

2019 Universal Registration Document

including the Annual financial report
and the Integrated report



gec1na



Contents

AFR	Integrated Report	3	AFR	5. Consolidated financial statements	196
AFR	1. Comments on the fiscal year	48	5.1.	Consolidated statement of financial position	198
1.1.	Business review	50	5.2.	Consolidated statement of comprehensive income	200
1.2.	Financial resources	59	5.3.	Statement of changes in consolidated equity	201
1.3.	Appraisal of the property portfolio	64	5.4.	Consolidated statement of cash flows	202
1.4.	Business and earnings of the main companies	71	5.5.	Notes to the consolidated financial statements	203
1.5.	Triple Net Asset Value	75			
1.6.	Strategy and outlook	76	AFR	6. Annual financial statements	248
1.7.	Post-balance sheet events	77	6.1.	Balance sheet at December 31, 2019	250
1.8.	EPRA reporting at December 31, 2019	78	6.2.	Income statement at December 31, 2019	252
			6.3.	Notes to the annual financial statements at December 31, 2019	253
AFR	2. Risk Management	82			
2.1.	Organization of risk management and risk factors	84	7. List of property holdings	270	
2.2.	Information regarding certain control activities	94	7.1.	Offices	272
			7.2.	Residential	278
AFR	3. From corporate social responsibility to sustainable performance	100	7.3.	Student residences	282
3.1.	Our commitment to people, the planet and our heritage	102	7.4.	Hotels	283
3.2.	Our CSR pillars	108	7.5.	Summary of surface areas	284
3.3.	Our levers for action	121			
3.4.	Our support actions	132	AFR	8. Additional informations	286
3.5.	Other non-financial information	134	8.1.	Universal Registration Document including the annual financial report	288
3.6.	Reporting rules	135	8.2.	Statutory Auditors	293
3.7.	Independent third party's report on consolidated non-financial statement	137	8.3.	Legal information	302
			8.4.	Glossary	309
AFR	4. Board of Directors' report on corporate governance	142			
4.1.	Governance	144			
4.2.	Compensation	172			
4.3.	Information about the capital structure and factors that could have an impact in the event of a public offer	194			

Annual Financial Report
elements are clearly
identified in this table
of content with the sign **AFR**

2019 Universal Registration Document

including the Annual financial report
and the Integrated report



The Universal Registration Document has been submitted without prior approval to the AMF on 13 March 2020, in its capacity as the competent authority under Regulation (EU) 2017/1129, in accordance with Article 9 of the Regulation.

The Universal Registration Document may be used for a public offer of financial securities or the admission of financial securities to trading on a regulated market if it is accompanied by a prospectus and, if applicable, an abstract and any amendments to the Universal Registration Document. The resulting collection of documents shall then be approved by the AMF in accordance with Regulation (EU) 2017/1129.

PHOTO CAPTIONS

p.3. From left to right: 2020 Convention at Musée des Arts Forains / 16 rue des Capucines, Paris / Ibox - 5/9 rue Van Gogh, Paris. **p.8-9.** From left to right: YouFirst Collaborative - 159 Avenue Charles de Gaulle, Neuilly-sur-Seine / 16 rue des Capucines, Paris / Le Cristallin, Boulogne-sur-Seine. / YouFirst Collaborative - 159 Avenue Charles de Gaulle, Neuilly-sur-Seine. **p.20-21.** From left to right: 101, avenue des Champs-Élysées, Paris / 16 rue des Capucines, Paris / 16 rue des Capucines, Paris. **p.30-31.** From left to right: Tour T1 & B, La Défense / 16 rue des Capucines, Paris / 16 rue des Capucines, Paris / 16 rue des Capucines, Paris



The digital version of this document complies with Web content accessibility standards, WCAG 2.0, and is certified ISO 14289-1. Its design enables people with motor disabilities to browse through this PDF using keyboard commands. Accessible for people with visual impairments, it has been tagged in full so that it can be transcribed vocally by screen readers using any computer support. It has also been tested in full and validated by a visually-impaired expert.

E-accessible version ipedis

Building the future

Integrated
report
2019

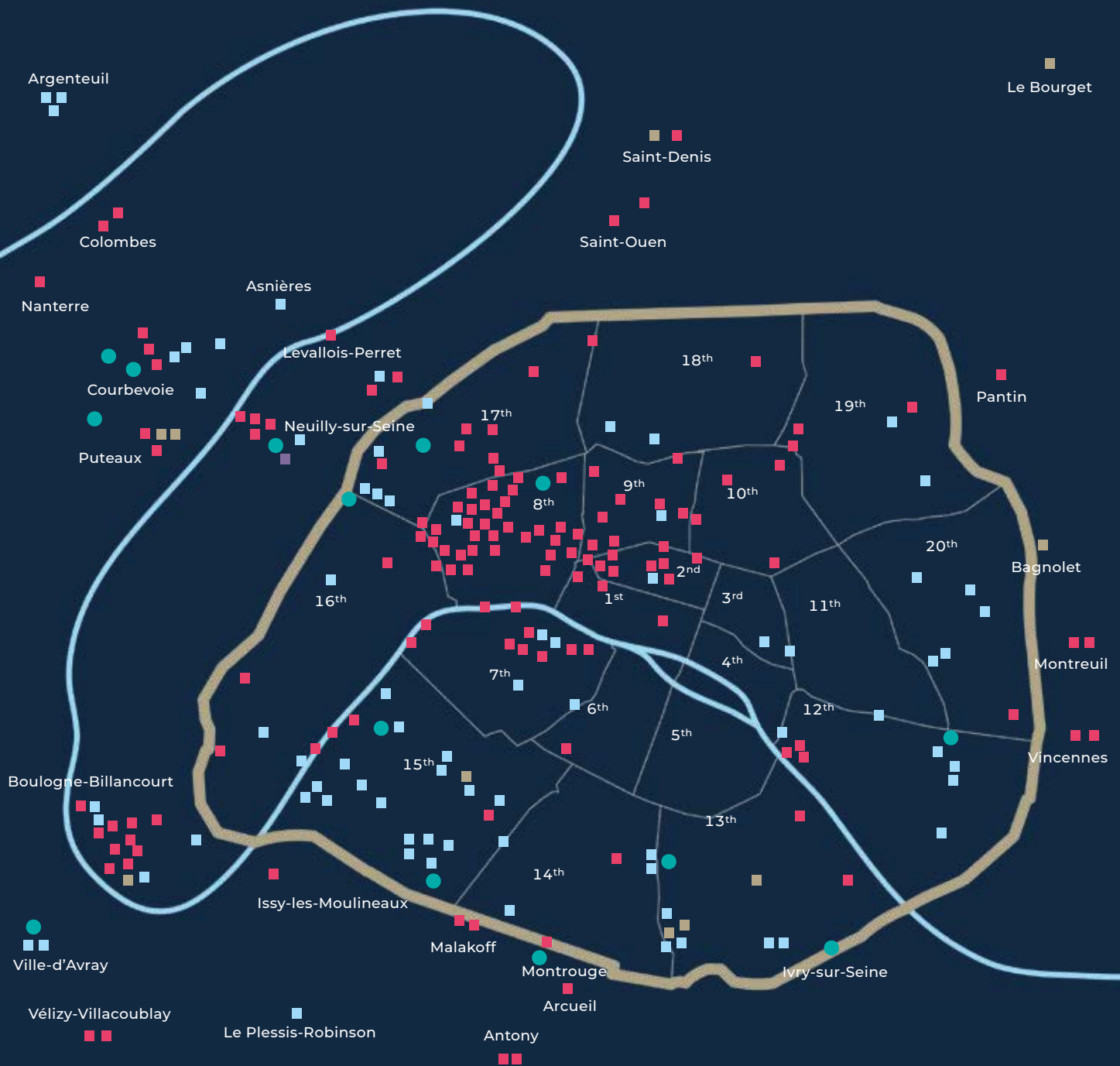
gec1na



Our portfolio in Paris and the Paris Region

- Offices
- Coworking spaces
- Housing units
- Student residences
- Projects under development

Our student residences present throughout France



Our property assets capitalize on their centrality

Overview

Fourth
largest property
company in Europe

Largest
office real estate
company in Europe

Largest
private residential
portfolio in Paris

Largest
Integrated player
in student housing

Our property portfolio

€20.1 bn
property portfolio

€16.5 bn
of office assets

€3.4 bn
of residential and student
housing units

€3.7 bn
of development projects

A strong ambition in our 4 pillars of CSR



Biodiversity



Circular
economy



Carbon



Well-being

Our human and relational capital

youfirst

Our relational
brand serving:

513
employees

100,000
customers

Bernard Carayon

Chairman of the
Board of Directors

Méka Brunel

Chief
Executive Officer

Crosstalk



“2019 was another
successful year
for Gecina”

Bernard Carayon

“Our good results are based
on the skills and know-how
of our employees”

Méka Brunel



How would you summarize 2019?

Bernard Carayon. 2019 was another successful year for Gecina, which is reaping the benefits of its positioning in the most central areas. In fact, the financial markets rewarded the continuity and clarity of the Group's strategy to create economic and financial value, as well as societal and environmental value.

Méka Brunel. In the past year, we saw our transformation accelerate and the stabilization of the economic environment. Our strong results illustrate this perfectly. The recognition demonstrated by our clients and partners, and the quality of the projects underway are indications that should encourage us to carry on.

In three years, after starting out as a mere rent collector, then evolving into a pro-active total return asset manager, we are phasing in a new component of the service-oriented approach with YouFirst, which is focused on our end clients and end users. We are ready for the challenges and opportunities of tomorrow.

What is the strategy for residential assets?

M. B. In 2017, we decided to relaunch our residential rental business, creating a special business unit for it. A new fundamental step was taken in 2019 with the announcement of the subsidiarization project. What this means is that we are confirming our ambition to develop a residential rental offer that meets the best standards in terms of CSR, innovative services, and client relations. This project fulfills the aspiration of the middle classes to have housing near their workplace and leisure facilities around mixed-use urban centers and public transport hubs.

B. C. Establishing a dedicated subsidiary that can attract third-party investors or combine existing portfolios will provide Gecina with the opportunity to deepen its expertise and expand its residential portfolio. There is very high demand, which is being driven by demographic forces and societal changes.

How do you rely on your employees to transform Gecina?

B. C. The credit for our outstanding performance goes to the tireless commitment and professionalism of Gecina's management teams and all of our employees – I would like to take this opportunity to commend this commitment.

M. B. We are constantly transforming – we have drastically changed how we work but we are not always aware of it. As Paul Éluard said: "We live in the oblivion of our metamorphoses."

What sort of momentum did the new YouFirst brand contribute to 2019?

Tell us about "UtilesEnsemble".

With YouFirst, for example, we are forging closer relationships with our end clients. Naturally, this client- and service-oriented culture already exists in our business lines, but we plan to further develop it, transform it, and structure it. This is all based on investing in the skills and know-how of our employees.

M. B. YouFirst is now tangible and we will be continuing to roll it out in 2020. YouFirst has helped to propel innovation forward to improve operational efficiency and develop new services for our clients. Notable examples of this are the replacement of Secondesk with YouFirst Collaborative; our CRM, which has enabled us to better structure our relationship with our clients, electronic signature of leases, electric recharging points, and shared libraries in some of our residences, etc.

M. B. "UtilesEnsemble" gathers all our commitments to sustainable financial and operational performance under one roof. UtilesEnsemble is our contribution to the environment, and is centered around four CSR pillars (well-being, biodiversity, circular economy, and low carbon), tangible results, and market recognition it has received the maximum rating from the Carbon Disclosure Project. Through UtilesEnsemble, we participate in the life of the city by making strong actions in terms of emergency accommodation and by safeguarding the heritage of the Paris Region via the Fondation du Patrimoine, for example. Finally, it means putting people first with, for example, an ambitious policy of professional gender equality for men and women.

B. C. We need to maintain a virtuous circle between our economic results and this positive contribution to society as a whole. Together with the Board of Directors, we will support this approach by creating a Corporate Social Responsibility Committee.

What can we expect from 2020?

B. C. The major trends in which we are operating – metropolization, digitization, climate change – are here to stay. Faced with these deep trends, Gecina's fundamentals are robust and will enable it to capitalize on opportunities when they arise and ensure its resilience.

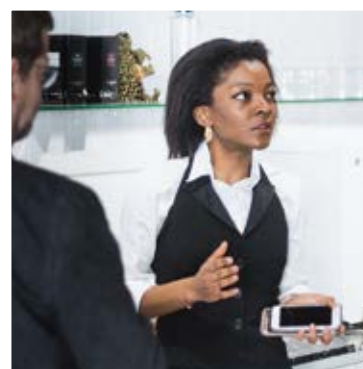
M. B. In 2020, we will delve deeper into our purpose. We have already started working with our Board of Directors and the Group's stakeholders in order to be able to articulate the meaning and positive impact of our daily tasks in just a few simple words.



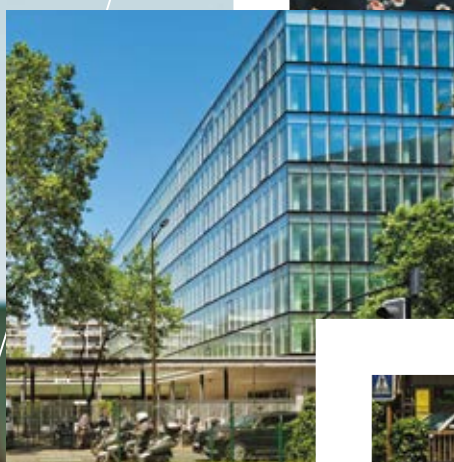
I. Our strategic vision

II. Our creation of financial and non-financial value (p. 20)

III. Our fundamentals for sustainable growth (p. 30)



Our choices define us. We hold and manage our property assets as a network of living spaces offering a highly diverse range of uses in the heart of the city for urban dwellers. We reinvent the relationship with our 100,000 end clients in order to offer new services and be closer to them every day. Finally, in the face of the climate emergency, we are focusing on the intelligent renovation of the current portfolio and the low-carbon design of new projects. These choices and the expertise of our teams are all advantages in helping to seize the new opportunities that arise.



Metropolises are facing unprecedented changes. Their demographic momentum, the rapid development of new behaviors and habits among urban dwellers, as well as the rise of environmental concerns, are forcing them to reinvent themselves. For our teams, this metamorphosis brings new responsibilities and many opportunities as well.

Powerful strengths to respond to the changes in our environment



**METRO-
POLIZATION**

{ p. 11 }



**CHANGES
IN USES**

{ p. 12 }



**CLIMATE
EMERGENCY**

{ p. 13 }



METRO-POLIZATION

Concentration of highly-qualified populations, economic and cultural activities, services, transport hubs and investment: the momentum of metropolization complements the demographic patterns.

The metropolization reaffirms, for Paris, a global city, the attraction for the centrality and the diversity of usages.

45%

of jobs created in 2018 in the Paris Region and 23% of total jobs

90%

of inhabitants in the Paris Region less than 2 km from a station thanks to the Grand Paris Express

30%

of national GDP in the Paris Region generated from 23% of jobs and only 18.2% of the French population

Impact of metropolization on...

... the Parisian market

- Additional demand in a market already restricted and marked by scarcity
- Strengthening of transport hubs and central areas through unprecedented investment
- An increased need for rental offers to house the middle classes near their areas of work

... living spaces

- Strong demand for proximity and mixed uses
- Areas becoming less specialized and a mixed heart of the city
- Networking of living spaces around transport hubs



44 Avenue des Champs-Élysées, Paris

Our strengths

Centrality, scarcity and the network effect of our property portfolio

- ◆ Largest office property company in Europe and largest private residential portfolio in Paris
- ◆ Centrality and scarcity of the assets, which continue to grow thanks to the Grand Paris Express
- ◆ Our buildings are an average of 400 m away from public transportation
- ◆ Skills and human capital used to design and implement mixed-use real estate projects and to operate them over the long term
- ◆ Capacity to develop projects, new buildings, and above all circular economy renovations



CHANGES IN USES

The digital revolution has blurred the boundaries between our professional and personal lives. Our habits are changing at an unprecedented speed. We are more mobile, more flexible and more demanding about our well-being at work. The more digitized the economy becomes, the more important the need for connections and human relations. Living spaces must adapt rapidly to these changes.

68%

of employees equipped with smartphones report using them for work during their free time

1/3

jobs could change dramatically over the next 15 to 20 years

2.9

years is the lifespan of an employee's technical skill today, compared to 22 years in 1970

Impact of the changes in uses on...

... the Parisian market

- New modes of transportation, new possibilities of work, consumption and entertainment
- Development of co-working, within the heart of Paris (Bourse, Réaumur, transport hubs, etc.)

- Need to transform the city and living spaces to introduce new services
- Increasing social demand and political will for a more open and inclusive city

... living spaces

- A new consumption of space by companies: activities that require less sq.m, but an increased need for collaboration and sharing spaces.
- Well-being at work and the work-life balance of central importance to companies in order to attract and retain the best talent



Live - 75 avenue de la Grande Armée, Paris

Our strengths

High quality in relations and services, adapted to the changing needs

- ◆ Our relational brand, YouFirst, to develop a long-term high-quality relationship with our clients and to create services with high added value for them
- ◆ Our networked buildings (Étoile, Monceau Courcelles, etc.) to pool spaces and services
- ◆ A process of innovation to change our value offer (occupants' well-being, enhancement of spaces, personalization of services)



CLIMATE EMERGENCY

Real estate is the sector that emits the second most CO₂, after transportation. We can no longer avoid the vital need to limit our environmental impact, which has become for our clients an essential criterion in their choice of living spaces. Our answer? Taking ever increasing action on the issue and innovating constantly to seize new opportunities.

25%

of CO₂ emissions in France come from real estate

84%

of French people believe that the value of a real estate asset will depend on its energy performance in the near future

2050

year targeted for achieving carbon neutrality in France

Impact of the climate emergency on...

