director presented the outcome of the employee satisfaction survey and in October 2021, the assessment of the top-25 employees was presented and discussed. Remuneration levels and retention tools, particularly in France, were also discussed with the Board.

The Board of Management continued to use livestream sessions with Q&A's to update the entire staff. The culture within the Company is gradually shifting towards an open, less hierarchical and creative environment. The number of creative ideas to improve the operational performance, the attractiveness and the competitiveness of Wereldhave's shopping centers are the ultimate proof of this cultural change towards a truly customer oriented strategy.

Corporate Governance

Wereldhave is compliant with the Dutch corporate governance code. With the approval of the new remuneration policy by the AGM in April 2020, the last deviation to this Code was eliminated. A breakdown of Wereldhave's position per best practice recommendation of the Code can be found on the website. The Governance Charter was updated in 2020, to reflect the division of roles and responsibilities of the Board members, the composition of the Management Team and the addition of a related party transaction policy. The Governance Charter also describes our diversity policy.

Evaluation of performance

The Supervisory Board used external assistance to assess the functioning of the Board and its members. The outcome of an independent and external questionnaire was discussed in the December Supervisory Board-only meeting. Overall, the Supervisory Board is satisfied with the outcome. In spite of the plans to increase the number of informal meetings, this still is an item for improvement. In addition, the Board has assessed that it regularly invite external experts to provide an update as a basis for discussions with the Board of Management.

The evaluation of the Board of Management was performed in December 2021. The Supervisory Board decided to nominate Mr. Dennis de Vreede, CFO, for reappointment for a period of four years, thus ending in April 2026. The remuneration levels remain unchanged.

No transactions with a potential conflict of interest with Supervisory Board members were reported by members of the Supervisory Board in 2021.

Audit Committee

The Committee consists of Mr. H. Brand (Chair) and Mrs. F. Dechesne. The Audit Committee's main role is to oversee financial accounting and reporting, internal control, risk management and the external auditor including auditor independence. In this context, the Audit Committee examines and reports to the Supervisory Board on matters such as (interim) financial reporting and accounts, asset valuations, risk management, accounting methods, finance and tax planning and the relationship with the auditor. The Audit Committee held five regular meetings in 2021 to discuss the 2020 FY results, the Annual Report for 2020, the quarterly results for 2021 and the budget for 2022. All meetings were attended by the Company's CEO and CFO and the Company Secretary, as well as the external auditor. The attendance rate of the meetings was 100%.

The Audit Committee regularly convened with the external auditor, without the Board of Management. The regular items on the agenda include the financial results and financial statements, the annual accounts, the property valuations, the internal and external audit plans, findings and opinion, the liquidity profile and financing of the Company, interest rate and currency risks, legal risks and tax risks and the in control statements. In addition, the Audit Committee monitors operational performance against the budget and reviews investment and divestment proposals. The external valuations for the standing portfolio were discussed with the auditors twice a year. The proposal to pay a dividend in respect of 2021 at €1.10 per share was approved in February 2022. This is below the pay-out ratio Wereldhave pursues for the longer term. The retained funds will be used to strengthen the financial ratios, also in view of the ongoing shake-out of weaker retailers due to Covid-19 and the accelerated need for transformation. The audit plan

2021 by KPMG was discussed and approved in the July meeting of the Audit Committee. KPMG was reappointed in 2021 for the financial years 2021 and 2022. The year 2021 will be the final year for Mr. H.D. Grönloh to act as lead partner. His successor Mr. W. Paulissen was introduced to the Supervisory Board in the July meeting. The year under review was used to provide for an extensive introduction to the Company.

The Internal audit function is outsourced to BDO. The Audit Committee ascertained that the internal audit function performed well. The internal audit plan was updated in relation to the new strategy in March 2020. The materiality threshold as applied by KPMG is set out in the Audit opinion. The Audit Committee ascertained that all audit findings in excess of the reporting threshold, adjusted and unadjusted, will be reported by the auditor.

Remuneration and Nomination Committee

The Committee consists of Mrs. F. Dechesne (Chair) and Mr. A. Nühn. Two meetings were held in 2021, in February and September. In December, Mr. Hein Brand attended a Works Council meeting, upon invitation by the Council. There were no changes to the remuneration policy and remuneration levels did not change. The Committee is still convinced that although Covid-19 has heavily impacted some of the KPI's, no deviation to the policy will be proposed to the AGM. The chosen targets seem still adequate.

The committee also prepared the evaluation of the members of the Board of Management.

There are no upcoming expirations for Supervisory Board members.

Related party transactions

In the year under review there have been no business transactions with members of the Board of Management nor the Supervisory Board in which conflicts of interest may have played a role. Any business transactions between the Company and members of the Board are published in the Annual Report.

Finally

The Supervisory Board notes that 2021 has been the second year with challenges from Covid-19. It was also a year in which large changes to the composition of the portfolio were achieved. The Supervisory Board would like to thank the Board of Management as well as the entire staff for their achievements and loyalty to the Company.

On behalf of the Supervisory Board,

Adriaan Nühn,
Chairman of the Supervisory Board

Remuneration report 2021 Wereldhave N.V.

This report consists of three chapters. The first contains an explanation of the current policy for the remuneration of the Board of Management. The second chapter contains the policy for the remuneration of the Supervisory Board. The third contains the execution of the policy in 2021.

Chapter 1: Wereldhave N.V. remuneration policy 2021 onwards

The remuneration policy 2020 and onwards was adopted by the General Meeting of Shareholders on April 24, 2020. Our remuneration policy was designed by considering current market and best practices, the Dutch corporate governance code and the Dutch implementation of the European Shareholder Rights Directive ("SRD II"). It is aligned with our customer centric strategy. Successful commercial real estate goes beyond shopping and assets. It should offer a broad range of partnerships and services to support tenants in doing better business and empower people to live a more well-balanced everyday life close to home. Together with all partners within the local eco-systems we will build full-service platforms to make every day count.

Wereldhave applies a total return approach. We use forward looking IRR for hold/sell analyses, invest in assets at densely populated areas and well-connected mixed-use locations, create sector and geographic scale to allow for an efficient service platform, invest in undermanaged assets that meet our strategic criteria and dispose of assets that do not meet the IRR threshold.

We therefore measure our success by the total return of our assets (EBIT plus valuation result), customer satisfaction, as expressed in the Net Promoter Score as well as the footfall of our assets. These KPI's have been selected as the drivers for variable short-term pay. The indicators are used throughout the organization for incentive schemes, to enhance the alignment of pay with performance of the strategic goals.

The goals of the remuneration policy for members of the Board of Management are to align individual and company performance, strengthen long-term commitment to the company, and attract, motivate and retain the best executive management talent, whilst creating alignment with stakeholders.

The essential qualifications comprise not only knowledge and experience in the field of real estate, but also the prerequisite management competencies. The policy aims to safeguard the company's performance and value growth, whilst positioning Wereldhave as an attractive employer for highly qualified directors.

Remuneration philosophy

The following elements are taken into consideration as part of the remuneration philosophy:

- **The remuneration policy aims to attract, motivate and retain the best executive management talent;**
  - As such, pay levels are benchmarked against relevant reference markets, taking into account the relative positioning of Wereldhave in terms of size and complexity;
  - To support the pay for performance principle, 50% of the at target total direct compensation package is fixed compensation and 50% is conditional upon the achievement of performance targets; at maximum scores, 32% of total direct compensation package is fixed compensation and 68% is conditional upon the achievement of performance targets.
- **The remuneration policy supports both short- and long-term business objectives (strategy), with an emphasis on long-term value creation. Wereldhave aims to continuously improve, in a balanced way, business results and the delivery on sustainability aspirations;**
  - This is amongst others realized by alignment with market and best- practices in terms of remuneration, based on the relevant European sector and the local cross-industry, taking into account the company's identity, mission and values;
  - Taking into account the level of support in society, a balanced approach is chosen. When reviewing the remuneration policy, relevant stakeholders are consulted, including employee representatives. The measures in the incentive plans also reflect the balanced approach:
  - The short-term incentive performance indicators are based on and aligned with the financial aspects of the strategic review, complemented with assessment of individual (non-financial) performance;
  - For the long-term incentive, long-term value creation is measured by means of (relative) shareholder return, balanced by sustainability as measured by an independent and specialized institution (GRESB). To emphasize the importance of long-term value creation, the LTI comprises a relatively larger part of variable pay, compared to the STI.
- **The principles underlying the remuneration policies for the Board of Management, executives and other employees of Wereldhave are aligned. In this respect Wereldhave strives for internal consistency in remuneration;**
  - In establishing this policy, the Supervisory Board uses scenario analyses to estimate the possible outcomes and decides whether a correct risk incentive is set for the member of the Board of Management with respect to the overall level of pay;
  - Furthermore, the company's other remuneration programs have been taken into account, amongst others by ensuring consistency with the company salary structure (internal pay ratio and other pay differential approaches), the design of incentive plans and guidelines for salary increases for all employees.
- **The policy design takes into account statutory and other legal provisions, amongst others the Dutch implementation of the European Shareholder Rights Directive ("SRD II") and the Dutch corporate governance code.**

The remuneration & nomination committee regularly reviews the remuneration policy in order to ensure alignment with the philosophy as presented above. Based on the advice of the remuneration & nomination committee, the Supervisory Board draws up (amendments to) the remuneration policy, consults major shareholders and puts the proposal forward for adoption at the general meeting of shareholders.

The total remuneration of the Board of Management of Wereldhave N.V. currently consists of:

- Fixed income;
- Variable income;
  - Short-term incentive ("STI");
  - Long-term incentive ("LTI");
- Pension and other secondary employment benefits.

Labor market and performance peer group

The remuneration levels for Board members are based on surveys and analyses by Korn Ferry. The Supervisory Board regards Wereldhave as an operational company, rather than a financial company, and compares market practice remuneration of European peer companies to individual benchmark remuneration.

The peer group consists of: Altarea-Cogedim (FR), Atrium European Real Estate (AU), Citycon (FI), Cofinimmo (BE), Deutsche Euroshop (DE), EuroCommercial Properties (NL), Gecina (FR), Hamborner (DE), Hufvudstaden (SE), IGD (IT), Klépierre (FR), Leasinvest (BE), Mercialys (FR), NSI (NL), PSP Swiss Property (CH), Retail Estates (BE), Carmila (FR), Unibail-Rodamco-Westfield (FR) and Vastned Retail (NL).

As the listing of Atrium European Real Estate (AU) was terminated in 2021, Capital & Regional Plc (GB) will be used as replacement.

This peer group serves both for assessing the remuneration levels as measuring relative Total Shareholder Return ("TSR") performance. Given the size of the relatively larger Unibail-Rodamco-Westfield and Klépierre, and to position Wereldhave around the median of the group in terms of size (based on revenue, market capitalization, total assets and employees), these companies are excluded for assessing remuneration levels. To accommodate potential changes in the labor market and performance peer group due to e.g. a delisting, merger or other extraordinary circumstances, the Supervisory Board may exercise discretion to substitute comparable companies. Given the company's headquarters in the Netherlands, and as a second reference market, the local cross-industry is taken into account by means of the index in which Wereldhave is included (currently the AScX index) corrected for size (based on revenue, market capitalization, total assets and employees).

Fixed income:

As from January 1, 2022, fixed income per annum is set at € 577,625 for the CEO and € 416,946 for the CFO. These amounts are fixed for the appointment period, but are subject to indexation annually with the Dutch Consumer Price index (Eurostat) over the period between October 31 of the current year and the previous year, which is also applied for the Dutch employees.

Variable income: STI and LTI

The variable income amounts to a target variable income of 100% of the fixed annual income, of which 40% comprises a short-term incentive in cash and 60% comprises a long-term incentive in shares.

Short-term incentive

The short-term incentive score is determined by a financial target, accounting for 50% of the STI, two qualitative and measurable targets that are directly connected to the strategy, each accounting for 20% of the STI, and one nonfinancial (individual) target, accounting for 10% of the STI.

The targets are taken from the Company strategy, which are fixed for the coming remuneration policy period (3-4 years). The targets and weights are as follows:

STI Targets	**Weight**	**Threshold**	**At Target**	**Maximum**
		0% score	100% score	150% score
Total return continued operating shopping centers (calculated as EBIT + valuation result) [1]	**50% of STI**	Return equal to MSCI retail property return Benelux	Return 0.5% above the MSCI retail property return Benelux	Return 1% above the MSCI retail property return Benelux
Net Promoter Score Visitors [2]	**20% of STI**	NPS = 0	NPS = 5	NPS = 10
Average footfall increase y-o-y of continued operating shopping centers [3]	**20% of STI**	0%	1%	2%
Individual target Board members	**10% of STI**	Set annually	Set annually	Set annually

1 Continued operating shopping centers exclude developments and refurbishments until the first transformation projects have been completed. As from this date, the performance will be calculated over continued operations including developments and refurbishments. The rationale is that developments and refurbishments for the transformation have a negative impact on performance, while under construction. This will on the somewhat longer term be mitigated by completed transformations, however not during the initial period

2 The NPS sore is calculated as the 1-year moving average NPS score, measured over the entire portfolio of continued operating shopping centers (see 1)

3 The Supervisory Board is allowed to replace this indicator by an even more targeted indicator of average dwell time and basket size, when the required data collection for these measures becomes available

Total property return is a measure of the ungeared return for the portfolio and is calculated as the change in capital value, less any capital expenditure incurred, plus net income, expressed as a percentage of capital employed over the period concerned, excluding land.

The net promoter score (NPS) is a management tool to measure the customer experience. The NPS score is a good way to predict client loyalty and shows the willingness to promote the company to others. It provides a quantifiable outcome and it is the most common tool used worldwide. The NPS is calculated externally by a third party.

Footfall is the measure of visitor numbers, counted by automated counters, leading to anonymized visitor information. It is an indicator of the competitiveness of a shopping center.

Based on performance against these targets, a minimum of zero and a maximum of 1.5 times (150%) the short-term incentive (of 40% of the fixed annual income) can become payable, with pro rata pay-out for performance between threshold (50% of target) and maximum (150% of target).

Individual targets will be aligned with strategic business priorities in a certain year and will always be measurable. Disclosure will be made afterwards in the remuneration report for the year. The individual targets for 2021 were securing liquidity and disposing of at least two French assets.

The Supervisory Board set the 2022 STI targets for total return and footfall at the same levels as for 2021. The targets for the NPS score were in 2021 at +5 and +10, but are now set at +27 at target and +32 for above target. The individual 2022 STI targets for board members will be disclosed in the 2022 remuneration report.

Long-term incentive

The number of shares conditionally granted under the LTI is determined based on the closing price of the first trading day after the share has gone ex-dividend date, immediately after the Annual General Meeting of Shareholders of the year in respect of which the LTI is to be granted. The vesting period will start on the day the conditional shares are granted.

If a dividend is paid on Wereldhave shares, the conditional share balance will be increased by a number of conditional shares equal to the amount of the dividend divided by the ex-dividend share price. These additional conditional shares are subject to the same terms as the conditional shares that were initially awarded.

The performance shares are conditional. Vesting, three years after grant, is subject to continuous employment and is determined by financial and non-financial targets, accounting for 75% and 25% of the LTI, respectively. The targets and weights are as follows: • Relative Total Shareholder Return - 75% of the LTI; • GRESB score - 25% of the LTI;

After vesting, a holding period of two years applies.

Relative Total Shareholder Return (75% of LTI)

Total shareholder return ("TSR") is defined as the share price increase, including reinvested dividends. TSR is measured over a three-year period based on a three-month average of the last three months of the year before the start and the end of the performance period. The performance period starts on 1 January of the year in respect of which the LTI is to be granted.

Wereldhave uses the same peer group as for benchmarking individual remuneration. The ranking against the peer group determines the vesting level.

At the end of the vesting period, a minimum of zero and a maximum of 3 times (300%) the number of shares conditionally granted, under the TSR performance condition, can become unconditional based on relative performance over the performance period.

Vesting per ranking position for the relative TSR performance incentive zone

Ranking	20-11	10	9	8	7	6	5	4	3	2	1
Vesting	0%	75%	150%	150%	200%	250%	250%	250%	300%	300%	300%

The vesting range is determined by threshold vesting at ranking position 10 (no vesting for performance below the median of the group) and maximum vesting at a Top 3 ranking position. An absolute TSR hurdle will be applied: if TSR development is negative, the LTI multiplier will be capped at 100% of the originally granted shares plus reinvested dividends.

We provide the example below for clarification:
LTI 2020:
- 60% of fixed income 2020/closing price April 28, 2020 (ex-dividend date)
- Grant LTI 2020: April 29, 2020
- Performance period January 1, 2020 up to December 31, 2022
- Vesting period April 29, 2020 up to April 28, 2023
- Holding period April 29, 2023 up to April 28, 2025

GRESB score (25% of LTI)
GRESB was launched in 2009 by a group of large pension funds who wanted to have access to comparable and reliable data on the ESG performance of their investments. GRESB have grown to become the leading Environmental, Social and Governance (ESG) benchmark for real estate and infrastructure investments across the world.

The GRESB Score is an overall measure of ESG performance – represented as a percentage (100 percent maximum). The GRESB Score gives quantitative insight into ESG performance in absolute terms, over time and against peer companies.

The GRESB Green Star is a rating on absolute performance. Entities with scores higher than 50 on both the “Management & Policy” and the “Implementation & Measurement” dimensions are rated a “Green Star”. This is why the GRESB 5 star rating system is more challenging. It is based on the GRESB Score and its quintile position relative to the GRESB universe, with annual calibration of the model. It is calculated relative to the global performance of all reporting entities - property type and geography are not taken into account. In this way the GRESB Rating provides investors with insight into the differentiation of overall ESG performance against continuously improving peers within the global property sector. If certain regions systematically perform better, they will on average have higher-rated companies and funds. If the entity is placed in the top quintile, it will have a GRESB 5-star rating; if it is in the bottom quintile, it will have a GRESB 1-star rating, etc.

If GRESB ceases to rate companies, the Supervisory Board will replace this indicator with an equivalent as published by an independent leading sector specialist, whereby the company must rank between the top 25% of sustainability performers in the sector to earn the target level.

At vesting, a minimum of zero and a maximum of 1 time (100%) the number of shares conditionally granted can become unconditional, based on performance. This implies that a 5-star rating is rewarded with at target reward level to emphasize the standard ambition level. The below vesting range is applicable for the GRESB target (as a percentage of target, i.e. 25% of the LTI, with no overachievement possibility).

Vesting per ranking position for GRESB

GRESB star	1	2	3	4	5
Vesting	0%	0%	50%	75%	100%

Vesting
Vested shares are transferred to the director, if the terms are satisfied after a performance period of three years, following the year in respect of which these shares were awarded.

After vesting of LTI shares, a two-year holding period is applicable. The holding period and the shareholding guideline do not apply for the portion of the shares that have vested, to pay the taxes that are due upon vesting.

Malus/claw-back/change of control
If a director is summarily dismissed without further notice in accordance with the law or is considered to be a bad leaver, the conditional share balance reverts to the company. If the director steps down or is not reappointed at the end of the agreed appointment period, the scheme remains intact with regard to the conditional share balance. The awards will be pro-rated for the time served. Once the conditions have been met, the vested shares will be transferred to the director. The scheme will remain intact for good leavers, with due observation of the original vesting period of three years, but no additional holding period. Upon vesting, the members of the Board of Management pay income tax and social charges on the long-term variable remuneration.

The Supervisory Board is authorized to downwards adjust the amount of a short or long-term incentive to an appropriate level if payment of the incentive, based on standards of reasonableness and fairness, would be unacceptable. Incentive for this purpose means the unpaid part of the variable remuneration of which the granting is entirely or partially dependent on the achievement of certain targets or the occurrence of certain circumstances.

The Supervisory Board is also authorized to withdraw conditional long-term benefits in exchange for a cash payment at market value, if circumstances require.
The Supervisory Board will motivate a decision to adjust an incentive or to withdraw in exchange for cash appropriately. The Supervisory Board is authorized to claw back a short or long-term incentive or annul a non-vested incentive entirely or partially to the extent that the award paid out was based on materially misstated information with respect to the achievement of targets or the occurrence of circumstances on which the incentive was based which was known or should reasonably have been known by the Board of Management. The Supervisory Board will motivate the decision to claw back the incentive appropriately. In case of a change in control, the awards normally vest prorated for time and subject to the performance conditions. Alternatively, the award may be exchanged for awards in the acquiring company.

Pension

No provision facilitating early retirement is in place. Members of the Board of Management are subject to the same pension scheme as all other Wereldhave employees in the Netherlands. Wereldhave has a defined contribution scheme with a retirement age of 67, based on a fiscal maximum ladder of 2.5% over the pensionable salary of up to € 114,866 as of January 1, 2022.

The CEO and CFO will receive an additional gross pension contribution of € 60,409 per annum and € 38,401 respectively for the year 2022. These amounts are subject to indexation annually with the Dutch Consumer Price index (Eurostat) over the period between October 31 of the current year and the previous year.

Other secondary conditions, fringe benefits

Wereldhave N.V. offers the members of its Board of Management a competitive package of secondary employment benefits in accordance with those offered to its other employees. This benefit package includes a company car or a car allowance equal to the applicable leasing price, accident insurance, disability insurance and director liability insurance. The company does not issue loans, advances or guarantees to the members of its Board of Management.

Conditions of assignment

Directors are appointed for a four-year period with a possibility of early termination. The severance payment is capped at one year's salary with a notification period of two months for the director and four months for the company. The contract of assignment does not contain a change-of control clause.

The contracts contain a clause that requires the company to compensate the directors for any loss or damage in relation to liability claims based on acts or omissions in the performance of their duties. Damage to reputation is explicitly excluded. The indemnification does not apply to claims related to personal gain, advantage or rewards to which the director was not entitled, or if the claimed loss or damage was caused by gross negligence, intent, deliberate recklessness or serious imputability. It does include the costs of defense, which are advanced by the company under the condition that these expenses must be repaid if it is determined in a final judgment that the director was not entitled to indemnification.

Chapter 2: Supervisory Board remuneration policy

Explanation

On the basis of the revised Shareholder Rights Directive as implemented into Dutch law per November 2019, the remuneration policy for members of the Supervisory Board was submitted for shareholder adoption. Wereldhave did not propose any amendments to the remuneration policy of the Supervisory Board members. The remuneration levels were last reviewed and amended in 2019. The policy was approved on April 24, 2020.

The main objective of Wereldhave's Supervisory Board remuneration policy is to attract and retain members of the Supervisory Board, taking into account the nature of the Company's Business, the Supervisory Board's activities and the desired expertise, experience and independence of the Supervisory Board members, as set out in the Profile and skills matrix of the Supervisory Board.

The policy aims to reward Supervisory Board members to utilize their expertise and experience to the maximum extent possible, to execute the responsibilities assigned to them including but not limited to the responsibilities imposed by the Civil Code, Dutch Corporate Governance Code and the Articles of Association.

To the extent applicable, the same policy principles are applied for the Supervisory Board as for the Board of Management. This implies, among others, that the policy takes into account the Wereldhave strategy, long-term interests and sustainability, identity, mission and values of the company. More detail is provided in the Board of Management remuneration policy.

The Supervisory Board draws up the Supervisory Board remuneration policy based on advice from its Remuneration and Nomination Committee. The remuneration policy will be reviewed, as a minimum, once every four years to verify its market competitiveness, potentially leading to adjustments. In case of proposed adjustments, the proposed remuneration policy will be put forward for adoption at the General Meeting.

On this basis, the remuneration for Supervisory Board members consists of a fixed fee and a committee fee, which varies for the Chairman, Vice Chairman and members, to reflect the time spent and the responsibilities of the role. In preparing the remuneration policy and to determine the remuneration of the members of the Supervisory Board, the Remuneration and Nomination Committee uses surveys and analyses by internationally recognized firms specializing in executive compensation. For this purpose, the same remuneration level benchmark approach is applicable as for the Board of Management, comprising a peer group of European peer companies and the local cross-industry by means of the index in which Wereldhave is included corrected for size (based on revenue, market capitalization, total assets and employees), taking into account the two-tier board structure.

In addition, the Company reimburses reasonable actual incurred costs, other than travel expenses within the Netherlands, which are deemed to be included in the annual pay.

2021 remuneration[1]

Fixed fee (in €)	
Chairman	62,359
Vice-Chairman	45,730
Members	41,573
Audit Committee fee	
Chair	9,873
Member	7,275
Remuneration and Nomination Committee fee	
Chair	8,315
Member	5,439

1 Amounts 2020 indexed with 1.2% for 2021

These amounts are subject to indexation annually with the Dutch Consumer Price index (Eurostat) over the period between October 31 of the current year and the previous year. The indexation for 2022 is 3.4%.

The remuneration of the Supervisory Board members is not affected by the Company's results, nor by any change of control at the Company. The Company does not award any options or shares to members of the Supervisory Board. No loans are issued to members of the Supervisory Board. Wereldhave does not grant advance payments or guarantees to Supervisory Board members.

No additional remuneration is paid upon recruiting new Supervisory Board members ("sign-on bonus"). The agreements with Supervisory Board members do not contain any severance or claw-back provisions. None of the Supervisory Board members holds shares or rights to shares in Wereldhave.

Members of the Supervisory Board are appointed for a four-year term, unless stated otherwise. An individual may be a member of the Supervisory Board for consecutive periods up to eight years. The Supervisory Board member may then – in view of extraordinary circumstances - only be reappointed for a period of two years, but such reappointment proposal needs to state the reasons for the exception to the general 8-year rule.

The Supervisory Board remuneration policy has been prepared to be well aligned with the external environment in which the company operates as well as with all applicable rules, regulations and best practices. Wereldhave is aware of the public debate surrounding the topic of remuneration, including the debate on internal pay differentials, and strives for broad stakeholder support. In this light, it has conducted a series of discussions with shareholders/institutional investors and has invited the Works Council in the Netherlands to provide feedback.