... the Parisian market

- Strengthening the commitments and regulations of the City of Paris in the fight against climate change, the preservation of biodiversity and the promotion of the circular economy

- Need to adapt neighborhoods,

construction methods and lifestyles to climate change to make the city resilient

- Expansion of major renewable energy infrastructures in the central zones: district heating and cooling developed by the City of Paris

... living spaces

- A strong expectation from our clients to improve our environmental performance and to preserve health and biodiversity

- Changes in behavior among our clients, and a need for tools to reduce energy consumption in buildings while increasing their comfort

Our strengths

Pioneers of sustainable innovation

- ◆ -35.7% CO₂/sq.m since 2008
- ◆ Nine projects supported by our internal carbon fund
- ◆ Recognition of our CSR performance: Maximum rating by the Carbon Disclosure Project and MSCI, 92/100 on the

Global Real Estate Sustainability Benchmark

- ◆ Centrality (prevention of urban sprawl) and renovation rather than demolition and reconstruction to minimize emissions from construction

- ◆ Partnerships for sustainable innovation: investment in the Paris Fonds Vert fund, partnerships with Paris&Co and Wilco
- ◆ Employees mobilized and improvement tools put at their disposal



Citylights and Tour Horizons, Boulogne-Billancourt

The market is favorable in our preferred areas

Centrality, scarcity: the trends in the Parisian commercial and residential market remain favorable this year in the most central areas of the Paris Region, where we have chosen to concentrate the main part of our property portfolio.

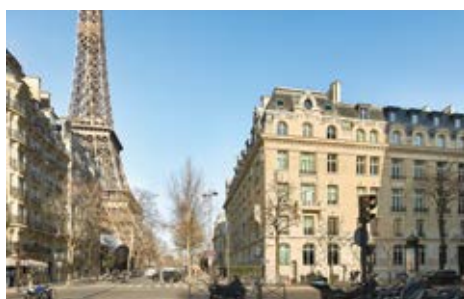
Office shortages in the central zones

The Paris Region's office real estate market trends were once again marked by a solid performance in terms of rental transactions, in a context of strong supply-side shortfall, particularly in the heart of Paris. While the volume of rental transactions is declining in comparison to 2018, it is still slightly above the long-term average, while immediate supply is close to an all-time low, particularly in Paris, where it represents a stock of only 372,000 sq.m, corresponding to just five months of lettings at current rates. For Paris City, the vacancy rate is still around 2%, stable compared with end-2018 and close to an all-time low.

Market rents on the rise in the center and West of Paris

As a result, rents are trending up. Cushman & Wakefield point out that the trend in new or restructured offices in almost all areas was favorable (and especially +5% in Paris City and +8% in the Western Crescent). The upward trend in secondary rents is also significant (+5% on average), particularly in the most central areas that we favor, notably in Paris City (+11% over one year) and the Western Crescent (+3%), whereas the trends are stable in the inner rim and in the outer rim where we have little involvement.

There is a supply-side shortfall in Paris, because Paris accounts for 40% of take-up, but just 14% of immediate supply, with this ratio reversed for the Paris Region's other sectors. The shortage in terms of immediate supply for Paris is therefore supporting pre-lettings upstream from deliveries, as well as reversion potential, which is growing, especially in the heart of Paris. We note that this momentum in the market is currently enabling us to observe a potential rental increase of around 10% between the rents in our portfolio and the market rents observed in the most central areas of the Paris Region, particularly in Paris City (with reversion potential).



3 Avenue Octave Gréard, Paris

Growing appetite for residential assets

The trends are also favorable for us in the residential markets given the structural supply deficit in the housing supply, particularly in Paris, where the available supply does not meet the rental demand in the heart of the city, close to places of work and leisure.

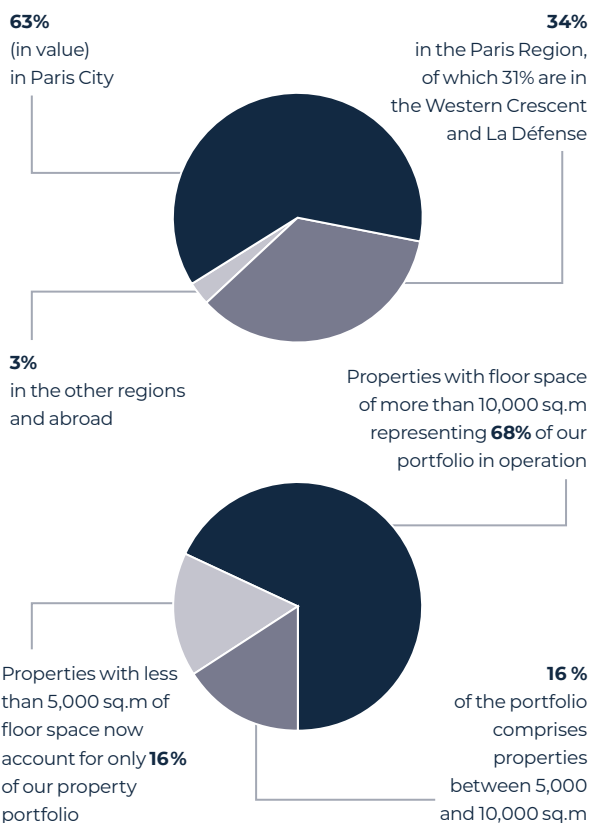
In an environment where the interest rates have been consistently low, residential sales are widely exceeding the "Peak" levels of 1999-2007, up nearly 11% over one year at the end of October 2019. After growing by 3.1% in the Paris Region in 2018, average real estate prices at the end of September 2019 had increased by 3.6% over 12 months, reflecting strong market momentum, caused by both private individuals but also by institutional investors, whose appetite for the sector is increasing. The trend is particularly pronounced in Paris City, where the average price now exceeds €10,000/sq.m at the end of September 2019, up by 6.1% over 12 months. This upward trend is expected to continue in 2020, unless there is a reversal in household economic confidence or a deterioration in the conditions for granting credit.



Campus Rose de Cherbourg, La Défense

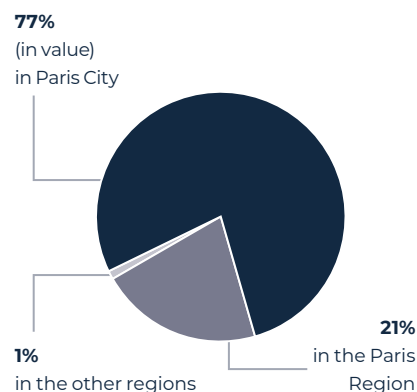
Offices

At the end of 2019, we manage an office and retail portfolio of nearly 1,600,000 sq.m, including more than 1,400,000 sq.m in operation.



Residential

At the end of 2019, we manage a housing portfolio of nearly 445,000 sq.m of which more than 430,000 sq.m is in operation



Student residences

At the end of 2019, we manage 18 student residences, 10 of which are in the Paris Region and 8 in the rest of France, i.e. nearly

3,200 beds

Our strategy in the service of sustainable performance

To support the development of the heart of the city, we rely on the recognized expertise of our teams and on four central pillars of value creation. We do not only strive to optimize the performance of our investments, in particular the total return on our capital. We strive to create societal and environmental value.

A fast-changing model



Yesterday

Collecting rents



Since the end of 2014

Collecting rents

Managing assets proactively

Active manager of our property assets. A total return approach centered around four value-creation pillars for sustainable urban modernity (Acquire, Transform, Support, Sell)



Building the future

Collecting rents

Managing assets proactively

Developing services

youfirst



Acquire

Seize investment opportunities with high potential

By seizing investment opportunities with high potential for value creation, we want to strengthen our presence in the most central areas of the Paris Region and capture new opportunities for value extraction. We are thus supporting a fundamental trend

observed in both the office and housing segments: the desire for centrality. Thanks to the know-how of our teams, we can identify and seize these acquisition opportunities under conditions that meet our requirements.

€328 m
of acquisitions
in 2019



Transform

Respond to new habits with responsible buildings

Urban real estate users look for a desirable central location, environmentally friendly, that delivers well-being and economic performance. With the largest pipeline of office projects in the heart of Paris and with ambitious housing unit projects, we conduct the transformation of existing buildings, which are intended to replace

obsolete and environmentally low-performing buildings. These responsible, flexible and sustainable buildings generate well-being and productivity for their occupants. Thus, in the face of the challenges of metropolization and climate issues, we are supporting the transition of the city towards a sustainable modernity.

A total pipeline of around
€3.7 bn
and 15 projects delivered in 2018
and 2019



Support

Placing the user at the heart of our attention

The user, and with them the new habits in urban real estate, is at the heart of our model. Through the deployment of our YouFirst relational brand, we are focusing on the quality of the relationship with our clients, the networking of our property portfolio, and the development of high value-added services.

Sustainable innovation is a key driver for us. It allows us to support our clients in the city of tomorrow and responding to their emerging expectations, all while promoting the CSR and operational performance of our property portfolio.

€20 bn
of property assets
(a value increase of 7% on a like-for-like basis in one year)



Sell

Continually reinventing our property portfolio

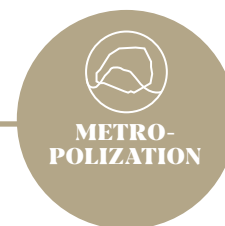
To optimize the allocation of our capital, and to strengthen the positioning of our property assets in the most central areas, we are particularly active in the market for the disposal of mature or non-strategic assets.

This demand for portfolio rotation injects a beneficial momentum into our strategy: it requires us to constantly reinvent our property portfolio.

€1.2 bn
of assets disposed
or under preliminary
agreements in 2019

Building the living spaces of tomorrow dedicated to our clients

Our business model



Our resources



Human

- **513** employees on an FTE basis⁽¹⁾
- Integrated expertise



Intellectual

- Expertise in property management



Portfolio

- **€20.1 billion** in property assets
- More than **2.1** million sq.m



Economic

- **€7.2 billion** of debt
- LTV⁽²⁾ including duties of **34.0%**
- **€228 million** of capex



Societal

- **72%** of office surface area awarded HQE Operations certification
- **176,000 sq.m** of surface area awarded or acquiring the WELL label
- Over **200,000 sq.m** of surface area awarded or acquiring the BiodiverCity® label



Environmental

- **1/3** of estimated office capex to improve CSR performance of assets
- **Nine** projects supported by our internal carbon fund

⁽¹⁾ Full-time equivalent.

⁽²⁾ Loan to Value.



Acquire

Centrality,
scarcity,
network effect
of real-estate
assets

Trends

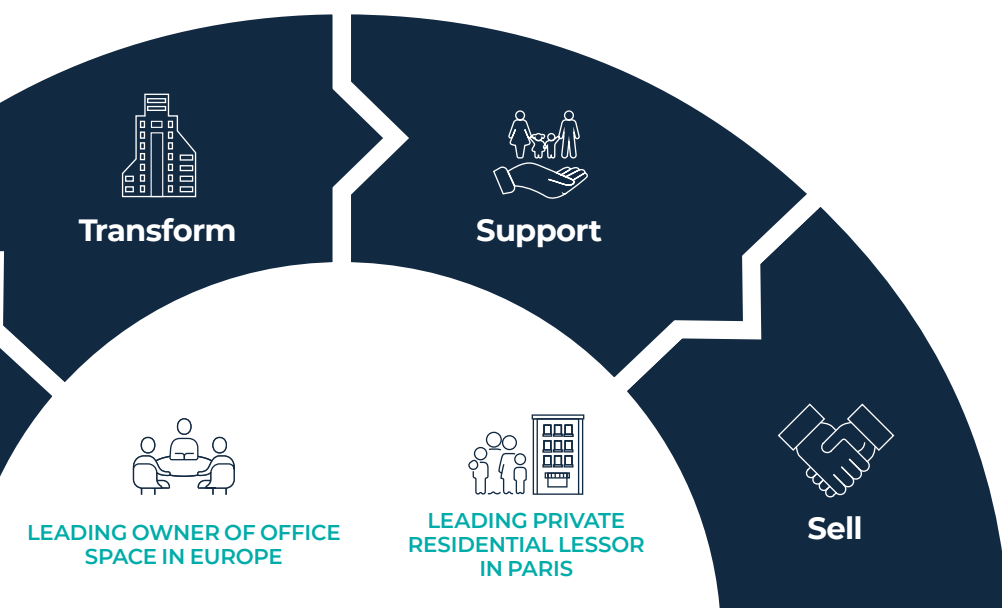


CHANGES
IN USES



CLIMATE
EMERGENCY

Our strategy



youfirst

SERVING
100,000
CLIENTS

Integrated
expertise

A key player
in terms of CSR

A relational
brand

Our strengths

Our value creation



Economic

- Recurrent net income per share of **€5.95**, up **+0.3%**
- EPRA NAV per share of **€175.8**, up **+8.8%**
- **€673.5 million** of gross rents



Environmental

- **-35.7%** CO₂/sq.m since 2008
- The equivalent of **37%** of our surface area is vegetated
- **416** tons of CO₂ avoided through reuse



Societal

- **65%** of Gecina office buildings contributing to the productivity of their occupants
- Around **3,500** indirect jobs generated by Gecina's business



Customer lifetime value

- Launch of the CRM with training for **160** employees to enhance our relationship with clients

As an integrated player, we know how to create economic, societal and environmental value at each stage of our skills chain. We constantly improve the design and performance of our property portfolio. By renovating and transforming the existing assets and by designing latest-generation projects, we continually strengthen the quality and density of our network of locations and services, in order to better meet the needs of our clients and of the city and its inhabitants.

I. Our strategic vision { p. 08 }

II.

Our creation of financial and non-financial value

III. Our fundamentals for sustainable growth { p. 30 }





We acquire to create value

We are strengthening our network of buildings in the heart of Paris with assets that have significant potential for sustainable refurbishment.

€8.2 bn

of acquisitions since 2015,
of which €328 million
in 2019

52%

of acquisitions since 2015
(excl. Eurosic) have been,
are or will be the subject of
a value-creation operation



Bancelles - 153 rue de Courcelles, Paris

Economic value

- €8.2 billion of acquisitions made since 2015, of which €328 million in 2019
- 72% located in locations strategic for the Group (Paris and Western Crescent)
- €193 million of value-enhancements following valuations of assets acquired since 2015
- 7 of 13 assets acquired since 2015 have undergone, are undergoing or will undergo restructuring to create value

Environmental value

- Assets with significant potential for responsible transformation
- Assets in the most central areas in order to limit greenhouse gas emissions associated with commuting and urban sprawl

Societal value

- Acquisitions on land under sustainable transformation, such as the Porte Maillot to Étoile axis
- Withdrawal from the market of energy-inefficient buildings for the purposes of responsible transformation
- Strengthening our network of buildings to create a full range of services across the territory
- \$20 million invested in the Fifth Wall fund, dedicated to real estate technologies, and €5 million in the Paris Fonds Vert fund, dedicated to sustainable cities
- Studying investment opportunities in the residential segment in order to create an extensive residential offering for the Parisian middle classes

Building swaps to acquire high-potential assets

We have developed expertise in conducting asset swaps with institutional partners. In return for the sale of mature assets with high rental visibility and low value creation, we acquire assets with high potential for future value creation. These transactions are facilitated by the depth and size of our portfolio and by our strategy, which focuses on the total return to

asset accumulation. Thus, in 2019 we acquired for €306 million excluding duties a 34,000 sq.m building in the heart of Neuilly, on the strategic axis that connects the central business district to La Défense.

We have also since then secured a new operation allowing us to become the majority holder in a high-potential premium asset in

the heart of Paris, in exchange for a mature Parisian building.

34,000 sq.m

for €306 million
excluding duties

We transform to create value

In the densely inhabited city, transforming existing buildings is a powerful lever for accelerating the energy transition and responding to new habits.

€3.7 bn

in projects committed, to be committed or likely

5,5%

of estimated yield on costs

€780 m

of value creation on assets delivered in 2018 and 2019

67

kWhEF/sq.m/year for projects on average

Economic value

- Expected yield on the estimated investment in the pipeline of 5.5%, compared to the 3.2% weighted premium rate at the end of 2019
- Additional rental potential of €130 to €140 million from the pipeline committed or to be committed (vs. rents at the end of 2019)
- 26% of committed pre-let projects
- 250,000 sq.m delivered in 2018 and 2019, 82,000 sq.m in 2020 and 2021

Environmental value

- An average of 67 kWhEF/sq.m/year for our development projects, i.e. 3 times less than the average consumption of an office in France
- Six certifications and labels targeted: HQE Green Building – Excellent or Exceptional, LEED Gold or Platinum, BiodiverCity, BBCA Renovation, Well and WiredScore
- Restructuring rather than demolishing and reconstructing from scratch in order to limit the environmental impact of the construction
- Reuse of 83 tons of materials in development projects, both in progress and delivered over the year, i.e. the equivalent of 416 tons of CO₂ avoided

Societal value

- Creation of a range of services that facilitate well-being with the deployment of the YouFirst brand, and the Well and WiredScore certifications
- Through our objective of reducing our CO₂ emissions by 60% by 2030, we are contributing to and going beyond the aims of the City of Paris, which is targeting a 50% reduction
- Transformation of offices into housing units being evaluated, and development of new housing units in dense areas affected by a shortfall in rental housing (65,000 sq.m)
- Carré Michelet, the first building to reach the highest level of well-being according to the "Intangible Value and Well-Being of Occupants" evaluation
- Temporary urban planning actions: 150 emergency housing places made available to families and women being discharged from maternity wards in a property in Paris awaiting restructuring in partnership with the non-profit organization France Horizon

Bancelles, an iconic project in the Paris CBD

For a total investment of €377 million and with an expected profitability (yield on cost) of 5-6%, the Bancelles project offers significant potential for value creation in a very dynamic environment at the heart of the Parisian CBD. After restructuring, its space is expected to increase by 45%. The project has great ambition in terms of

environmental responsibility: it is pursuing a goal of carbon neutrality by relying on the production of renewable energies and aims to achieve 5 labels (WiredScore, LEED Platinum, BiodiverCity, Well, HQE Green Building – Excellent or Exceptional). Finally, opening onto the city, it will offer services that promote the well-being of users:

auditorium, restaurant, gym, concierge, modular spaces, parks, etc.

We support to create value

As a long-standing player, we manage the living and working spaces that we design and build over the long-term. This is a tremendous opportunity for us to create value.

€673.5 m

of gross rental income in 2019
(+2.4% on a like-for-like basis)

1,910,000 sq.m.
of buildings in use

100,000
clients

72%

of the office surface area is HQE
Operation or BREEAM in Use certified,
whereas 9% of all Parisian office surface
areas are certified

Economic value

- 1,910,000 sq.m. of buildings in use, offices or housing units
- €200 million of investments identified to improve the quality of our buildings in operation, and to capture potential for reversion on the residential segment
- €59 million of maintenance capex in 2019 to maintain and improve our office buildings appeal

Environmental value

- -35.7% greenhouse gas emissions, that is -3.6% per year between 2008 and 2019
- The equivalent of 37% of the surface area of the plots of our property assets is vegetated at in-ground equivalent and all sites with green space have a biodiversity profile completed

- Nine decarbonization projects supported by the internal carbon fund

Societal value

- More than 5% of our Parisian property assets could eventually be dedicated to flex offices, i.e. more than 40,000 sq.m, in order to increase the economic performance of the assets
- 65% of our office surface areas contribute more to the productivity of their occupants than a standard building
- 73% of the major works contracts with our suppliers incorporate CSR criteria



16 rue des Capucines, Paris

We are accelerating the development of the residential sector

We will devote more than €300 million to create value by densifying and renovating our residential property assets. We aim for the highest market standards to improve the comfort, services and the living environment of our clients, thus capturing the potential for rental reversion. The energy optimization potential should allow us to obtain the labels NF Habitat

HQE – Exceptional, BBC Effinergie Renovation, an EPC level B in energy and C in greenhouse gases and BiodiverCity. We also want to help strengthen the rental supply of housing units aimed at the middle classes, which is now insufficient in the most densely populated areas, particularly in the Paris Region.

Through our subsidiarization

project, we affirm our ambition to strengthen this operational and financial performance momentum by positioning ourselves to be able to seize potential growth and value creation opportunities in the residential sector.

We sell to create value

Our choice of disposals is as impactful as our acquisition strategy. It allows us to strengthen our presence in our preferred areas, meet the needs of centrality and contribute to the city's energy transition.

€5.5 bn

of disposals made since 2015 or currently under preliminary agreements of which €1.2 billion in 2019

€366 m

of premiums on valuations, of which €128 million in 2019

73%

of disposals realized in 2019 outside Paris

17 kg CO₂

/sq.m/year for assets sold (vs. 21.7 kg CO₂/sq.m on average within our portfolio)



Le Building - 37 rue du Louvre, Paris

Economic value

- €1.2 billion in disposals made in 2019 or under preliminary agreements with an average premium on the latest valuations of around 12%
- With an average deprivation rate of around 3.6%, reuse of capital through the pipeline (with an expected yield of 5.5%)
- Contribution to strengthening the robustness of the Group's balance sheet with an LTV now at 36% excluding duties (compared to 42.4% at the end of 2017)
- Thanks to the disposal of non-strategic assets, we have strengthened the exposure of our office portfolio in the most central areas: from 55% (€3.5 billion) in the heart of Paris at the end of 2014, to 63% (€10.3 billion) at the end of 2019

Environmental value

- Planned sale of assets on which the environmental value has already been optimized (17 kg CO₂/sq.m/year on average compared to 21.7 kg CO₂/sq.m/year for office buildings)
- These disposals allow us to strengthen our presence in the most densely populated and best-served areas, which helps to limit greenhouse gas emissions from commuting routes and to avoid urban sprawl

Societal value

- Contribution to energy renovation through the disposal of buildings that are high performing in terms of CSR to players who do not have our know-how in responsible transformation

Managing our property assets in a dynamic and responsible manner

Disposals of mature assets with high rental visibility and low value creation through exchanging assets with institutional partners allow us to acquire assets with high potential for future value creation. In 2019, for €238 million excluding duties, we disposed of two "core" buildings which offered solid rental visibility, but from which we had already captured the potential

value creation thanks to a restructuring, completed in 2004, and the asset management work of our teams. This operation is expressed as a premium on the latest valuations, accretive on the Group's NAV. Furthermore, the improvement work on the most significant building involved in the exchange reduced greenhouse

gas emissions by 24% and increased the contribution of the building to biodiversity.

Expectations shared with our stakeholders

We are listening to our stakeholders. Our interactions with them are underpinning our strategic choices.



Investors and lenders

Our shared expectations

- Implementation of the financial strategy
- Compliance with corporate governance and financial transparency principles
- Financial and stock-market performance

Our answers

- Total shareholder return (TSR) = 46.1%
- Total portfolio return (TPR) = 12.2%
- Compliance with the AFEP-MEDEF Code
- Dividend of €5.60 per share in 2019
- More than 470 investors met in 2019

Citizens

- Inclusive city, accessible to middle classes, high-quality and affordable residential rental offer
- Culturally and socially tolerant city
- Local presence of brands and companies

- Confirmation of the development of the residential business
- Around 6,000 housing units in Paris City and the Paris Region targeting the middle classes
- 44% of our buildings are mixed use

Public authorities

- Contribution to the energy transition, to the preservation of heritage, to the appeal of the territory, and to urban renewal
- Payment of levies, taxes and contributions
- Creation of local jobs

- -36% of CO₂/sq.m since 2008
- €102.2 million levies, taxes and contributions paid
- Around 3,500 indirect jobs

	Clients	Rating agencies and analysts	Peers, competitors and professional associations
Our shared expectations	<ul style="list-style-type: none"> Quality of the real-estate assets: centrality, comfort, high-quality CSR, available services, innovation Quality of customer service and continuity of customer relations Quality housing units in the heart of the city 	<ul style="list-style-type: none"> Respect for financial balance and transparency Exhaustiveness and comparability of financial and non-financial information Approachability of management 	<ul style="list-style-type: none"> Opportunities for acquisitions and disposals Participation in public debates and building up the profile of the sector Application of sectoral benchmarks, exchange of best practices
Our answers	<ul style="list-style-type: none"> Low vacancy rate reflecting the satisfaction of our clients YouFirst relational brand for 100,000 users, use of brand results and targeted offers 80% rate of recommendations from outgoing clients for YouFirst Campus; 70% for YouFirst Residence 	<ul style="list-style-type: none"> Standard & Poor's (A- stable outlook) and Moody's (A3 stable outlook) One of the most advanced CSR players according to analysts 87% of analysts recommend buying or remaining neutral EPRA gold award for the quality of our financial and non-financial reporting 	<ul style="list-style-type: none"> Active member of the FSIF association and of the Palladio Foundation Co-founder of the European real estate companies' think tank dedicated to innovation and CSR Investment in the Fifth Wall Ventures fund focused on innovation in real estate

	Employees	Influencers, local communities, non-profit organizations, and NGOs	Suppliers
Our shared expectations	<ul style="list-style-type: none"> Professional development by skills, employability Well-being at work and professional gender equality Attractive compensation 	<ul style="list-style-type: none"> Optimization of local impacts Development of societal impacts Reduction of the environmental footprint 	<ul style="list-style-type: none"> Clarity of specifications and the selection process Compensation and balanced relationship Co-construction of partnership projects
Our answers	<ul style="list-style-type: none"> 35 hours of training per employee 92/100 on the Professional Gender Equality Index 18% of total employee expenses allocated to profit-sharing/ incentive schemes and 16% into individual bonuses 	<ul style="list-style-type: none"> €2.7 million spent on the Corporate Foundation since 2008 with local partners 150 units proposed for emergency accommodation Launch of the UtilesEnsemble label, which brings together Gecina's societal commitments 	<ul style="list-style-type: none"> Generalization of calls for tenders Payment deadline of 35 days upon receipt of invoice Support for suppliers vis-à-vis the responsible purchasing process

Acting coherently

Our responsibility for the environment, the attention we pay to our employees, and our involvement in the life of the city are all facets of the same social and societal commitment. Gecina will formalize its purpose in 2020 with

∞ **UtileEnsemble**



People remain the core element of our values

- **Wage and professional equality:** closing of wage gaps, a role for women within the executive bodies (Board of Directors, Executive Committee), etc.
- **Disability:** recruitment, support, and retention in employment
- **Diversity** (diversity charters, LGBT)
- Complete transformation of **workspaces** and digital tools, etc.

- ◆ **Wage equality:** €0.5 million
- ◆ **92/100 Professional Equality Index**
- ◆ **Grand Prix de la Mixité (Grand Equality Prize) & Jury Trophy of the Forum Immo Parité (Equality in Real Estate Forum)**
- ◆ **Disability: 9.3% of the workforce** (6% legal threshold)
- ◆ **Solidarity Day** involving all employees in conjunction with partner associations



Our Environmental commitment

- **Four pillars:** low carbon, biodiversity, circular economy, well-being
- **-35.7%** in CO₂/sq.m since 2008
- **Green loans:** €910 million, i.e., 20% of the bank debt
- **Climate Collage** & Partner of the International Weather and Climate Forum (IWCF)
- ◆ **GRESB: 92/100 and Carbon Disclosure Project "A-List"**
- ◆ **Internal carbon fund: 9 projects supported**



Our participation in the life of the city

Life in the city

- Provision of a building in transition for **emergency accommodation** (Paris 14th Arrondissement)
- **Rounding-up on salary** to fund non-profit organizations
- Partnership between the Fondation du Patrimoine and the Gecina Foundation in order **to secure endangered heritage sites in the Paris Region**
- Founding member of the **“un immeuble, une œuvre”** program

Reflection on the city and habits

- Strengthening of our **think tank** dedicated to innovation and CSR with the arrival of Castellum (i.e. seven European real estate members)
- Support for the **University of the City of Tomorrow** (Palladio Foundation)

- ◆ **Support for the Fondation du Patrimoine with €5 million (over 3 years) to the program “Plus jamais ça !” to preserve the heritage of the Paris Region under threat**

A foundation to act

With the creation of a single corporate foundation, the action of the Fondation Gecina (Gecina Foundation) is clarified. A new area of action, of housing for all, is added to the three other areas, which are disability, environment and preservation of heritage.

- ◆ **Endowment of the Foundation (€1 million/year)**

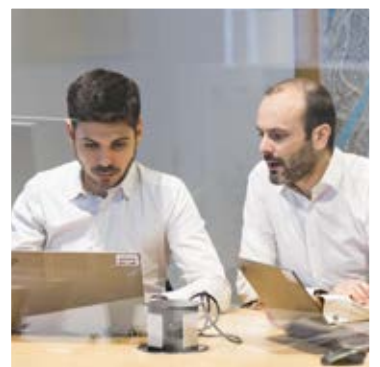


I. Our strategic vision { p. 08 }

II. Our creation of financial and non-financial value { p. 20 }

III.

Our fundamentals for sustainable growth



Our ability to project ourselves forward over time is based on a solid foundation. We are a collective force that draws its energy from having a clear mission, driven forwards by men and women from a range of different backgrounds. Closely involved in the development of the company's strategy, our governance is united around a common project and a shared vision of the future.



Our collective strength dedicated to supporting our mission

We know that our human resources are a key factor in guaranteeing a high level of performance to our clients. In a rapidly changing context, the development of our talents is therefore an essential pillar of the transformation of our company and the changes of our business.

In 2019, we conducted an audit of the Human Resources Department involving some 50 employees and committed to a significant transformation of our Human Resources policy around three objectives: supporting our employees, developing a common culture around our strategic plan and safeguarding Gecina's growth and positioning.

With this new policy, we aim to meet the highest standards of our internal clients' expectations and market practices. The new organization of our operational departments, set up in 2018, also goes in the direction of better responsiveness since each portfolio now benefits of the skills key to the real estate business, which are Asset management, Property management and Technical Management. In addition, we have strengthened our skills in several areas: purchasing, with the creation of a dedicated management; marketing, in connection with the deployment of the YouFirst brand and services, including in their digital dimension; technology, to improve the technical quality of our buildings; Audit & Risks; Research & Innovation; and, finally, Human Resources.

Anticipate our needs and attract the best

Within the context of the transformation of our business lines and the expectations of our clients, we need to identify exactly what skills we have today and what skills we will need to mobilize tomorrow. In order to define dynamic reporting standards covering all our business lines and to better organize the recruitment, retention and development of our talents to offer a quality service to both our external and internal clients, we launched a project with almost 200 people in the Company. Furthermore, we are continuing to invest decisively in the development of the employability of our employees in order to support the implementation of the YouFirst brand and services and the new associated tools and processes. In addition, a new integration program was unveiled in September 2019: over a period of one month, it alternates sharing of technical knowledge and common values and developing the well-being of our employees.

80%
of directors covered by the succession plan

28
jobs created over the year, of which 27 have completed their probation period

96.3%
of employees attend at least one training course during the year



L'live - 75 avenue de la Grande Armée, Paris



16 rue des Capucines, Paris

For a culture of accountability

In October 2018, we launched a management training program called "PEPS" (Share, Train, Progress, Realize), aimed at all individuals managing at least one employee, including the Executive Committee. These employees have been engaged in the training for eight days over the last 18 months, particularly in the context of co-development workshops. The principles of the PEPS training are now being deployed to all employees, who are trained using the same methods in order to develop accountability and a common culture.

80%
satisfaction
rate for the
PEPS training
program

408
employees
trained through
PEPS

30
employees
promoted

Promote diversity within teams

For many years, we have been committed to a voluntary approach to professional equality and to diversity, which involves all employees. We received a score of 92/100 for the first year that the index of professional equality between women and men was implemented, and we maintain our first place in the Ethics & Board ranking for the feminization of the governing bodies. This year for the first time, a partnership with a Priority Education Network (Réseau d'éducation prioritaire) school was developed in order to educate the students of a 9th grade class (14-15 years of age) about the real estate business and the requirements of the professional world. We are also pursuing our active policy for the employment and professional inclusion of people with disabilities. The promotion of diversity and equal opportunities is indeed a major focus of our social policy. In 2019, the employment rate of people with disabilities at Gecina was significantly higher than the legal rate: at 9.3%.

92/100
on the index of
professional equality
between women and men

9.3%
of employees with
reported disabilities

Strengthening employee-management relations

Employee-management relations have undergone a process of renewal with the implementation of the CEC (Company Economic Committee) in April 2019. Following this implementation, all staff representatives received training. Employee-management relations are now shared with all managers, which allows relations to improve in quality and efficiency in a context where it is an indispensable lever for the management of change.

49.8%
participation in
professional elections as
part of the implementation
of the new Company and
Economic Committee
(CEC)

22
meetings of employee
representative bodies in
2019 (CE/DP/CHSCT/CSE)

III. Our fundamentals for sustainable growth

Committed Board of Directors

By bringing together recognized, varied and complementary skills, the Board of Directors works effectively, thanks to the regular attendance of its members, to develop the Group's strategy, which is directed towards the future and is focused on the client.

10

directors

60%

of independent directors

50%

breakdown between men and women

The objective of diversifying its structure, particularly in terms of qualifications and professional experience, was further strengthened at the beginning of 2020 with the appointment of an Observer, Mr. Jérôme Brunel, whose skills, in particular in terms of Governance, CSR and Public Affairs, represent a strong addition to the existing skills of the Gecina Board of Directors.

In 2019, the directorships of Ms. Dominique Dudan and the company Predica, represented by Mr. Jean-Jacques Duchamp, were also renewed.

Areas of expertise of the Directors



Directors	Age	Gender	Nationality	Number of shares held in the Company	Number of corporate offices held in listed companies outside Gecina	Independent
Bernard Carayon, <i>Chairman</i>	70	M	French	200	0	Yes
Méka Brunel, <i>CEO</i>	63	W	French	28,425	1	
Laurence Danon Arnaud	63	W	French	203	3	Yes
Predica <i>Represented by Jean-Jacques Duchamp</i>	65	M	French	9,986,026 (Predica)	2	
Dominique Dudan	65	W	French	85	2	Yes
Ivanhoé Cambridge Inc. <i>Represented by Sylvain Fortier</i>	54	M	Canadian	11,575,623 (Ivanhoé Cambridge concert)	0	
Gabrielle Gauthey	57	W	French	40	0	Yes
Claude Gendron	67	M	Canadian	40	0	
Jacques-Yves Nicol	69	M	French	45	0	Yes
Inès Reinmann Toper	62	W	French	46	1	Yes

H : homme. F : femme.

Bernard Carayon
Chairman
of the Board of Directors



Méka Brunel
Chief Executive Officer



Jérôme Brunel
Observer



Laurence Danon Arnaud
Independent
director



Jean-Jacques Duchamp
Permanent
representative
of Predica, Director



Dominique Dudan
Independent
director



Sylvain Fortier
Permanent
representative of
Ivanhoé Cambridge
Inc., Director



Gabrielle Gauthey
Independent
director



Claude Gendron
Director



Jacques-Yves Nicol
Independent
director



Inès Reinmann Toper
Independent
director

Start of term	End of present term	Years of Board membership	Board meeting attendance rate	Membership of one or more Committees
2018	2022 OGM	2	100%	●
2014	2022 OGM	6	100%	●
2017	2021 OGM	3	100%	●
2002	2023 OGM	17	100%	●
2015	2023 OGM	4	100%	●
2016	2021 OGM	3	86%	●
2018	2022 OGM	2	100%	●
2014	2020 OGM	5	100%	●
2010	2022 OGM	9	100%	●
2012	2020 OGM	7	100%	●

Average seniority

6 years

Term of office

4 years

Average age

63 years

III. Our fundamentals for sustainable growth

Specialized Committees with varied skillsets

The committees play a supporting role as advisers to the Board of Directors.

Committees	Strategic and Investment Committee	Audit and Risk Committee	Governance, Appointment and Compensation Committee
Structure	<p>4 members, 1 of whom is an independent director:</p> <ul style="list-style-type: none"> • Ivanhoé Cambridge Inc., Mr. Sylvain Fortier (Chairman) • Ms. Méka Brunel • Mr. Bernard Carayon* • Predica, Mr. Jean-Jacques Duchamp 	<p>6 members, 4 of whom are independent directors:</p> <ul style="list-style-type: none"> • Ms. Gabrielle Gauthey* (Chairwoman) • Ms. Laurence Danon Arnaud* • Ms. Dominique Dudan* • Mr. Claude Gendron • Predica, Mr. Jean-Jacques Duchamp • Ms. Inès Reinmann Toper* 	<p>3 members, 2 of whom are independent directors:</p> <ul style="list-style-type: none"> • Ms. Inès Reinmann Toper* (Chairwoman) • Ms. Laurence Danon Arnaud* • Mr. Claude Gendron
Number of meetings in 2019	6	5	5
Overall attendance rate	96%	93%	100%
Main duties	<p>The Committee advises the Board of Directors and makes recommendations relating to the determination and implementation of Company strategy proposed by the Chief Executive Officer, as well as to major projects and investments and their impact on the accounts. It ensures that the major financial indicators remain balanced and monitors the Company's performance in terms of societal and environmental responsibility.</p>	<p>The Committee monitors the Company's financial information, oversees the proper functioning and effectiveness of the internal control and risk management systems and any significant off-balance sheet commitments. It monitors the assessment of the quality of service provided to tenants.</p>	<p>The Committee examines the terms and conditions of director and corporate officer compensation. It plays a role in the renewal of directorships, the selection of new directors and the appointment of executive corporate officers. It reviews the functioning of the Board of Directors and its Committees and makes proposals to improve corporate governance.</p>

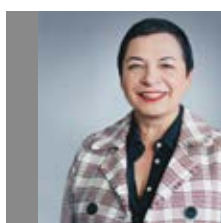
* Independent Directors. For further information about the functioning, structure and work undertaken by the Board of Directors and its Committees in 2019, please refer to Chapter 4

Strengthening our team

By significantly reorganizing the Executive Committee over the past few years, we have strengthened Gecina's capacity to adapt in order to respond to challenges and capitalize on future opportunities.