Chapter 3: Execution of the remuneration policy in 2021

Introduction

This report describes how the remuneration policy was executed in 2021. There were no changes in the composition of the Board of management and of the Supervisory Board.

Performance in 2021

The direct result for 2021 totaled € 88.5m. Gross rental income amounted to € 161.8m, down from € 189.4m the previous year, because of disposals made during the year. Property expenses decreased from € 47.2m to € 31.3m. Expenses were still affected by provisions made for

Covid-19 agreements with tenants, but these provisions were substantially lower than in 2020. These results include € 10.6m expense for doubtful debt to account for lower payments among tenants, ongoing rent negotiations, as well as the increased bankruptcy risk of tenants as a result of the ongoing Covid-19 pandemic. Net rental income for 2021, meanwhile, decreased to € 124.7m, compared with € 133.0m in 2020, as a result of disposals.

Our indirect result to shareholders for 2021 amounted to -€ 301.8m, mainly due to a loss on disposals of -€ 228.4m, and a downward revaluation of € 65.9m in our property portfolio (equivalent to 3.3% of the portfolio's total value), mainly in H1. The downward valuation adjustment in H2 was just 0.4%.

			Variable pay					
(in €)	Fixed income	Company car and other fringe benefits	STI	LTI[1]	Extraordinary items	Pension contribution and compensation	Total remuneration	Relative proportion fixed/variable
Matthijs Storm, CEO, 01-01/31-12	558,632	24,000	325,124	335,179	-	77,626	1,320,561	50/50
Dennis de Vreede, CFO, 01-01/31-12	403,236	19,800	234,683	241,942	-	65,321	964,982	51/49

1 Amount for which conditional shares were purchased in accordance with LTI scheme

Remuneration of Managing Directors for the financial year 2021

Wereldhave applies fixed income levels that are set for the entire period of the appointment, subject to indexation annually for the change in consumer prices. Variable income is set as a percentage of fixed income. The calculation of the STI and LTI scores can be found in the tables below. Mr. Dennis de Vreede was appointed in 2018. His term will expire in 2022 and his reappointment for a period of four years will be proposed to shareholders at the AGM on April 25, 2022. The fixed annual remuneration is indexed with 3.4% as per January 1, 2022 to € 416,946 per annum, with short-term variable pay in line with the current remuneration policy and target setting. In respect of the year 2021, the LTI was conditionally granted on April 30, 2021, with vesting in April 2024. The number of shares for this LTI amounts to 16,990. The LTI for 2020 originally amounted to 33,277 shares, which number accrued with reinvested dividends by 1,166.

Mr. Matthijs Storm was appointed in 2019. His term will expire in 2023. The fixed annual remuneration is indexed with 3.4% as per January 1, 2022 to € 577,625 per annum, with short-term variable pay in line with the current remuneration policy and target setting. In respect of the year 2021, the LTI was conditionally granted on April 30, 2021, with vesting in April 2024. The number of shares for this LTI amounts to 23,537. The LTI for 2020 originally amounted to 46,032 shares, which number accrued with reinvested dividends by 1,616.

Severance payment

During 2021, there were no directors who were entitled to a severance payment; no severance payments were made. The board members did not receive any additional compensation from subsidiaries for board positions they held within the group.

Calculation STI 2021

There were no discrepancies between the estimated MSCI score for 2020 and the amounts published in the 2020 remuneration report.

As in 2021, at the time of publication of this report, the final MSCI retail real estate index for the Benelux is not yet available. It will be published mid-April 2021 and the final calculation and payment of the STI for 2021 will be adjusted accordingly. The scores for the MSCI index performance below are estimates based on monthly performance during the year and/or historical performance figures over the past. Any changes to the STI 2021 calculation as provided in this report will be explained in the remuneration report for the year 2022. With due observance of the above, the performance in 2021 against the STI targets as set out on page 72 was at follows:

STI outcome 2021

STI Targets	Weight	Outcome	Score	STI pay-out
Total return continued operating shopping centers (calculated as EBIT + valuation result)[1]	Belgium 25% of STI	Belgium +4.40% vs MSCI index Belgium[3] +1.36%, delta +3.04%	150%	25% x 150% x 40% = 15%
	Netherlands 25% of STI	Netherlands +2.40% vs MSCI index Netherlands[3] +1.36%, delta +1.04%	150%	25% x 150% x 40% = 15%
Net Promoter Score Visitors[2]	20% of STI	NPS = 25	150%	20% x 150% x 40% = 12%
Average footfall increase y-o-y of continued operating shopping centers	20% of STI	1.79%	140%	20% x 140% x 40% = 11.2%
Individual target Board members	5% of STI	Promesse de vente 2 French assets	100%	5% x 100% x 40% = 2%
	5% of STI	Liquidity secured until Q1 2024	150%	5% x 150% x 40% = 3%
Total 2021 STI outcome				58.2%

1 Continued operating shopping centers exclude developments and refurbishments until the first transformation projects have been completed. As from this date, the performance will be calculated over continued operations including developments and refurbishments. The rationale is that developments and refurbishments for the transformation have a negative impact on performance, while under construction. This will on the somewhat longer term be mitigated by completed transformations, however not during the initial period

2 The NPS sore is calculated as the 1-year moving average NPS score, measured over the entire portfolio of continued operating shopping centers (see 1)

3 MSCI Index Netherlands is an estimation based on annualized quarterly index. MSCI Index Belgium is estimated based on MSCI Index Netherlands. MSCI annual index for Netherlands and Belgium may differ

The Supervisory Board considers this STI to be a fair remuneration, in view of the extraordinary performance in outperforming the MSCI index. For 2022, the footfall target was not amended. The NPS target was raised to +27 (at target) and +32 (above target).

The individual targets for 2021 were improving the liquidity and disposing of two or more French assets. Both targets have scores far above target. However, the Board of Management decided to lower the score for the disposal of the French assets to “at target”, as far above does not reflect the impact the disposals had for shareholders.

Calculation LTI 2021

The long-term variable income amounts to 60% of fixed income, granted conditionally as a long-term incentive in shares. For Mr. Storm an amount of € 335,179 resulted in 23,537 shares that are held on a conditional and blocked account, with vesting in 2024. For Mr. de Vreede, an amount of € 241,941 resulted in 16,990 shares that are held on a conditional and blocked account, with vesting in 2024.

Shares vesting in 2021

During the year 2021 no share plans vested.

Share ownership Board of Management

As of December 31, 2021, Mr. de Vreede holds 8,000 private shares in Wereldhave, Mr. Storm holds 10,061 private shares in the Company.

As at December 31, 2021, the total number of LTI shares for Mr. Storm stood at 71,185 conditional shares and for Mr. de Vreede at 51,383 conditional shares (see table below).

Wereldhave pay ratio

Wereldhave’s internal pay ratio is calculated as the total CEO compensation divided by the average employee compensation.

- Total CEO compensation as disclosed in Note 29 to the consolidated financial statements (General Costs);
- Average employee compensation based on salaries and social security contributions, pension costs and other employee costs and average FTE as disclosed in Note 29 to the consolidated financial statements (General Costs).

Over the past five years, the internal pay ratio development was as shown in the table below. The calculation is made retrospectively, taking into account any LTI’s from the past which did not vest. The remuneration levels in the years with changes in the board composition show the annualized compensation of the new jobholder.

Pension

Wereldhave's collective pension scheme in the Netherlands is a defined contribution scheme which applied a maximum pensionable income of € 114,866 per January 1, 2022. This amount is indexed annually. The CEO and CFO received an additional gross pension contribution of € 60,409 per annum and € 38,401 respectively. These amounts are subject to indexation annually with the Dutch Consumer Price index (Eurostat) over the period between October 31 of the current year and the previous year.

Other

No transactions with a potential conflict of interest were reported by members of the Supervisory Board or the Board of Management in 2021. No loans were issued to members of the Board of Management.

Overview of current share plans

							2021				
Name	Position	Plan	Performance period	Date initial grant	Initial grant	Vesting date	As of January 1	Granted	Reinvested dividends	Vested	As of December 31
Matthijs Storm	CEO	LTI 2020	LTI 2020	April 28, 2020	46,032	April 28, 2023	46,032		1,616	-	47,648
Matthijs Storm	CEO	LTI 2021	LTI 2021	April 30, 2021	23,537	April 30, 2024		23,537		-	23,537
Dennis de Vreede	CFO	LTI 2020	LTI 2020	April 28, 2020	33,227	April 28, 2023	33,227		1,166	-	34,393
Dennis de Vreede	CFO	LTI 2021	LTI 2021	April 30, 2021	16,990	April 30, 2024	-	16,990	-	-	16,990

Remuneration Managing Directors over the past six years

(in €)	Fixed	STI	LTI[1]	Vested LTI	Extraordinary items	Company car and other fringe benefits	Pension contribution and compensation	Total compensa-tion	Direct result	Indirect result	Average employee pay	Pay ratio
CEO												
2016	513,060	147,505	307,836	-	-	24,000	90,303	1,082,704	151.0m	-30.2m	86,414	12.5
2017	515,112	128,778	-	-	-	24,000	91,613	759,503	150.1m	-65.8m	90,745	8.4
2018	522,839	169,923	-	-	-	24,000	95,289	812,051	146.7m	-202.3m	92,915	8.7
2019	537,500	142,438	-	-	-	24,000	74,233	778,171	128.6m	-447.5m	93,232	8.3
2020	531,312	223,565	331,207	-	-	24,000	76,161	1,186,245	92.9m	-287.1m	97,040	12.2
2021	558,632	325,124	335,179	-	-	24,000	77,626	1,320,561	88.5m	-301.8m	100,096	13.2
CFO												
2016	382,280	109,906	229,368	-	-	19,200	71,286	812,040	151.0m	-30.2m	86,414	9.4
2017	383,809	95,952	-	-	-	19,200	75,799	574,760	150.1m	-65.8m	90,745	6.3
2018	380,000	123,500	-	-	-	19,800	50,594	573,894	146.7m	-202.3m	92,915	6.2
2019	387,980	102,815	-	-	-	19,800	56,889	567,484	128.6m	-447.5m	93,232	6.1
2020	383,513	161,374	239,073	-	-	19,800	60,493	864,253	92.9m	-287.1m	97,040	8.9
2021	403,236	234,683	241,942	-	-	19,800	65,321	964,982	88.5m	-301.8m	100,096	9.6

1 Amount for which conditional shares were purchased in accordance with LTI scheme

Remuneration of the Supervisory Board

In line with the 2020 remuneration policy, the remuneration of the Supervisory Board amounted to € 62,359 for the Chairman, € 45,730 for the Vice Chairman and € 41,573 for members. The committee remuneration levels are a fixed remuneration of € 9,874 for the Audit Committee chair and € 7,275 for committee members; the Chair of the Remuneration committee received a fixed compensation of € 8,315 and committee members € 5,439 per annum. These amounts are subject to indexation annually with the Dutch Consumer Price index (Eurostat) over the period between October 31 of the current year and the previous year. The Company has not awarded any options or shares to members of the Supervisory Board.

The remuneration of the Supervisory Board members is not affected by the Company's results, or by any change of control at the Company. No loans were issued to members of the Supervisory Board.

Remuneration Supervisory Board Members over the past five years

Over the past 5 years, the individual mebers received the following remuneration:

(x € 1,000)	2021	2020	2019	2018	2017
A. Nühn (from April 22, 2017)	68	66	65	54	37
H. Brand (from April 22, 2017)	56	53	48	33	22
F. Dechesne (from July 1, 2019)	57	52	27	-	-
G. van de Weerdhof (from April 22, 2016 until April 24, 2020)	-	17	49	40	40
L. Geirnaerdt (from April 22, 2016 until June 30, 2019)	-	-	27	48	44
H.J. van Everdingen (until January 31, 2019)	-	-	3	38	37
J.A.P. van Oosten (until April 22, 2017)	-	-	-	-	16
J.A. Bomhof (until April 22, 2017)	-	-	-	-	12
Total	**181**	**188**	**219**	**213**	**208**

Statement by the Board of Management

The Company has identified the main risks it faces, including financial reporting risks. These risks can be found in the chapter Main Risks above. In line with the Dutch Corporate Governance Code and the Dutch Act on financial supervision (Wet op het financieel toezicht), the Company has not provided an exhaustive list of all possible risks. Furthermore, developments that are currently unknown to the Board of Management or considered to be unlikely may change the future risk profile of the Company.

The design of the Company's internal risk management and control systems has been described in the chapter Risk Management above. The objective of these systems is to manage, rather than eliminate, the risk of failure to achieve business objectives and the risk of material errors to the financial reporting. Accordingly, these systems can only provide reasonable, but not absolute, assurance against material losses or material errors

The Board of Management reviewed and analyzed the main strategic, operational, financial & reporting, and compliance risks to which Wereldhave is exposed, and assessed the design and operating effectiveness of the Wereldhave risk management & control system. The outcome of this assessment was shared with the Audit Committee and the Supervisory Board, and was discussed with our internal and external auditor

As required by provision I.4.3 of the Dutch Corporate Governance Code and section 5:25c(2)(c) of the Dutch Act on financial supervision (Wet op het financieel toezicht) and on the basis of the foregoing and the explanations contained in Risk Management, the Board of Management confirms that to its knowledge

- the report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems;
- the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and
- the report states those material risks and uncertainties that are relevant to the expectation of the company's continuity for the period of twelve months after the preparation of the report.
- the financial statements for 2021 provide, in accordance with IFRS as adopted by the EU, a true and fair view of the consolidated assets, liabilities and financial position as at December 31, 2021, and of the 2021 consolidated income statement and cash flows of Wereldhave N.V.;
- the Annual Report provides a true and fair view of the situation as at December 31, 2021, and the state of affairs during the financial year 2021, together with a description of the main risks faced by the Group.

Schiphol, March 7, 2022

Matthijs Storm,
CEO

Dennis de Vreede,
CFO

Alternative performance measures

We judge and explain our performance using certain alternative performance measures. These alternative performance measures are not defined under IFRS, but they are consistent with how the real estate sector measures financial performance.Wereldhave considers the following metrics to constitute Alternative Performance Measures as defined in the European Securities and Markets Authority Guidelines on Alternative Performance Measures.

Direct result

The direct result consists of net rental income, general costs, other gains and losses (other than exchange rate differences and nonrecurring project related costs) minus, financial income and expense (other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on interest-bearing debt) and tax charges on the direct result. Reference is made to ‘Direct & Indirect’ result, page 30.

Direct result per share

Direct result per share is calculated by dividing Direct result attributable to owners of the Group (excluding minority interest), refer to ‘Direct & Indirect’ result (page 30) by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (refer to page 139).

Direct result attributable to owners of € 75.3m divided by the average number of shares of 40.1m results in € 1.88 direct result per share.

EPRA earnings

EPRA earnings measures operational performance excluding all components not relevant to the underlying net income performance of the portfolio, such as the change in value of the underlying investments and any gains or losses from the sales of properties. Reference is made to the EPRA tables on page 90.

EPRA earnings per share

EPRA earnings per share is calculated by dividing EPRA earnings by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares. Reference is made to the EPRA tables on page 90.

EPRA cost ratio

The calculation of the cost ratio is based on total operating cost divided by gross rental income. Reference is made to the EPRA tables on page 93.

EPRA NIY

Annualized rental income based on cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, including estimated purchasers' cost (EPRA Net Initial Yield = (Annualized rent passing + other income + turnover rent -/- property expenses) / Gross Property Value). Reference is made the EPRA tables on page 93 and to note 5 in the financial statements.

EPRA NRV

IFRS NAV excluding the fair value of derivatives and deferred tax liabilities and includes real estate transfer tax. IFRS NAV € 866.8m plus EPRA NRV adjustments € 93.2m divided by the number of outstanding shares 40.1m = € 23.93 per share.

EPRA NTA
IFRS NAV excluding intangibles, the fair value of derivatives and 50% of the fair value of the deferred tax liabilities. IFRS NAV € 866.8m minus EPRA NTA adjustments € 2.7m divided by the number of outstanding shares 40.1m = € 21.54 per share.

EPRA NDV
IFRS NAV including the fair values of financial debt. IFRS NAV € 866.8m minus EPRA NDV adjustments € 28.5m divided by the number of outstanding shares 40.1m = € 20.89 per share.

Footfall
Number of visitors in our shopping centers.

Indirect result
The indirect result consists out of the fair value movements of investment properties, the impact of ineffectiveness on hedges, exchange rate differences that are accounted for under other financial income and expense, the interest addition to leasehold obligations, the movement in deferred tax liabilities, non-recurring project-related costs and actuarial gains and losses on employee benefit plans. Reference is made to page 30.

Interest coverage ratio
The interest coverage ratio is the ratio of the interest charge in the direct result and the net rental income. The calculation is as follows: Net Rental Income of € 124.7m divided by external interest expenses of € 21.6m gives an interest coverage ratio of 5.8x. The external interest is part of the net interest costs of € 24.7m as presented in note 31 in the financial statements.

Net debt
Net debt is the sum of the non-current and current interest bearing liabilities of € 814.9m less cash and cash equivalents of € 26.8m gives € 788.1m.

Net debt for LTV
Net debt for LTV is the sum of the non-current and current interest-bearing liabilities of € 814.9m less cash and cash equivalents of € 26.8m and the effect of the hedged foreign currency movements of the debt of € 4.2m which totals € 792.3m.

Net LTV
Net Loan-to-value (LTV) is the ratio of net debt for LTV to the aggregate value of investment property including assets held for sale and excluding the present value of future ground rent payments. Net debt for LTV amounts to € 792.3m divided by € 1,930.5m = 41.0%. Reference is made to note 5 and 17 in the financial statements.

Net promoter score (NPS)
The NPS sore is calculated as the 1-year moving average NPS score, measured over the entire portfolio of continued operating shopping centers. Continued operating shopping centers exclude developments and refurbishments.

(EPRA) occupancy
The (EPRA) Occupancy rate is the estimated rental value of let units as a percentage of the total estimated rental value of the portfolio, excluding development properties. It includes accommodation, under offer, subject to asset management (where they have been taken back for refurbishment and are not available to let as at the balance sheet date) or occupied by the Group. Reference is made to the EPRA tables on page 91 and note 5 in the financial statements. EPRA Occupancy = 100% minus EPRA Vacancy rate (EPRA tables).

Solvency
Solvency Ratio means the ratio of: “Total equity” (less “Intangible Assets” (if any)) and “Provision for Deferred Tax Liabilities”; to “Balance Sheet Total” (less “Intangible Assets”). Reference is made to note 17 in the financial statements. Total equity of € 1,095.5m minus Intangible assets of € 0.5m divided by balance sheet total € 2.037.5m minus Intangible assets of € 0.5m gives a solvency of 53.8%.

Tenant satisfaction
The Tenant Satisfaction score is measure through tenant surveys.

Total property return
Total property return is a measure of the ungeared return for the portfolio and is calculated as the change in capital value, less any capital expenditure incurred, plus net income, expressed as a percentage of capital employed over the period concerned, excluding land.

Total shareholder return
Total shareholder return (“TSR”) is defined as the share price increase, including reinvested dividends. TSR is measured over a three-year period based on a three-month average of the last three months of the year before the start and the end of the performance period. The performance period starts on 1 January of the year in respect of which the LTI is to be granted.

Additional information

Basis of preparation

Wereldhave aims to provide a balanced overview of the Company's operations, strategy and performance, as well as its approach to long-term value creation. This is an integrated report, prepared in accordance with standards published by the Global Reporting Initiative (GRI) and the Value Reporting Foundation. The report focuses on the operational, financial and sustainability performance for the financial year 2021 of Wereldhave N.V. and its subsidiaries. The purpose of the Annual Report is to describe the group's ability to create value over time for stakeholders and society. Our new strategy focuses on how to create value in a retail landscape that is scattered with shop closures. This report highlights the themes that are central in our strategy.

The consolidated financial statements of Wereldhave N.V. have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. The accounting policies are set out in Note 3 to the Financial statements. The consolidated financial statements have been prepared on a going concern basis, applying a historical cost convention, except for the measurement of investment property and derivative financial instruments that have been measured at fair value. The preparation of consolidated financial statements in conformity with EU-IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate.

Wereldhave had its energy, carbon, water and waste data verified by Lucideon. Wereldhave did not seek external assurance for other non-financial information in this report. Wereldhave will map its alignment with the EU's Corporate Sustainability Reporting Directive (CSRD) this year with the aim to report in accordance with CSRD next book year.

Risks are assessed in accordance with Wereldhave's new overall risk management approach. The financial data in this report are based on the consolidated internal reporting from Wereldhave's entities in the Netherlands, Belgium and France. The non-financial data is collected centrally. The production of this report is overseen by a dedicated project team, with contributors from Finance, Corporate Development, Investor Relations, Customer Experience, Digital Transformation and Corporate Social Responsibility. The report is reviewed and approved by the Board of Management.

Compliance with the Integrated Reporting Framework

The International Integrated Reporting Framework comprises guiding principles and content elements.
Details of our compliance with this framework are set out below. For more information, see www.integratedreporting.org

Disclosure	Reference
Guiding principles	
Strategic focus and future orientation	Business environment and strategy (pages 17-24), describing our business model and our value creation model
Connectivity of information	Our material topics (page 88) are linked to risks and opportunities (pages 61-65), and to the Company's strategy.
Stakeholder relationships	Creating value for our stakeholders (page 23), and explaining value creation model (page 24).
Materiality	Material topics (page 88) and Basis of preparation (page 85) describe the materiality process and topics
Conciseness	About this report (page 2) and Basis of preparation (page 85) describe how we applied a materiality principle to our Annual Report
Reliability and completeness	Our Basis of preparation (pages 85), setting out the review & approval and external assurance process (Auditor's Report, pages 149-159).
Consistency and comparability	This report is prepared in accordance with IFRS standards as adopted by the EU, the Integrated Reporting Framework and reporting standards issued by the Global Reporting Initiative (page 171-173) and EPRA (page 91-95 and 173).
Content elements	
Organizational overview and external environment	About Wereldhave (page 2), Our Business (pages 8-12) and Our business environment (pages 17-20)
Governance	Governance (pages 58-81)
Business model	Our business model (pages 11-12)
Risk and opportunities	high impact risks (pages 63-65)
Strategy and resource allocation	Business environment and strategy (pages 15-24)
Performance	Performance (pages 25-56)
Outlook	Outlook (page 55-56)
Basis of preparation and presentation	Basis of preparation (page 85)

Qualifying notes ESG reporting

We use the operational control approach for our sustainability reporting. All energy, carbon, water and waste data reported are consolidated on a 12-month rolling period rather than on the financial year. This means the fourth quarter of 2020 and the first three quarters for 2021 are reported on. The same methodology is applicable for 2020. Based on these reporting boundaries, we report against two portfolio definitions:

Absolute: The absolute portfolio includes all properties where Wereldhave has operational control, where we purchase energy, water or waste services. In 2020/21, 92% of the total portfolio GLA was within our reporting boundaries, and therefore included in the absolute portfolio disclosures. For 2021 the absolute data disclosed for all energy and greenhouse gas emissions performance indicators is for 29 out of 34 retail properties as reported in this Annual Report. The data disclosed for water consumption refers to 28 out of 34 properties and waste figures refer to 28 out of 34 properties. For the Belgian offices, we disclose on all assets.

Like-for-like: The like-for-like includes all properties which have been in the portfolio for at least 12 months prior to the reporting period, but excluding those which were acquired, divested or under significant (re)development. In 2020/21, for the like-for-like figures, 22 out of 34 retail assets are included.

Energy and carbon emissions

We report on all energy procured by Wereldhave, including that submetered to tenants, and the emissions associated with this energy, which is reported separately. Only gas or electricity which is supplied directly to units/demises by utility suppliers is excluded. Energy data is reported as is and not normalized for degree day correction. District heating and gas consumption are adjusted for comparison on one metric: kWh electricity equivalent. All Dutch sites have smart meters in place to monitor energy consumption. Only data for the 6 French assets was estimated based on previous years for the month of September 2021, all other data is from actual consumption.

Emission factors are based upon the European Environment Agency for electricity and gas consumption 2021, and the Covenant of Mayors for electricity and gas consumption for 2020, while district heating is based on the US Environmental Protection Agency for France, and for the Dutch sites on Eneco and Vattenfall "warmte-etiket". For 2021, the emission factors were updated compared to previous years.

Water and waste

Waste data is collected for properties where we directly contract waste management services. No estimates have been made for properties in Belgium and France. For 50% of the Dutch sites estimates based on historical water consumption were made. Waste and water data is not normalized.

Intensity

Intensity figures are calculated using 'total landlord-obtained data' as numerator and 'total asset size' as denominator. The reported floor area corresponds to the area served by the energy procured and its associated carbon emissions, and includes common areas, management offices and GLA, but excludes parking garages. Wereldhave acknowledges that the intensity indicator may be affected due to a mismatch between numerator and denominator, as recommended in the EPRA sustainability best practice recommendations.

Verification

Lucideon CICS independently verified Wereldhave's reported Scope 1, 2 and 3 emissions, and water and waste consumption data pursuant to ISO 14064-3 (the international standard for verification of greenhouse gas inventories). More information is available as part of our annual CDP submission.