Méka Brunel
Chief
Executive Officer



Valérie Britay
Executive Director
Offices



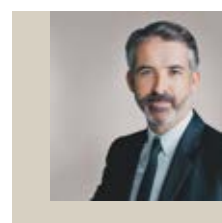
Sabine Desnault
Executive Director
R&D, Innovation
and CSR



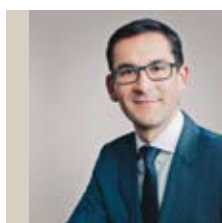
Nicolas Dutreuil
Deputy CEO
in charge of Finance



Christine Harné
Executive Director
Human Resources



Julien Landfried
Executive Director
Communications
and Public Affairs



Franck Lirzin
Executive Director
Residential



Cyril Mescheriakoff
Executive Director
Risks and Internal
Audit



Romain Veber
Executive Director
Investments &
Developments



Frédéric Vern
General Counsel

**Gender
parity**
on the Board of Directors

40%
of women
on the Executive Committee

35%
of women in the top 10%
of positions with greatest
responsibility

Our risk management approach

Our strategy is secured through our robust management of financial and non-financial risks and our identification of opportunities in an environment that is however still uncertain from a macroeconomic and geopolitical perspective, compounded by the latest uncertainty linked to the effects of the coronavirus for 2020.



16 rue des Capucines, Paris

A holistic approach to risk management

In 2019, the Executive Management, under the guidance of the Chairman of the Board of Directors, continued to reinforce the holistic approach to risk management. This is indeed a key element in achieving the objectives set by the Board of Directors and in keeping with the predefined risk profile, which takes into account the Company's long-term strategy and values. At the strategic level, property portfolio turnover further strengthened our specialization in scarcity and central zones less exposed to risks of vacancy and declines in the rental market and contributed to our deleveraging. The risk management approach of this strategy was established with the active inclusion of the Audit, Risk Management and Compliance Department in budget reviews and in the committees making key decisions about changes in the property portfolio (investments, developments, financing and commercialization). The involvement of the operational and functional departments working with the Risk Management and Compliance Department has made it possible to integrate risk management into all activities, especially via our digital transformation. The system in place allows controls to be identified, analyzed and implemented with the involvement of all the departments. This work is shared with the Executive Management, as well as the Chairman, the Audit and Risk Committee and the Board of Directors, thereby enabling them to be involved upstream of decision-making.

Matrix of the principal risk factors

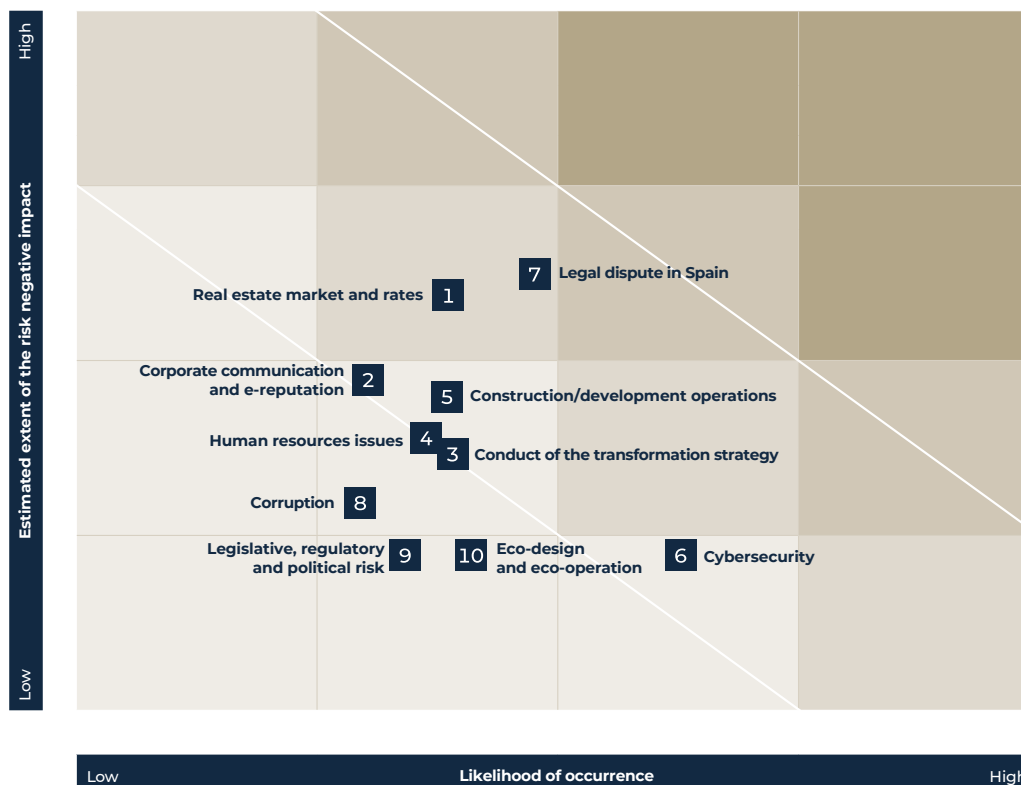
The following matrix sets out the Group's principal risk factors and for each of them, gives the likelihood of their occurrence, along with the estimated extent of the negative impact on the Group, account taken of the risk control systems set up by the company and presented in chapter 2.

The strengthening of risk control systems and the risk management culture driven by the Executive Management has helped to contain a number of trends that are structurally on the up, and to significantly reduce some risks that are no longer included in the matrix of principal risk factors.

Our main accomplishments in 2019

Concrete actions that will continue in 2020:

1. Assumption of duties by an Executive Director of Risk and Internal Audit, member of the Executive Committee as of January 1, 2019.
2. Carrying out a risk mapping exercise, integrating strategic risks and action plans. The risk mapping was presented in the Executive Committee, the Audit and Risk Committee and the Board of Directors.
3. Analyses for the main Group indicators (LTV, ICR, NAV, Recurrent Net Income) pegged to the main exogenous parameters related to the real estate market that could affect them, including interest rate, margin and liquidity risks.
4. Update of the multi-year audit plan.
5. As part of the Group's dynamic asset-portfolio management, the integration, twice a year, of a risk assessment in the budget review process provides an in-depth analysis of market trends, and a detailed analysis of assets held, taking into account risk factors depending on the possible scenarios.
6. Prior risk and sensitivity analysis is carried out by the Risk Management and Compliance Department and reported at twice monthly meetings of the Development, Investment and divestment, Financing, and Commercialization (DIFC) Committee. This Committee aims to conduct a shared review of investment dossiers with all departments, in the presence of the members of the Executive Committee.
7. Continuous optimization of processes and strengthening of internal controls.
8. Continuation of the prevention of corruption (development of risk mapping specifically on this topic) and awareness-raising activities around ethics.



III. Our fundamentals for sustainable growth

Our stock market performance, our financial and non-financial ratings

Ratings

Standard & Poor's:
A- / stable outlook
Moody's:
A3 / stable outlook
GRESB: 92/100

MSCI: AAA
(in the top 10%)
Sustainalytics:
88/100 (3rd in the sector)
CDP: A-list

Data sheet

ISIN Code:
FR0010040865
• Mnemonic: GFC
• Bloomberg Code: GFC FP
• Reuters Code: GFCP.PA
Exchange:
Euronext Paris – Compartment A (Large Caps)
• PEA: Non-eligible
• SRD: Eligible
• ICB sector classification: ICB Industrial & Office REITs 8671

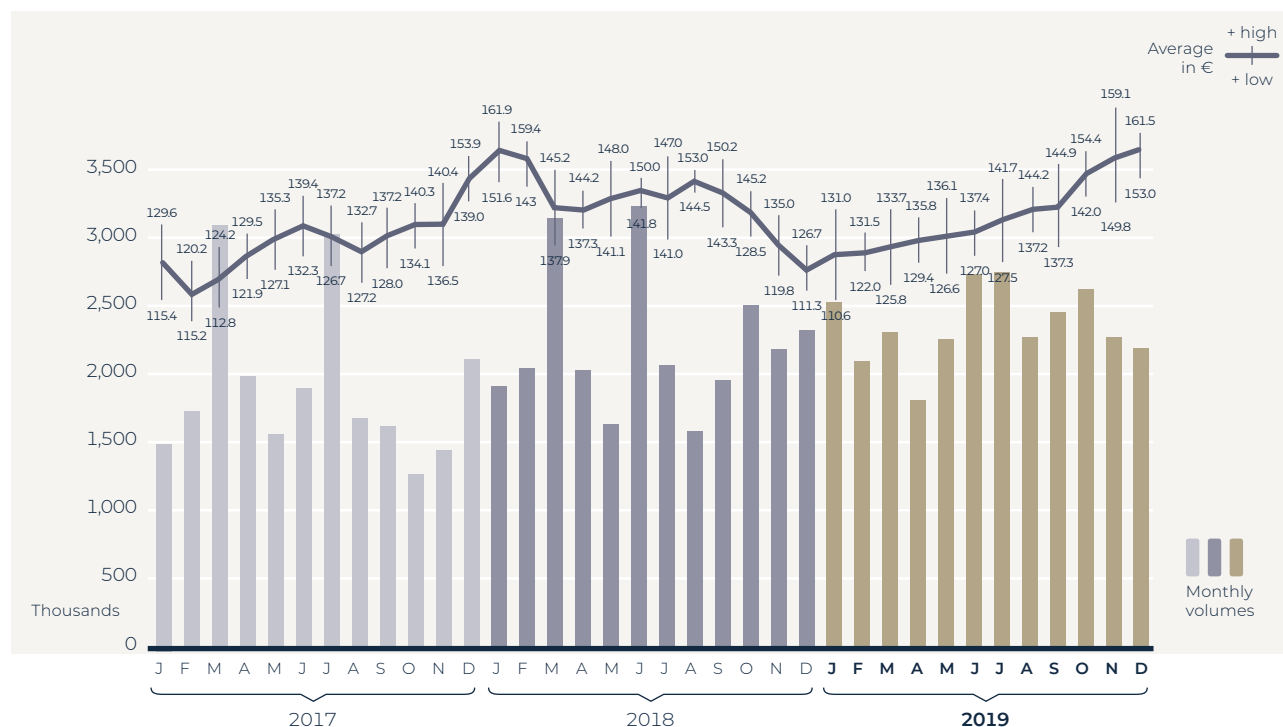
Main indices:
• CAC Next 20,
• SBF 120,
• Euronext 100,
• Cac Large 60
• FTSE4Good,
• DJSI Europe & World,
• STOXX Global ESG Leaders,
• ASPI Eurozone,
• EPRA,
• GPR 250,
• IEIF REITS,
• Euronext Vigeo Eiris

Nominal value:
€7.50

Capitalization at 12/31/2019:
€12.195 billion

Number of shares at 12/31/2019:
76,410,260

Change in the share price and volume of securities traded over 3 years

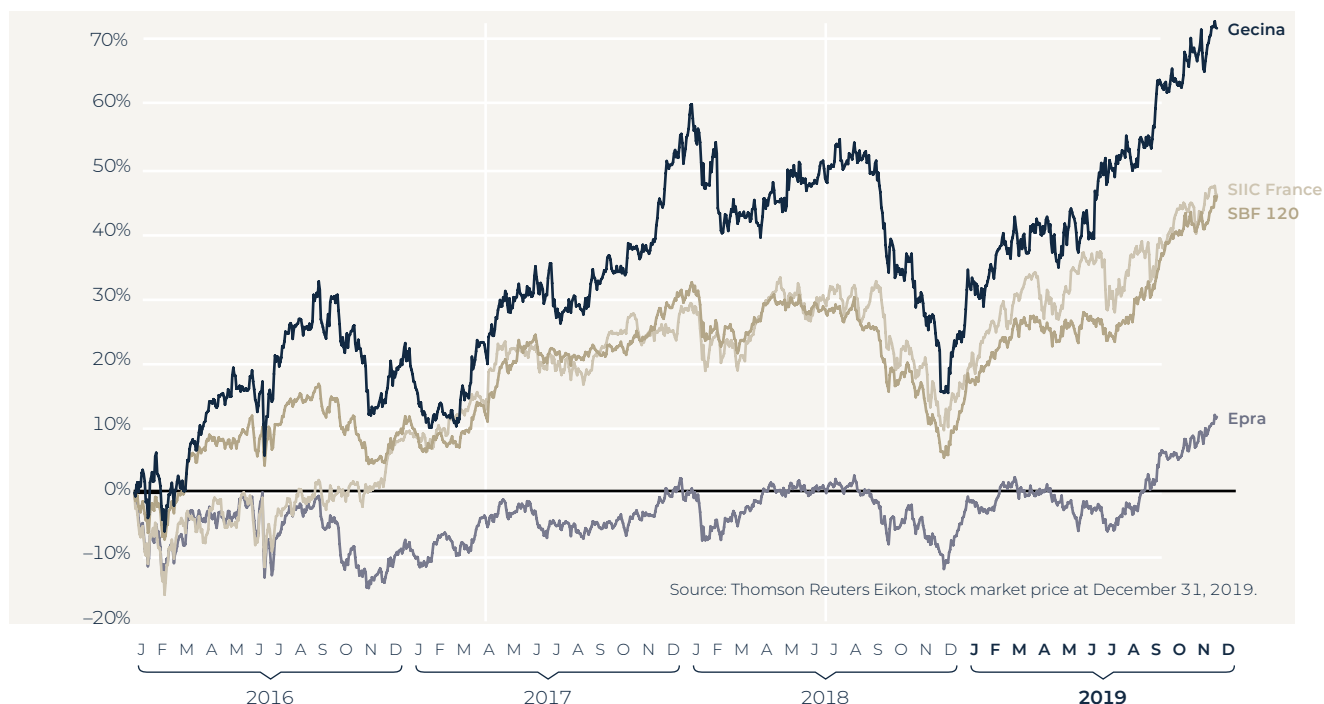


In 2019, Gecina shares increased by +41.2%, compared with a rise of +25.2% for the SBF 120 index and a rise for the sector indices EPRA Europe and IEIF SIIC France of +24.7% and +28.2% respectively. The total number of Gecina shares traded between

January 2 and December 31, 2019 on Euronext Paris was 28,214,361 (27,567,035 in 2018), with an average daily volume of 110,645 shares (108,106 in 2018). Over this period, the share price reached a high of €161.50 and a low of €110.60.

Performance over 4 years

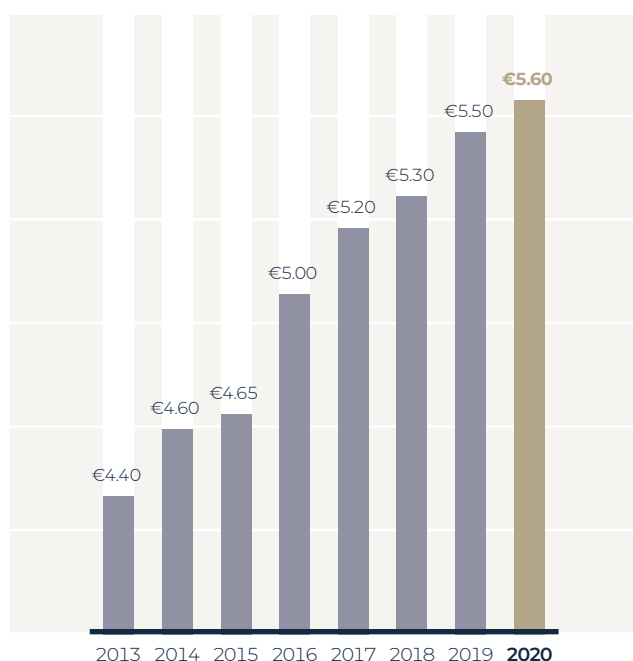
Gecina vs. SBF 120, SIIC France and EPRA:
comparative performance in terms of total shareholder return (TSR) over 4 years (base = 100)



Among the various value-creation measurement indicators, Gecina selected total returns for shareholders, also known as Total Shareholder Return (TSR). This measurement indicator includes both the valuation of the security and income received in the form of dividends excluding taxes, on the basis of the share value at December 31, 2019. For example, since January 1, 2016, the total shareholder return

offered by Gecina shares (+71.5%) has outperformed that of the SBF 120 (+45.8%) and the Euronext IEIF SIIC France index (+45.6%).

At December 31, 2019 and over a period of 10 years, the Total Shareholder Return (TSR) was +240% for Gecina shares compared with +131% for the SBF120 index dividends reinvested.



Dividends have grown continuously since 2013

As regards the payment of dividends to shareholders, Gecina conducts an attractive long-term policy. Payment is regular and, on average, up +3.9% annually since 2013.

In respect of 2019, a cash dividend of €5.60 per share will be proposed to the General Meeting of April 23, 2020.

For the 2019 dividend, an interim cash dividend of €2.80 will be paid on March 6, 2020, followed by the balance – also in cash – of €2.80 on July 3, 2020.

Our financial and non-financial figures

(in € million)	Change (%)	12/31/2019	12/31/2018
Gross rental income	+1.8%	673.5	661.7
Offices	+1.5%	548.2	540.0
Paris CBD & 5-6-7 – Offices	+0.5%	141.0	140.3
Paris CBD & 5-6-7 – Retail	+1.4%	36.8	36.3
Paris other	+20.9%	112.8	93.2
Western Crescent – La Défense	+11.3%	182.7	164.1
Other Paris Region	-12.5%	53.7	61.4
Other French regions/International	-52.6%	21.1	44.6
Traditional residential	+0.7%	105.7	104.9
Student residences	+16.7%	19.7	16.8
RECURRENT NET INCOME (GROUP SHARE)⁽¹⁾	+0.2%	438.2	437.2
Value in block of property holding⁽²⁾	+4.0%	20,051	19,270
Office	+5.8%	16,485	15,575
Paris CBD & 5-6-7 – Offices	+9.1%	5,508	5,050
Paris CBD & 5-6-7 – Retail	+7.7%	1,632	1,515
Paris other	+12.4%	3,182	2,830
Western Crescent – La Défense	+4.7%	4,917	4,696
Other Paris Region	-23.9%	741	973
Other French regions/International	-1.2%	505	511
Residential	+4.2%	3,431	3,291
Hotels & financial lease	-66.5%	135	404
NET YIELD ON PROPERTY HOLDING⁽³⁾	-18 bp	3.82%	4.00%

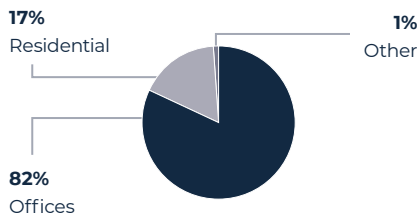
Data per share (in € million)	Change (%)	12/31/2019	12/31/2018
Recurrent net income (Group share)	+0.3%	5.95	5.93
EPRA diluted NAV ⁽⁴⁾	+8.8%	175.8	161.6
EPRA NNNNAV ⁽⁴⁾	+7.4%	172.3	160.5
Net dividend ⁽⁵⁾	+1.8%	5.60	5.50

Number of shares	Change (%)	12/31/2019	12/31/2018
Comprising the share capital	+0.2%	76,410,260	76,266,750
Excluding treasury shares	-0.9%	73,451,222	74,126,324
Diluted number of shares excluding treasury shares	-1.0%	73,656,339	74,375,424
Average number of shares excluding treasury shares	-0.1%	73,644,338	73,709,602

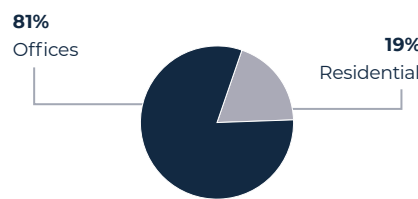
(1) EBITDA restated for net financial expenses, recurring tax, non-controlling interests, net income from equity-accounted investments and some extraordinary expenses. (2) See Note 1.3 Appraisal of property holdings. (3) Like-for-like basis 2019. (4) See Note 1.5 Net Asset Value. (5) Dividend 2019 submitted for approval by General Meeting 2020.

Non-financial performance	Change (%)	12/31/2019	12/31/2018
Low Carbon: % reduction in CO ₂ emissions/sq.m since 2008	-6.30%	-36%	-32%
Circular economy: accumulated tons of CO ₂ avoided thanks to the reuse of materials at our developments	46.50%	416	284
Well-being: surface area (in sq.m) of certified buildings or in the process of obtaining WELL certification	4.40%	176,706	169,303
Biodiversity: surface area (in sq.m) of certified buildings or in the process of obtaining BiodiverCity® certification	20.90%	202,075	167,171
Certifications in operations: % of office surface area awarded HQE Exploitation or BREEAM In Use certification	24.10%	72%	58%

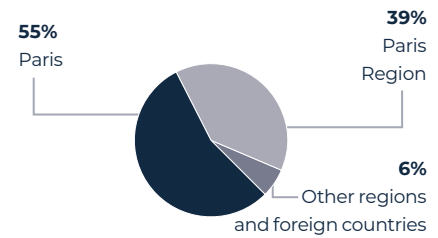
Property holding appraisal by business



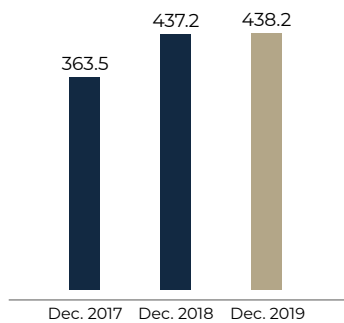
Breakdown of rental revenues by business



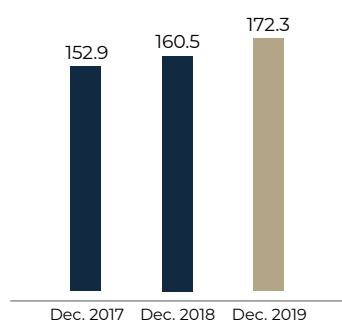
Geographic breakdown of rental revenues



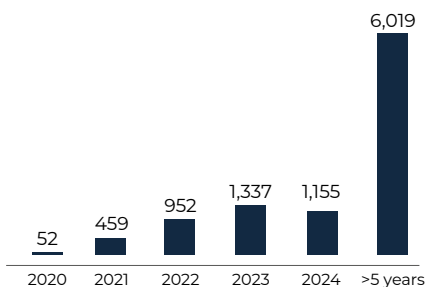
Net recurring income – Group share (€ million)



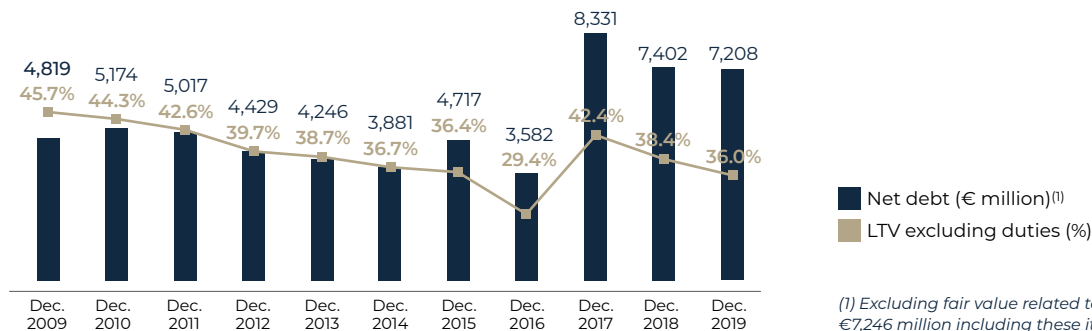
EPRA NNAV (€)



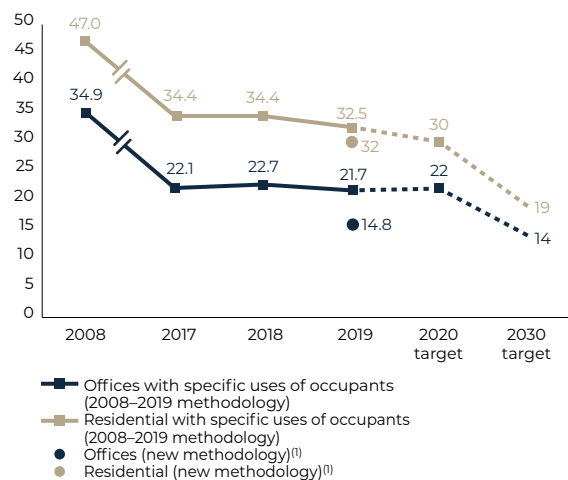
Schedule of authorized financing (including unused credit lines and excluding commercial paper) (€ million)



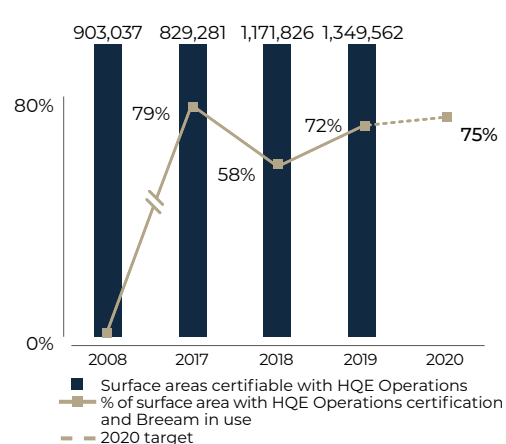
LTV ratio



GHG emissions linked to buildings in operation (in kgCO₂ per sq.m)



Surface areas with HQE Operations/BREEAM in Use – Office certification



(1) In order to align the calculation of CO₂ emissions with market practices, and in accordance with the CSR auditor's recommendations, a new methodology for calculating greenhouse gas emissions is being implemented. This uses an average emission factor per energy in accordance with the Location Based method and takes into account the emissions avoided through the purchase of electricity of guaranteed renewable origin.

Balance sheet and income statement

Financial Statements

Simplified income and recurrent income statement

(in € million)	Change (%)	12/31/2019	12/31/2018
Gross rental income	+1.8%	673.5	661.7
Net rental income	+1.9%	618.8	606.9
Operating margin for other business	-24.1%	9.6	12.7
Services and other income	+55.6%	5.4	3.5
Overheads	+4.0%	(90.4)	(86.9)
EBITDA	+1.4%	543.5	536.1
Net financial expenses	+5.1%	(98.5)	(93.7)
Recurrent gross income	+0.6%	445.0	442.4
Recurrent net income from associates	-0.8%	1.5	1.5
Recurrent minority interests	+1.1%	(1.7)	(1.7)
Recurrent tax	+31.8%	(6.6)	(5.0)
RECURRENT NET INCOME (GROUP SHARE)⁽¹⁾	+0.2%	438.2	437.2
Income from the disposal of assets	N/A	102.3	(11.5)
Change in value of properties	+77.5%	1,004.3	565.8
Real estate margin	-104.1%	0.4	(9.5)
Depreciation & impairment	-12.3%	(16.5)	(18.9)
Non-recurring elements	-61.0%	23.0	59.0
Change in value of derivatives and debts	+78.7%	(26.1)	(14.6)
Premium and costs paid on the repurchased bonds	N/A	(15.9)	0.0
Impacts of the business combination	N/A	0.0	(0.7)
Other	N/A	5.7	(2.0)
CONSOLIDATED NET INCOME (GROUP SHARE)	+50.8%	1,515.3	1,005.0

(1) EBITDA restated for net financial expenses, recurring tax non-controlling interests income from equity-accounted investments and some extraordinary expenses (agreement with CaixaBank costs related to carving out the residential business and the costs of reimbursing mortgage loans).

Consolidated balance sheet

Assets

(in € million)

	12/31/2019	12/31/2018
Non-current assets	19,244.7	18,669.5
Investment properties	17,662.3	16,604.0
Buildings under reconstruction	1,055.1	1,508.1
Operating properties	86.0	66.9
Other tangible fixed assets	14.6	16.2
Goodwill	196.1	207.7
Intangible fixed assets	7.0	6.6
Financial receivables on finance leases	121.6	175.1
Financial fixed assets	25.8	27.2
Equity-accounted investments	51.4	48.4
Non-current derivatives	22.8	7.4
Deferred tax assets	1.9	1.9
Current assets	1,210.1	1,039.5
Properties for sale	928.8	649.8
Inventories	35.7	49.1
Trade receivables	77.4	110.7
Other receivables	111.2	175.0
Prepaid charges	19.2	23.1
Cash and cash equivalents	37.8	31.7
TOTAL ASSETS	20,454.8	19,709.0

Liabilities

(in € million)

	12/31/2019	12/31/2018
Share capital	12,726.6	11,751.2
Capital	573.1	572.0
Additional paid-in capital	3,281.9	3,273.3
Consolidated reserves	7,329.0	6,871.5
Consolidated net income	1,515.3	1,005.0
Shareholders' equity (owners of the parent)	12,699.2	11,721.8
Non-controlling interests	27.4	29.4
Non-current liabilities	5,487.7	5,425.4
Non-current financial debt	5,398.6	5,382.7
Non-current lease obligations	50.5	0.0
Non-current derivatives	1.3	3.8
Deferred tax liabilities	1.7	5.8
Non-current provisions	35.7	33.1
Current liabilities	2,240.5	2,532.4
Current financial debt	1,884.9	2,103.9
Current derivatives	0.6	0.7
Security deposits	80.5	81.0
Trade payables	153.0	207.3
Current tax and social security liabilities	49.0	72.7
Other payables	72.6	66.8
TOTAL LIABILITIES	20,454.8	19,709.0

Our history

For 60 years, we have been anticipating and supporting urban change for the benefit of cities and their inhabitants.



Gecina's 60 years at Collège des Bernardins

- 2019**
 - Launch of the subsidiarization project of our residential portfolio.
 - Launch and roll out of YouFirst, the customer relationship brand.
- 2018**
 - Bernard Carayon is appointed Chairman, replacing Bernard Michel.
 - Sale of assets in the provinces from the Eurosic portfolio.
 - First responsible credit agreements indexed to non-financial performance.
- 2017**
 - Méka Brunel is appointed as Chief Executive Officer.
 - Acquisition of Eurosic.
 - Gecina is the leading office real estate company in Europe in the GRESB ranking and the second largest in the world in DJSI's.
 - Recognition of climate targets by the SBT.
- 2016**
 - Gecina files a public offer tender for Foncière de Paris, competing with the offer initiated by Eurosic. Eurosic acquires Foncière de Paris.
 - Disposal of the healthcare portfolio.
- 2015**
 - Acquisition of the T1&B towers and the historic head office of the PSA Group, on Avenue de la Grande-Armée, from Ivanhoé Cambridge.
 - Gecina is the first real estate company to be ISO 50001-certified by Afnor.
- 2014**
 - Ivanhoé Cambridge and Blackstone, acting in concert, acquire a 22.98% stake in Gecina.
 - Disposal of the Beaugrenelle shopping center.
 - Sale by Metrovacesa of all its shares (26.74%) to institutional investors, including Blackstone and Ivanhoé Cambridge, Crédit Agricole Assurances and Norges Bank.
- 2013**
 - Philippe Depoux is appointed CEO.
 - Disposal of the hotels property portfolio.

- 2012**
- “Newside” is the first building to obtain triple certification (HQE™, LEED® and BREEAM®).
 - Disposal of the logistics property portfolio.
 - The “96-104” building in Neuilly-sur-Seine is the first building to obtain the BBC (low-energy building) label.

- 2011**
- Bernard Michel is appointed as Chairman and Chief Executive Officer.
 - Inclusion in the STOXX Global ESG Leaders index.

- 2010**
- Bernard Michel is appointed Chairman to replace Joaquín Rivero.
 - Inclusion in the FTSE4Good and DJSI indices.

- 2009**
- Christophe Clamageran appointed as Chief Executive Officer.
 - Launch of a mandatory public offer on Gecimed through which Gecina obtains 98.5% of the share capital.
 - Definitive waiving of the Separation Agreement.
 - The “Mercure” building is the first HQE™ Operations certified building.

- 2008**
- Launch of the Corporate Foundation.
 - Launch of “Campuséa”, the student residences brand.

- 2007**
- Signing of a Separation Agreement among Metrovacesa shareholders.
 - On completion of the first phase of this Separation Agreement, Metrovacesa holds only a 27% stake in Gecina, Mr. Rivero 16% and Mr. Soler 15%.
 - Creation of an energy/carbon mapping of all the property assets.

- 2006**
- Public tender offer on Sofco, which becomes Gecimed, and purchase of 28 clinics from Générale de Santé.

- 2005**
- After a public tender offer, Metrovacesa holds 68.54% of Gecina’s share capital.
 - Joaquín Rivero is appointed Chairman of Gecina at the General Meeting.
 - First investments in new types of assets, hotel properties and logistics.



Vendredi Solidaire

- The “Cristallin” building in Boulogne is the first HQE™ Construction certified building.

- 2003**
- Gecina adopts the status of a Société d’Investissement Immobilier Cotée (SIIC) (Listed Real Estate Investment Trust).
 - Gecina absorbs Simco.
 - Creation of the Risk Management and Sustainable Development Function.

- 2002**
- Acquisition of Simco, a real estate company, which had previously acquired Compagnie Immobilière de La Plaine Monceau (founded in 1878) and Société des Immeubles de France (founded in 1879).

- 1999**
- Gecina absorbs Sefimeg (which holds Fourmi Immobilière founded in 1879) followed by Immobilière Batibail.

- 1998**
- GFC absorbs UIF and acquires Foncière Vendôme. GFC becomes Gecina.

- 1997**
- GFC acquires Foncina.

- 1991**
- GFC absorbs GFII.

- 1963**
- Listing of GFC on the Paris Stock Market.

- 1959**
- Foundation of Groupement pour le Financement de la Construction (GFC).



1.

Comments on the fiscal year

1.1. Business review	50
1.1.1. Robust trends for rental income like-for-like	50
1.1.2. Occupancy rate still high, but down slightly due to recent deliveries of buildings that are currently being let	53
1.1.3. Recurrent net income (Group share) reflecting the significant changes in scope	54
1.1.4. Portfolio rotation accelerated	55
1.1.5. Robust rental activity and promising outlook for reversion at the heart of the most central sectors	56
1.1.6. €3.7 billion project pipeline, with €2.9 billion underway or to be launched shortly	57
1.2. Financial resources	59
1.2.1. Debt structure as of December 31, 2019	59
1.2.2. Liquidity	60
1.2.3. Debt repayment schedule	61
1.2.4. Average cost of debt	61
1.2.5. Credit rating	61
1.2.6. Management of interest rate risk hedge	62
1.2.7. Financial structure and banking covenants	63
1.2.8. Guarantees given	63
1.2.9. Early repayment in the event of a change of control	63
1.3. Appraisal of the property portfolio	64
1.3.1. Buildings in the office properties portfolio	67
1.3.2. Buildings in the residential property portfolio	68
1.3.3. Condensed report of property appraisers	69
1.4. Business and earnings of the main companies	71
1.4.1. Gecina	71
1.4.2. Business and earnings of the main subsidiaries	73
1.4.3. Related party transactions	74
1.5. Triple Net Asset Value	75
1.6. Strategy and outlook	76
1.7. Post-balance sheet events	77
1.7.1. Gecina has signed a firm 12-year lease with Boston Consulting Group for L'Ve in Paris' Central Business District	77
1.7.2. First leases signed at €900/sq.m for a building at the heart of the CBD	77
1.7.3. Gecina signs a lease with a GEODIS subsidiary for 3,600 sq.m in the Octant-Sextant building	77
1.8. EPRA reporting at December 31, 2019	78
1.8.1. Net recurring EPRA Earnings	78
1.8.2. EPRA NAV and EPRA NNNNAV	78
1.8.3. EPRA net initial yield and EPRA "topped-up" net initial yield	79
1.8.4. EPRA vacancy rate	79
1.8.5. EPRA cost ratios	80
1.8.6. Capital expenditure	80



1.1 Business review

The Group's consolidated net earnings is presented in a format that is appropriate for its real estate business and specifically includes the following items:

- income recorded in the Group's income statement (gross rental revenues), which mainly comes from rent paid by tenants of the Group's properties;
- EBITDA (total of gross rental revenues and income from services and other items minus total net property expenses, services and other items and overheads including salaries and benefits in kind and net management fees) represents income from operations related to the properties and service businesses.