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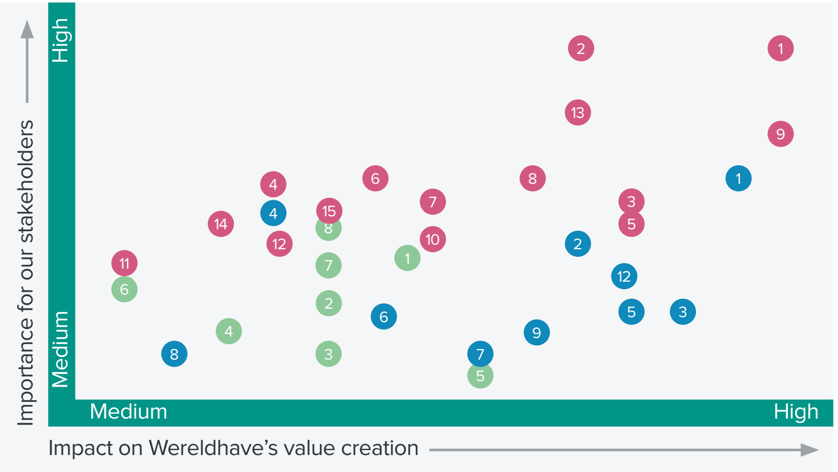
Materiality

Wereldhave has used the materiality assessment as a tool for mapping the most important topics for disclosure and reporting. We periodically update the materiality matrix - which displays the most relevant topics for our organization and portfolio - with an internal group composed of senior management, subject-matter experts and the Board of Directors. The matrix plots the relevance and importance of topics for both stakeholders and on the value creation for the company.



Material topic	*Explanation*	*Most relevant to*
Economic & Governance		
1 **Financial performance**	Direct and indirect financial results of Wereldhave	investors, employees
2 **Strong balance sheet**	Ample liquidity and financial flexibility	investors, employees
3 **Occupancy**	Occupancy in portfolio	tenants, investors
4 **Cost efficiency**	Service costs, CAPEX and general costs	tenants, investors
5 **Risk management**	Concerning economic, social, environmental and governance risks	investors
6 **Corporate governance**	Being a responsible company that follows internal codes and standards	investors, employees
7 **Business ethics**	Proper business policies and practices regarding potentially controversial issues	investors, employees
8 **Tenant satisfaction**	Further optimize the satisfaction and experience of customers	tenants
9 **Tenant mix**	Convert Shopping Centers to Full Service Centers	visitors, tenants, investors
10 **Technology & digital**	Implement technology and digital best practices	visitors, tenants
11 **Protection of personal data**	Privacy, GDPR	visitors, tenants
12 **Transparent and fair taxation**	Paying fair share of taxes	municipalities, governments, investors
13 **Regulatory compliance**	Compliance with laws and regulations	governments, investors
14 **Remuneration policy**	Remuneration of the Board	investors
15 **Stakeholder engagement**	Dialogue with stakeholders	investors, tenants
Environmental Responsibility		
1 **Carbon emissions**	Minimize the environmental impact by reducing the carbon emissions of assets	investors, governments, NGO's
2 **Sustainable buildings**	Manage climate change risks by having sustainable buildings	investors, governments, NGO's
3 **Transportation**	Optimize the accessibility of the assets and provide sustainable transportation (by foot, electric cars, bikes and public transport)	visitors, communities
4 **Sustainable (re-)development**	Implement sustainable best practices and technologies during renovation projects	investors, governments, NGO's
5 **Energy efficiency**	Reduce energy consumption of assets	tenants
6 **Green spaces / biodiversity**	Increase green areas on and around our centers with ecological value and customer experience	communities
7 **Renewable energy**	Producing and procuring renewable energy	investors, governments, NGO's
8 **Certification and labelling**	BREEAM	investors, governments, NGO's
Social Responsibility		
1 **Health & well-being**	Provide a healthy and safe environment for customers, tenants and suppliers	visitors
2 **Local social impact**	Contribute positively to the local communities	visitors, communities
3 **Talent attraction**	Attract and develop talents amongst employees	employees
4 **Accessibility**	Increase the accessibility of the assets for all customers	visitors, tenants
5 **Employee satisfaction**	Retain committed and engaged employees	employees
6 **Challenging & open culture**	Give employees a culture where they can be the best version of themselves	employees
7 **Diversity & equal opportunity**	Provide equal opportunities and an inclusive environment for employees	employees
8 **Human rights**	Respect for human rights for suppliers and procurement	investors, governments, NGO's
9 **Compensation and benefits**	Employee compensation	employees

Property portfolio

The Netherlands

Shopping Centers	Lettable area (m2)	Parking spaces Owned	Parking spaces Total	Year of acquisition	Year of construction/ renovation	Annual theoretical rent (x € 1m)	Visitors (m)
Presikhaaf, Arnhem	33,268	-	1,244	2015	2018-2020	4.8	4.2
Kronenburg, Arnhem	41,232	1,300	1,300	1988	2015	9.7	4.1
De Koperwiek, Capelle aan den IJssel	30,743	270	900	2010-2014	2017-2020	7.2	4.8
Sterrenburg, Dordrecht	12,896	375	505	2015	1993	2.9	3.0
Middenwaard, Heerhugowaard	35,461	1,345	1,850	2015	2011, 2018	8.4	5.4
Vier Meren, Hoofddorp	30,550	819	2,526	2014	2013, 2017	6.0	4.4
Winkelhof, Leiderdorp	19,169	830	830	1993	1999, 2020	4.8	3.0
Cityplaza, Nieuwegein	50,209	783	1,994	2015	2012	12.3	5.5
Eggert, Purmerend	20,439	271	271	2010	2015-2017	4.2	2.9
Roselaar, Roosendaal	18,195	-	1,312	2010-2014	2015-2016	4.2	3.7
Emmapassage, Tilburg	under construction	-	300	2015	2020-2022	under construction	0.5
Pieter Vreedeplein, Tilburg	23,280	-	780	2015	2008	3.5	4.9
Heuvelstraat-Frederikstraat, Tilburg	13,387	-	-	2015-2019	2016-2017	1.9	n.a
Total	**328,829**					**69.8**	**46.5**

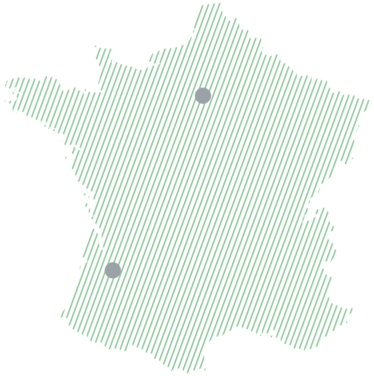
Belgium

Shopping Centers	Lettable area (m2)	Parking spaces Owned	Parking spaced Total	Year of acquisition	Year of construction/ renovation	Annual theoretical rent (x € 1m)	Visitors (m)
Ring Shopping, Courtrai	32,677	2,000	2,000	2014	2005	7.6	3.0
Shopping 1, Genk	21,661	1,250	1,250	2010	2014	4.1	3.6
Stadsplein, Genk	15,415	44	44	2012	2008	2.6	n.a
Overpoort, Gent	3,960	-	-	2012	2014	0.5	n.a
Belle-Île, Liège	30,223	1,641	1,641	1994	2020	11.2	3.1
Nivelles-Shopping, Nivelles	28,154	1,500	1,500	1984	2012	9.6	3.0
Les Bastions Retailpark, Tournai	10,312	360	360	2016	2016	1.1	n.a
Les Bastions Shopping, Tournai	34,866	1,450	1,450	1988	2018	8.9	3.6
Waterloo, Waterloo	3,487	-	95	2010	1968	0.9	n.a
Turnhout Retailpark, Turnhout	19,804	765	765	2018	1970	2.3	n.a
Bruges Retailpark, Bruges	20,946	650	650	2018	1970	2.5	n.a
Sub total	**221,505**					**51.4**	**16.3**
Offices							
The Sage, Antwerp	39,578	763	763	1999	2002	5.6	n.a
The Sage, Vilvoorde	22,821	630	630	1998	2001	3.2	n.a
Sub total	**62,399**					**8.8**	**-**
Total	**283,904**					**60.2**	**16.3**

Offices not on map

France

Shopping Centers	Lettable area (m2)	Parking spaces Owned	Parking spaced Total	Year of acquisition	Year of construction/ renovation	Annual theoretical rent (x € 1m)	Visitors (m)
Côté Seine, Argenteuil	18,746	-	1,350	2014	2010	5.6	4.1
Mériadeck. Bordeaux	24,477	-	1,300	2014	2008	6.2	5.4
Total	**43,223**					**11.8**	**9.6**
Overall	**655,956**					**141.9**	**72.4**



EPRA performance measures

The EPRA Best Practices Recommendations published on October 2019 by EPRA's Reporting and Accounting Committee contain recommendations for the determination of key performance indicators of the investment property portfolio. The EPRA Best Practices Recommendations enable standardization, transparency and comparability of listed real estate companies across Europe.

Summary of EPRA performance measures

		2021	2020	2021	2020
	Page			(€ /share)	(€ /share)
1. EPRA Earnings (in €m)	91	67.6	79.6	1.68	1.98
2. EPRA NAV Measures	92				
EPRA Net Reinstatement Value (in €m)		960.0	1,216.1	23.93	30.26
EPRA Net Tangible Assets (n €m)		864.1	1,115.0	21.54	27.74
EPRA Net Disposal Value (in €m)		838.3	1,068.8	20.89	26.59
3. EPRA Net Initial Yield	93				
EPRA Net Initial Yield		6.0%	6.0%		
EPRA 'Topped-up' Net Initial Yield		6.2%	6.1%		
4. EPRA Vacancy Rate	93	5.1%	5.9%		
5. EPRA Cost Ratio	94				
EPRA Cost Ratio including direct vacancy costs		32.2%	35.2%		
EPRA Cost Ratio excluding direct vacancy costs		30.1%	32.9%		
6. Capital expenditure		39.6	62.3		

1. EPRA earnings

(in €m unless otherwise stated)	2021	2020
Earnings per IFRS income statement	**-213.3**	**-194.2**
Adjustments to calculate EPRA earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	65.9	293.1
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	228.4	-0.2
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties.	-	-
(iv) Tax on profits or losses on disposals	-	-
(v) Negative goodwill / goodwill impairment	-	-
(vi) Changes in fair value of financial instruments and associated close-out costs	1.2	-6.3
(vii) Acquisition costs on share deals and non-controlling joint venture interests	-	-
(viii)Deferred tax in respect of EPRA adjustments	-1.5	-0.5
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	-	-
(x) Non-controlling interests in respect of the above	-13.1	-12.3
EPRA Earnings	**67.6**	**79.6**
Weighted average number of shares outstanding during period	40,146,461	40,212,448
EPRA Earnings per share (in €)	**1.68**	**1.98**
Company specific adjustments:		
(a) Non-current operating expenses	7.7	3.1
(b) Non-recurring taxes	-	-2.1
Direct Result	**75.3**	**80.6**
Direct Result per share (in €)	**1.88**	**2.01**

2. EPRA NAV measures

(in €m unless otherwise stated)	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2020	December 31, 2020	December 31, 2020
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	**866.8**	**866.8**	**866.8**	**1,124.3**	**1,124.3**	**1,124.3**
Include/exclude	-	-	-	-	-	-
Hybrid instruments	-	-	-	-	-	-
Diluted NAV	**866.8**	**866.8**	**866.8**	**1,124.3**	**1,124.3**	**1,124.3**
Include:						
ii.a) Revaluation of IP (if IAS 40 cost option is used)	-	-	-	-	-	-
ii.b) Revaluation of IPUC (if IAS 40 cost option is used)	-	-	-	-	-	-
ii.c) Revaluation of other non-current investments	-	-	-	-	-	-
iii) Revaluation of tenant leases held as finance leases	-	-	-	-	-	-
iv) Revaluation of trading properties	-	-	-	-	-	-
Diluted NAV at Fair Value	**866.8**	**866.8**	**866.8**	**1,124.3**	**1,124.3**	**1,124.3**
Exclude						
v) Deferred tax in relation to the fair value gains of IP	-	-	-	0.7	0.4	0.0
vi) Fair value of financial instruments	-2.2	-2.2	-	-9.4	-9.4	0.0
vii) Goodwill as a result of deferred tax	-	-	-	-	-	-
vii.a) Goodwill as per the IFRS balance sheet	-	-	-	-	-	-
vii.b) Intangibles per the IFRS balance sheet	-	-0.5	-	-	-0.3	-
Include:						
viii) Fair value of fixed interest rate debt	-	-	-28.5	-	-	-55.5
ix) Revaluation of intangibles to fair value	-	-	-	-	-	-
x) Real estate transfer tax	95.4	-	-	100.4	-	-
NAV	**960.0**	**864.1**	**838.3**	**1,216.1**	**1,115.0**	**1,068.8**
Fully diluted number of shares	40,124,327	40,124,327	40,124,327	40,191,662	40,191,662	40,191,662
NAV per share (in €)	**23.93**	**21.54**	**20.89**	**30.26**	**27.74**	**26.59**

3. EPRA Net Initial Yield and 'Topped-up' Initial Yield

(in €m)	December 31, 2021	December 31, 2020
Fair value investment properties determined by external appraisers	1,910.5	2,549.6
Less developments and parkings	-42.3	-46.2
Completed property portfolio	**1,868.2**	**2,503.4**
Allowance for estimated purchasers' costs	98.8	104.2
Gross up completed property portfolio valuation (A)	**1,967.0**	**2,607.6**
Annualized cash passing rental income	**129.6**	**173.4**
Property outgoings	-11.6	-17.9
Annualized net rents (B)	118.0	155.5
Add notional rent expiration of rent free periods or other lease incentives	3.0	4.0
Topped-up net annualized rent (C)	**121.0**	**159.5**
EPRA Net Initial Yield (B/A)	6.0%	6.0%
EPRA 'topped-up' Net Initial Yield (C/A)	6.2%	6.1%

4. EPRA Vacancy Rate

The EPRA vacancy rate was reduced from 5.9% to 5.1% as result of the disposal of French assets and reduced vacancy in Belgium.

2021

(in €m)	Gross rental income	Net rental income	Surface owned[1]	Annualized gross rent[1 2]	Annual theoretical rent[1 2]	Estimated rental value of vacant space[1 2]	Estimated rental value[1 2]	EPRA vacancy rate
Belgium	58.4	47.3	284.0	56.2	60.2	3.5	57.7	6.1%
France	33.3	22.2	43.2	10.8	11.8	0.6	11.6	5.3%
Netherlands	70.1	55.2	328.8	64.5	69.2	2.8	65.2	4.3%
Total portfolio	**161.8**	**124.7**	**656.0**	**131.5**	**141.2**	**6.9**	**134.5**	**5.1%**

1 Excluding developments
2 Excluding parking income

2020

(in €m)	Gross rental income	Net rental income	Surface owned[1]	Annualized gross rent[1 2]	Annual theoretical rent[1 2]	Estimated rental value of vacant space[1 2]	Estimated rental value[1 2]	EPRA vacancy rate
Belgium	59.4	43.5	282.4	55.3	59.7	4.6	57.3	8.1%
France	42.8	22.7	196.6	40.9	43.1	3.3	45.5	7.2%
Netherlands	87.1	66.8	392.2	79.6	84.3	2.6	77.2	3.4%
Total portfolio	**189.4**	**133.0**	**871.2**	**175.8**	**187.1**	**10.6**	**180.0**	**5.9%**

1 Excluding developments
2 Excluding parking income

5. EPRA cost ratio

(in €m)		2021	2020
Property expenses		31.3	47.2
General costs		18.9	14.2
Other income and expense		0.2	0.2
(i)	**Administrative/operating expense line per IFRS income statement**	**50.4**	**61.6**
(ii)	Net service charge costs / fees	5.8	9.1
(iii)	Management fees less actual/estimated profit element	-	-
(iv)	Other operating income/recharges intended to cover overhead expenses less any related profits	-6.6	-6.7
(v)	Share of Joint Venture expenses	-	-
Exclude (if part of the above):			
(vi)	Investment Property depreciation	-	-
(vii)	Ground rent costs	-0.1	-0.4
(viii)	Service charge costs recovered through rents but not separately invoiced	-	-
Costs (including direct vacancy costs) (A)		**49.6**	**63.6**
(ix)	Direct vacancy costs	-3.2	-4.2
Costs (excluding direct vacancy costs) (B)		**46.3**	**59.4**
(x.a)	Gross rental income less ground rent costs - per IFRS	161.7	189.0
(x.b)	Less: Other operating income/recharges intended to cover overhead expenses	-7.9	-8.2
(xi)	Less: service fee and service charge costs components of Gross Rental Income	-	-
(xii)	Add: share of joint ventures (Gross Rental Income less ground rents costs)	-	-
Gross Rental Income (C)		**153.8**	**180.8**
EPRA Cost Ratio (including direct vacancy costs) (A/C)		**32.2%**	**35.2%**
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)		**30.1%**	**32.9%**

Operating and general expenses directly attributable to properties under development are capitalized during the period that the property is unavailable for letting. For 2021 an amount of € 6.7m was capitalized (2020: € 6.6m). General costs in 2021 include € 5.8m relating to the closure of the French office. See also Note 29 to the Consolidated Financial Statements.

6. Capital expenditure

(in €m)	2021	2020
Acquisitions[1]	-1.0	0.4
Developments	16.1	18.9
Investment properties	27.6	41.1
Capitalized interest	0.7	0.6
Total Capex	**43.4**	**61.0**
Conversion from accrual to cash basis	-3.8	1.3
Total Capex on cash basis	**39.6**	**62.3**

1 2021 includes a settlement which has been adjusted on initial acquisition price

Wereldhave has no interests in joint ventures.

Investment property – lease data

	Average lease length in years[1]		Annual rent (in €m) of leases expiring in		
	to break	to expiry	Year 1	Year 2	Year 3-5
Belgium	2.1	6.6	4.1	2.6	10.7
France	2.2	5.1	0.5	1.2	2.8
Netherlands	3.4	4.1	6.3	8.1	23.1
Total portfolio	**2.8**	**5.3**	**10.9**	**11.9**	**36.6**

1 Indefinite contracts are included for one year

Investment property – like-for-like net rental income

(in €m)	Properties owned throughout 2 years	Acquisitions	Disposals	Develop-ment	Other	Total net rental income
2021						
Belgium	46.9	-	-	-	0.4	47.3
France	7.1	-	15.0	-	0.1	22.2
Netherlands	49.6	-	2.6	2.9	0.1	55.2
Total portfolio	**103.6**	**-**	**17.6**	**2.9**	**0.5**	**124.7**
2020						
Belgium	42.9	-	-	-	0.5	43.5
France	5.3	-	17.1	-	0.3	22.7
Netherlands	51.4	-	12.3	2.7	0.5	66.8
Total portfolio	**99.6**	**-**	**29.4**	**2.7**	**1.4**	**133.0**

Like-for-like net rental growth 4.0% total portfolio. Like-for-like net rental growth is determined on a unit by unit basis. Units in redevelopment are excluded from the like-for-like analysis.

Summary investment properties

	Shopping centers		**Offices**		**Total**	
(in €m)	market value	annual theoretical rent [1]	market value	annual theoretical rent	market value	annual theoretical rent
Belgium	831.7	51.4	94.3	8.8	926.0	60.2
France	170.1	11.8	-	-	170.1	11.8
Netherlands	843.3	69.2	-	-	843.3	69.2
Total portfolio	**1,845.1**	**132.4**	**94.3**	**8.8**	**1,939.3**	**141.2**

1 excluding parking and residential

Summary of the valuation adjustments of the investment properties

(in €m)	market value	revaluation in 2021	Shopping centers	Offices	Total
Belgium	926.0	-4.2	-0.5%	-0.4%	-0.5%
France	170.1	-24.7	-12.7%	-	-12.7%
Netherlands	843.3	-37.0	-4.2%	-	-4.2%
Total portfolio	**1,939.3**	**-65.9**	**-3.4%**	**-0.4%**	**-3.3%**

Financial statements

Consolidated statement of financial position

at December 31, 2021

(x € 1,000)	Note	December 31, 2021	December 31, 2020
Assets			
Non-current assets			
Investment property in operation		1,907,015	2,513,429
Lease incentives		5,738	5,482
Investment property under construction		26,587	58,669
Investment property	5	**1,939,340**	**2,577,580**
Property and equipment	6	3,968	5,419
Intangible assets	7	479	273
Derivative financial instruments	8,22	16,398	13,965
Other financial assets	8	3,419	2,790
Total non-current assets		**1,963,605**	**2,600,028**
Current assets			
Trade and other receivables	9	35,818	51,167
Tax receivables	10	4,775	11,027
Derivative financial instruments	22	-	10,324
Cash and cash equivalents	11	26,769	67,000
Total current assets		**67,362**	**139,518**
Investments held for sale	12	6,525	3,200
Total assets		**2,037,491**	**2,742,746**

(x € 1,000)	Note	December 31, 2021	December 31, 2020
Equity and Liabilities			
Equity			
Share capital	13	40,271	40,271
Share premium	14	1,711,033	1,711,033
Reserves	15,16	-884,481	-627,008
Attributable to shareholders		**866,823**	**1,124,296**
Non-controlling interest		228,713	210,387
Total equity		**1,095,536**	**1,334,683**
Non-current liabilities			
Interest-bearing liabilities	17	672,600	971,017
Deferred tax liabilities	18	-	711
Derivative financial instruments	22	18,273	27,354
Other long-term liabilities	19	24,912	33,172
Total non-current liabilities		**715,785**	**1,032,255**
Current liabilities			
Trade payables		12,337	14,864
Tax payable	20	4,336	9,514
Interest-bearing liabilities	17	142,250	281,762
Other short-term liabilities	21	67,141	69,313
Derivative financial instruments	22	107	355
Total current liabilities		**226,171**	**375,808**
Total equity and liabilities		**2,037,491**	**2,742,746**

Consolidated income statement

for the year ended December 31, 2021

(x € 1,000)	Note	2021	2020
Gross rental income	25	161,840	189,372
Service costs charged		28,931	31,030
Total revenue		**190,771**	**220,402**
Service costs paid		-34,772	-40,130
Property expenses	26	-31,329	-47,243
Net rental income		**124,669**	**133,029**
Valuation results	27	-65,880	-293,064
Results on disposals	28	-228,439	202
General costs	29	-18,888	-14,188
Other income and expense	30	-208	-178
Operating result		**-188,745**	**-174,200**
Interest charges		-24,763	-28,900
Interest income		13	16
Net interest	31	**-24,749**	**-28,884**
Other financial income and expense	32	-1,133	7,384
Result before tax		**-214,628**	**-195,699**
Income tax	33	1,336	1,479
Result for the year		**-213,292**	**-194,221**
Result attributable to:			
Shareholders		-226,250	-186,932
Non-controlling interest		12,958	-7,289
Result for the year		**-213,292**	**-194,221**
Earnings per share (€)	36	-5.64	-4.65

Consolidated statement of comprehensive income

for the year ended December 31, 2021

(x € 1,000)	Note	2021	2020
Result		**-213,292**	**-194,221**
Items that may be recycled to the income statement subsequently			
Effective portion of change in fair value of cash flow hedges	22	-6,099	12,349
Changes in fair value of cost of hedging	22	681	735
Items that will not be recycled to the income statement subsequently			
Remeasurement of post-employment benefit obligations	19	269	84
Total comprehensive income		**-218,441**	**-181,053**
Attributable to:			
Shareholders		-231,512	-173,807
Non-controlling interest		13,071	-7,246
		-218,441	**-181,053**

Consolidated statement of changes in equity

for the year ended December 31, 2021

	Attributable to shareholders							
(x € 1,000)	Share capital	Share premium	General reserve	Hedge reserve	Cost of hedging reserve	Total attributable to shareholders	Non-controlling interest	Total equity
Balance at January 1, 2020	**40,271**	**1,711,033**	**-425,488**	**-6,569**	**350**	**1,319,598**	**230,682**	**1,550,281**
Comprehensive income								
Result	-	-	-186,932	-	-	-186,932	-7,289	-194,221
Remeasurement of post-employment obligations	-	-	57	-	-	57	27	84
Effective portion of change in fair value of cash flow hedges	-	-		12,333	-	12,333	16	12,349
Changes in fair value of cost of hedging	-	-		-	735	735	-	735
Total comprehensive income	**-**	**-**	**-186,875**	**12,333**	**735**	**-173,807**	**-7,246**	**-181,053**
Transactions with shareholders								
Shares for remuneration	-	-	-1,031	-	-	-1,031	-	-1,031
Share based payments	-	-	725	-	-	725	-	725
Dividend	-	-	-25,370	-	-	-25,370	-5,770	-31,140
Change non-controlling interest	-	-	4,210	-	-	4,210	-7,265	-3,055
Other	-	-	-29	-	-	-29	-14	-43
Balance at December 31, 2020	**40,271**	**1,711,033**	**-633,858**	**5,764**	**1,085**	**1,124,296**	**210,387**	**1,334,683**
Balance at January 1, 2021	**40,271**	**1,711,033**	**-633,858**	**5,764**	**1,085**	**1,124,296**	**210,387**	**1,334,683**
Comprehensive income								
Result	-	-	-226,250	-	-	-226,250	12,958	-213,292
Remeasurement of post employment obligations	-	-	177	-	-	177	92	269
Effective portion of change in fair value of cash flow hedges	-	-	-	-6,120	-	-6,120	21	-6,099
Changes in fair value of cost of hedging	-	-	-		681	681	-	681
Total comprehensive income	**-**	**-**	**-226,073**	**-6,120**	**681**	**-231,512**	**13 ,071**	**-218,441**
Transactions with shareholders								
Shares for remuneration	-	-	-937	-	-	-937	-	-937
Share based payments	-	-	153	-	-	153	-	153
Dividend	-	-	-20,135	-	-	-20,135	-11,491	-31,626
Change non-controlling interest	-	-	-5,032	-	-	-5,032	16,746	11,714
Other	-	-	-10	-	-	-10	-	-10
Balance at December 31, 2021	**40,271**	**1,711,033**	**-885,891**	**-356**	**1,766**	**866,823**	**228,713**	**1,095,536**

Consolidated cash flow statement

for the year ended December 31, 2021

(x € 1,000)	Note	2021	2020
Operating activities			
Result		-213,292	-194,221
Adjustments:			
Valuation results	27	65,880	293,064
Net interest	31	24,749	28,884
Other financial income and expense	32	1,133	-6,179
Results on disposals	28	228,439	-202
Taxes		-1,336	-1,346
Amortization		1,802	2,123
Movements in working capital		-2,502	2,089
Cash flow generated from operations		**104,874**	**124,212**
Interest paid		-24,271	-27,542
Interest received		17	16
Income tax		-208	755
Cash flow from operating activities		**80,413**	**97,441**
Investment activities			
Proceeds from disposals direct investment properties	28	91,925	103,834
Proceeds from disposals indirect investment property	28	298,775	-
Investments in investment property	5	-39,648	-62,327
Investments in equipment		-56	-108
Investments in financial assets		-630	-1,964
Investments in intangible assets		-358	-110
Cash flow from investing activities		**350,009**	**39,325**
Financing activities			
Proceeds from interest-bearing debts	17	31,316	358,708
Repayment interest-bearing debts	17	-478,116	-411,568
Movements in other long-term liabilities		-3,045	-3,971
Other movements in reserve		-938	-496
Transactions non-controlling interest		8,059	772
Dividend paid		-27,929	-34,046
Cash flow from financing activities		**-470,653**	**-90,600**
Increase/decrease in cash and cash equivalents		-40,231	46,166
Cash and cash equivalents at January 1	11	67,000	20,834
Cash and cash equivalents at December 31	11	**26,769**	**67,000**

Notes to the consolidated financial statements

1 Reporting entity

Wereldhave N.V. ('the Company') is an investment company which invests in real estate (shopping centers and offices). The property portfolio of Wereldhave N.V. and its subsidiaries ('the Group') is located in Belgium, France and the Netherlands. The Group is principally involved in leasing investment property under operating leases. The property management is performed by Group management companies. The Company is a limited liability company incorporated in the Netherlands and domiciled in the Netherlands. The address of the Company's registered office is Schiphol Boulevard 233, 1118 BH Schiphol, the Netherlands. The shares of the Company are listed on the Euronext Stock Exchange of Amsterdam. The consolidated financial statements for the year ended December 31, 2021 were authorized for issue by the Supervisory Board on March 7, 2022 and will be presented to the shareholders for approval on April 25, 2022.