The company also uses net recurring income as an indicator (which is EBITDA less net financial expenses and

recurring tax, and adjusted from some expenses of an exceptional nature see note 1.1.3). This indicator is used to assess changes in the Group's earnings from operations before disposals, valuation adjustments and non-current taxes.

Value adjustments include changes in the fair value of properties as well as changes in the value of financial instruments. Gains or losses due to these changes in value are unrealized and do not generally correspond to actual transactions. The Group has no intention of disposing of its entire real estate portfolio in the short term, while most of the derivatives are hedges for long-term debt to safeguard the Group from interest rate rises and thus cap the cost of debt.

1.1.1 Robust trends for rental income like-for-like

Gross rental income totaled €673.5 million in 2019, with a moderate increase of +1.8%, linked primarily to the impact of deliveries from the development project pipeline offsetting the impact of sales. The like-for-like performance shows an improvement compared with the previous quarters, with growth of +2.4%, significantly outperforming indexation, thanks in part to positive rental reversion.

On a current basis, the overall contribution by the assets delivered in 2018 and 2019 offset the loss of rent resulting from the sales completed during this same period.

The +1.8% increase reflects the impact of sales of non-strategic assets in 2018 and 2019 (for almost –€44 million), primarily in regions other than Paris, as well as the impact of the buildings delivered in 2018 and 2019, net of transfers to the pipeline (+€41 million).

This performance also benefits from like-for-like growth of +2.4%, factoring in a slight increase in indexation to +1.8% and the positive reversion achieved across all the Group's activities.

Growth on a current basis, as well as like-for-like, shows sequential improvements for the figures reported in 2019.

Gross rental income <i>In million euros</i>	2019	2018	Change (%)	
			Current basis	Like-for-like
Offices	548.2	540.0	+1.5%	+2.5%
Traditional residential	105.7	104.9	+0.7%	+2.3%
Student residences	19.7	16.8	+16.7%	+2.2%
TOTAL GROSS RENTAL INCOME	673.5	661.7	+1.8%	+2.4%

ANNUALIZED RENTAL INCOME

Annualized rental income (IFRS) is up slightly (+€11 million) from December 31, 2018 to €665 million, with +€32 million linked to the impact of six deliveries during the year (Ibox, MAP, Penthemont 2, Pyramides, Carré Michelet and Friedland) and the progress made with letting Be Issy following its recent delivery. The robust like-for-like performance (+€14 million, with around

€8 million for indexation) also helped offset the loss of rent resulting from the sales and acquisitions completed since the start of the year (–€16 million) and the departures of tenants from buildings to be redeveloped (–€19 million).

Note that this annualized rental income includes €29 million from assets intended to be vacated shortly for redevelopment, and €9 million from buildings currently subject to preliminary sales agreements.

Annualized rental income (IFRS) (In million euros)

	12/31/2019	12/31/2018
Offices	539	531
Traditional residential	106	105
Student residences	20	18
TOTAL	665	654

OFFICES: POSITIVE TRENDS IN THE MOST CENTRAL SECTORS

Like-for-like, office rental income is up +2.5%, with +2.7% excluding the impact of the temporary change in the vacancy rate, due to certain tenants vacating buildings located in secondary sectors with longer reletting times than for the most central sectors. The performance achieved exceeded the Group's initial expectations, because one year ago Gecina was forecasting like-for-like rental growth excluding the impact of vacancies of +1.7% to +2.0% for 2019.

This increase reflects an improvement in indexation (+1.9%), as well as the positive reversion achieved and some early departures negotiated, offsetting the slight increase in the vacancy rate for the office portfolio.

Once again in 2019, the most central sectors benefited from a stronger “reversion” effect than the other sectors.

For example, the leases signed in 2019 show a headline reversion rate of around +16% for the CBD and Paris 5/6/7, compared with zero for the Western Crescent and a negative rate of -6% for the Paris Region's other sectors where Gecina has very limited exposure.

For 2020, the positive trends seen for the Paris Region's most central markets enable Gecina to forecast office rental income growth of around +3% like-for-like.

On a current basis, rental income from offices is up +1.5%. More specifically, this change reflects the impact of the non-strategic assets sold in 2018 (–€35.9 million) and 2019 (–€6.6 million) and the assets with strong value creation potential freed up for redevelopment (–€9.8 million). However, this loss of rent is fully offset by the impact of the delivery of eight buildings in 2018 and another six in 2019, with 88% let⁽¹⁾, located primarily in Paris City, as well as the Western Crescent and La Défense.

Gross rental income – Offices (In million euros)	12/31/2019	12/31/2018	Change (%)	
			Current basis	Like-for-like
Offices	548.2	540.0	+1.5%	+2.5%
Paris City	290.6	269.9	+7.7%	+1.7%
■ Paris CBD & 5-6-7 – Offices	141.0	140.3	+0.5%	+1.1%
■ Paris CBD & 5-6-7 – Retail	36.8	36.3	+1.4%	+1.7%
■ Paris – Other	112.8	93.2	+20.9%	+2.8%
Western Crescent – La Défense	182.7	164.1	+11.3%	+3.8%
Paris Region – Other	53.7	61.4	–12.5%	+3.2%
Other French regions / International	21.1	44.6	–52.6%	+0.1%

(1) At February 19, 2020.

Breakdown of tenants by sector (offices – based on annualized headline rents)

	Group
Public sector	5%
Insurance	3%
Other	6%
Banking	5%
Real estate	4%
Industry	8%
IT	4%
Luxury goods – retail	16%
Media – television	7%
Services	35%
Technology and telecoms	7%
TOTAL	100%

Weighting of the top 20 tenants (% of annualized total headline rents)

Breakdown for office portfolio only as non significant for traditional residential and student housings:

Tenant	Group
ENGIE	7%
ORANGE	4%
LOUIS VUITTON	2%
EDF	2%
EUROPA	2%
SOLOCAL GROUP	2%
YVES SAINT LAURENT	2%
WEWORK PARIS III TENANT SAS	2%
FRENCH SOCIAL MINISTRIES	1%
ROCHE	1%
RENAULT	1%
BOSTON CONSULTING GROUP & CIE	1%
ARKEMA	1%
EDENRED	1%
GRAS SAVOYE	1%
IPSEN	1%
EUROPE 1 IMMOBILIER	1%
COGEDIM	1%
LACOSTE OPERATIONS COURT 37	1%
BNP PARIBAS	1%
TOP 10	26%
TOP 20	36%

Volume of rental income by three-year break and end of leases (in million euros):

Commercial lease schedule	2020	2021	2022	2023	2024	2025	2026	> 2026	Total
Break-up options	88	94	86	40	67	42	29	122	568
End of leases	71	55	28	23	57	40	44	252	568

TRADITIONAL RESIDENTIAL: POSITIVE ORGANIC TRENDS, BENEFITING FROM THE STRATEGY ROLLED OUT

Like-for-like, rental income for traditional residential properties is up +2.3%, compared with organic growth of just +0.6% in 2017 and +2.0% in 2018.

This performance takes into account indexation of +1.5% and the improvement in the occupancy rate (+0.4%), as well as the positive reversion achieved (+0.4%) on the apartments relet since January 1, 2019 at around +7.4% higher than the previous tenant's rent on average.

This significant reversion reflects the effects of the Residential Division's reorganization, delivering a clear outperformance compared with the average reversion of +1.9% recorded between 2014 and 2017 (+5.6% in 2018).

On a current basis, rental income is up slightly to €105.7 million, with organic trends offsetting the impacts of the ongoing vacant unit-based sales program.

STUDENT RESIDENCES

Rental income from student residences shows a significant increase on a current basis (+16.7%), reflecting the impact of the delivery of the new "Rose de Cherbourg" residence in La Défense for the start of the 2018 academic year, as well as the ramping up of residences delivered for the start of the 2017 academic year.

Like-for-like, the good rental trends reflect the positive consequences of the operational turnaround of two residences in Lille and Paris.

1.1.2 Occupancy rate still high, but down slightly due to recent deliveries of buildings that are currently being let

The average financial occupancy rate for 2019 was 94.1%, down -80 bp year-on-year and -50 bp over six months. This contraction is linked primarily to the impact of the recent deliveries of partially vacant buildings, which have now been let, including Be Issy, Ibox and Carré Michelet, with the leases signed recently impacting the average financial occupancy rate from the last quarters of 2019 or even in 2020, which therefore temporarily had a negative impact on the average financial occupancy rate for 2019.

For student residences, the increased occupancy rate reflects the gradual ramping up of two residences in Marseille and Puteaux (La Défense), offsetting the ongoing drive to improve the rental position of the Le Bourget residence. Excluding these three residences, the average financial occupancy rate for student residences comes out at nearly 95%, highlighting the solid performance by the mature residences.

Average financial occupancy rate	12/31/2018	03/31/2019	06/30/2019	09/30/2019	12/31/2019
Offices	94.7%	94.5%	94.4%	94.2%	93.8%
Traditional residential	97.5%	97.6%	97.7%	97.7%	97.6%
Student residences	87.0%	87.3%	84.9%	85.4%	88.0%
Other commercial assets	97.5%	96.4%	–	–	–
GROUP TOTAL	94.9%	94.7%	94.6%	94.4%	94.1%

RENTAL MARGIN

The rental margin came to 91.9%, a slight improvement compared with end-2018 (+0.2 pt), linked mainly to the residential portfolio due to the impact of a reduction in the level of expenses that cannot be transferred to

tenants, offsetting the lower rental margin recorded on student residences, affected by the residences opened recently in La Défense (Rose de Cherbourg) and Marseille (Mazenod).

	Group	Offices	Residential	Student
Rental margin at 12/31/2018	91.7%	94.3%	81.9%	75.0%
RENTAL MARGIN AT 12/31/2019	91.9%	94.2%	82.9%	73.7%

1.1.3 Recurrent net income (Group share) reflecting the significant changes in scope

Recurrent net income (Group share) is up +0.2% (+0.3% per share) despite the high volume of sales completed in 2018 and 2019 (€1.3 billion in 2018 and €0.9 billion⁽¹⁾ in 2019), as well as the temporary loss of rental income from buildings with strong potential freed up for redevelopment. Restated for the non-strategic divestments from Eurosic's scope, this rate is up +5.7% per share, higher than initially expected by the Group, which was forecasting an increase of over +3% for this scope.

Moreover, the change in the rate of growth for recurrent net income (Group share) during the various quarters in 2019 shows the ramping up of deliveries of buildings from the project pipeline. For reference, recurrent net income was down -5% in the first half of 2019.

PORTFOLIO ROTATION: -€42 MILLION NET CHANGE IN RENTAL INCOME

This change reflects the impact of the portfolio's rotation in 2018 and 2019 (i.e. €2.2 billion of sales over two years and €359 million of acquisitions over the same period). More than half of this change is linked to the sale of the portfolio of buildings located outside of the Paris Region, from Eurosic's scope, with the rest of the sales concerning hotel assets, logistics warehouses and office buildings that were mature or not located in Gecina's preferred sectors. In the last two years, Gecina has finalized the acquisition of two buildings in Neuilly ("8-Graviers" in 2018 and "Carreau de Neuilly" in the fourth quarter of 2019).

OPERATIONS RELATING TO THE PIPELINE (DELIVERIES AND LAUNCH OF REDEVELOPMENT WORK): +€41 MILLION NET CHANGE IN RENTAL INCOME

The change in recurrent net income (Group share) also reflects the impact of operations relating to the pipeline. The additional rental income generated by the recent deliveries of buildings under development represents over €51 million (14 office buildings, including 10 in Paris City and three in the Western Crescent-La Défense, as well as a student residence). Alongside this, the buildings transferred to the pipeline in 2019 or to be transferred shortly account for a temporary drop in rental income of around -€10 million compared with 2018. Six new projects were transferred to the pipeline at the end of 2019.

OPTIMIZATION OF THE BALANCE SHEET AND REDUCTION IN CAPITALIZED FINANCIAL EXPENSES

Financial expenses are up +€4.8 million. This increase is linked mainly to the significant volume of projects delivered from the pipeline, and the resulting €10.4 million reduction in capitalized financial expenses, which now represent €7.7 million (versus €18.1 million in 2018). In addition, Gecina was particularly active in terms of managing its balance sheet, increasing the average maturity of its debt to 7.5 years (versus 7.3 years at end-2018), with the average cost of debt down slightly to 1.0% (1.4% including undrawn credit lines).

<i>In million euros</i>	12/31/2019	12/31/2018	Change (%)
Gross rental income	673.5	661.7	+1.8%
Net rental income	618.8	606.9	+1.9%
Operating margin for other business	9.6	12.7	-24.1%
Services and other income (net)	5.4	3.5	+55.6%
Overheads	(90.4)	(86.9)	+4.0%
EBITDA	543.5	536.1	+1.4%
Net financial expenses	(98.5)	(93.7)	+5.1%
Recurrent gross income	445.0	442.4	+0.6%
Recurrent net income from associates	1.5	1.5	-0.8%
Recurrent minority interests	(1.7)	(1.7)	+1.1%
Recurrent tax	(6.6)	(5.0)	+31.8%
Recurrent net income (Group share)⁽²⁾	438.2	437.2	+0.2%
RECURRENT NET INCOME (GROUP SHARE) PER SHARE	5.95	5.93	+0.3%

(1) €1.2 billion including the sales under preliminary agreements at end-December 2019.

(2) EBITDA restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs (agreement with CaixaBank, costs relating to the subsidiarization of the residential business, and mortgage repayment costs).

1.1.4 Portfolio rotation accelerated

€1.2 BILLION OF SALES COMPLETED OR SECURED IN 2019, FURTHER STRENGTHENING THE PORTFOLIO'S CENTRALITY AND THE GROUP'S BALANCE SHEET

Since the start of the year, Gecina has sold or secured sales for almost €1.2 billion of assets, achieving an average premium of around +12% versus their latest values from end-2018, with a loss of rental income of around 3.5%. €893 million have already been finalized, while €305 million under preliminary agreements are expected to be finalized in the short term.

These sales aim to further strengthen the centrality of Gecina's portfolio and rationalize its composition by selling or planning to divest non-strategic assets (logistics, hotels), while reducing the Group's LTV.

€1.1 billion of commercial assets sold in 2019 (or subject to preliminary agreements at end-2019)

The commercial sales completed (or under preliminary agreements) since the start of the year represent €1.1 billion, achieving an average premium of +11.4%, with the following breakdown:

- €831 million were finalized in 2019, with the remaining €300 million to be completed in the short term;
- nearly 33% of the sales finalized concern the divestment from real estate sectors that are not strategic for Gecina (Logistics, Restaurants, Hotels);
- more than half of the sales concern assets located outside of Paris City;
- 32% of these sales concern assets from the previous Eurosic scope.

As a result of these sales, the office portfolio at the heart of Paris City represented 63% at end-2019 (versus 60% at end-2018 and 56% at end-2017), in line with the growing concentration of the Group's portfolio at the heart of the Paris Region's most central and promising sectors.

In addition, based on the appraisal values from end-2019, the LTV is 34.0% (36.0% excluding duties). For reference, it was 36.2% (38.4% excluding duties) at the end of 2018.

Including the impact of sales under preliminary agreements at December 31, 2019, the pro forma LTV comes to 33.0% (including duties).

Nearly €66 million of residential sales completed or secured at end-2019

Alongside this, Gecina completed or secured nearly €66 million of residential sales on a vacant unit basis, achieving an average premium of +23% versus the latest appraisals.

Within the Group's portfolio, the portfolio of residential properties that could be sold as they are vacated by tenants represents nearly €319 million.

RESIDENTIAL PORTFOLIO: PERFORMANCE AND LAUNCH OF SUBSIDIARIZATION

Recap on Gecina's core residential strategies

Densification: capitalizing on the portfolio's centrality

In connection with the review of its residential portfolio since mid-2017, Gecina has identified several key areas for creating value on this portfolio.

In terms of densification: Gecina has identified potential for nearly 65,000 sq.m of new builds on sites or buildings that are already owned by the Group, with building permits secured or currently being drawn up for 20,000 sq.m, primarily in Paris City. These operations would represent an investment outlay of around €300 million (including certain student residence projects).

Extracting and maximizing reversion potential

Renovation of existing properties: Gecina is rolling out a program to renovate its portfolio with a view to improving the quality and appeal of its residential buildings. This program will help capitalize on rental reversion potential and position expected rents above median market levels, in line with regulations for Paris' residential market. These investments could represent a total future outlay of around €100 million over seven years and will make it possible to maximize the Group's performance in terms of robust organic growth.

Refurbishment of vacated apartments: following the conclusive results achieved with the first operations benefiting certain apartments in Paris' 15th arrondissement, the Group is refurbishing apartments when they are vacated in order to maximize their rental potential. This program is expected to represent a total investment volume of around €100 million, with €70 million to be paid out over the next five years.

First impacts reducing the vacancy rate and capturing reversion

Compared with end-2018, the financial vacancy rate for the residential portfolio is down, contributing +0.4% to the organic growth rate. This performance follows on from the trend that began in 2018. In addition, the reversion potential captured in 2019 once again shows a significant improvement compared with previous years, with the new leases signed achieving +7.4% higher rents on average than the levels paid by the previous tenants. This reversion can be seen particularly clearly for apartments that have been refurbished, with a spread of +14.4% for these units. This performance compares favorably with the average reversion of +1.9% per year observed between 2014 and 2017, and even in 2018, when this differential already showed an improvement of +5.6%.

As a result, organic growth in residential rental income came to +2.3%, significantly outperforming indexation (+1.5%).

Launch of subsidiarization: a tool to position the Group to capitalize on potential value-creating opportunities for growth

At the end of 2019, the Group launched the proposed subsidiarization of its residential portfolio in order to give itself the means to capitalize on potential opportunities for growth and value creation, while being able to open up the vehicle's capital. The Group would retain control of the newly created subsidiary and would maintain its target capital allocation (with around 80% focused on offices).

This would position Gecina to capitalize on potential investment opportunities in order to achieve major synergies and launch new investments in sectors with strong value creation potential in the Paris Region or certain leading French cities that meet Gecina's

requirements in terms of financial performance and operational risk.

The proposed transfer agreement allowing the subsidiarization of the residential portfolio was approved by Gecina's Board of Directors and the Chairman of the subsidiary benefiting from the transfer on February 19, 2020. The transfer will be submitted for approval at the General Meetings of Gecina's shareholders and the sole partner of the subsidiary benefiting from the transfer, which will be held on April 23, 2020. Ahead of Gecina's General Shareholders' Meeting, in accordance with the provisions applicable, Gecina plans to invite the holders of the bonds concerned to attend a General Meeting in order to deliberate on the proposed transfer. The non-recurring costs for the implementation of this operation (tax, notary fees, legal advice, etc.) are expected to represent around €12 million, with €2.6 million of this total already recorded in 2019.