2 Tax status

Wereldhave N.V. has the tax status of an investment company (FBI status) in accordance with section 28 of the Dutch 'Wet op de Vennootschapsbelasting 1969'. This status assumes that the Group is (almost) exclusively engaged in portfolio investment activities. As a consequence, corporation tax is due at a rate of 0% in the Netherlands, provided that certain conditions are met. The main conditions concern the requirement to distribute the taxable result as dividend and restrictions with regard to the leverage. The taxable result of Wereldhave N.V. must be distributed as a dividend to its shareholders within eight months after the year during which the result was made. In general terms, the leverage restrictions imply that investments in real estate (including qualifying real estate companies) may only be financed through debt up to a maximum of 60% of their value. For investments in other assets the maximum level of debt allowed is only 20%. There is no requirement to include capital gains, arising on disposal of investments, in the result to be distributed.

The subsidiaries in Belgium (OGVV status) and France (SIIC status) have a similar status. In Belgium the net value of one single asset may not exceed 20% of the total Belgium portfolio. Our largest asset in Belgium, Belle-Île, exceeds the threshold of 20% at December 31, 2021. The FSMA provided a concession for a maximum period of 2 years expiring December 31, 2022.

3 Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3.1 Basis of accounting

Statement of compliance

The consolidated financial statements of Wereldhave N.V. have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

Income and cash flow statement

The Group presents a separate 'statement of profit or loss' and 'other comprehensive income'. The Group reports cash flows from operating activities using the indirect method. Interest received and interest paid is presented within operating cash flows. The acquisitions of investment properties are disclosed as cash flows from investing activities as this most appropriately reflects the Group's business activities.

Preparation of the consolidated financial statements

The consolidated financial statements have been prepared on a going concern basis, applying a historical cost convention, except for the measurement of investment property and derivative financial instruments that have been measured at fair value.

Accounting estimates

The preparation of consolidated financial statements in conformity with EU-IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.32, 5 and 23.

Change in accounting policy and disclosures

New and amended standards adopted by the Group

As of January 1, 2021 the following standards became effective but did not have an impact on the Company's consolidated financial statements:

- COVID-19-Related Rent Concessions – Amendment to IFRS 16
- Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2021 and have not been applied in preparing these consolidated financial statements:

- Onerous Contracts: Cost of Fulfilling a Contract – Amendments to IAS 37
- Annual Improvements to IFRS Standards 2018–2020 – Amendments to IFRS 1, IFRS 9, illustrative examples accompanying IFRS 16 and IAS 41
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Reference to the Conceptual Framework – Amendments to IFRS 3
- Classification of Liabilities as Current or Noncurrent – Amendments to IAS 1
- IFRS 17 Insurance Contracts
- Definition of Accounting Estimate – Amendments to IAS 8
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

These changes are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

3.2 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Wereldhave recognizes acquisitions if IFRS 3R "Business Combinations" or IAS 40 "Investment Property" applies. Acquisitions are considered a business combination if there is an acquisition of assets, rental activities and such, a management organization, that the acquired entity can operate as an independent company with the aim of generating economic results. Wereldhave does not necessarily consider acquisitions of properties within a legal company as a business combination but evaluates these acquisitions individually for the above operational characteristics.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

For acquisitions of subsidiaries not meeting the definition of a business, the Group allocates the cost between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. Such transactions or events do not give rise to goodwill.

Consolidated financial statements are prepared using uniform accounting policies for similar transactions. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Inter-company transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated.

Changes in ownership interests in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Operating segments
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its chief operating decision maker is the Chief Executive Officer (CEO) of the Company.

3.3 Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in euros, which is the Company's functional currency and the Group's presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement for the year.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented net in the income statement within other financial income and expenses. The following exchange rates against the euro, were used for these consolidated financial statements:

	average		year-end	
	2021	2020	**2021**	2020
GBP	1.16341	1.1251	1.18859	1.11889
USD	0.84596	0.87705	0.87951	0.8186
CAD	0.67485	0.65411	0.69577	0.64329

3.4 Comprehensive income
In the statement of comprehensive income, no separate line for tax is included as there are no taxable items. This is due to the tax status of the Group and some subsidiaries.

3.5 Derivative financial instruments and hedge accounting
The Group holds derivative financial instruments mainly to hedge exchange rate and interest rate risks arising from financing activities. The Group does not hold any derivatives for trading purposes. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. Changes in the fair value of derivatives that are not designated as hedging instruments are recognized in the income statement as they arise.

The Group designates certain derivatives as hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges) or hedges of the fair value of recognized assets and liabilities (fair value hedges).

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

The Group uses hedging instruments such as interest and cross currency swaps. Transactions are entered into with a limited number of counterparties with strong credit ratings. Hedging operations are governed by internal policies and rules approved and monitored by the Board of Management.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognized in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts is separately accounted for as a cost of hedging and recognized in a cost of hedging reserve within equity.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the transaction is no longer expected to occur, the cumulative gain or loss and costs of hedging that were reported in equity are immediately reclassified to profit or loss.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognized in profit or loss within finance costs, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognized in profit or loss within other financial income and expense.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to profit or loss over the period to maturity using a recalculated effective interest rate.

3.6 Investment property

Property that is held for long-term rental income or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Investment property is measured initially at its cost, including related transaction costs. After this initial recognition, investment property is carried at fair value.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date and adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow or capitalization projections. Valuations are performed as of the financial position dates 30 June and 31 December by professional independent external valuers who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. The independent, certified valuers are instructed to determine the fair value of the property in accordance with the valuation standards as published by the Royal Institute of Chartered Surveyors (RICS) and the International Valuation Standards Council (IVSC). These guidelines contain mandatory rules and best practice guidelines for valuers. Remuneration of valuers is based on a fixed fee per property.

The valuations form the basis for the carrying amounts in the consolidated financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

Significant unobservable input	Relationship between significant unobservable inputs and the fair value measurement
• Growth forecast for market rent level	The estimated fair value increases (decreases) if:
• Periods of vacancy following expiration of a lease	• The expected growth of market rent levels is higher (lower)
• Occupancy rate	• The periods of vacancy are shorter (longer)
• Rent-free periods and other lease incentives	• The occupancy rate is higher (lower)
• Theoretical net yield	• The rent-free periods are shorter (longer)
	• The estimated maintenance costs / investments are lower (higher)
	• The net-yield is lower (higher)

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Changes in fair values are recognized in the income statement. Investment properties are derecognized when they have been disposed.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

Properties eligible for disposal are classified as assets held for sale. In the case of sale of properties, the difference between net proceeds and book value is recognized in the income statement under results of disposal.

Lease incentives, rent-free periods and other leasing expenses

Rent-free periods and investments made, or allowances granted to tenants by Wereldhave ("lease incentives") are allocated on a linear basis over the lease term. The lease term consists of the period until the first break option for the tenants, which period can be extended by management with the expected prolongation of the leases.

In determining the property at fair value capitalized lease incentives are adjusted for the valuation results, to avoid double counting.

Investment property under construction

Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

It may sometimes be difficult to reliably determine the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- The provisions of the construction contract
- The stage of completion
- Whether the project/property is standard (typical for the market) or non-standard
- The level of reliability of expected cash inflows after completion
- The development risk specific to the property
- Past experience with similar constructions
- Status of construction permits

Costs include the material and labor for the construction, costs of staff directly related to technical supervision, project management on the basis of time spent and finance costs. The finance cost are capitalized interest that is charged until the date of delivery and is based on the interest to be allocated to development or on the basis of the average effective rate of the Group, where no specific project financing is present. Interest charges include interest and all costs associated with Wereldhave raising funds.

The fair value of development is determined on an identical basis as investment properties, with the understanding that the capitalization factor is adjusted to reflect development risks.

Fair value changes and impairment losses are recognized in the income statement as valuation result. Investment property under construction are transferred to investment properties on the date of delivery.

3.7 Leases

Group company is the lessee

A right-of-use asset and a lease liability is recognized at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently at cost less any accumulated depreciation, impairment losses and adjusted for certain remeasurements of the lease liability. Right-of-use assets are presented under property and equipment. Right-of-use assets that meet the definition of investment property are presented under investment property and subsequently measured at fair value in accordance with the Group's accounting policies.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date which are discounted using the Group's incremental borrowing rate, unless the interest rate implicit in the lease is available. The lease liability is subsequently increased by the interest costs on the lease liability and decreased by any lease payments made. Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or changes to the assessment whether a purchase or extension options is reasonably certain to be exercised. Judgement may need to be applied to determine the lease term for some lease contracts that contain renewal or termination options. The assessment may significantly affect the amount of lease liabilities and right-of-use assets recognized.

Lease liabilities are included in other long-term liabilities in the statement of financial position. Payments of lease liabilities are presented as cash flows from financing activities in the cash flow statement.

Group company is the lessor in an operating lease

Properties leased out under operating leases are included in investment property in the consolidated statement of financial position. See Note 25 for the recognition of rental income.

3.8 Property and equipment

Property and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost includes the cost of replacing part of existing plant and equipment at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an item of plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation, is calculated using the straight-line method to allocate the cost over the assets' estimated useful lives, as follows:

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year-end. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than the estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

3.9 Intangible assets

Computer software

Acquired computer software licenses and costs relating to internally developed software are capitalized at cost incurred to acquire, develop and implement the specific software. These costs are amortized over their estimated useful lives (5 to 10 years).

3.10 Impairment of non-financial and financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

3.11 Financial instruments

Wereldhave categorizes its financial instruments measured at fair value in three categories. Level 1 valuations are based on quoted market prices, level 2 inputs are inputs other than quoted prices included in level 1 that are observable for the asset or liability, either direct or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

3.12 Financial assets

The Group classifies its financial assets in those to be measured subsequently at fair value and those to be measured at amortized cost. The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are not reclassified after their initial recognition unless the Group changes its business model for managing financial assets.

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

A financial asset is initially measured at fair value plus, in case of assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of financial assets depends on the business model for managing the asset and the cash flows characteristics of the asset. There are three measurement categories into which the Group classifies its financial assets:

- Amortized cost is applied for financial assets held within a business model whose objective is to hold the assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments
- Fair value through other comprehensive income is applied for equity investments that are not held for trading or debt investments held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- of principal and interest on the principal amount outstanding.Assets that do not meet the criteria for amortized costs or fair value through other comprehensive income are measured at fair value through profit or loss. Financial assets at amortized costs are subsequently measured at amortized cost using the effective interest method, reduced by impairment losses. Interest income and impairments are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity and debt investments at fair value through other comprehensive income are subsequently measured at fair value. Dividends, interest income calculated using the effective interest method and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition of debt investments, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Financial assets at fair value through profit or loss are subsequently measured at fair value. Net gains and losses are recognized in profit or loss unless item is designated as hedging instrument.

An overview of the carrying amounts of the financial assets is set out in note 23.

3.13 Financial liabilities

A financial liability is initially measured at fair value plus, in case of assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue.

Financial liabilities are subsequently classified as measured at amortized cost or fair value through profit or loss.

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

An overview of the carrying amounts of the financial liabilities is set out in note 23.

3.14 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and bank overdrafts. Cash and cash equivalents are measured at nominal value.

3.15 Non-current assets held for sale

Non-current assets (or a disposal group) are held for sale in case the carrying amount will be recovered principally by means of a sale rather than by continuing use. This only applies if the asset (or disposal group) is available for immediate sale in its present condition. Furthermore, the sale must be highly probable, management must be committed to a plan to sell the asset and an active program to locate a buyer and complete the plan must have been initiated. The sale should be completed within one year from the date of classification.

Non-current assets (or disposal group) classified as held for sale are measured at the lower of the carrying amount and fair value less cost to sell except for assets such as deferred tax assets and investment property that are carried at fair value. Non-current assets held for sale or the assets from a disposal group are presented separately from other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from the other liabilities. Assets and liabilities held for sale are not offset against each other.

A disposal group is a group of assets and liabilities that is sold or intended to be sold in one transaction.

3.16 Trade receivables

Trade receivables are amounts due from tenants under the lease agreements. Standard lease terms require upfront payment of rent and therefore trade receivables are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost less expected credit losses.

The Group applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables at each reporting date. The Group has established a provision matrix that is based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

3.17 Equity

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are deducted from the proceeds. When share capital recognized as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a change in the general reserve in equity. Repurchased shares are classified as treasury shares and deducted from total equity. When treasury shares are reissued the proceeds are credited to the treasury share reserve and any surplus is credited to the share premium reserve. Dividends are recognized as a liability in the period in which they are declared.

3.18 Dividend policy

As an investment company in accordance with Article 28 of the Dutch 'Wet op de Vennootschapsbelasting 1969', the Company is required to distribute at least the taxable result as dividend.

Wereldhave aims for a dividend pay-out ratio of 75% - 85% of its direct result (net rental income, general costs, other gains and losses, financial income and expense (other than the interest addition to the real value of the conversion rights of convertible bonds, premiums paid on repurchased interest-bearing debt and actuarial gains and losses on employee benefit plans) and tax charges on direct result.

3.19 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. Any increase in the provision due to passage of time is recognized as interest charges.

3.20 Non-current liabilities

Interest-bearing debt

Interest-bearing debt is initially recognized at fair value, minus transaction costs. Subsequently interest-bearing debt is measured at amortized cost. Any difference between the face value and the carrying amount is recognized in the income statement over the period of the interest-bearing debt on the basis of the effective interest per debt. The portion of debt outstanding to be repaid within twelve months is shown under current liabilities.

3.21 Pension plans

Defined contribution plans

Defined contribution plans are pension schemes to which a Group company makes a fixed annual contribution and where the Company does not have a legal or constructive obligation to make further payments if the pension fund of the pension scheme does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expense when they are due.

Defined benefit plans

The liability or asset recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service costs.

3.22 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently at amortized cost basis using the effective interest method.

3.23 Revenue

Gross Rental income

Rental income from investment properties leased out under operating leases is recognized in the income statement on a straight-line basis over the term of the lease. Lease incentives are recognized as a reduction of the rental income and are straight-lined over the minimum term of the lease. Rent adjustments due to indexation are recognized as they arise. Rental income does not include value added tax or amounts charged to tenants in respect of service and operating costs. Variable rental income, such as turnover related rent or income from specialty leasing is recognized in the income statement in the period to which it relates, if it can be estimated reliably. If a reliable estimate is not possible, recognition takes place at the time of realization. Revenue received from tenants for early termination of leases is directly recognized in the income statement in the period to which the revenues relates.

Service costs charged

Where there are service contracts with third parties, service charges are recovered from tenants. Service charges in respect of vacant property are expensed as property expenses. They mainly relate to gas, water, electricity, cleaning and security. Service charges are shown on a gross basis when Wereldhave acts as a principal.

3.24 Expenses

Service costs paid

Service costs are shown on a gross basis when Wereldhave acts as a principal. In case Wereldhave acts as an agent only the non-recoverable amount of the service and operational costs is presented. In the presentation on a gross basis, costs and charges are shown separately.

Property expenses

Property expenses consist of operational cost for the account of Wereldhave attributable to the accounting period, such as:

- Maintenance;
- Property tax;
- Insurance premiums;
- Property management; and
- Letting expenses.

Letting expenses include the depreciation of capitalized expenditure in connection with a letting, such as fit out contributions paid by Wereldhave. The expenditure is amortized over the term of the lease. Investment property depreciation charges are not recognized, because investment properties are valued at market value see paragraph 3.6. The market value calculation takes technical and economic obsolescence into account.

General costs

General costs are expenses that are not directly attributable to the operation of properties (including salaries of staff not directly involved with properties, office overheads, advice, valuation and audit fees, listing costs and promotion costs). Direct staff costs relating to property management are included in property expenses. Direct staff costs relating to supervising and monitoring investment and development projects are capitalized as part of the investment property under construction on the basis of time spent.

3.25 Results on disposal

The results on disposal are the differences between the realized selling prices, net of selling costs, and the carrying amount, based on the last reported fair value (mostly the latest appraisal).

Results on disposal from the sale of investment property or fixed assets are processed if the following conditions are met:

- The entity has transferred the rights to all major economic benefits and any significant risks to the buyer;
- The legal entity does not keep possession of those goods and therefore cannot decide on its use;
- The amount of revenue can be reliably determined;
- It is probable that the economic benefits associated with the transaction will flow to the new legal owner; and
- Costs already incurred and the potential future costs in respect to the transaction can be measured reliably.

3.26 Interest charges and interest income

Interest comprises the total of interest attributable to the accounting period on loans, other debts, accounts receivable and cash and bank balances and is split between interest received and interest paid. Interest income & charges is recognized in the income statement as it accrues. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, to the fair value of the financial asset or financial liability as at the recognition of the instrument. Interest attributable to the acquisition or construction of an asset that takes a substantial period of time to complete, is capitalized as part of the cost of the respective assets, starting from preparation of the plan until completion. Capitalized interest is calculated using the Group's weighted average cost of debt or the borrowing cost of specific project financing.

3.27 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to the Board of Management is generally recognized as an expense, with a corresponding reserve in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

The fair value of the amount payable to the Board of Management in respect of share-based payments arrangements, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the Board of Management become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share-based payments arrangements. Any changes in the liability are recognized in profit or loss.

3.28 Income tax

Tax charges on the income statement for a year comprise current and deferred tax and are calculated on results before taxes, considering any tax-exempt components of result and non-deductible costs. Losses to be offset against probable future results are recognized as deferred tax asset. Current tax is the expected tax payable or receivable on the taxable income or loss for the period. Deferred tax consists of the expected tax payable or receivable on changes in the value of assets or liabilities which will be realized at the time of sale. Tax charges are calculated using tax rates prevailing at the balance sheet date.

Current tax and deferred tax is recognized in income statement except to the items recognized directly in equity or in other comprehensive income in which case, the tax is also recognized in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are stated at nominal value.

Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income statement;
- Temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

The carrying value of the Group's investment property is assumed to be realized by sale at the end of use.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable results will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.29 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by
- By the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3.30 Segment reporting

The Wereldhave Board of Management has determined the operating segments based on the information reviewed by the Board of Management for assessing performance and allocating resources. Management considers the business from a geographic perspective and management assesses performance for Belgium, France, Netherlands and Head office. A segment consists of assets and activities with specific risks and results, differing from other sectors.

3.31 Rounding of amounts

All amounts as disclosed in the financial statements and notes have been rounded off to the nearest thousand euros unless otherwise stated and may not add up exactly due to rounding.

3.32 Significant estimates in the accounts

Investment property

The assets in the Company and its subsidiaries mainly consists of the property portfolio. The market value of these assets cannot be assessed using official quotations or listings.

A valuation based on fair value is a time- and location-based estimate. The estimate is based on the price level on which two well-informed parties under normal market conditions would make a transaction for that specific property on the date of valuation. The fair value of a property in the market can only be determined accurately at the moment of the actual sale of the property.

Twice a year (June 30 and December 31) the properties are valued by external valuers. The valuer appraises at fair value with his own market knowledge and information. The valuation is prepared by the valuer and verified and approved by Wereldhave.

The fair value is based on a net yield calculation, where market rents are capitalized. Elements of this calculation include current and future rent levels, expected vacancy rates, rent indexations, turnover rents, lease incentives, etc. The yields and market rents used are specific for the country, the location, the type of property, the level of maintenance and the general rent ability of every single property. The determination of applicable yields is based upon comparable transactions, supplemented with market and building specific knowledge and remaining other assumptions, in which the professional judgment of the valuer will become more important if the available transaction information is not sufficient.

Apart from assumptions with respect to yields, costs for future maintenance investments are also considered in the valuation. Furthermore, explicit assumptions are made per lettable location and per tenant with regard to (re)letting, the start date of such (re)letting and the costs related thereto. Also, adjustments are made for expected costs of vacancy (present and future) and for differences between the market rent and contractual rent. Sales costs at the expense of the buyer, including transfer tax payable, are deducted from the market value.

The Covid-19 pandemic has influenced the availability of market information. For the Netherlands and France, the appraisers determined that there was a sufficient level of market evidence upon which to base opinions of value as at the valuation date. The valuation reports of our Belgian shopping centers include a material valuation uncertainty statement due to the lack of relevant market information. For these properties there is a lower level of certainty and more caution should be applied to the values than would be the case under normal market conditions. The appraiser cannot attach as much weight as usual to previous market evidence for comparison purposes and there is an increased risk that the price realized in an actual transaction would differ from the value conclusion. As a result of this increased uncertainty, the assumptions may be revised significantly in 2021. For the avoidance of doubt, the appraisers state the inclusion of the material valuation uncertainty paragraph does not mean that the estimated valuations for these shopping centers cannot be relied upon.

General assumptions with regard to the valuation of investment property have been disclosed in paragraph 3.6 and in note 5.

Pensions

With regard to the measurement of defined benefit plans, assumptions have been made with regard to interest rates, expected return on assets, mortality rates and future salary increases. Deviations from the assumptions will impact on assets, liabilities and results on future periods. In order to mitigate risks Wereldhave uses external experts for the measurement of defined benefit plans. Assumptions have been disclosed in note 19.

4 Segment information

Geographical segment information 2021

(x € 1,000)	Belgium	France	Netherlands	Headoffice	Total
Result					
Gross rental income	58,411	33,336	70,092	-	161,840
Service costs charged	8,951	10,525	9,456	-	28,931
Total revenue	**67,362**	**43,861**	**79,548**	**-**	**190,771**
Service costs paid	-11,836	-12,485	-10,452	-	-34,772
Property expenses	-8,272	-9,207	-13,850	-	-31,329
Net rental income	**47,255**	**22,168**	**55,246**	**-**	**124,669**
Valuation results	-4,188	-24,680	-37,012	-	-65,880
Results on disposals	63	-214,086	-14,417	-	-228,439
General costs	-3,374	-6,500	-2,444	-6,571	-18,888
Other income and expense	6	-7	-	-207	-208
Operating result	**39,762**	**-223,105**	**1,375**	**-6,777**	**-188,745**
Interest charges	-3,891	-14,669	-18,621	12,418	-24,763
Interest income	3	14	-4		13
Other financial income and expense	2,410	-	-	-3,543	-1,133
Income tax	-100	-107	1,543	-	1,336
Result	**38,184**	**-237,866**	**-15,707**	**2,098**	**-213,292**
Total assets					
Investment properties in operation	910,796	168,985	827,235	-	1,907,015
Investment properties under construction	13,514	-	13,072	-	26,587
Assets held for sale	3,325	-	3,200	-	6,525
Other segment assets	23,903	17,698	383,757	882,890	1,308,248
minus: intercompany	-211	-	-65,000	-1,145,673	-1,210,884
	951,327	**186,683**	**1,162,265**	**-262,783**	**2,037,491**
Investments	12,310	10,987	20,126	-	43,423
Gross rental income by type of property					
Shopping centers	52,180	33,336	70,092	-	155,609
Offices	6,231	-	-	-	6,231
	58,411	**33,336**	**70,092**	**-**	**161,840**

Geographical segment information 2020

(x € 1,000)	Belgium	France	Netherlands	Headoffice	Total
Result					
Gross rental income	59,429	42,812	87,132	-	189,372
Service costs charged	7,779	13,387	9,864	-	31,030
Total revenue	**67,208**	**56,198**	**96,996**	**-**	**220,402**
Service costs paid	-10,003	-18,794	-11,333	-	-40,130
Property expenses	-13,742	-14,665	-18,837	-	-47,243
Net rental income	**43,463**	**22,740**	**66,826**	**-**	**133,029**
Valuation results	-58,876	-122,040	-112,148	-	-293,064
Results on disposals	308	6,876	-6,982	-	202
General costs	-3,205	-2,576	-2,201	-6,207	-14,188
Other income and expense	-102	-13	-	-64	-178
Operating result	**-18,411**	**-95,012**	**-54,506**	**-6,270**	**-174,200**
Interest charges	-2,685	-16,811	-18,189	8,786	-28,900
Interest income	3	0	12		16
Other financial income and expense	-1,091	-	0	8,475	7,384
Income tax	6	-581	593	1,460	1,479
Result	**-22,178**	**-112,404**	**-72,089**	**12,450**	**-194,221**
Total assets					
Investment properties in operation	906,878	689,477	917,074	-	2,513,429
Investment properties under construction	12,635	-	46,035	-	58,669
Assets held for sale	0	-	3,200	-	3,200
Other segment assets	22,259	44,417	292,629	1,274,321	1,633,626
minus: intercompany	-206	-	-65,000	-1,400,972	-1,466,178
	941,565	**733,894**	**1,193,938**	**-126,651**	**2,742,746**
Investments	18,705	18,163	24,163	-	61,031
Gross rental income by type of property					
Shopping centers	51,813	42,812	87,132	-	181,756
Offices	7,616	-	-	-	7,616
	59,429	**42,812**	**87,132**	**-**	**189,372**

5 Investment property

(x € 1,000)	Investment property in operation	Lease incentives	Investment property under construction	Total Investment property
2021				
Balance at January 1	**2,513,429**	**5,482**	**58,669**	**2,577,580**
Purchases	-1,010	-	-	-1,010
Investments	27,568	-	16,865	44,433
From / to development properties	48,947	-	-48,947	-
To / from investments held for sale	-4,282	-	-	-4,282
Disposals	-611,773	-	-	-611,773
Valuations	-65,880	-	-	-65,880
Other	16	256	-	272
Balance at December 31	**1,907,015**	**5,738**	**26,587**	**1,939,340**
2020				
Balance at January 1	**2,833,690**	**5,639**	**67,357**	**2,906,686**
Purchases	422	-	-	422
Investments	41,128	-	19,481	60,609
From / to development properties	25,106	-	-25,106	-
To / from investments held for sale	-0	-	-	-0
Disposals	-96,116	-	-	-96,116
Valuations	-290,802	-	-3,062	-293,864
Other	-	-157	-	-157
Balance at December 31	**2,513,429**	**5,482**	**58,669**	**2,577,580**

Investment property in operation

The Company disposed in 2021 In de Bogaard, Etten-Leur and Koningshoek in the Netherlands. In addition, the company disposed the shares of the entities holding the Docks 76, Docks Vauban, Rivetoile and Saint Sever shopping centers in France.

Purchases in 2021 are negative mainly due to a settlement received in Belgium which was adjusted on the initial purchase price recognized in prior years.

Overview of measurements of total Investment property

(x € 1,000)	December 31, 2021	December 31, 2020
Investment property in operation (including lease incentives)	1,897,411	2,503,580
Investment property under construction (IPUC)	13,073	46,036
Fair value as per external valuation reports	**1,910,484**	**2,549,615**
Fair value of ground rent (leasehold)	15,342	15,331
At cost less impairment (IPUC)	13,514	12,635
Total	**1,939,340**	**2,577,580**

Investment properties were valued externally at December 31, 2021 by independent external property valuators Jones Lang LaSalle, Cushman & Wakefield and CBRE. In total 99.3% (2020: 99.5%) of the investment property portfolio was measured at fair value.

Investment property in operations

The change in valuation can be broken down as follows:

(x € 1,000)	2021	2020
Belgium	-4,188	-57,936
France	-24,680	-122,040
Netherlands	-37,012	-110,826
Total	**-65,880**	**-290,802**

At December 31, 2021 investment property with a value of € 312.0m (2020: € 323.9m) is pledged as security for credit facilities. As of December 31, 2021 the Company has not drawn on the relating facilities.

At December 31, 2021 the carrying amount is as follows:

(x € 1,000)	December 31, 2021	December 31, 2020
Total value according to external valuation reports	1,897,411	2,503,580
Add: Present value of future ground rent payments (leasehold)	15,342	15,331
Deduct: carrying amount of rent free periods and other leasing expenses to be amortized	-5,738	-5,482
Carrying amount	**1,907,015**	**2,513,429**

Key assumptions relating to valuations (excluding developments)

	Belgium	France	Netherlands
2021			
Total market rent per sqm (€)	203	268	200
EPRA Net Initial Yield	5.8%	4.6%	6.5%
EPRA vacancy rate	6.1%	5.3%	4.3%
Average vacancy period (in months)	13	12	9
Bandwidth vacancy (in months)	9-18	9-15	0-17
2020			
Total market rent per sqm (€)	203	231	197
EPRA Net Initial Yield	5.7%	4.9%	7.0%
EPRA vacancy rate	8.1%	7.2%	3.4%
Average vacancy period (in months)	12	11	10
Bandwidth vacancy (in months)	0-18	9-12	5-20

EPRA Net Initial Yield

Annualized rental income based on cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, including estimated purchasers' cost (EPRA Net Initial Yield = ((Annualized rent passing + other income + turnover rent -/- property expenses) / Gross Property Value)). The total average EPRA Net Initial Yield 2021 is 6.0% (2020: 6.0%).

In case the yield changes with 0.25%, assuming stable market rents, it would result in a change of € 62.6m on shareholders' equity and result (€ 1.56 per share). A 5% drop of the estimated market rent, assuming stable yields, has a negative impact on shareholders' equity and result of approximately € 88.9m (€ 2.22 per share).

Investment property in operation lease data

	Average lease length		Annual rent of lease expiring in [1 2]			
(x € 1,000)	Until first break	Until lease end date	< 1 year	1-5 year	> 5 year	indefinite contracts
2021						
Belgium	2.1	6.6	4,085	13,272	37,186	442
France	2.2	5.1	505	4,017	5,863	341
Netherlands	3.4	4.1	6,273	31,183	21,903	6,373
Total portfolio	**2.8**	**5.3**	**10,863**	**48,472**	**64,952**	**7,156**
2020						
Belgium	2.6	6.3	6,487	15,441	33,289	337
France	2.2	5.3	2,706	8,280	22,421	6,194
Netherlands	3.2	4.3	6,518	40,453	26,500	6,784
Total portfolio	**2.8**	**5.2**	**15,711**	**64,174**	**82,210**	**13,315**

1. Based on lease end date
2. Indefinite contracts are included for one year

Investment property under construction

The change in valuation can be broken down as follows:

(x € 1,000)	**2021**	2020
Belgium	-	-940
Netherlands	-	-2,122
Total	**-**	**-3,062**

Fair value hierarchy disclosures for investment properties have been provided in note 24.

6 Property and equipment

	Owned		Leased		
(x € 1,000)	Office equipment	Cars	Offices	Cars	Total
Balance at January 1, 2021	**1,668**	**-**	**2,378**	**1,373**	**5,419**
Investments/purchases	56	-	-	82	138
Disposals	-28	-	-	-3	-31
Depreciation	-328	-	-711	-519	-1,558
Balance at December 31, 2021	**1,368**	**-**	**1,667**	**933**	**3,968**
Balance at January 1, 2020	**1,907**	**7**	**3,085**	**1,027**	**6,026**
Investments/purchases	108	-	-	988	1,096
Disposals	-10	-	-	-	-10
Depreciation	-337	-7	-707	-642	-1,693
Balance at December 31, 2020	**1,668**	**-**	**2,378**	**1,373**	**5,419**
December, 31 2021					
Total acquisition at cost	5,339	110	3,848	2,692	11,989
Total depreciation	-3,971	-110	-2,181	-1,759	-8,021
Net book value	**1,368**	**-**	**1,667**	**933**	**3,968**
December, 31 2020					
Total acquisition at cost	5,311	110	3,848	2,613	11,882
Total depreciation	-3,643	-110	-1,470	-1,240	-6,463
Net book value	**1,668**	**-**	**2,378**	**1,373**	**5,419**

7 Intangible assets

The intangible assets consist of computer software: acquired computer software licenses and costs relating to internally developed software.

Computer software

(x € 1,000)	December 31, 2021	December 31, 2020
Balance at January 1	**273**	**517**
Investments	358	110
Amortization	-152	-354
Balance at December 31	**479**	**273**

(x € 1,000)	December 31, 2021	December 31, 2020
Total acquisition at cost	2,958	2,600
Total amortization	-2,479	-2,327
Total	**479**	**273**

8 Financial assets

(x € 1,000)	IFRS Category	December 31, 2021	December 31, 2020
Loans	amortized cost	1,169	539
Deposits paid	amortized cost	2,250	2,251
Derivative financial instruments	Fair value through P&L	16,398	13,965
Total		**19,818**	**16,755**

Derivative financial instruments

Further reference is made to note 22.

9 Trade and other receivables

(x € 1,000)	December 31, 2021	December 31, 2020
Tenant receivables	13,485	24,467
Service charge receivable	2,688	1,233
Prepayments	1,140	1,439
Interest to be received	3,865	5,085
Amounts to be invoiced	9,914	9,514
Other	4,726	9,429
Total	**35,818**	**51,167**

The fair value of the trade and other receivables coincides with their carrying amount. Wereldhave holds tenant deposits, credit letters from banks and Group credit letters as collateral. Other receivables do not include amounts with a maturity of more than twelve months.

Interest to be received refers to interest receivable under interest rate swaps.

Maturity of tenant receivables

(x € 1,000)	December 31, 2021	December 31, 2020
Due	6,592	10,121
Past due less than 1 month	2,292	3,056
Past due between 1 and 3 months	1,181	3,439
Past due between 3 and 12 months	6,681	22,455
Past due over 12 months	8,704	11,287
	25,451	**50,359**
Deduct: provision	-11,966	-25,891
Total	**13,485**	**24,467**

In 2021 an amount of € 10.6m (2020: € 24.0m) was added to the provision doubtful debt and an amount of € 14.2m (2020: € 7.2m) was withdrawn. Tenant receivables and provisions for a net balance of € 10.4m were transferred to the purchaser of the disposed French entities.

10 Tax receivables

(x € 1,000)	December 31, 2021	December 31, 2020
Withholding tax	283	2,757
Value added tax	845	4,043
Dividend tax	3,450	4,090
Corporate income tax	197	137
Total	**4,775**	**11,027**

In 2021 withholding tax receivable was largely settled. In addition, the tax receivable reduced due to the disposal of the French assets.

11 Cash and cash equivalents

(x € 1,000)	December 31, 2021	December 31, 2020
Bank balances	26,769	67,000
Total	**26,769**	**67,000**

12 Investment held for sale

Investments held for sale includes a plot of land in Leiderdorp and 2 plots of land in Tournai. Completion of the transaction in Leiderdorp is subject to permits being obtained by the purchaser.

13 Share capital

(number of shares)	Authorized share capital	Number of issued shares	Shares for remuneration	Outstanding number of shares
Balance at January 1, 2020	**75,000,000**	**40,270,921**	**-15,498**	**40,255,423**
Movements in 2020	-	-	-63,761	-63,761
Balance at December 31, 2020	**75,000,000**	**40,270,921**	**-79,259**	**40,191,662**
Movements in 2021	-	-	-67,335	-67,335
Balance at December 31, 2021	**75,000,000**	**40,270,921**	**-146,594**	**40,124,327**

The authorized ordinary shares have a par value of € 1 each. All issued ordinary share have been fully paid.

Preference shares

The authorized preference share capital amounts to a number of preference shares equal to the number of ordinary shares up to € 75m. The preference shares have a par value of € 1 each. No preference shares have been issued.

Capital management

The objective of Wereldhave, when managing capital, is to safeguard the Group's continuity, to provide returns for its shareholders, benefits for other stakeholders and to maintain a capital structure as to optimize the cost of capital. Furthermore, Wereldhave manages its fiscal capital to ensure that it meets the requirements from fiscal laws and regulations. Wereldhave has the possibility to adjust the amount of dividends, return capital to shareholders, issue new shares or sell assets in order to maintain or adjust the capital structure.

14 Share premium

Share premium is paid up share capital in excess of nominal value. There were no changes in share premium in 2021. The amount of share premium that is recognized for tax purposes is € 1,716m (2020: € 1,716m).

15 General reserve

In May 2021, a final dividend relating to 2020 of € 0.50 was paid per qualifying ordinary share. No interim dividends relating to 2021 were distributed in 2021.

An amount of € 167m (2020: € 227m) has been designated as legal reserves, mainly relating to the unrealized valuation adjustments of investment properties and cannot be distributed.

16 Hedge reserve and cost of hedging reserve

The hedge reserve comprises the effective portion of the cumulative net change in fair value of hedging instruments designated as cash flow hedges where the hedged transaction has not yet occurred. The cost of hedging reserve comprises changes in the fair value of cross-currency interest rate swaps that are caused by the cross-currency basic spreads.

17 Interest-bearing liabilities

Composition

(x € 1,000)	December 31, 2021	December 31, 2020
Long term		
Bank loans	141,355	383,382
Private placements	531,245	587,635
	672,600	**971,017**
Short term		
Bank loans	-	74,987
Private placements	75,000	121,825
Treasury notes	67,250	84,950
	142,250	**281,762**
Total interest bearing liabilities	**814,850**	**1,252,779**

Movements in interest-bearing liabilities

Including short-term portion of debt.

(x € 1,000)	2021	2020
Balance at January 1	**1,252,779**	**1,335,657**
New funding	31,316	358,708
Repayments	-487,839	-412,540
Use of effective interest method	961	956
Effect of fair value hedges	-705	-1,584
Exchange rate differences	18,338	-28,419
Balance at December 31	**814,850**	**1,252,779**

Private Placements

The Private Placement Notes issued in 2015 and 2017 contain embedded derivatives. The derivatives are recorded separately in the financial statements. As per December 31, 2021 the embedded derivatives have a positive value of € 0.2m (2020: € 4.3m positive).

Secured interest-bearing liabilities

At December 31, 2021 investment property with a value of € 312.0m (2020: € 323.9m) is pledged as security for credit facilities. As of December 31, 2021 the Company has not drawn on the relating facilities.

Unsecured interest-bearing liabilities

Unsecured interest-bearing liabilities have financial covenants that include various clauses. As at December 31, 2021 Wereldhave complied with these clauses.

Covenants

Loan-to-value

The Loan-to-value ratio is calculated by dividing the debt by the investment properties. This ratio may not exceed 60%.

Interest cover ratio

The interest cover ratio is calculated by dividing the net rental income by the net interest payable. This ratio may not be less than 2.

Solvency

Equity (less intangible assets) and deferred tax liabilities should amount to at least 40% of total assets (less intangible assets).

	Covenants	December 31, 2021	December 31, 2020
Loan-to-Value	60.0%	41.0%	46.7%
Solvency	40.0%	53.8%	48.7%
Interest coverage ratio	2.0	5.8	5.3

The Company reports a net Loan-to-Value of 41.0% in its communication with investors. The Loan-to-Value definition in accordance with the covenants is a gross Loan-to-Value where the available cash and cash equivalents are not deducted from the debt and both the fair values of the assets and debt are adjusted for the secured debt in place. In accordance with this definition the Loan-to-Value is 50.6% at December 31, 2021 (2020: 54.8%).

Average effective interest rate

The effective interest is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net book value of the financial asset or financial liability. Differences to the nominal interest rate may occur because of the amortization of interest charges and equity option components of convertible bonds over the remaining duration of the instrument.

The average nominal interest based on nominal interest rates, without the effects of the effective interest rate method amounts to:

	2021	2020
Euro	2.0%	1.7%
US dollar	2.8%	2.3%
Pound sterling	3.0%	3.0%
Canadian Dollar	2.3%	2.3%
Total	**2.3%**	**1.9%**

The average interest rate based on the effective interest method is as follows:

	EUR	GBP	USD	CAD	2021 Total
Short term interest bearing debt					
Bank loans and private placement	1.5%	-	-	-	1.5%
Interest rate swaps	0.3%	-	-	-	0.3%
Long term interest bearing debt					
Bank loans, private placement and EMTN	2.2%	4.1%	4.4%	4.0%	3.1%
Interest rate swaps	-1.2%	-	-	-	-1.2%
Average	**2.0%**	**4.1%**	**4.4%**	**4.0%**	**2.3%**

					2020
Short term interest bearing debt					
Bank loans and private placement	0.9%	0.0%	5.5%	-	2.5%
Interest rate swaps	-1.5%	-	-	-	-1.5%
Long term interest bearing debt					
Bank loans and private placement	1.6%	4.1%	4.4%	4.0%	2.3%
Interest rate swaps	-0.9%	-	-	-	-0.9%
Average	**1.7%**	**4.1%**	**4.8%**	**4.0%**	**1.9%**

Fair value of debt

The carrying amount and the fair value of interest-bearing debts may differ as a result of accounting adjustments, such as amortized costs and the result of differences in coupon interest versus market interest.

The fair value of long-term interest-bearing debts is based on prices of these instruments available in the active open market. In the absence of such market prices, the fair value is calculated as the present value of cash flows discounted with the relevant market interest percentages, including a company specific surcharge. The fair value of short-term interest-bearing debts is equal to the book value.

The carrying amount and fair value of long-term interest-bearing debt is as follows:

	December 31, 2021		December 31, 2020	
(x € 1,000)	carrying amount	fair value	carrying amount	fair value
Bank loans and private placements	672,600	701,058	971,017	1,026,504
Total	**672,600**	**701,058**	**971,017**	**1,026,504**

Currencies

The carrying amount of interest-bearing debt of the Group (short- and long-term) aredenominated in the following currencies:

	December 31, 2021		December 31, 2020	
	currency	**EUR**	currency	EUR
Euro	536,653	536,653	898,134	898,134
US dollar	192,500	169,195	307,500	252,268
Pound sterling	80,000	95,087	80,000	89,511
Canadian dollar	20,000	13,915	20,000	12,866
Total		**814,850**		**1,252,779**

Interest-bearing debt in U.S. Dollars, British Pound and Canadian dollar were for an amount of USD 193m, GBP 80m and CAD 20m converted to EUR via multiple cross currency interest rate swaps.

Credit facilities and bank loans

As at December 31, 2021, Wereldhave had € 525m (2020: € 605m) of revolving credit facilities. An amount of € 35m (2020: € 35m) will expire within 1 year, € 490m (2020: 545m) in 1 to 5 years and nil (2020: € 25m) expires after 5 years.

As at December 31, 2021, Wereldhave had undrawn credit facilities to the amount of € 525m (2020: € 306m). The average maturity of the committed revolving credit facilities at December 31, 2021 was 2.1 years (2020: 2.6 years).

18 Deferred tax liabilities

Deferred tax liabilities relate to the difference between the fair value of investment properties and their carrying amount for tax purposes. This item is to be considered as being of a long-term nature. Movements are shown as follows:

(x € 1,000)	2021	2020
Balance at January 1	**711**	**1,227**
Movements taken to the result due to positive revaluation	51	-
Movements taken to the result due to negative revaluation	-	-391
Disposal	-952	-
Other	190	-125
Balance at December 31	**-**	**711**

19 Other long-term liabilities

(x € 1,000)	December 31, 2021	December 31, 2020
Pension plans	849	1,102
Tenants deposits	5,757	12,150
Lease liabilities	18,306	19,920
Total	**24,912**	**33,172**

Tenant deposits consists of amounts received from tenants as a guarantee for future rental payment obligations. Tenant deposits reduced compared to 2020 mainly as result of the disposal of the French assets.

Pension plans

The net liability from the defined benefit plan in Belgium is composed as follows:

(x € 1,000)	2021	2020
Fair value of plan assets	3,018	2,850
Benefit obligations	3,867	3,952
Net liability	**849**	**1,102**

Reconciliation of net liability	2021	2020
January 1	**1,102**	**1,130**
Charge recognized in P&L	355	376
Remeasurement recognized in OCI (Income)/Loss	-269	-84
Employer contributions	-339	-320
December 31	**849**	**1,102**

The movement of the defined benefit obligation in Belgium is as follows:

(x € 1,000)	2021	2020
Balance at January 1	**3,952**	**3,743**
Net service cost	351	372
Interest cost	14	14
Employee contributions	4	3
Benefits paid	-80	-116
Experience (gains) / losses	-307	1
Expenses	-67	-65
Balance at December 31	**3,867**	**3,952**

The movement of the fair value of plan asset in Belgium is as follows:

(x € 1,000)	2021	2020
Balance at January 1	**2,850**	**2,613**
Interest income on plan assets	10	10
Return om scheme assets	-38	85
Actual expenses	-67	-66
Employer contributions	339	321
Employee contributions	4	3
Benefits paid	-80	-116
Balance at December 31	**3,018**	**2,850**

The assumptions used:

- discount rate obligations	0.80%-0.90%	0.15%-0.45%
- rate of annual salary increases including inflation	1.7% - 6.7%	2.0% - 7.0%

Pension costs

The total cost for defined benefit plan in Belgium is as follows:

(x € 1,000)	2021	2020
Current service cost	351	372
Net interest on Net Defined Benefit Liability (Asset)	4	4
Total	**355**	**376**

The following amounts have been recognized in other comprehensive income (OCI):

(x € 1,000)	2021	2020
Actuarial (gain)/loss due to liability expenses	-269	-84
Remeasurement effect recognized in OCI	**-269**	**-84**

In total the following movements have been recognized in the income statement and OCI:

(x € 1,000)	2021	2020
Balance at January 1	**3,952**	**3,743**
Net service cost	351	372
Interest cost	14	14
Employee contributions	4	3
Benefits paid	-80	-116
Experience (gains) / losses	-307	1
Expenses	-67	-65
Balance at December 31	**3,867**	**3,952**

The fair value of the Belgian pension assets consists, as in 2020, for 100% of insurance contracts.

Mortality rates

The mortality rates used for Belgium are the MR/FR series with an age correction of -5 years. In 2021 and 2020 the plan asset in Belgium does not include shares issued by the Company. For the above-mentioned pension plan the expected employer's contribution is € 0.3m for 2022.

Leases

Wereldhave has entered into leasehold contracts as well as offices and car leases. During 2021 the following was recognized in the income statement:

(x € 1,000)	2021	2020
Interest on lease liabilities	1,027	1,062
Variable lease payments not included in the measurement of lease liabilities	148	412
Total	**1,175**	**1,474**

The maturity of the lease liabilities is as follows:

(x € 1,000)	December 31, 2021
- up to 1 year	2,482
- between 1 and 2 years	2,326
- between 2 and 5 years	3,287
- more than 5 years	70,098
Total	**78,192**

20 Tax payable

(x € 1,000)	December 31, 2021	December 31, 2020
Value added tax	3,077	4,769
Social security tax	341	406
Dividend tax	-	2,449
Company tax	174	1,093
Other tax	743	796
Total	**4,336**	**9,514**

21 Other short-term liabilities

(x € 1,000)	December 31, 2021	December 31, 2020
Deferred rents	11,215	13,399
Property expenses	13,290	22,421
Interest	10,565	12,195
General costs	12,265	8,015
Capital commitments payable	9,525	6,831
Other short-term liabilities	10,281	6,452
Total	**67,141**	**69,313**

General costs include € 5.8m of liabilities relating to the closure of the French office and subsequent severance payments to employees. See also note 29.

22 Financial instruments

Derivatives are used to hedge foreign currency and interest risks.

Hedging instruments

Interest and cross currency swaps can be classified as hedging instruments against foreign currency risk on loans in USD, GBP and CAD and interest rate risk. The fair value of these instruments breaks down as follows:

(x € 1,000)		Principal	Interest range	Fair value assets	Fair value liabilities
2021					
Cashflow hedge					
USD currency swap	USD	192,500	2.2% - 3.2%	14,442	-3,544
GBP currency swap	GBP	80,000	2.7% - 3.4%	-	-12,790
CAD currency swap	CAD	20,000	2.3%	-	-883
EUR interest rate swap	EUR	50,000	0.3%	-	-107
Fair value hedge					
USD currency swap	USD	-	n.a.	-	-
No hedge accounting					
EUR Interest rate swap	EUR	411,975	0.3% - 3.0%	1,650	-1,055
EUR Interest cap	EUR	90,000	0% - 0.5%	306	-
Total				**16,398**	**-18,379**
2020					
Cashflow hedge					
USD currency swap	USD	307,500	2.2% - 3.2%	9,745	-8,119
GBP currency swap	GBP	80,000	2.7% - 3.4%	-	-15,644
CAD currency swap	CAD	20,000	2.3%	-	-1,578
EUR interest rate swap	EUR	50,000	0.3%	-	-248
Fair value hedge					
USD currency swap	USD	115,000	n.a.	10,279	-
No hedge accounting					
EUR Interest rate swap	EUR	325,391	0.3% - 3.1%	4,266	-2,120
Total				**24,289**	**-27,709**

The fair value of a hedging derivative is classified as long-term if the remaining maturity of the hedged item is longer than 1 year and as a current asset or liability if the remaining maturity is less than 1 year.