1.1.5 Robust rental activity and promising outlook for reversion at the heart of the most central sectors

OVER 200,000 SQ.M LET SINCE THE START OF 2019

Since the start of 2019, Gecina has let, relet or renegotiated over 200,000 sq.m, including 165,000 sq.m of offices in 2019 (over 7% of the Paris Region rental market), representing almost €64 million of annualized headline rental income, reflecting both the positive trends on the Paris market and the Group's commitment to anticipating its letting challenges. Among the main lettings secured, Gecina has signed leases with EDF for Park Azur, PepsiCo for Portes de la Défense, BCG for Live and NovoNordisk for Carré Michelet.

The performance levels achieved once again show a clear rental outperformance for the Paris Region's most central sectors and especially Paris City.

- This performance has been driven by the capital's core, with +16% headline reversion in the CBD and the 5th, 6th and 7th arrondissements, and +9% for the rest of Paris, where levels of incentives have fallen significantly. For reference, 63% of Gecina's office portfolio is located in Paris City.
- There was zero reversion for La Défense in 2019, while the Paris Region's other sectors continued to see a negative reversion rate.

These performance levels, achieved through tenant rotations, confirm the Group's strategic focus on the most central sectors.

THEORETICAL REVERSION POTENTIAL CLOSE TO +10% ON AVERAGE

Gecina previously identified reversion potential (difference between the theoretical market headline rents and the levels of rent in place) of around +8.6% on average across its portfolio, based on an estimate for market rents mid-2019. Based on these same estimates, this potential has now been raised to 9.8%, reflecting the impact of asset sales focused on non-strategic sectors where reversion potential is generally lower than in Paris City.

This theoretical potential is being driven primarily by Paris City, and especially the CBD, where this spread represents +23% on average (+10% for the rest of Paris), benefiting from the clear rental market upturn seen in the last few years, while the Western Crescent and the rest of the Paris Region show lower or even negative spreads.

This potential performance will be gradually delivered over the coming years as the current leases come to an end.

1.1.6 €3.7 billion project pipeline, with €2.9 billion underway or to be launched shortly

15 PROJECTS DELIVERED IN 2018 AND 2019, INCLUDING SIX IN 2019, WITH TOTAL VALUE CREATION OF €780 MILLION

Gecina has delivered 15 projects in the last two years, including six in 2019. These projects represent a total of 250,000 sq.m. Concentrated primarily in Paris, these buildings are 88% let.

Since their launch, these 15 projects have enabled the Group to achieve net value creation within its NAV of around €780 million (over +€10 per share), for €751 million of capex invested.

€2.9 billion of projects committed or to be committed in the short term

€1.7 billion of committed projects (deliveries for 2020-2023)

Nearly 63% of this committed pipeline is located in Paris City, with 23% in the Western Crescent's best business districts (Boulogne, Neuilly and La Défense) and the remaining 14% comprising a student residence, a residential program in the Paris Region and an office project in Montrouge. In total, 14 projects are currently committed to and will be delivered between 2020 and 2023, representing a total investment volume of €1.7 billion, with €540 million still to be paid out over the coming years. Six new projects were committed to at the end of December 2019 (three in Paris, two in the Western Crescent and one in Montrouge).

With an expected yield on cost of 5.5%, the committed pipeline represents a potential rental income volume of around €95 million, which will be gradually integrated between 2020 and 2023 as the various assets are delivered. The pre-letting rate is moderate to date (26%) since the majority of these programs were transferred to the pipeline in the last few months. However, major negotiations are already underway for several projects that have been committed to and could soon raise this rate to around 40%.

At end-December, €540 million o.w. €14 million interest rates to be capitalized, were still to be invested on

committed projects, with €204 million by end-2020, €197 million in 2021, and €139 million in 2022 and 2023.

€1.2 billion of "controlled and certain" projects to be launched over the coming half-year periods (deliveries in 2021-2024)

The pipeline of operations "to be committed", i.e. "controlled and certain", groups together the assets held by Gecina that are currently being vacated and for which a redevelopment project aligned with Gecina's investment criteria has been identified. These projects will therefore be launched over the coming half-year periods.

This pipeline includes 10 projects that will be transferred to the committed pipeline when they are vacated by their current tenants. In 2019, €19 million of rental income was received on these buildings, which are scheduled to be vacated before being redeveloped.

These projects are scheduled for delivery between 2021 and 2024, and 94% are located in Paris City and Neuilly-sur-Seine, with an average expected yield on cost of 5.6%, representing nearly €67 million of potential rental income.

€468 million will be invested in these controlled and certain projects once they have been launched, expected for the coming half-year periods.

€0.8 billion of "likely" controlled projects over the longer term (possible deliveries in 2023-2026)

The "likely" controlled pipeline covers the projects identified and owned by Gecina that may require pre-letting (for greenfield projects in peripheral locations within the Paris Region) or cases when tenant departures are not yet certain over the short term. The identification of these projects upstream is making it possible to achieve a potential yield on cost of 5.3% with a portfolio of potential projects focused primarily on Paris City (75%). These projects will be launched as decided by Gecina in line with real estate market developments at the time of their potential launch. The greenfield operations will be able to be launched or sold based on the opportunities that arise.

Project	Location	Expected delivery date	Total space sq.m	Total investment (€m)	Already invested (€m)	Still to invest (€m)	Yield on cost (est.) (net)	Theoretical prime yields (BNPPRE)	Pre-let	Average rental entry date (on leases signed)
La Défense – Being	Western Crescent	Q1-20	12,200	97	90	7				
Paris – 7, Rue de Madrid	Paris CBD	Q2-20	11,100	107	100	7			100%	Jun 15, 2020
Boulogne – Anthos	New Western Crescent	Q4-20	9,600	104	94	10				
Paris – Biopark	New Paris	Q1-21	6,400	47	39	8				
La Défense – Sunside	New Western Crescent	Q1-21	9,800	87	73	14				
Neuilly – 157 Charles de Gaulle	Western Crescent	Q2-21	11,200	108	68	39				
Paris – L'Îve	Paris CBD	Q2-22	33,500	514	376	138			78%	H2-2022
Paris – Bancelles	New Paris CBD	Q2-23	30,300	377	251	127				
Montrouge – Porte Sud	New Inner Rim	Q3-23	18,700	136	50	86				
Total offices			142,800	1,577	1,141	437	5.6%	3.1%	26%	
Paris – St Mandé	Paris	Q2-20	700	4	2	2			n.a	
Paris – Glacière	New Paris	Q2-20	300	2	0	2			n.a	
Ivry-sur-Seine – Ynov	Inner Rim	Q2-21	7,200	41	20	21			n.a	
Ville-d'Avray	Inner Rim	Q3-21	12,300	57	4	53			n.a	
Paris – Porte Brancion	Paris	Q2-22	2,900	19	0	19			n.a	
Residential densification			1,704	6	0	6			n.a	
Total residential			25,104	130	26	103	5.2%	3.7%		
Total committed pipeline	2020-2023		167,904	1,707	1,167⁽¹⁾	540	5.5%	3.1%		
Controlled and certain: Offices			93,500	1,088	688	400	5.7%	3.3%		
Controlled and certain: Residential			19,400	103	35	68	5.0%	3.4%		
Total controlled and certain	2021-2025		112,900	1,191	723	468	5.6%	3.3%		
TOTAL COMMITTED OR TO BE COMMITTED	2020-2025		280,804	2,898	1,890	1,008	5.6%	3.2%		
"Likely" redevelopments			89,100	749	519	229	5.2%	3.2%		
Greenfield			2,400	8	0	8	8.9%	5.0%		
Total controlled and likely			91,500	757	519	237	5.3%	3.3%		
TOTAL PIPELINE			372,304	3,655	2,409	1,246	5.5%	3.2%		

(1) At end-2019, the assets under development have an appraisal value of €1,359 million. The value creation already integrated through the appraisal values therefore represents nearly €193 million at end-December 2019.

1.2 Financial resources

During the financial year, Gecina continued to strengthen and optimize its financial structure and to incorporate CSR into its financing. The financial markets experienced some volatility in 2019, due in particular to announcements by the European Central Bank and the uncertain global geopolitical environment. In this context, Gecina has been able to take advantage of favorable conditions to further lengthen the average maturity of debt and hedging to nearly 7.5 years, while maintaining the lowest cost of debt to date. The implementation of €660 million of new sustainable credit lines also allowed the proportion of responsible bank loans (indexed to the Group's CSR performance) to be raised to 20% of bank debt.

The main financing operations completed in 2019 focused on:

- the raising of €1.7 billion in new outstanding amounts (with an average maturity of 9.3 years), including €500 million via a new bond issue with a 15-year maturity;
- the early repayment of €1.3 billion of financing (with an average maturity of 2.6 years);
- the maturity of €0.5 billion in debt.

The main credit ratios stood at 34.0% for LTV including duties (down 2.2 points as of December 31, 2018), 5.3 x for the ICR and 0.2% for secured debt.

Furthermore, at the end of 2019, the Group's available liquidity amounted to €4.5 billion and gives Gecina significant financial flexibility whilst covering the credit maturing over the next three years.

1.2.1 Debt structure as of December 31, 2019

Net financial debt amounted to €7,208 million at the end of 2019, down €194 million compared to the end of the previous year.

The main characteristics of the debt are:

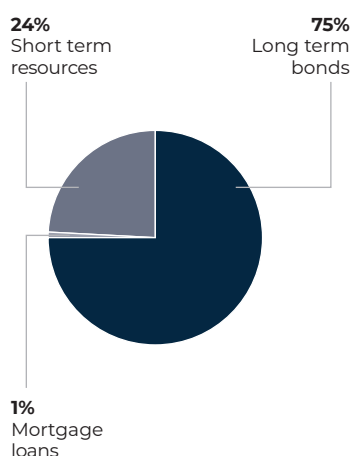
	12/31/2018	12/31/2019
Gross financial debt <i>(in million euros)</i> ⁽¹⁾	7,433	7,246
Net financial debt <i>(in million euros)</i> ⁽²⁾	7,402	7,208
Gross nominal debt <i>(in million euros)</i> ⁽¹⁾	7,406	7,233
Unused credit lines <i>(in million euros)</i>	4,255	4,505
Average maturity of debt (years, adjusted for available credit lines)	7.3	7.5
LTV (including duties)	36.2%	34.0%
LTV (excluding duties)	38.4%	36.0%
ICR	5.7 x	5.3 x
Secured debt/Properties	1.0%	0.2%

(1) Gross financial debt (excluding fair value related to Eurosic's debt) = Gross nominal debt + impact of the recognition of bonds at amortized cost + accrued interest not yet due + miscellaneous.

(2) Excluding fair value related to Eurosic's debt, €7,246 million including these items.

Debt by type

Breakdown of gross nominal debt



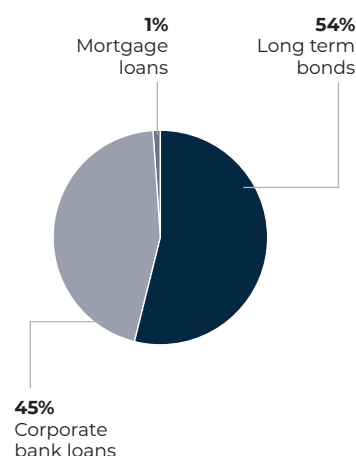
Gecina's sources of financing are diversified, and long-term bonds make up 75% of the Group's nominal debt and 54% of the Group's authorized financings.

As of December 31, 2019, Gecina's gross nominal debt comprised:

- €5,420 million in long-term bonds issued under the EMTN (Euro Medium-Term Notes) program;

Breakdown of authorized financing

(including €4,505 million of unused credit lines as of 12/31/2019)



- €50 million of mortgage loans;
- €1,764 million in short-term resources (of which €1,664 million in commercial papers and €100 million in short-term private placements) covered by confirmed medium and long-term credit lines.

1.2.2 Liquidity

As of December 31, 2019, Gecina had €4,543 million of available liquidity, of which €4,505 million of unused credit lines and €38 million cash, easily covering all credit maturities for the next two years (€2,034 million). Net of the coverage of short-term resources, liquidity amounts to €2,779 million.

Financing or refinancing transactions completed during the financial year amounted to €1,735 million with an average maturity of 9.3 years and included:

- one bond issue of €500 million with a 15-year maturity and a coupon of 1.625%;
- the signing of six bilateral credit facilities, two of which being sustainable credit lines, amounting to €1,235 million with a 7.0-year average maturity.

In addition, Gecina repaid and canceled €1,755 million of financing, including:

- €152 million via the liability management relating to its 2021, 2023 and 2024 bond issues;
- the early repayment of €168 million of bank loans, including €138 million of mortgages;

- the early termination of six credit lines for a total of €985 million with a residual maturity of 0.5 year;
- the maturity of three bond issues amounting to €449 million.

Gecina updated its EMTN program with the AMF in February 2019 and its NEU CP program (commercial papers) with the Banque de France in April 2019, with caps of €8 billion and €2 billion, respectively.

In 2019, Gecina continued to use short-term resources via commercial papers and EMTN private placements with short maturities in order to maintain flexibility and to adapt to the delivery of the disposal plan. As of December 31, 2019, the Group's short-term resources totaled €1,764 million, versus €1,667 million at the end of 2018.

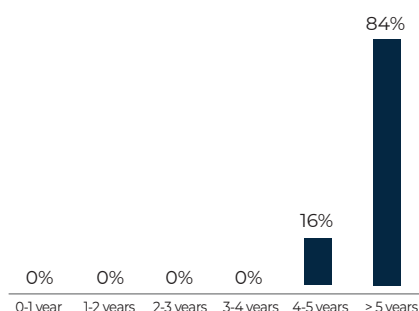
The main objectives of this liquidity are to provide sufficient flexibility to adapt the volume of debt to the pace of acquisitions and disposals, cover the refinancing of short-term maturities, allow refinancing under optimal conditions, meet the criteria of the credit rating agencies and finance the Group's investment projects.

1.2.3 Debt repayment schedule

As of December 31, 2019, the average maturity of Gecina's debt was 7.5 years⁽¹⁾, 0.2 year longer compared with December 31, 2018.

The following chart presents Gecina's debt maturity breakdown as of December 31, 2019 (after allocation of unused credit lines).

In 2019, the Group also strived to optimize and streamline the financing maturities schedule. After allocation of unused credit lines, the Group has no maturities in the next three years and 84% of debt has a maturity of more than five years.



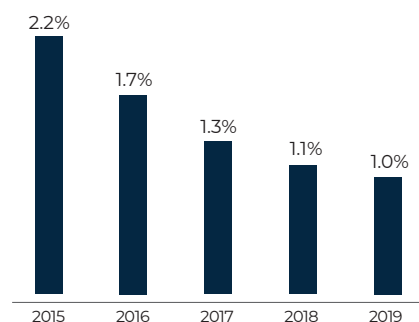
1.2.4 Average cost of debt

The average cost of drawn debt decreased in 2019, down from 1.1% in 2018 to 1.0%. This favorable evolution was mainly due to the continuation of the Group's financial strategy (credit rating, financial structure, hedging policy, active management of the credit schedule, etc.).

The average cost of total debt was stable in relation to 2018. It stood at 1.4%.

The following chart shows the evolution in the average cost of Gecina's drawn debt during the last five financial years and its constant improvement.

Capitalized interest on development projects amounted to €7.7 million in 2019 (compared with €18.1 million in 2018).



1.2.5 Credit rating

The Gecina Group is rated both by Moody's and Standard & Poor's. In 2019:

- Standard & Poor's rating is A- stable outlook;
- Moody's rating is A3 stable outlook.

⁽¹⁾ After allocation of unused lines of credit.

1.2.6 Management of interest rate risk hedge

Gecina's interest rate risk management policy is aimed at hedging the company's exposure to interest rate risk. To do so, Gecina uses fixed-rate debt and derivative products (mainly caps and swaps) in order to limit the impact of interest rate changes on the Group's results and to keep the cost of debt under control.

Gecina has pursued the global hedge management strategy of the combined structure that aims at:

- maintaining an optimal hedging ratio;
- raising the average maturity of hedges (fixed-rate debt and derivative instruments); and
- securing favorable long-term interest rates.

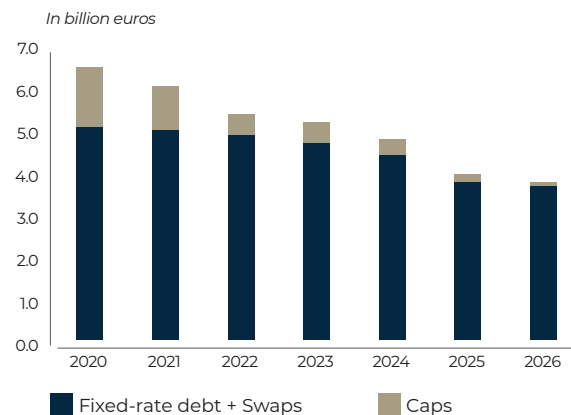
To this end, Gecina notably:

- completed a €500 million bond issue with a maturity of 15 years, kept at fixed rate;
- partially redeemed three fixed-rate bonds for €152 million;
- amended three caps with a total notional amount of €350 million by decreasing their exercise price; and
- terminated €700 million in swaps early with an average residual maturity of 6.1 years and concomitantly set up €400 million of swaps with an average maturity of 10.0 years and €500 million of caps with an average maturity of 5.6 years

The combination of these transactions also helped improve the average duration of the Group's firm hedge portfolio to 7.6 years at the end of 2019, compared with 7.1 years at the end of 2018.

As of December 31, 2019, based on the level of projected debt volume, the average hedging ratio reaches 73% over the next 7 years.

The chart below shows the profile of the hedge portfolio:



Gecina's interest rate hedging policy is implemented at the Group level and over the long-term; it is not specifically assigned to certain loans. As a result, it does not meet the accounting definition of hedging instruments and the change in fair value is accounted for in the income statement.

MEASURING INTEREST RATE RISK

Gecina's anticipated net financial debt in 2020 is hedged up to 94% against interest rate increase (depending on observed Euribor rate levels, due to caps).

Based on the existing hedge portfolio, contractual conditions as of December 31, 2019, and anticipated debt in 2020, a 50 basis-point increase in the interest rate would generate an additional expense of about €6.7 million in 2020. A 50 basis-point decrease in interest rates would cut financial expenses by about €5.4 million in 2020.