The remaining term of the derivatives for interest and currency conversion on a principal basis is as follows:

December 31, 2021

(x € 1,000)	EUR	USD	GBP	CAD
- up to 1 year	50,000	-	-	-
- between 1 and 5 years	269,000	192,500	15,000	-
- more than 5 years	232,975	-	65,000	20,000
Total	**551,975**	**192,500**	**80,000**	**20,000**

				December 31, 2020
- up to 1 year	84,416	115,000	-	-
- between 1 and 5 years	100,000	180,000	15,000	-
- more than 5 years	190,975	12,500	65,000	20,000
Total	**375,391**	**307,500**	**80,000**	**20,000**

The following amounts have been recognized in shareholders equity in relation to hedge accounting:

December 31, 2021

(x € 1,000)	EUR	USD	GBP	CAD	Total in EUR
Effective part fair value changes in cashflow hedging	55	-2,464	-3,546	-165	-6,120
Changes in fair value of cost of hedging	-	48	823	-190	681
Net effect in equity	**55**	**-2,416**	**-2,723**	**-355**	**-5,439**

December 31, 2020					
Effective part fair value changes in cashflow hedging	414	7,396	3,531	992	12,333
Changes in fair value of cost of hedging	-	31	792	-88	735
Net effect in equity	**414**	**7,427**	**4,323**	**904**	**13,068**

In 2021, there was no impact on the income statement as a result of ineffectiveness of hedges (2020: € 0.3m loss).

Regarding fair value hedge derivatives, a loss of € 0.7m (2020: € 1.6m loss) has been included in net interest, and a gain for the same amount has been recorded on the same line in the income statement for the hedged item. The fair value hedge matured in 2021.

Derivatives

Derivatives include (cross currency) interest rate swaps whose fair value has been determined by a calculation model based on contractual and market interest rates (level 2). In the models the counter party risk has been considered via the non-current exposure method.

Changes in the fair value of derivative financial instruments for interest conversion are accounted for as financial assets at fair value through profit and loss. During 2021 a negative amount of € 1.2m was charged to the other financial income and expense (2020: € 5.7m positive) relating to these financial assets. In addition, net interest decreased by € 3.5m (2020: € 5.4m) as a result of derivative financial instruments for interest conversion.

Credit risk

During 2021 the market value of the interest swaps changed as a result of movement in underlying interest rates. The full value of the derivative financial instruments is exposed to credit risk and is not mitigated by other instruments. The credit risk of counter parties is monitored on a continuous basis.

23 Financial assets and liabilities

Financial risks

Wereldhave's financial risks management focuses on the unpredictable nature of the financial markets and aims to minimize adverse effects on the Group's financial position and performance. Wereldhave is exposed to the following financial risks:

Market and interest risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from open positions in foreign currencies and interest-bearing liabilities, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to currency and interest rate risk that may be accepted, which are monitored on a monthly basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

The Group's interest rate risk is monitored by the Group's management on a monthly basis. The interest rate risk policy has been approved by the Board of Management. Management analyses the Group's interest rate exposure on a dynamic basis. Various scenarios are simulated, taking into consideration refinancing, renewal of existing positions and alternative financing sources. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions. The simulation is done on a monthly basis to verify that the maximum potential loss is within the limits set by management. Trade receivables and payables (other than tenant deposits) are interest-free and have settlement dates within one year.

The Group manages its exposure to changes in interest rates and its overall cost of financing by using interest rate swap agreements. These interest rate swap agreements are used to transform the interest rate exposure on the underlying liability from a floating interest rate into a fixed interest rate. It is the Wereldhave's policy to keep at least 50% of its borrowings at fixed rates of interest. In the current low interest rate environment Wereldhave has fixed the interest rate for 88% (2020: 69%) of its debt.

Sensitivity
A change in interest rate by 1% will impact the result and equity by € 1.0m (2020: € 3.8m) and earnings per share and asset value per share by € 0.02 (2020: € 0.10).

Currency risk
Wereldhave operates in euro countries only. The currency risks relate to USD, GBP and CAD denominated US Private Placement Notes and have been fully hedged to euro through cross currency swaps. Refer to note 17 for an overview of loans denominated in foreign currencies.

Liquidity risk
Wereldhave manages its liquidity risk on a consolidated basis with cash provided from rental income being a primary source of liquidity. The Group manages short-term liquidity based on a rolling forecast for projected cash flows for a twelve-month period.

Besides the cash from operations, fluctuations in the liquidity requirements are accommodated by means of several committed revolving credit facilities of in total € 525m. The facilities will expire for € 35m in 2022, € 50m in 2023, € 415m in 2024 and € 25m in 2026.

As at year-end 2021, no borrowing under the committed facilities were made (2020: € 299m). The interest and repayment obligations for 2022 are covered by means of cashflow and available facilities.

Liquidity risk is furthermore managed by maintaining strong capital ratios, keeping strong relationships with various international banks and financial markets, and maintaining sufficient credit facilities (committed and uncommitted), see note 17.

Wereldhave must at all times meet its obligations under the loans it has taken out, including the interest cover ratio. The interest cover ratio is calculated by dividing the net rental income by the net interest payable. This ratio must not be less than 2. The 2021 interest cover ratio was 5.8 (2020: 5.3). Wereldhave must also meet solvency requirements: equity (less intangible assets) and deferred tax liabilities should amount to at least 40% of total assets (less intangible assets). At year-end 2021, the solvency was 53.8% (2020: 48.7%). During the period, the Group did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements. Apart from these obligations and commitments, Wereldhave's tax status imposes financing limits.

Wereldhave is funded with a diversity of financing instruments in money markets and capital markets. Debt maturities are chosen in line with the long-term character of Wereldhave's assets. Consequently, Wereldhave has a well-spread maturity profile.

Financial transactions are only concluded with the prior approval of the Board of Management and the Supervisory Board for bonds and other tradable debt instruments.

Credit risk

Wereldhave's maximum exposure to credit risk in the event that a counterparty fails to fulfil its obligations in relation to each class of recognized financial asset, including derivatives, is the carrying amount of those assets in the consolidated statement of financial position. Reference relating to the credit risk in the derivatives is made in note 8 and 22.

Standard lease terms include that rent has to be paid upfront and every tenant's creditworthiness is verified before entering a new lease. The credit risk related to lease contracts is mitigated by bank guarantees and deposits received from tenants. The maximum credit risk is the carrying amount less bank warranties and deposits received from tenants. Wereldhave monitors this creditworthiness per tenant and determines via management reports the adequacy of the provision for doubtful debtors.

The Group uses a provision matrix to measure the expected credit losses on trade receivables. Trade receivables have been grouped based on shared credit risk characteristics and the days past due to measure the expected credit losses. The provision matrix is initially based on the Group's historical observed loss rates and adjusted to reflect current and forward-looking information, such as macroeconomic factors.

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables at December 31, 2021

	2021		
(x € 1,000)	Expected loss rate	Gross carrying amount	Provision
Due	0%	6,592	-
Past due less than 1 month	17%	2,292	380
Past due between 1 and 3 months	32%	1,181	373
Past due between 3 and 12 months	69%	6,681	4,606
Past due over 12 months	76%	8,704	6,607
Total		**25,451**	**11,966**

The movement in the loss allowance for trade receivables during the year was as follows.

(x € 1,000)	2021	2020
Balance at January 1	**25,891**	**9,100**
Disposals	-10,339	-
Amounts written off	-14,155	-7,217
Net remeasurement of loss allowance	10,568	24,009
Balance at December 31	**11,966**	**25,891**

Trade receivables are written off when there is no reasonable expectation of recovery while taking into consideration deposits, guarantees and recoverable taxes. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure to make contractual payments for a period of greater than 90 days past due.

Sensitivity of credit risk on lease income

In case 1% of the annual rent is not paid, the effect on the gross rental income amounts to € 1.3m (2020: € 1.8m) and € 0.03 (2020: € 0.04) on the result per share. If 10% of debtors would default on payment, this would impact results by a maximum of € 1.6m (2020: € 2.6m). As a result of such default, result per share would decrease by € 0.04 (2020 € 0.06).

Wereldhave's maximum exposure to credit risk in the event that a counterparty fails to fulfil its obligations in relation to each class of recognized financial asset, including derivatives, Wereldhave's maximum exposure to credit risk in the event that a counterparty fails to fulfil its obligations in relation to each class of recognized financial asset, including derivatives, is the carrying amount of those assets in the consolidated statement of financial position. To limit credit or counterparty risk, only financial institutions with an investment grade credit rating are eligible as counterparties for financial transactions.

Concentration of credit risk

Concentration of risk occurs when a single financial risk is borne by one party or when several financial risks are concentrated within one or a few parties. Wereldhave mitigates the concentration risk with regard to interest, currency and liquidity risk by concluding interest and currency derivatives and loans with several financial parties. The credit risk further reduced by the size and diversification of the tenant portfolio as a result of which there is no concentration of risk.

Maturity of and interest payable on debt

The maturity and interest payable of debt (up to 12 months including trade payables and derivative financial liabilities) and future contractual interest payments is as follows:

			December 31, 2021
(x € 1,000)	Principal	Interest	Total
- up to 1 year	154,694	15,708	170,402
- between 1 and 2 years	106,385	13,318	119,703
- between 2 and 5 years	335,749	24,338	360,087
- more than 5 years	232,149	11,084	243,233
Total	**828,977**	**64,448**	**893,425**
			December 31, 2020
- up to 1 year	296,308	21,165	317,473
- between 1 and 2 years	196,000	18,681	214,681
- between 2 and 5 years	511,131	37,240	548,371
- more than 5 years	265,801	24,014	289,815
Total	**1,269,240**	**101,100**	**1,370,340**

The difference between the sum of the nominal principal values and the carrying amount of € 1.7m (2020: € 1.2m) consists of the amortized costs of € 1.7m (2020: € 2.5m) and the positive fair value adjustment on hedged items of nil (2020: € -1.3m).

With regard to the interest on debt with variable interest rates, the rates prevailing at the balance sheet date have been used to determine the future outgoing cash flow. In addition to the financial liabilities mentioned above Wereldhave has a tenant deposit liability for an amount of € 6m (2020: € 12m). Tenants are obliged to deposit cash or give a guarantee when entering a lease contract.

Financial assets and liabilities

The table below gives an overview of financial assets and liabilities discussed in previous notes. The first column shows the IFRS categories and subsequent columns the IFRS classes of financial instruments are shown.

(x € 1,000)	Note	amortized cost	Financial assets at fair value through profit and loss	Total
December 31, 2021				
Assets				
Financial assets	8	3,419	16,398	19,818
Trade and other receivables	9	35,818	-	35,818
Cash and cash equivalents	11	26,769	-	26,769
Total		**66,006**	**16,398**	**82,404**
Liabilities				
Interest bearing debts	17	814,850	-	814,850
Tenants deposits	19	5,757	-	5,757
Lease liabilities	19	18,306	-	18,306
Derivative financial instruments	22	-	18,379	18,379
Trade payables		12,337	-	12,337
Total		**851,250**	**18,379**	**869,629**
December 31, 2020				
Assets				
Financial assets	8	2,790	24,289	27,079
Trade and other receivables	9	51,167	-	51,167
Cash and cash equivalents	11	67,000	-	67,000
Total		**120,957**	**24,289**	**145,246**
Liabilities				
Interest bearing debts	17	1,252,779	-	1,252,779
Tenants deposits	19	12,150	-	12,150
Lease liabilities	19	19,920	-	19,920
Derivative financial instruments	22	-	27,709	27,709
Trade payables		14,864	-	14,864
Total		**1,299,713**	**27,709**	**1,327,423**

Fair values of financial assets and liabilities are equal to the carrying amounts, unless mentioned otherwise in the separate notes. There are no financial assets and liabilities held for trading at fair value that are accounted for through profit and loss.

Where applicable, specific risks and further characteristics per financial assets and liabilities are discussed in the related notes.

Off balance sheet assets and liabilities

The Group has contracted capital commitments for an amount of € 18m (2020: € 22m) with regard to investment properties under construction. The Group has undrawn committed credit facilities for an amount of € 525m (2020: € 306m).

The maturity of the Group capital commitments is as follows:

(x € 1,000)	2021	2020
- up to 1 year	18,268	20,577
- between 1 and 5 years	-	1,340
- > year 5	-	-
Total	**18,268**	**21,917**

24 Fair value measurement

The following table analyses financial instruments carried at fair value, by valuation method. The different levels are defined as follows:

Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). There were no transfers between levels during the year under review. The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

(x € 1,000)	Total	Fair value measurement using Quoted prices (Level 1)	Observable input (Level 2)	Unobservable input (Level 3)
2021				
Assets measured at fair value				
Investment property in operation	1,912,753	-	-	1,912,753
Investment property under construction	13,073	-	-	13,073
Investments held for sale	6,525	-	-	6,525
Financial assets				
Derivative financial instruments	16,398	-	16,398	-
Liabilities for which the fair value has been disclosed				
Interest bearing debt	843,308	-	843,308	-
Derivative financial instruments	18,379	-	18,379	-
2020				
Assets measured at fair value				
Investment property in operation	2,518,911	-	-	2,518,911
Investment property under construction	46,036	-	-	46,036
Investments held for sale	3,200	-	-	3,200
Financial assets				
Derivative financial instruments	24,289	-	24,289	-
Liabilities for which the fair value has been disclosed				
Interest bearing debt	1,308,266	-	1,308,266	-
Derivative financial instruments	27,709	-	27,709	-

25 Gross rental income

Lease contracts specify the rent, the other rights and obligations of the lessor and the lessee, including notice and renewal options as well as service and operating cost charges. Lease contracts have various expiry terms and break clauses. Rent indexation is agreed in countries where indexation is usual or legally permitted.

The disposals in 2021 of In de Bogaard, Etten-Leur and Koningshoek in the Netherlands as well as Docks 76, Docks Vauban, Rivetoile and Saint Sever shopping centers in France reduced our gross rental income compared to 2020.

Service cost paid and received are not included in gross rental income. Rental losses as a result of vacancy, expressed as a percentage of theoretical rent, amounted to 10.1% in 2021 (2020: 7.7%).

Rental income based on turnover of the tenant amounts to 3.8% (2020: 3.2%) of gross rental income. Lease incentives provided to tenants amounts to 2.2% (2020: 1.9%) of gross rental income.

A change in the average occupancy rate by 0.5% results in a change of gross rental income by € 0.9m (excluding impact service costs).

The aggregate contractual rent from lease contracts as at December 31, 2021 is shown in the following table (lease contracts with turnover related clauses are accounted for assuming the base rent only):

(x € 1,000)	2021	2020
- up to 1 year	128,872	172,089
- between 1 and 5 years	365,547	472,025
- more than 5 years	225,381	300,184

26 Property expenses

(x € 1,000)	2021	2020
Property maintenance	762	996
Property taxes	3,571	4,810
Insurance premiums	869	445
Property management	5,825	6,858
Leasing expenses	1,553	749
Doubtful debt	10,568	24,009
Other operating costs	8,182	9,377
Total	**31,329**	**47,243**

Doubtful debt expenses decreased mainly as the impact of covid-19 arrangements and provisions was less severe than in 2020. Other operating costs includes amongst other parking costs as well as promotion and marketing costs.

27 Valuation results

(x € 1,000)	2021	2020
Investment properties in operation and investments held for sale		
Valuation gains	9,639	2,393
Valuation losses	-75,519	-292,395
Total	**-65,880**	**-290,002**
Investment properties under construction		
Valuation gains	-	-
Valuation losses	-	-3,062
	-	**-3,062**
Total	**-65,880**	**-293,064**

28 Results on disposals

(x € 1,000)	2021			2020		
	Properties	Subsidiaries	Total	Properties	Subsidiaries	Total
Gross proceeds	92,441	302,956	395,397	104,267	-	104,267
Selling costs	-514	-5,965	-6,479	-431	-	-431
Net proceeds	**91,927**	**296,991**	**388,918**	**103,836**	**-**	**103,836**
Book value	-106,280	-511,077	-617,357	-103,633	-	-103,633
Total	**-14,353**	**-214,086**	**-228,439**	**202**	**-**	**202**

The result on disposals relates to the sales disclosed in note 5.

29 General costs

(x € 1,000)	2021	2020
Salaries and social security contributions	22,178	18,344
Pension costs	1,282	1,396
Other employee costs	1,842	2,420
Audit and advisory fees	2,132	2,600
Office costs	4,141	4,112
Other general costs	5,788	3,477
	37,362	**32,349**
Allocated and recharged	-18,474	-18,161
Total	**18,888**	**14,188**

The allocation and recharges relate to expenses charged to third parties and allocation of costs to property expenses and developments projects.In 2021, the general costs included a total of € 5.8m which mainly relates the closure of the French management office. An amount of € 4.1m is included in salaries and social security contributions, € 0.5m in office costs and € 1.2m in other general costs.

Employees
During the year 2021 an average of 173 persons (2020: 177) based on full-time basis were employed by the Group, of which 71 (2020: 74) in the Netherlands and 102 (2020: 103) abroad.

Remuneration of the members of the Supervisory Board and the Board of Management

The Supervisory Board members and the members of the Board of Management are considered to be key management personnel. The remuneration policy was last approved at the Annual General Meeting of Shareholders on April 24, 2020. Remuneration is indexed annually with the consumer price index.

Supervisory Board:

	2021	2020
A. Nühn	68	66
G. van de Weerdhof	-	17
H. Brand	56	53
F. Dechesne	57	52
Total	**181**	**188**

The members of the Supervisory Board do not hold shares or options in Wereldhave N.V. The Company has not issued loans, advances or financial guarantees to members of the Supervisory Board. Shares or options on shares have not been and will not be awarded to members of the Supervisory Board.

Board of Management:

(x € 1,000)	Fixed income	STI	LTI	Pension and pension compensation	Social charges	Total
2021						
M. Storm	559	325	335	78	13	1,310
A.W. de Vreede	403	235	242	65	13	958
Total	**962**	**560**	**577**	**143**	**26**	**2,268**
2020						
M. Storm	531	224	331	76	13	1,175
A.W. de Vreede	384	161	239	60	13	857
Total	**915**	**385**	**570**	**136**	**26**	**2,032**

Short-term incentive

The short-term incentive ("STI") is based on performance against the following targets:

- 50% is based on the Total Property Return in the Benelux compared to the MSCI index
- for retail property returns in the Benelux;
- 20% is based on the Net Promoter Score ("NPS");
- 20% is based on the average footfall increase for the Benelux; and
- 10% is determined by achievement of individual targes of Board members.

The STI is based on 40% of the fixed annual income. A minimum of zero and a maximum of 1.5 times the STI may become payable depending on performance. A pro rata pay-out applies between the threshold of 50% of target and the maximum of 150% of target.

The performance for 2021 resulted in an STI of € 325,124 for Mr. Storm and € 234,683 for Mr. de Vreede.

Long-term incentive

The long-term incentive ("LTI") is based on performance against the following targets:

- 75% is based on Relative Total Shareholder Returns; and
- 25% is based on GRESB score.

The LTI is based on 60% of the fixed annual income. A minimum of zero and a maximum of 2.5 times the LTI may become payable depending on performance.

(x € 1,000)	Vesting period ends	Long-term incentive	Accounted in financial statements 2021	Accounted in earlier financial statements	Total accounted for
Financial year granted					
2021 - M. Storm	30-apr-24	335	117	-	117
2020 - M. Storm	28-apr-23	331	-28	110	82
2019 - M. Storm	n.a.	-	-	-	-
2021 - A.W. de Vreede	30-apr-24	242	85	-	85
2020 - A.W. de Vreede	28-apr-23	239	-21	80	59
2019 - A.W. de Vreede	n.a.	-	-	-	-
2018 - A.W. de Vreede	n.a.	-	-	-	-

Mr. Storm holds a total of 71,185 shares at December 31, 2021, of which 10,061 are unconditional or private investment. The current fair value of the shares owned by Mr. Storm amounts to € 911,168 based on the stock exchange price of € 12.80 per share as per December 31, 2021.

Mr. de Vreede holds a total of 51,383 shares at December 31, 2021, of which 8,000 are unconditional or private investment. The current fair value of the shares owned by Mr. de Vreede amounts to € 657,702 based on the stock exchange price of € 12.80 per share as per December 31, 2021.

The Company has not granted loans, advances or financial guarantees to members of the Board of Management. The model to calculate the fair value of the share awards incorporates the ranking of the total shareholder returns of the Company against the defined peer companies.

30 Other income and expenses

Other income and expenses € -0.2m (2020: € -0.2m) relates to investment and divestment activities, project related and other costs that cannot be directly linked to the operational activities.

31 Net interest

(x € 1,000)	2021	2020
Interest paid	-23,856	-27,551
Interest on lease liability	-1,027	-1,062
Capitalized interest	726	565
Amortized costs loans	-605	-852
Total interest charges	**-24,762**	**-28,900**
Interest received	13	16
Total	**-24,749**	**-28,884**

Capitalized interest in connection with developments is based on the Group's weighted average cost of debt. During 2021, the range of weighted average interest rates used was 1.9% - 2.3% (2020: 1.9% - 2.0%). The average nominal interest rate at year end 2021 was 2.3% (2020: 1.9%). The line item 'interest paid' includes costs related to fees paid for undrawn parts of committed financing facilities amounting to € 1.8m (2020: € 1.4m).

32 Other financial income and expenses

(x € 1,000)	2021	2020
Exchange rate differences	65	-89
Adjustments financial instruments	-1,198	6,267
Other	-	1,206
Total	**-1,133**	**7,384**

33 Income tax

(x € 1,000)	2021	2020
Result before tax	-214,628	-195,699
Income tax rate for REIT	0%	0%
Expected income tax for REIT	-	-
Tax effect of amounts not deductible (taxable) in calculating taxable income		
Tax on non-REIT income	-53	-14
Tax benefit resulting from current year loss	1,483	493
Adjustment prior periods	-35	853
Other	-60	147
Income tax	**1,336**	**1,479**
Weighted average tax rate	0.6%	0.8%

For 2021 the current tax charge is € 0.3m (2020: € 0.9m) and the deferred tax charge was € 1 .0m (2020: € 0.5m). The applicable tax rates for Group companies vary from 0% for tax-exemp entities up to 27%.

The weighted average tax rate varies yearly, mainly because the valuation results are taxed differently for the tax-exempt and tax-based countries. There are no tax effects relating to other comprehensive income or amounts directly credited to equity (2020: none).

34 Summarized financial information on subsidiaries

All subsidiaries are included in the consolidation. The proportion of voting rights held by the parent or by the Group companies in the subsidiaries do not differ from the proportion of ordinary shares held. The parent does not have any shareholding in preference shares of subsidiaries in the Group.

The total amount of non-controlling interest at year-end 2021 amounts to € 228.7m (2020: 210.4m).

List of Subsidiaries

Name	Country of incorporation	Proportion of ordinary shares Held by parent (%)	Proportion of ordinary shares Held by the group (%)	Proportion of ordinary shares Held by non-controlling interests (%)
West World Holding N.V.	Netherlands	100.00		
N.V. Wereldhave International	Netherlands	100.00		
Wereldhave Nederland B.V.	Netherlands		100.00	
Wereldhave Development B.V.	Netherlands	100.00		
Relovast V B.V.	Netherlands		100.00	
Relovast VI B.V.	Netherlands		100.00	
Royalton Real Estate B.V.	Netherlands		100.00	
Royalton Square B.V.	Netherlands		100.00	
Royalton Hill B.V.	Netherlands		100.00	
WH Tilburg Zuid (Heuvelstraat) B.V.	Netherlands		100.00	
Wereldhave Management Holding B.V.	Netherlands	100.00		
Wereldhave Management Nederland B.V.	Netherlands		100.00	
NODA SAS	France	100.00		
Wereldhave Retail France SAS	France	100.00		
SCI Bordeaux Bonnac	France	0.01	99.99	
SAS WH Meriadeck	France		100.00	
SCI du CC Bordeaux Prefecture	France	0.01	99.99	
SAS WH Coté Seine	France		100.00	
SCI Marceau Coté Seine	France	0.01	99.99	
Wereldhave Management France SAS	France		100.00	
Wereldhave Belgium N.V.	Belgium	32.97	32.93	34.10
J-II N.V.	Belgium		100.00	
Waterloo Shopping BVBA	Belgium		100.00	
Wereldhave Management Belgium N.V.	Belgium		100.00	
Wereldhave Belgium Services N.V.	Belgium		100.00	
Espamad SLU	Spain	100.00		

Summarized financial information for Wereldhave Belgium

Summarized balance sheet	December 31, 2021	December 31, 2020
Current assets	21,928	21,593
Current liabilities	-88,439	-130,153
Total current net assets	**-66,511**	**-108,561**
Non-current assets	928,607	922,625
Non-current liabilities	-191,199	-163,517
Total non-current net assets	**737,408**	**759,109**
Net assets	**670,897**	**650,548**

(x € 1,000)	2021	2020
Summarized income statement		
Revenue	54,753	51,268
Profit before income tax	38,291	-22,154
Income tax expense/income	-100	6
Post tax profit from continuing operations	**38,191**	**-22,148**
Other Comprehensive Income	348	135
Total Comprehensive Income	**38,539**	**-22,013**
Total Comprehensive Income allocated to non-controlling interest	13,071	-7,246
Dividend paid to non-controlling interest	11,491	5,770

Summarized cash flows

(x € 1,000)	2021	2020
Cash flows from operating activities		
Cash generated from operations	47,474	39,954
Interest paid	-3,959	-2,790
Net cash generated from operating activities	**43,515**	**37,164**
Net cash used in investment activities	-9,163	-11,807
Net cash used in financing activities	-31,843	-26,664
Net increase in cash and cash equivalents and bank overdrafts	2,509	-1,307
Cash, cash equivalents and bank overdrafts at beginning of the year	3,030	4,337
Cash and cash equivalents and bank overdrafts at end of the year	**5,539**	**3,030**

35 Transactions with shareholders

In 2021 there were no transactions with shareholders that affected profit and loss.

36 Result and diluted result per share upon full conversion

Result per share

The results per share are calculated based on the total result after tax, attributable to holders of ordinary shares and the average number of ordinary shares in issue during the year.

(x € 1,000)	2021	2020
Result attributable to shareholders of the company	**-226,250**	**-186,932**
Number of issued shares as at January 1	40,270,921	40,270,921
Effect of purchased shares for remuneration on weighted average	-124,460	-58,473
Weighted average number of shares for fiscal year	40,146,461	40,212,448
Earnings per share	**-5.64**	**-4.65**

See note 38 for the proposed dividend for 2021.

37 Net asset value per share

Net asset value per share

The net asset value per share is calculated based on equity as presented in the balance sheet as at December 31 and the number of shares issued as at that date.

	2021	2020
Equity available for shareholders (x € 1,000)	**866,823**	**1,124,299**
Number of ordinary shares per 31 December	40,270,921	40,270,921
Purchased shares for remuneration	-146,594	-79,259
Number of ordinary shares per 31 December for calculation net asset value	**40,124,327**	**40,191,662**
Net asset value per share (x € 1)	**21.60**	**27.97**

38 Dividend

It is proposed to distribute to holders of ordinary shares a dividend of € 1.10 per share in cash in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax.

39 Related parties

The Board of Management, the Supervisory Board and subsidiaries of Wereldhave N.V. are considered to be related parties. The members of the Supervisory Board and of the Board of Management had no personal interest in any of the Company's investments during the year. For information about the directors´ remuneration and shareholding reference is made to note 29.

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions if such terms can be substantiated.

40 Events after balance sheet date

On February 4, 2022 an agreement was reached with Hudson's Bay Company ULC for the settlement of the rental guarantee with respect to the former HBC lease in Tilburg. The funds from the settlement were received on February 7, 2022.

Company balance sheet
at December 31, 2021

(x € 1,000)	Note	December 31, 2021	December 31, 2020
Assets			
Non-current assets			
Investments in subsidiaries	2	209,436	545,864
Other financial investments	3	1,193,689	1,473,972
Derivative financial instruments		14,912	13,965
Total non-current assets		**1,418,038**	**2,033,800**
Current assets			
Tax receivables		4,316	4,480
Cash and cash equivalents		542	-
Accruals		4,317	5,539
Group companies receivable		484,590	387,544
Short term derivatives		-	10,324
Other receivables		1,495	3,318
Total current assets	4	**495,260**	**411,204**
Total assets		**1,913,299**	**2,445,006**

(x € 1,000)	Note	December 31, 2021	December 31, 2020
Equity and liabilities			
Equity			
Share capital		40,271	40,271
Share premium		1,711,033	1,711,033
General reserve		-825,512	-667,387
Revaluation reserve		165,871	220,462
Hedge reserves		1,410	6,849
Result current year		-226,250	-186,932
Total equity	5	**866,823**	**1,124,296**
Non-current liabilities			
Interest bearing liabilities	6	531,044	818,285
Derivative financial instruments		17,389	25,341
Total non-current liabilities		**548,433**	**843,626**
Current liabilities			
Group companies payable		124,952	116,197
Short term liabilities	7	373,091	360,888
Total current liabilities		**498,043**	**477,085**
Total equity and liabilities		**1,913,299**	**2,445,006**

Company income statement

for the year ended December 31, 2021

(x € 1,000)	Note	2021	2020
General costs	9	-7,861	-6,161
Other income and expense	10	-193	-43
Operating result		**-8,054**	**-6,204**
Interest income		35,931	38,357
Interest charges		-18,745	-24,865
Net interest	11	**17,186**	**13,493**
Other financial income and expenses	12	-3,614	8,567
Results on disposals		-1,850	69
Result before tax		**3,668**	**15,925**
Income tax		-48	816
Result company after tax		**3,620**	**16,741**
Result from subsidiaries after tax	2	-229,870	-203,673
Result incl subsidiaries		**-226,250**	**-186,932**

Notes to the company financial statements

1 General

1.1 Principles for the presentation of the Company accounts

The Company accounts have been made up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code. The option provided by article 2:362 paragraph 8 of the Civil Code allows to apply the same principles for determining profit and loss and balance sheet items (including the principles of accounting for financial instruments under shareholders' equity or interest-bearing liabilities) as applied in the consolidated accounts.

The consolidated financial statements of Wereldhave N.V. have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. Reference is made to the notes to the consolidated annual accounts.

The annual accounts have been prepared before distribution of result with the exception where distribution is determined by law.

1.2 Investments in subsidiaries

Investments in subsidiaries and other entities in which the Group either exercises voting control or effective management responsibility are valued at net asset value. The initial processing in the accounts and valuations at balance sheet dates is made at the net asset value. The value is adjusted with the share of the Company in the results of the subsidiary, based on the principles for determining results as applied in the consolidated accounts and with the share in the other movements in equity of the subsidiary as from the date of acquisition, which are attributable to the Company. The net asset value is determined by valuing assets, provisions and liabilities and by determining results according to the principles which have been used in the consolidated accounts.

2 Investments in subsidiaries

Movements are as follows:

(x € 1,000)	2021	2020
Balance at January 1	**545,864**	**749,598**
Movements in pension schemes	164	57
Investments / divestments	-92,842	-1,367
Effect of stockdividend and share issue Belgium	1,232	13,173
Result from subsidiaries after tax	-229,870	-203,673
Dividends	-15,176	-12,110
Other	64	186
Balance at December 31	**209,436**	**545,864**

List of subsidiaries

At December 31, 2020, the Company had direct shareholdings in the following companies:

Country of incorporation		Direct shareholding (%)	Indirect shareholding (%)
Netherlands	West World Holding N.V.	100.00	
Netherlands	N.V. Wereldhave International	100.00	
Belgium	Wereldhave Belgium	32.97	32.93
Netherlands	Wereldhave Development B.V.	100.00	
Netherlands	Wereldhave Management Holding B.V.	100.00	
France	NODA S.A.S.	100.00	
France	Wereldhave Retail France S.A.S.	100.00	
France	SCI Bordeaux Bonnac	0.01	99.99
France	SCI du CC Bordeaux Prefecture	0.01	99.99
France	SNC Marceau Coté Seine	0.01	99.99
Spain	Espamad SLU	100.00	

3 Other financial investments

(x € 1,000)	Receivables from subsidiaries
Balance at January 1, 2020	**1,477,830**
Investments / withdrawal	4,142
Divestments / redemptions	-8,000
Balance at December 31, 2020	**1,473,972**
Investments / withdrawal	40,016
Divestments / redemptions	-320,299
Balance at December 31, 2021	**1,193,689**

The receivables from subsidiaries which are mentioned in this note have a maturity of more than one year.

4 Current assets

All current assets are due in less than one year. The fair value of the receivables coincides with the balance sheet valuation.

5 Equity

Share capital

The authorized share capital of the Company at December 31, 2021 amounts to € 150m divided over 75m ordinary shares of € 1 and 75m preference shares of € 1. The issued and paid up share capital amounts to € 40m, formed by 40,270,921 ordinary shares.

In the year 2021 67,335 shares were purchased for the long-term bonus of the Board of Management and employees (2020: 63,761). The movements in equity during 2021 and 2020 were as follows:

(x € 1,000)	Share capital	Share premium reserve	General reserve	Revaluation reserve[1]	Hedge reserve[1]	Cost of hedging reserve[1]	Result current year	Total
Balance at January 1, 2020	**40,271**	**1,711,033**	**-397,089**	**300,343**	**-6,569**	**350**	**-328,741**	**1,319,599**
Result 2019 distribution	-	-	-248,860	-79,881	-	-	328,741	-
Effective portion of change in fair value of cash flow hedges	-	-	-	-	12,333	-	-	12,333
Changes in fair value of cost of hedging	-	-	-	-	-	735	-	735
Shares for remuneration	-	-	-1,031	-	-	-	-	-1,031
Remeasurement of past employment obligations	-	-	57	-	-	-	-	57
Share based payments	-	-	725	-	-	-	-	725
Dividend over 2019	-	-	-25,370	-	-	-	-	-25,370
Result for the year [2]	-	-	-	-	-	-	-186,932	-186,932
Change non-controlling interest	-	-	4,210	-	-	-	-	4,210
Other	-	-	-29	-	-	-	-	-29
Balance at December 31, 2020	**40,271**	**1,711,033**	**-667,387**	**220,462**	**5,764**	**1,085**	**-186,932**	**1,124,296**
Balance at January 1, 2021	**40,271**	**1,711,033**	**-667,387**	**220,462**	**5,764**	**1,085**	**-186,932**	**1,124,296**
Result 2020 distribution	-	-	-140,166	-46,766	-	-	186,932	-
Effective portion of change in fair value of cash flow hedges	-	-	-	-	-6,120	-	-	-6,120
Changes in fair value of cost of hedging	-	-	-	-	-	681		681
Shares for remuneration	-	-	-937	-	-	-	-	-937
Remeasurement of past employment obligations	-	-	177	-	-	-	-	177
Share based payments	-	-	153	-	-	-	-	153
Dividend over 2020	-	-	-20,135	-	-	-	-	-20,135
Result for the year [2]	-	-	-	-	-	-	-226,250	-226,250
Change non-controlling interest	-	-	-5,032	-	-	-	-	-5,032
Other	-	-	7,815	-7,825	-	-	-	-10
Balance at December 31, 2021	**40,271**	**1,711,033**	**-825,512**	**165,871**	**-356**	**1,766**	**-226,250**	**866,823**

1 Legal reserves
2 The annual accounts have been prepared before distribution of result. With regard to the proposed result distribution reference is made to the other information paragraph

Share premium

Share premium is paid up share capital in excess of nominal value. There were no changes in the share premium in 2021. The amount of share premium that is recognized for tax purposes is € 1,716m (2020: € 1,716m).

General reserve

The General Meeting of Shareholders on April 26, 2021 determined the following allocation of the profit over 2020:

(x € 1,000)	
Distributed to holders of ordinary shares	20,135
Revaluation reserve subsidiaries	-46,766
General reserve	-160,301
Result after tax	**-186,932**

Dividend 2021

The 2021 dividend proposal is explained in the 'Proposed distribution of results' paragraph.

Revaluation reserve

In this reserve cumulative positive valuation results on property investments in subsidiaries are kept.

6 Interest-bearing liabilities

The maturity of interest-bearing liabilities (non-current and current) shows as follows:

	December 31, 2021					
(x € 1,000)	< 1 year	1 - 5 year	>5 year	Total long term	Total	December 31, 2020
Debt to financial institutions	75,000	299,451	231,594	531,044	606,044	990,097
Total	**75,000**	**299,451**	**231,594**	**531,044**	**606,044**	**990,097**

Capital repayments due within 12 months from the end of the financial year are included under short-term interest-bearing liabilities.

Average effective interest

2021	EUR	GBP	USD	CAD	Total
Short term interest bearing debt					
Bank loans and private placement	2.6%	-	-	-	2.6%
Interest rate swaps	-	-	-	-	-
Long term interest bearing debt					
Bank loans and private placement	2.4%	4.1%	4.4%	4.0%	3.4%
Cross currency interest rate swaps	-1.3%	-	-	-	-1.2%
Average	**2.5%**	**3.0%**	**2.8%**	**2.3%**	**2.7%**
2020					
Short term interest bearing debt					
Bank loans and private placement	1.6%	-	5.5%	-	3.8%
Interest rate swaps	-1.5%	-	-	-	-1.5%
Long term interest bearing debt					
Bank loans, private placement and EMTN	1.8%	4.1%	4.4%	4.0%	2.6%
Cross currency interest rate swaps	-1.1%	-	-	-	-1.1%
Average	**2.0%**	**4.1%**	**4.8%**	**4.0%**	**2.2%**

Fair value

The carrying amount and the fair value of long-term interest-bearing debts are as follows:

	December 31, 2021		December 31, 2020	
(x € 1,000)	carrying amount	fair value	carrying amount	fair value
Bank loans and private placements	531,044	558,981	818,285	873,006
Total	**531,044**	**558,981**	**818,285**	**873,006**

Currencies

There are loans closed in euro, pound sterling, US dollars and Canadian dollars.

7 Short-term liabilities

(x € 1,000)	December 31, 2021	December 31, 2020
Short term portion of long term debt	75,107	171,812
Creditors	412	849
Taxes on profit	322	1,382
Other debts	297,250	186,845
Total	**373,091**	**360,888**

8 Off-balance sheet assets and liabilities

The Group has no off-balance sheets assets or liabilities.

9 General costs

(x € 1,000)	2021	2020
Salaries and social security contributions	2,596	2,179
Pension costs	48	45
Other employee costs	64	104
Audit and advisory fees	427	551
Office costs	326	574
Other general costs	7,682	7,096
	11,141	**10,549**
Allocated and recharged	-3,280	-4,388
	-3,280	**-4,388**
Total	**7,861**	**6,161**

The allocation and recharges relate to expenses charged to third parties and allocation of costs to property expenses and development projects.

Employees

During 2021 the legal entity employed an average of 2 persons (2020: 2). The employees worked in the Netherlands.

Remuneration of the members of the Supervisory Board and the Board of Management

The Supervisory Board members and the members of the Board of Management are considered to be key management personnel. The remuneration policy was last approved at the Annual General Meeting of Shareholders on April 24, 2020. Remuneration is indexed annually with the consumer price index.

10 Other income and expense

Other income and expenses € -0.2m (2020: € -0.1m) relate to investment and divestment activities, project related and other costs that cannot be directly linked to the operational activities. These costs are partly compensated by other subsidiaries.

11 Net interest

(x € 1,000)	2021	2020
Interest paid	-18,140	-24,013
amortized costs loans	-605	-851
Total interest charges	**-18,745**	**-24,865**
Interest received	35,931	38,357
Total	**17,186**	**13,493**

During 2021, the range of weighted average interest rates used was 2.1% - 2.7% (2020: 1.9% - 2.0%). The average nominal interest rate at year end 2021 was 2.7% (2020: 2.2%). The line item ‘interest paid’ includes costs related to fees paid for undrawn parts of committed financing facilities amounting to € 1.1m (2020: € 1.2m). Interest received relates to loans provided to subsidiaries.

12 Other financial income and expenses

(x € 1,000)	**2021**	2020
Exchange rate differences	-7	2
Adjustments financial instruments	-3,607	8,565
Total	**-3,614**	**8,567**

13 Audit fees

In 2021 Wereldhave N.V. and its subsidiaries have accounted for the following costs from the Group auditor KPMG:

(x € 1,000)	**2021**	2020
Audit of the Annual Accounts	492	576
Other assurance services	28	17
Tax advisory services	-	-
Total	**520**	**593**

KPMG provided, in addition to the statutory audit of the financial statements, assurance services in relation to financing transactions, ground rent settlements and issuance of stock dividend. The other assurance services are in compliance with Independence Regulations.

Of the total amount of audit fees € 271k (2020: € 280k) relates to the Netherlands. This consist of an amount of € 265k (2020: € 273k) for the audit of the Annual Accounts and € 6k (2020: € 7k) for other audit activities.

All fees are in compliance with the Independence Regulations.

14 Management and members of the Supervisory Board

For the remuneration of the members of the Board of Management and Supervisory Board reference is made to note 29 in the consolidated annual accounts.

15 Related parties

All Group entities are treated as related parties. Reference is made to note 39 in the consolidated annual accounts.

16 Contingencies

General guarantees as defined in Art. 403, Book 2 of the Dutch civil code has been given by the Company for a number of subsidiaries in the Netherlands.

The Company is the head of the corporate income tax and VAT units for which Dutch subsidiaries are also included. The Company is also jointly and severally liable for the tax units as a whole.

17 Events after balance sheet date

On February 4, 2022 an agreement was reached with Hudson's Bay Company ULC for the settlement of the rental guarantee with respect to the former HBC lease in Tilburg. The funds from the settlement were received on February 7, 2022.

Schiphol, March 7, 2022

Supervisory Board
A. Nühn
H. Brand
F. Dechesne

Board of Management
M. Storm
A.W. de Vreede

Other information

Rules for the distribution of results are set out in Article 25 of the Company's Articles of Association. The preference shareholders have a first call on results in the form of a dividend distribution on the paid-up nominal share value at a percentage rate equal to the twelvemonth money market rate (European Interbank Offered Rates), valid for the first exchange day of the financial year concerned plus a surcharge of 1.5%, or if this amount is not available, as much is available from the distributable result. Distribution of the remaining balance available for distribution is determined by the Annual General Meeting of

Shareholders. Proposed distribution of results
It is proposed to distribute to holders of ordinary shares a dividend of € 1.10 per share in cash in order to meet the distribution obligations under Dutch tax law, subject to dividend withholding tax.

(in €m)	**2021**
Profit	-226.3
Proposed dividend	44.1
Revaluation reserve subsidiaries	-46.8
General reserve	-223.6
	-226.3

Independent auditor's report

To: the General Meeting of Shareholders and the Supervisory Board of Wereldhave N.V.

Report on the audit of the financial statements 31 December 2021 included in the annual report

Our opinion

In our opinion:

— the accompanying consolidated financial statements give a true and fair view of the financial position of Wereldhave N.V.as at 31 December 2021 and of its result and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

— the accompanying company financial statements give a true and fair view of the financial position of Wereldhave N.V. as at 31 December 2021 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2021 of Wereldhave N.V. (the Company) based at Schiphol. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1 the consolidated statement of financial position as at 31 December 2021;

2 the following consolidated statements for 2021: income statement and statements of comprehensive income, changes in equity and cash flow; and

3 the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1 the company balance sheet as 31 December 2021;

2 the company income statement for 2021 and

3 the notes comprising a summary of the accounting policies and other explanatory information.

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Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Wereldhave.N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit procedures were determined in the context of our audit of the financial statements as a whole. Our observations in respect of going concern, fraud and non-compliance with laws and regulations, climate change and the key audit matters should be viewed in that context and not as separate opinions or conclusions.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit approach

Summary

Materiality

Materiality of EUR 8 million (2020: 8 million)

0.7% of total equity (2020: 0.6%)

Materiality for accounts in the income statement related to direct result: EUR 4.0 million

Group audit

- Full scope audit in all significant components performed by KPMG auditors
- 100% of investment property (2020: 100%)
- 100% of gross rental income (2020: 100%)

Going concern, Fraud/Noclar and Climate change

- Going concern: no significant going concern risks identified;
- Fraud & Non-compliance with laws and regulations (Noclar): in our audit we incorporate the risks of material misstatements of the financial statements due to management override of controls and acquisition and disposals of investment properties; and
- Climate change: management's response to possible future effects of climate change and their anticipated outcomes have been disclosed in chapter 'Performance: Society & community' of the annual report. We have considered the impact of climate change related events and conditions on our identification or assessment of risks of material misstatement in the financial statements.

Key audit matters

- Valuation of investment property
- Valuation of derivatives
- Acquisitions and Disposals of investment properties

Opinion

Unqualified opinion

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Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 8 million (2020: EUR 8 million). The materiality is determined with reference total equity (2021: 0.7% (2020: 0.6%). We consider total equity as the most appropriate benchmark because this benchmark best fits the nature of Wereldhave's operations and equity is deemed most relevant for the investors and other users of the financial statements. For accounts in the income statements related to direct result (which primarily excludes valuation results) we determined materiality at EUR 4 million (2020: EUR 4 million). This direct result is an important measure for the performance of the Company's current portfolio and important for the investors and other users of the financial statements

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements identified during our audit in excess of EUR 400 thousand for the financial statements as a whole (2020: EUR 400 thousand) and EUR 200 thousand for accounts related to direct result (2020: EUR 200 thousand) which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Wereldhave N.V. is at the head of a group of components. The financial information of this group is included in the financial statements of Wereldhave N.V..

Our group audit mainly focused on significant components. The group manages its investment property through its subsidiaries in the Netherlands, Belgium and France. Each of these subsidiaries is individually significant in the context of the group's financial statements. Therefore, we have worked with KPMG audit teams in each of the aforementioned countries to perform a full scope audit of the financial information of these subsidiaries.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for operating companies and issued audit instructions to component auditors. As group auditor we were involved in the full-scope audits performed by component auditors.

Our involvement included participation in planning discussions with component auditors, virtual meetings with the component auditors to discuss the results of component audits and discussions on the valuation of investment property with independent appraisers engaged by the company. We also reviewed the component audit files and verified that the audit work had been carried out in accordance with our instructions.

We have:

- performed audit procedures ourselves at the holding and at Wereldhave Netherlands; and
- made use of the work of other auditors for the audit of Wereldhave Belgium and Wereldhave France;

The consolidation of the financial information of the group, the disclosures in the financial statements and certain topics that are performed at group level are audited by the group audit team. These topics include, but are not limited to, equity, group financing, audit work on the going concern assumption, derivatives and hedge accounting, assessment of the tax status and employee benefits.

In view of restrictions on the movement of people across borders, and also within significantly affected countries, we considered making changes to the planned audit approach to evaluate the component auditors' communications and the adequacy of their work. According to our original audit plan, we intended to visit the components in Belgium and France to review selected component auditor documentation. Due to the aforementioned restrictions, this was not practicable and we requested those component auditors to provide us with remote access to audit workpapers to perform these evaluations. In addition, due to the inability to arrange in person meetings with such component auditors, we have increased the use of alternative methods of communication with them, including through written instructions, exchange of e-mails and virtual meetings.

For the remaining components, which are clearly inconsequential and not in scope, we performed analytical procedures in order to corroborate that our scoping remained appropriate throughout the audit.

By performing the procedures mentioned above at group components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

A full scope audit of the reporting packages is performed for all significant components. The audit coverage as stated in the section summary can be further specified as follows:

— 100% of investment property; and

— 100% of gross rental income.

Audit response to going concern - no significant going concern risks identified

The Board of Management has performed its going concern assessment and has not identified significant going concern risks. To assess the management's assessment, we have performed, inter alia, the following procedures:

- We considered whether the management's assessment of the going concern risks included all relevant information of which we are aware as a result of our audit;
- We assessed whether developments in share price, including the discount in comparison with the net asset value per share, indicates a significant going concern risk;
- We analyzed the Company's financial position as at year end and compared it to previous financial year in terms of indicators that could identify significant going concern risks. In this analysis we also considered the net losses that the Company has incurred in recent years;
- We evaluated and challenged the reasonableness of the assumptions in respect of projected liquidity, including loan covenant compliance, available future cash flows from operating, financing and investing activities and projected key ratios for the future covenant calculations.

The outcome of our risk assessment procedures did not give a reason to perform additional audit procedures on management's going concern assessment.

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter 'Risk management and internal controls' of the annual report, the Board of Management describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations and the supervisory board separately reflects on this.

As part of our audit, we have gained insights into the Company and its business environment, and assessed the design and implementation of the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's code of conduct, whistleblowing procedures, incidents register and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with management and other relevant functions, such as Internal Audit / Legal / Compliance. As part of our audit procedures, we:

- assessed other positions held by management board members and/or other employees and paid special attention to procedures and governance/compliance in view of possible conflicts of interest;
- evaluated investigation reports on indications of possible fraud and non-compliance;
- evaluated correspondence with supervisory authorities and regulators, such as AFM, as well as legal confirmation letters.

In addition, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable to the Company and identified the following area as those most likely to have a material effect on the financial statements:

- Anti-money laundering laws and regulations; and
- Anti-bribery and corruption laws and regulations.

We evaluated the fraud and non-compliance risk factors to consider whether those factors indicate a risk of material misstatement in the financial statements.

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We rebutted the presumed fraud risk on revenue recognition in relation to gross rental income as there is limited perceived pressure on management and limited opportunity. Additionally, there is little judgement involved as the revenue related to gross rental income is contractually agreed.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, and responded as follows:

— **Management override of controls (a presumed risk)**

Risk:

— Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:

— We evaluated the design and the implementation of internal controls that mitigate fraud and non-compliance risks, such as the process related to journal entries.

— We performed a data analysis of high-risk journal entries related to revenue and investment properties and evaluated key estimates (Investment properties and Derivatives) and judgments for bias by the Company's management, derivative financial instruments and embedded derivative. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.

— We have inquired the (group) accounting staff whether they have been requested to make improper accounting entries.

— We have identified and tested relevant entity level controls (control environment, risk assessment process, communication and monitoring of controls).

— We incorporated elements of unpredictability in our audit, including testing the entire population of disposals of investment properties in some components.

— **Acquisitions and disposals of investment properties**

Please refer to the Key Audit Matter section below where we describe the risk and its audit response.

We communicated our risk assessment, audit responses and results to management and the Audit Committee of the Supervisory Board.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to climate risk

Management is responsible for preparing the financial statements in accordance with the applicable financial reporting framework, including considering whether the implications from climate risks and commitments have been appropriately accounted for and disclosed.

Management has performed its analysis of the impact of climate risks on the Company's business and operations going forward and on its accounting in the financial statements. In chapter 'Performance: Society & community' of the Annual Report, Management concluded that the effect of climate risks do not have a material impact on accounts and disclosures, including judgements and estimates in the financial statements.

The evaluation of the effectiveness of management's strategy against internal or external goals set is not in scope of our audit of the financial statements. As part of our audit we consider potential effects of climate-related risks on the accounts and disclosures, including estimates and judgements in the current year's financial statements to determine whether the financial statements are free from material misstatements. This includes discussion of the company's strategy in relation to climate change with management and those charged with governance.

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Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Compared to last year the key audit matters with respect to 'Tax status' and 'Liquidity risk related to COVID-19' are not included. The 'Tax status' is not considered a Key Audit Matter as we have not identified any non-compliance in previous year and for 'Liquidity risk related to COVID-19' this specifically relates to the financial year 2020.

Valuation of investment property

Description

The valuation of investment property is complex and requires judgement, both from management and the external appraisal firms hired by management. The valuation is dependent on valuation techniques using a number of assumptions to determine expected future cash flows. Assumptions include developments of market rent levels, vacancy rates, interest rates, maintenance expenses and transfer tax.

For these properties there is a lower level of certainty and more caution should be applied to the values than would be the case under normal market conditions. Management evaluated the impact of the uncertainty statements on the valuations and the associated disclosures. Due to the significance of investment property (representing 95.2% of total assets) and the estimation uncertainties, we consider this a key audit matter.

Refer for the accounting policies and estimates to the notes to the financial statements, note 3.6 Investment Property and note 3.32 Significant estimates in the accounts. For disclosure on Investment Property refer to note 5.

Our response

With involvement of KPMG auditors in the Netherlands, France and Belgium, our procedures for the valuation of investment property included:

— assessment of the valuation process with respect to the investment property as at year-end 2021, including evaluating design and implementation of related internal controls and tests of details at the significant components;

— verification of the accuracy and completeness of the rent roll data and other property related data used as input for the valuations performed by the external appraisal firms by comparing them to contracts;

— reconciliation of the rent roll data as per balance sheet date to the gross rental income as accounted for in the profit and loss statement;

— assessment of the objectivity and expertise of the external appraisal firms;

— involvement of our property valuation experts to verify the appropriateness of the valuation methodology and determine the mathematical accuracy of the valuation model.

— Additionally, the property valuation experts verified the valuation techniques applied with specific focus on the appropriateness of key assumptions in the valuation process, which consists of market rent levels and yield. This includes an assessment of the historical accuracy of the assumptions in previous periods, our understanding of the market and market developments and a comparison of assumptions and movements therein with publicly available data;

— discussion of the results of the valuation process and our findings and observations with management and the appraisal firms; and

— assessment of the adequacy of the related disclosures in relation to the requirements of EU-IFRS.

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Our observation

Overall, we assess that the assumptions and methodologies used, and related estimates resulted in a balanced valuation of investment property and concur with the related disclosures in the financial statements.

Valuation of derivatives

Description

Wereldhave N.V. uses derivatives (cross currency and interest rate swaps) to fix the exchange rate and interest rate risk on part of its floating aspects of its finance activities. The borrowings are used to finance investment property activities. Next to this Wereldhave N.V. has a number of embedded derivatives. As at 31 December 2021, Wereldhave N.V. has recognized derivative financial instruments at fair value, with a debit amount of EUR 16.4 million and a credit amount of EUR 18.4 million. Wereldhave N.V. has opted for cash flow hedge accounting principles regarding the currency derivatives.

As explained in Note 22 to the financial statements, the fair value of derivatives is based on fair value quotes from counterparties which are compared to the results of the internal valuation model using market data obtained from an independent recognized market data agency. As these valuations are complex, we consider this to be a key audit matter.

Our response

We used our valuation specialists to independently calculate the fair value of the derivatives and compared the outcome to the values calculated by Wereldhave N.V. We also evaluated Wereldhave N.V.'s assessment of the adjustment to the fair value for counterparty non-performance risk (or credit valuation adjustment / debit valuation adjustment – CVA / DVA). Additionally, we assessed the adequacy of the disclosures in line with the requirements of EU-IFRS.

Our observation

Overall we assess that the assumptions used and related estimates resulted in a neutral valuation without significant variances when compared with our own valuations. Furthermore, we determined that the related disclosures are in accordance with EU-IFRS.

Acquisitions and Disposals of investment properties

Description

Acquisitions and disposal of investment properties are significant transactions which are subject to error due to the nature of the transaction. Transactions often involve adjusting payments (earn-outs, rental guarantees, etc.) and are structured as asset deals or share deals (depending on tax considerations).

In relation to acquisitions and disposals of investment properties a potential fraud risk and corruption risk is identified to possible disproportional payments and use of agents in connection with transactions, obtaining permits and rationale of the transactions. Furthermore transaction values have been evaluated.

Our response

In addition to the procedures already mentioned in the section 'Audit response to the risk of fraud and non-compliance with laws and regulations' we performed the following procedures on the acquisitions and disposals of investment properties, with involvement of KPMG auditors in France and Belgium:

- Obtaining an understanding of the control activities including internal controls relevant to the risk;
- Testing of design and operating effectiveness of internal controls over the process; and
- Involvement of component auditors to perform audit procedures over acquisitions and disposals of investment properties to ensure these transactions are properly accounted for in line with the financial reporting standards. These procedures included obtaining the purchase or sales contracts, bank statements with related cash movements and accounting entries to record the initial purchase or result on disposition and reconciling the transfer of assets to the land registry;
- in respect of fraud risks related to transactions with investment property, component auditors obtained an understanding of management's anti-fraud controls (for example, counterparty due diligence, four-eyes principle, procurement procedures for development/construction contracts).

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- We also obtained and inspected contracts, if relevant, ourselves in order to understand the nature of the transaction.
- performed substantive procedures on individual acquisitions and disposals including verifying transfers of ownership in the land registry and verifying rationale on parties involved and fees involved in the transaction to identify possible indications of fraud and corruption.
- at Group level we also reviewed minutes of board meetings in which the transactions are discussed and approved by Management.

Our observation

Overall, we assess that the accounting of acquisitions and disposals of investment properties is reasonable and it has been adequately disclosed in the financial statements.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Management is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the General Meeting of Shareholders as auditor of Wereldhave N.V. on 26 April 2021, as of the audit for the year 2021 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

European Single Electronic Format (ESEF)

Wereldhave N.V. has prepared its annual report in ESEF. The requirements for this format are set out in the Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (these requirements are hereinafter referred to as: the RTS on ESEF).

In our opinion, the annual report prepared in the XHTML format, including the partially tagged consolidated financial statements as included in the reporting package by Wereldhave N.V., has been prepared in all material respects in accordance with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into a single reporting package. Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package, is in accordance with the RTS on ESEF.

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Our procedures taking into consideration Alert 43 of NBA (the Netherlands Institute of Chartered Accountants), included amongst others:

- obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package;
- obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
- examining the information related to the consolidated financial statements in the reporting package to determine whether all required taggings have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of The Board of Management and the Supervisory Board for the financial statements

The Board of Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, The Board of Management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect The Board of Management, under supervision of the Supervisory Board, is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, The Board of Management is responsible for assessing the Company’s ability to continue as a going concern. Based on the financial reporting frameworks mentioned, The Board of Management should prepare the financial statements using the going concern basis of accounting unless The Board of Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Management should disclose events and circumstances that may cast significant doubt on the company’s ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the Company’s financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in appendix of this auditor's report. This description forms part of our auditor’s report.

Amstelveen, 7 March 2022.

KPMG Accountants N.V.

H.D. Grönloh RA

Appendix:
Description of our responsibilities for the audit of the financial statements

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Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Board of Management;
- concluding on the appropriateness of The Board of Management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

APPENDIX

List of abbreviations

AGM	Annual General Meeting
AScX	Amsterdam Small Cap Index
bps	basis points
BREEAM	Building Research Establishment Environmental Assessment Method
CBS	Statistics Netherlands
CDP	Formerly Carbon Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CO_2	Carbon dioxide (eq. - equivalent)
CRREM	Carbon Risk Real Estate Monitor
CSAT	Customer satisfaction index
CSR	Corporate Social Responsibility
DIY	Do-it-yourself
DRPS	Direct result per share
ECB	European Central Bank
eNPS	Employee Net Promoter Score
EPC	Energy performance certificates
EPRA	European Public Real Estate Association
EPS	Earnings per share
ERV	Estimated rental value
ESEF	European single electronic reporting format
ESG	Environmental, Social & Governance
EU	European Union
F&B	Food & beverage
FSC	Full Service Center
FSMA	Financial Services & Markets Authority
FTE	Full-time equivalent

GDP	Gross Domestic Product
GRI	Global Reporting Initiative
ICR	Interest Coverage Ratio
IFRS	International Financial Reporting Standards
IR	Integrated Reporting
IRR	Internal rate of return
ISS	Institutional Shareholder Services
KPI	Key performance indicator
kWh	Kilowatt-hour
LED	light emitting diode
LTV	Loan-to-Value
MGR	Minimum Guaranteed Rent
MWh	Megawatt-hour
N/A	Not available
NAV	Net Asset Value
NIY	Net Initial Yield
NPS	Net Promoter Score
NRI	Net Rental Income
NTA	Net Tangible Assets
OECD	Organization for Economic Cooperation & Development
SBTi	Science-Based Targets initiative
SDG	Sustainable Development Goal
SFDR	Sustainable Finance Disclosure Regulation
SIIC	Société d’investissement immobilier cotée
VBDO	Dutch Association of Investors for Sustainable Development
VRF	Value Reporting Foundation
yoy	year-on-year

Contribution to Sustainable Development Goals

Sustainable Development Goal	Sustainability focus area	Alignment
7. Affordable and clean energy	Better footprint	Reduce carbon emissions 30% by 2030 – for those areas in our centers under our operational control
		Partner with tenants and visitors to reduce carbon and waste (ambition: net zero value-chain by 2050)
8. Decent work and economic growth	Better living	Aim for zero safety incidents in our centers
11. Sustainable cities and communities	Better nature, Better living	Increase m^2 of green areas on and around our centers with ecological value and climate resilience
		1% NRI-equivalent contribution to socio-economic and social inclusion initiatives
12. Responsible consumption and production	Better footprint	Increase recycling and zero waste to landfill
		Reduce water consumption
		Partner with tenants and visitors to reduce carbon and waste (ambition: net zero value-chain by 2050)
13. Climate action	Better nature	Increase % of Wereldhave buildings with plans in place to mitigate physical effects of climate change (extreme heat, flooding, storms etc.)
17. Partnership for the goals	All pillars	Partnering with suppliers, tenants & society

Social indicators[1]

Workforce

Workforce - employment (GRI 102-7; 102-8)

(in FTE)		Total	Belgium	France	Netherlands
2021	Number of FTE	123.4	54.4		69.0
2020	Number of FTE	178.1	47.6	55.8	74.7
2021	Part-time employees	24.4%	15.8%		31.1%
2020	Part-time employees	16.8%	16.0%	1.8%	27.8%
2021	Full-time employees	75.6%	84.2%		68.9%
2020	Full-time employees	83.2%	84.0%	98.2%	72.2%
2021	Employees with fixed-term contract	13.7%	3.5%		21.6%
2020	Employees with fixed-term contract	14.1%	0.0%	16.1%	21.5%
2021	Employees with permanent contract	86.3%	96.5%		78.4%
2020	Employees with permanent contract	85.9%	100.0%	83.9%	78.5%

Workforce - employment (GRI 405-1, EPRA Diversity-Emp)

	2021			2020		
(number)	% of total employees	Male	Female	% of total employees	Male	Female
Age group < 30	12.2%	25.0%	75.0%	10.8%	45.0%	55.0%
Age group 30-40	34.4%	48.9%	51.1%	36.2%	50.7%	49.3%
Age group 40-50	35.9%	44.7%	55.3%	34.1%	46.0%	54.0%
Age group > 50	17.6%	65.2%	34.8%	18.9%	48.6%	51.4%
Total numbers of employees	132	47.3%	52.7%	185	48.1%	51.9%
Employees in senior management		43%	57%		57%	43%
Employees in Management Team		100%	0%		100%	0%
Non-executive board		67%	33%		67%	33%

Employee turnover

Total number and rates of new employee hires and employee turnover by age group, gender and region (GRI 401-1, EPRA Emp-Turnover)

	2021		2020	
(number)	New hires	Departures	New hires	Departures
Male	7	11	26	18
Female	14	7	19	20
Age group < 30	11	2	14	11
Age group 30-40	4	6	18	15
Age group 40-50	5	4	10	8
Age group > 50	1	6	3	4
Total	**21**	**18**	**45**	**38**

Reasons for departure

(number)	2021	2020	2019
Resignations	11	20	20
Dismissals	2	3	5
Mutual agreements	2	4	7
Retirements	0	0	0
Departure during probation period	0	2	1
Expiry contracts	3	9	3
Deaths	0	0	0
Totals	**18**	**38**	**36**
Employee turnover	13.7%	20.5%	20.0%

1 The social indicators for 2021 exclude data for France. Following the sale of four assets, we have scaled down our French organization, whilst operational and financial management for our two remaining centers is being outsourced to external service providers until these assets are sold

New employee hires

New employees hired by gender	**2021**	2020
Male employees	33.3%	57.8%
Female employees	66.7%	42.2%

New employees hired by age group	**2021**	2020
Age group < 30	52.6%	31.1%
Age group 30-40	19.1%	40.0%
Age group 40-50	23.8%	22.2%
Age group > 50	4.8%	6.7%

Employee health and safety (GRI 403-2, EPRA H&S-Emp)

Sickness ratio and total number of work-related fatalities

	Units	Total	Belgium	France	Netherlands
2021 Absentee rate	%	4.1	6.2		2.4
2020 Absentee rate	%	3.9	2.2	4.9	4.3
2021 Injury rate	%	0.0	0.0		0.0
2020 Injury rate	%	0.0	0.0	0.0	0.0
2021 Work-related fatalities	Number	0	0		0
2020 Work-related fatalities	Number	0	0	0	0

Training & Development (GRI 404-1, 404-2, EPRA Emp-training)

Average hours of training per employee, by gender

	Units	Total	Belgium	France	Netherlands
2021 training hours total	Number	947	416		531
2021 training hours per employee	Number	16	17		16
2021 training costs total	in Euro	115,877	43,268		72,609
2021 training costs per employee	in Euro	1,964	1,731		2,136
2020 training hours total	Number	3,369	673	1,155	1,541
2020 training hours per employee	Number	18	14	21	20
2020 training costs total	in Euro	243,248	54,983	24,725	163,540
2020 training costs per employee	in Euro	1,315	1,100	442	2,070

		2021		2020	
	Units	**Male**	**Female**	Male	Female
Educational training	%	0.0%	0.0%	64.5%	35.5%
Skills & development training	%	46.5%	53.6%	45.4%	54.6%
Wereldhave training	%	0.0%	0.0%	26.8%	73.2%
Training works council	%	0.0%	0.0%	0.0%	0.0%
Training hours per employee	Number of hours	15.0	17.0	17.4	18.9

Number of training hours split per category

(number of hours)	**2021**	2020
Educational training	0	202
Skills & development training	947	3,070
Wereldhave training	0	98
Training works council	0	0

Employee category

Breakdown of employees by employee category (GRI 102-8)

(Number)	2021	2020
Management Team	4	5
Senior Management	7	7
Operations and staff	121	173
Total internal staff	**132**	**185**
Non-executives	3	3
Total	**135**	**188**

Remuneration

Ratio of Base Salary and remuneration of women to men by employee category (GRI 405-2, EPRA Diversity-pay)

	2021 women average salary %	2020 women average salary %
Management Team	n/a	n/a
Senior management	100%	98.0%
Operations and staff	67%	66%

	2021 total	2021 male	2021 female	2020 total	2020 male	2020 female
Annual increase in base salary excluding individual STI	3.2%	2.8%	3.6%	3.8%	3.6%	4.0%

The pay ratio is calculated based on average salary of female employees / average salary of male employees (excluding CEO and CFO). The responsibility level, job requirements, employees' competences or performance have not been taken into account in this pay-ratio.

Employee satisfaction

Employee satisfaction by aspect measured (GRI 102-43)

(Number)	2021	2018
E-NPS score	+23	N/a
Rating employer	7.5	7,6
Response rate	86.0%	90.1%

Incidents of discrimination

Total numbers of incidents of discrimination and corrective actions (GRI 406-1)

(Number)	2021	2020	2019
Number of incidents of discrimination reported	0	0	0

Employee performance appraisals (GRI 404-3, EPRA Emp-Dev)

	2021	2020
Percentage of employees with an appraisal	99%	85%

Community engagement

Social performance indicators retail portfolio	2021	2020
Local engagement program in place (% of assets)	100%	100%
Local community investments - absolute (€)	2,074,635	1,062,275
Local community investments - relative to NRI (% of NRI)	1.66%	0.8%

Health and safety assessment

	2021	2020
Health & Safety - assessment undertaken (in %)	76%	84%
Health & Safety - incidents of non-compliance occurred	0	0

Environmental indicators

Environmental performance indicators - Retail

EPRA, GRI 302-1, 302-2, 303-1, 305-1, 305-2, 305-3, 306-2

	Absolute portfolio		Like-for-like portfolio							
			Belgium		France		Netherlands		Total	
Impact areas	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Energy (MWh)										
Electricity shared services	30,726	31,739	6,526	6,840	9,715	8,801	14,071	15,096	30,312	30,737
Electricity submetered to tenants	1,310	2,432	17	18	1,293	2,414	0	0	1,310	2,432
Total landlord obtained electricity	32,035	34,170	6,543	6,858	11,008	11,215	14,071	15,096	31,622	33,169
Proportion of electricity from renewable sources (market-based)	93%	93%	100%	100%	19%	23%	100%	100%	93%	92%
District heating and cooling shared services	3,085	2,447	0	0	45.5	62	3039	2,385	3085	2,447
District heating and cooling submetered to tenants	0	0	0	0	0	0	0	0	0	0
Total landlord obtained district heating	3,085	2,447	0	0	45.5	62	3039	2,385	3,085	2,447
Proportion heating and cooling from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Fuels shared services	11,678	12,343	3,645	3,817	360	365	6,189	6,073	10,194	10,255
Fuels submetered to tenants	287	514	287	514	0	0	0	0	287	514
Total landlord obtained fuels	11,965	12,857	3,932	4,331	360	365	6,189	6,073	10,481	10,769
Proportion of fuels from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total energy from shared services	45,489	46,529	10,171	10,657	10,121	9,228	23,299	23,554	43,591	43,439
Total energy submetered to tenants	1,597	2,946	304	532	1,293	2,414	0	0	1,597	2,946
Total landlord obtained energy	47,086	49,474	10,475	11,189	11,413	11,642	23,299	23,554	45,187	46,385
Total renewable energy produced on-site	3,625	4,212	1,847	2,013	0	0	1,702	1,904	3,549	3,917
Greenhouse gas emissions from energy (tCO2e)										
Total direct GHG emissions Scope 1 (market-based)	2,121	2,242	662	693	65	66	1,124	1,103	1,851	1,862
Total direct GHG emissions Scope 1 (location-based)	2,121	2,242	662	693	65	66	1,124	1,103	1,851	1,862
Total indirect GHG emissions Scope 2 (market-based)	668	828	0	0	576	592	0	0	576	592
Total indirect GHG emissions Scope 2 (location-based)	6,497	9,807	1,053	1,955	576	628	4,778	6,883	6,408	9,466
Total indirect GHG emissions Scope 3 (market-based)	118	228	52	93	66	135	0	0	118	228
Total GHG emissions - landlord obtained/submetered (market-based)	2,906	3,298	714	786	708	793	1,124	1,103	2,545	2682

	Absolute portfolio		Like-for-like portfolio							
			Belgium		France		Netherlands		Total	
Impact areas	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Water (m³)										
Water from municipal water supplies or other public	178,414	219,028	51,710	53,714	74,937	88,324	47,363	49,208	174,010	191,246
Water from rainwater collected directly and stored	3,356	5,631	3,356	5,631	0	0	0	0	3,356	5,631
Water from groundwater / surface water	11,689	31,976	11,689	31,976	0	0	0	0	11,689	31,976
Total landlord obtained water consumption	193,459	256,635	66,755	91,321	74,937	88,324	47,363	49,208	189,055	228,853
Water submetered to tenants	30,362	35,020	30,362	35,020	0	0	0	0	30,362	35,020
Waste (metric tonnes)										
Hazardous waste	0	0	0	0	0	0	0	0	0	0
Non-hazardous waste	4,015	5,101	1,224	1,545	1,396	1,783	1,170	1,313	3,790	4,641
Total weight of waste by disposal route (metric tonnes)										
Recycling	1,245	1428	465	510	391	499	304	302	1,160	1,311
Composting	0	0	12	15	0	0	0	0	12	15
Energy from Waste	1,405	1683	575	757	0	0	690	774	1,266	1,532
Incineration without energy recovery	763	1224	0	0	572	767	176	236	748	1,003
Landfill	482	612	49	31	433	517	0	0	482	548
other	120	153	122	232	0	0	0	0	122	232
Proportion of waste by disposal route (%)										
Recycling	31%	28%	38%	33%	28%	28%	26%	23%	31%	28%
Composting	0%	0%	1%	1%	0%	0%	0%	0%	0%	0%
Energy from Waste	35%	33%	47%	49%	0%	0%	59%	59%	33%	33%
Incineration without energy recovery	19%	24%	0%	0%	41%	43%	15%	18%	20%	22%
Landfill	12%	12%	4%	2%	31%	29%	0%	0%	13%	12%
other	3%	3%	10%	15%	0%	0%	0%	0%	3%	5%

Environmental intensity indicators - Retail

EPRA Sustainability performance measures (GRI 302-1, 302-2, 303-1, 305-1, 305-2, 305-3, 306-2)

		Absolute portfolio		Like-for-like portfolio							
				Belgium		France		Netherlands		Total	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Impact areas											
Building energy intensity	kWh/m²/year	50.60	56.25	54.21	64.07	45.78	46.70	59.56	60.21	54.20	57.06
	kWh/visitor/year	0.53	0.50	0.64	0.89	0.43	0.42	0.50	0.47	0.51	0.52
Greenhouse gas intensity from building energy	kg CO_2e/m²/year	3.12	3.54	3.70	3.91	2.84	2.86	2.87	2.82	3.05	3.36
	kg CO_2e/visitor/year	0.03	0.03	0.04	0.05	0.03	0.03	0.02	0.02	0.03	0.03
Building water intensity	m³/m²/year	0.21	0.28	0.35	0.47	0.30	0.35	0.12	0.13	0.23	0.27
	liter/visitor/year	2.17	2.47	4.10	6.59	2.86	3.19	1.02	0.98	2.12	2.49

Environmental performance indicators - Office

	Absolute portfolio		Like for like portfolio			
			Belgium		Total	
Impact areas	2021	2020	2021	2020	2021	2020
Energy (MWh)						
Electricity shared services	5,037	6,203	-	-	-	-
Electricity submetered to tenants	1,060	1,527	-	-	-	-
Total landlord obtained electricity	6,097	7,730	-	-	-	-
Proportion of electricity from renewable sources	100%	100%	-	-	-	-
District heating and cooling shared services	-	-	-	-	-	-
District heating and cooling submetered to tenants	-	-	-	-	-	-
Total landlord obtained district heating	-	-	-	-	-	-
Proportion heating and cooling from renewable sources	-	-	-	-	-	-
Fuels shared services	4,629	5,612	-	-	-	-
Fuels submetered to tenants	0	7	-	-	-	-
Total landlord obtained fuels	4,629	5,619	-	-	-	-
Proportion of fuels from renewable sources	0%	0%	-	-	-	-
Total energy from shared services	9,666	11,815	-	-	-	-
Total energy submetered to tenants	1,060	1,534	-	-	-	-
Total landlord obtained energy	10,726	13,349	-	-	-	-

	Absolute portfolio		Like for like portfolio			
			Belgium		Total	
Impact areas	**2021**	2020	**2021**	2020	**2021**	2020
Greenhouse gas emissions (tCO_2e)			-	-	-	-
Total direct GHG emissions Scope 1 (market-based)	853	1,019	-	-	-	-
Total indirect GHG emissions Scope 2 (market-based)	-	0	-	-	-	-
Total indirect GHG emissions Scope 3 (market-based)	-	1.3	-	-	-	-
Total GHG emissions (market-based)	853	1,020	-	-	-	-
Water (m^3)			-	-	-	-
Water from public water supplies - shared services	15,034	16,341	-	-	-	-
Water from public water supplies - submetered	-	-	-	-	-	-
Water from rainwater collected directly and stored	-	-	-	-	-	-
Water from groundwater / surface water	-	-	-	-	-	-
Total landlord obtained water consumption	15,034	16,341	-	-	-	-
Waste (metric tonnes)			-	-	-	-
Hazardous waste	0	0	-	-	-	-
Non-hazardous waste	90	109	-	-	-	-
Total weight of waste by disposal route (metric tonnes)			-	-	-	-
Recycling	37.7	44	-	-	-	-
Composting	0	0	-	-	-	-
Energy from Waste	40.6	50	-	-	-	-
Incineration without energy recovery	0	0	-	-	-	-
Landfill	0	0	-	-	-	-
other	12.7	15	-	-	-	-
Proportion of waste by disposal route (%)			-	-	-	-
Recycling	42%	40%	-	-	-	-
Composting	0%	0%	-	-	-	-
Energy from Waste	45%	46%	-	-	-	-
Incineration without energy recovery	0%	0%	-	-	-	-
Landfill	0%	0%	-	-	-	-
other	13%	14%	-	-	-	-

Environmental intensity indicators - Office

			Absolute portfolio		Like for like portfolio			
					Belgium		Total	
			2021	2020	2021	2020	2021	2020
Building energy intensity	CRESS CRE1	kWh/m²/year	100	125	-	-	-	-
Greenhouse gas intensity from building energy	CRESS CRE3	$kgCO_2e/m^2/year$	7.98	9.56	-	-	-	-
Building water intensity	CRESS CRE2	m³/m²/year	0.14	0.15	-	-	-	-

BREEAM certificates

		Total		Netherlands		Belgium		France	
		2021	2020	2021	2020	2021	2020	2021	2020
BREEAM certifications in place	% of retail center GLA								
Outstanding		0%	0%	0%	0%	0%	0%	0%	0%
Excellent		21%	32%	0%	0%	36%	36%	100%	84%
Very Good		55%	57%	71%	86%	43%	43%	0%	16%
Good/Pass		0%	0%	0%	0%	0%	0%	0%	0%
Percentage of GLA which is BREEAM rated		**76%**	**89%**	**71%**	**86%**	**79%**	**79%**	**100%**	**100%**
Percentage of eligible centers GLA which is BREEAM rated		**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Energy Performance Certificates (EU EPC)

		2021
EU EPC labels in place	% of total GLA	
A		36%
B		0%
C		8%
D		10%
E		3%
No label (Belgian assets)		43%
		100%

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