1.2.7 Financial structure and banking covenants

Gecina's financial situation as of December 31, 2019, meets all requirements of the various covenants of loan agreements the company has contracted.

The table below shows the status of the main financial ratios outlined in the loan agreements:

	Benchmark standard	Balance as of 12/31/2019
LTV Net debt/revalued block value of property holding (excluding duties)	Maximum 55%/60%	36.0%
ICR EBITDA/net financial expenses	Minimum 2.0 x	5.3 x
Outstanding secured debt/revalued block value of property holding (excluding duties)	Maximum 25%	0.2%
Revalued block value of property holding (excluding duties), in billion euros	Minimum 6.0/8.0	20.1

The financial ratios shown above are the same as those used in the covenants included in all the Group's loan agreements.

LTV excluding duties amounted to 36.0% as of December 31, 2019, down from December 31, 2018, due primarily to disposals made over the year. The ICR stood at 5.3 x (5.7 x in 2018).

1.2.8 Guarantees given

The amount of consolidated nominal debt guaranteed by real sureties (i.e., mortgages, lender's liens, unregistered mortgages) amounted to €50 million at year-end 2019, compared with €189 million at year-end 2018.

As of December 31, 2019, the total amount of financing guaranteed by mortgage-backed assets amounted to 0.2% of the total block value of the property portfolio, versus 1.0% as of December 31, 2018, for an authorized maximum limit of 25% in the various loan agreements.

1.2.9 Early repayment in the event of a change of control

Some loan agreements to which Gecina is party and bonds issued by Gecina provide for mandatory early repayment and/or cancellation of loans granted and/or a mandatory early repayment liability, if control of Gecina changes.

On the basis of a total amount of authorizations of €10.0 billion (including unused credit lines) as of December 31, 2019, €4.0 billion of bank debt and €5.4 billion of bonds are concerned by such a clause

relative to a change of control of Gecina (in most cases, this change must lead to a downgrading in the credit rating to Non-Investment Grade for this clause to be activated).

In the case of bonds issued by Gecina, a change of control resulting in a downgrade in the credit rating to a Non-Investment Grade that is not restored to Investment Grade level within 120 days may result in the early repayment of the loan.

1.3 Appraisal of the property portfolio

All of the Gecina group's real estate assets are assessed each year on June 30 and December 31 by a panel of independent experts: CBRE Valuation, Cushman & Wakefield, Crédit Foncier Expertise, BNPP Real Estate, Catella Valuation, Euroflemming Expertise et Christie & Co. The property appraisers were selected under the supervision of the Group's Audit and Risk Committee and following a set of specifications. The appraisers' fees are based on the number of assets appraised, not on the value of those assets.

The values presented in this chapter were obtained from the appraisals made by the property appraisers appointed by Gecina for this purpose. The Group's property portfolio is primarily composed of commercial assets (mainly offices and retail), traditional residential assets and student residences. For the purposes of its consolidated financial statements, the Group opted for the fair value model of appraisal for its properties in accordance with IAS 40, with the fair value being measured by the independent appraisers twice a year. In accordance with this standard, changes in fair value of the properties (after factoring in capitalized work) in each accounting period are posted to the income statement.

Each asset that is appraised is valued by an appraiser from the Board, and each appraiser receives a portfolio of properties to appraise. The appraisers determine the fair value of the properties using two approaches: the disposal of entire buildings (appraised block value) plus, for residential buildings only, the individual disposal of units of buildings (appraised units value). The method used by the appraisers is described in Note 5.5.3.1.1 to the Consolidated financial statements. The appraisers produce a detailed report for each building valued.

The appraisals were carried out in accordance with standard procedures that remain consistent from year to

year on the basis of net sales prices, i.e., exclusive of costs and duties.

Information on the sensitivity of the property portfolio valuation to changes in the economic situation is indicated in the Consolidated financial statements section, in Note 5.5.6.8.

During a real estate valuation, the appraiser performs the appraisal on the basis of the rental statement that he receives from the company.

If this statement includes vacant surface areas, the appraiser uses the market rental value to measure the rents of vacant surface areas.

For measuring the market rental value, the appraiser takes account of the market situation in question on the date on which the appraisal is performed.

Potential rent is then obtained by the combination of rents for ongoing leases and the rental values of vacant surface areas. The appraiser uses this overall rent as the basis for pricing the building's value by applying the yield linked to the type of asset under review in the case of income-based methods.

The gross or net capitalization rates are determined as the ratio of gross or net potential rents respectively over the appraisal values excluding transfer duties. The gross or net yield rates are determined as the ratio of gross or net potential rents respectively over the appraisal values including duties.

In the case of the Discounted Cash Flow method, the appraiser values vacant premises in the same way based on the market rental value.

In the case of a 10-year Discounted Cash Flow (DCF), the appraiser will use, at the end of each lease under consideration, the market rental value of the surface areas that have been released.

EVOLUTION OF THE APPRAISAL OF THE PROPERTY PORTFOLIO

The 2019 change in the balance sheet fair value according to the Group's accounting standards is as follows:

In million euros	Block value			Δ current basis		Δ like-for-like basis	
	12/31/2019	06/30/2019	12/31/2018	12/31/2019	12/31/2019	12/31/2019	12/31/2019
				vs 12/31/2018	vs 06/30/2019	vs 12/31/2018	vs 06/30/2019
Offices	16,485	16,198	15,575	+5.8%	+1.8%	+7.4%	+3.2%
Paris City	10,322	9,878	9,395	+9.9%	+4.5%	+10.3%	+5.0%
■ Paris CBD & 5-6-7	7,140	6,849	6,565	+8.8%	+4.2%	+9.1%	+4.9%
■ Paris CBD & 5-6-7 – Offices	5,508	5,281	5,050	+9.1%	+4.3%	+9.5%	+5.2%
■ Paris CBD & 5-6-7 – Retail	1,632	1,569	1,515	+7.7%	+4.1%	+8.1%	+4.3%
■ Paris – Other	3,182	3,028	2,830	+12.4%	+5.1%	+13.3%	+5.2%
Western Crescent – La Défense	4,917	4,839	4,696	+4.7%	+1.6%	+4.1%	+1.3%
Paris Region – Other	741	977	973	-23.9%	-24.2%	-6.1%	-6.3%
Other French regions/International	505	504	511	-1.2%	+0.3%	+7.4%	+2.6%
Traditional residential	3,075	3,023	2,961	+3.9%	+1.7%	+5.2%	+1.9%
Student residences	356	336	331	+7.5%	+5.8%	+2.7%	+1.9%
Hotels & financial lease	135	338	404	-66.5%	-60.0%		
GROUP TOTAL – BLOCK VALUE	20,051	19,895	19,270	+4.0%	+0.8%	+7.0%	+3.0%
GROUP TOTAL – UNIT APPRAISALS	20,539	20,386	19,745	+4.0%	+0.8%	+6.9%	+2.9%

The property portfolio had a block value of €20,051 million, corresponding to an increase of €780 million in 2019 (i.e., +4.0%).

This increase is mainly due to the growth on a like-for-like basis (+€1,039 million, including €73 million in investments) and projects delivered and acquisitions (+€412 million) offset by the sale of €797 million of property assets.

The main changes in the property portfolio in the financial year are the following:

On a current basis

- (i) €1,039 million increase, corresponding to the rise in asset value on a like-for-like basis to €15,987 million.
- (ii) Decline of €527 million (value as of December 31, 2018) corresponding to block disposals for a sales price of €606 million.
- (iii) €412 million increase, representing the 2019 acquisitions and the 2019 deliveries (€387 million in investment) including Carreau de Neuilly, Carré Michelet at La Défense and Tour Ibox in the Paris 12th arrondissement.
- (iv) €215 million drop in the Hotels portfolio primarily due to block sales over the year.
- (v) Growth of €153 million in the pipeline (€89 million in investment) including Live in the Paris 16th arrondissement, Bancelles in the Paris 17th arrondissement and 7 rue Madrid in the Paris 8th arrondissement.

(vi) Decrease of 53 million in the financial lease portfolio.

(vii) Drop of €22 million in unit-by-unit asset sales following disposals during the year.

(viii) Drop of €9 million in land reserves;

On a like-for-like basis

Gecina's like-for-like scope at €15,987 million increased by €1,039 million over the year (i.e., +7.0%) including €73 million in investments.

- (i) 7.4% increase in the offices portfolio, equivalent to +€895 million. Net capitalization rates were down overall (-22 bp at 3.9%).
- (ii) Overall increase in the residential portfolio: up by +4.9% i.e., +€145 million. This breaks down as follows: +5.2% or +€136 million for traditional residential properties and +2.7% or +€9 million for student residences. Unit valuations increased by 4.9%.

The value per square meter of traditional residential properties stood at 7,050/sq.m as of December 31, 2019 with a net capitalization rate of 3.1%. The value per square meter of student residences was €5,090/sq.m with a net capitalization rate of 4.9%.

YIELD RATE AND CAPITALIZATION RATE

Net capitalization rates excluding duties dipped by 18 basis points over the year, like-for-like.

In million euros	Net yield (incl. duties)		Net capitalization rate (excl. duties)	
	12/31/2019	12/31/2018	12/31/2019	12/31/2018
Offices	3.7%	3.9%	3.9%	4.2%
Paris City	3.1%	3.4%	3.4%	3.6%
■ Paris CBD & 5-6-7	2.9%	3.0%	3.1%	3.2%
■ Paris CBD & 5-6-7 – Offices	3.1%	3.3%	3.3%	3.6%
■ Paris CBD & 5-6-7 – Retail	2.1%	2.1%	2.2%	2.2%
■ Paris – Other	3.8%	4.2%	4.1%	4.5%
Western Crescent – La Défense	4.4%	4.5%	4.7%	4.8%
Paris Region – Other	6.3%	6.1%	6.8%	6.6%
Other French regions/International	4.3%	4.7%	4.4%	4.8%
Traditional residential	2.9%	2.9%	3.1%	3.1%
Student residences	4.7%	4.8%	4.9%	5.0%
TOTAL LIKE-FOR-LIKE BASIS⁽¹⁾	3.6%	3.8%	3.8%	4.0%

(1) Like-for-like 2019.

For each asset category, the property appraisers established working assumptions based mainly on their knowledge of the market and in particular of the latest transactions. It is in this context that they determine the various capitalization and discount rates.

DISCOUNT RATE AND RISK PREMIUM

The table below indicates, by asset category, the range of discount rates used by the property appraisers to prepare the Discounted Cash Flow (DCF method) in their appraisals carried out to date.

Sector-specific premium risks were determined with reference to the French Treasury's ten-year OAT (with an interest rate of 0.10% as of December 31, 2019).

	Discount rate December 2019		Specific risk premium December 2019	
Offices	3.0%	10.2%	2.9%	10.1%
Offices – Paris	3.0%	6.0%	2.9%	5.9%
Offices – Paris Region	4.0%	10.2%	3.9%	10.1%
Regions Offices	3.8%	7.0%	3.7%	6.9%

BREAKDOWN OF THE PORTFOLIO VALUE BY SEGMENT

The breakdown of the portfolio value by segment as of December 31, 2019 is the following:

Segments	12/31/2019 (in million euros)	12/31/2019 (%)
Offices	16,485	82%
Residential	3,431	17%
Hotels and financial leases	135	1%
TOTAL GECINA	20,051	100%

RECONCILIATION OF PORTFOLIO VALUE WITH BOOK VALUE

In accordance with the EPRA guidelines, the table below presents the reconciliation between the book value of buildings on the balance sheet and the total appraisal value of the property holdings:

<i>In million euros</i>	12/31/2019
Book value	19,941
Operating buildings (Head Office & Hotel)	+127
Impact of IFRS 16	-17
Property portfolio value	20,051
Company fair value accounted for under the equity method	+2
APPRAISAL VALUE	20,053

1.3.1 Buildings in the office properties portfolio

VALUATION OF THE BUILDINGS IN THE OFFICE PROPERTIES PORTFOLIO

<i>In million euros</i>	12/31/2019	12/31/2018	Change
Block value on a current basis	16,485	15,575	+5.8%
Block value on a like-for-like basis	12,907	12,012	+7.4%

Current basis

The office portfolio amounted to €16,485 million as of December 31, 2019, up by 5.8%, i.e., €910 million, mainly due to an increase on a like-for-like basis of €895 million and projects delivered and acquisitions of €412 million, including €387 million in investments. This increase is offset by the sale of €526 million of assets at a sale price of €606 million.

In 2019, the office properties investment market remained dynamic in an environment featuring abundant liquidity and low interest rates. The yield rates reached their lowest levels in all market segments. The Group's office portfolio located in the Central Business District and the 5th, 6th and 7th districts of Paris grew by 9.1%.

Like-for-like

The block value of the office properties portfolio increased by 7.4% in 2019.

Over the year, the growth in value of the office properties portfolio results from:

- a positive rate effect (+2.0%) mainly in the 1st and 2nd half-years;
- a positive business plan effect (+5.5%) slightly higher in the 1st half-year;

After recognition of capex (€53 million), the change in valuation was +€841 million (+7.0%).

ASSETS IN THE OFFICE PROPERTY PORTFOLIO ON A LIKE-FOR-LIKE BASIS

	Block value (in million euros)	Value/sq.m (in euros)	Net capitalization rate
Paris City	8,191	16,199	3.4%
■ Paris CBD & 5-6-7	5,832	21,309	3.1%
■ Paris CBD & 5-6-7 – Offices	4,212	18,853	3.3%
■ Paris CBD & 5-6-7 – Retail	1,620	54,829	2.2%
■ Paris – Other	2,359	10,178	4.1%
Western Crescent – La Défense	3,585	8,849	4.7%
Paris Region – Other	654	2,852	6.8%
Other French regions/International	476	5,325	4.4%
TOTAL	12,907	10,642	3.9%

On a like-for-like basis, 63% of the Group's offices property portfolio is located in Paris and 33% in the Paris Region.

Net capitalization rates were down overall (–22 bp at 3.9%). Potential rents per square meter increased slightly by 1.8% to €445/sq.m. Average valuation per square meter was €10,640.

The office property assets located in the CBD & 5-6-7 benefited from the market appetite for that asset class and earned +9.1% over the year on a like-for-like basis (+4.9% in the second half of the year). The result was a net capitalization rate of 3.1% whose 2.2% for retail assets. The net capitalization rate of the Western Crescent offices was 4.71%.

1.3.2 Buildings in the residential property portfolio

VALUATION OF PROPERTIES IN THE TRADITIONAL RESIDENTIAL PROPERTIES PORTFOLIO

In million euros	12/31/2019	12/31/2018	Change
Block value on a current basis	3,075	2,961	+3.9%
Block value on a like-for-like basis	2,746	2,610	+5.2%

Current basis

The traditional residential portfolio increased 3.9% to €3,075 million, mainly due to the increase in metric values observed on the market linked to the investor appetite for this category of assets located in Paris and the near west suburbs. This increase was partly offset by disposals.

Like-for-like

Benefiting from these favorable market conditions, the traditional residential portfolio increased 5.2% on a like-for-like basis, reaching €2,746 million for the year, an increase of €136 million (+1.9% in the second half of the year).

The traditional residential portfolio increased 5.2% over the year.

The appreciation of traditional residential assets can be explained by:

- a positive rate effect (+2.9%);
- a positive business plan effect (+2.3%).

Taking account of the capital expenditure on traditional residential buildings (€20 million), the annual change in value was up €116 million (+4.4%).

BUILDINGS IN THE TRADITIONAL RESIDENTIAL PROPERTY PORTFOLIO ON A LIKE-FOR-LIKE BASIS

	Block value (in million euros)	Value/sq.m (in euros)	Net capitalization rate
Paris	2,142	8,116	3.0%
Paris region	604	4,808	3.5%
TOTAL	2,746	7,049	3.1%

On a like-for-like basis, 100% of the Group's traditional residential property portfolio is based in the Paris Region. Of this 78% is located in Paris. The average net capitalization rate of 3.1% is stable and the average metric value is €7,049/sq.m.

On a like-for-like basis, for traditional residential assets, the block/unit overall discount was at 12% as of December 31, 2019. Unit values increased 5.1% to €3,128 million for the full year.

VALUATION OF THE BUILDINGS IN THE STUDENT RESIDENCES PROPERTY PORTFOLIO

In million euros	12/31/2019	12/31/2018	Change
Block value on a current basis	356	331	+7.5%
Block value on a like-for-like basis	334	325	+2.7%

Student residences valuation increased by 2.7% for the full year (€334 million, +€9 million).

OPERATING BUILDINGS IN THE STUDENT RESIDENCES PROPERTY PORTFOLIO ON A LIKE-FOR-LIKE BASIS

	Block value (in million euros)	Value/sq.m (in euros)	Net capitalization rate
Paris region	242	6,236	4.7%
Other regions	92	3,430	5.6%
TOTAL	334	5,092	4.9%

The block value of these student residence property assets stood at €5,090/sq.m as of December 31, 2019 with the net capitalization rate stable at 4.9%.

1.3.3 Condensed report of property appraisers

GENERAL BACKGROUND TO THE APPRAISAL ENGAGEMENT

General background

The Gecina group consulted the property appraisers:

- CBRE Valuation;
- Cushman & Wakefield;
- Crédit Foncier Expertise;
- BNP Paribas Real Estate;
- Euroflemming Expertise;
- Catella Valuation Advisors;
- Christie & Co.

To obtain the updated value of its portfolio of real estate assets, break down as follows:

In million euros	Assets number	Valuation as of 12/31/2019
CBRE Valuation	54	6,883
Cushman & Wakefield	62	6,387
Crédit Foncier Expertise	75	3,781
BNP Paribas Real Estate	12	554
Euroflemming Expertise	13	840
Catella Valuation Advisors	10	389
Christie & Co.	1	14
Other independent appraisers	4	204
Internal evaluation	35	1,000
TOTAL	266	20,053

1 Comments on the fiscal year

Appraisal of the property portfolio

In accordance with Gecina's instructions, the property appraisers drafted appraisal reports and determined the requested fair values, the objective valuation as of December 31, 2019.

No conflict of interest was recognized.

This engagement accounts for less than 5% of the annual revenue of each real estate appraiser. The fees of property appraisers are determined on the basis of a lump sum per asset examined and never on the basis of an amount proportional to the value of the building.

It was conducted in response to AMF recommendations on the presentation of valuation items, and the property holding risks of listed companies, published on February 8, 2010.

Mission (see detailed report "Mission summary table")

All the real estate assets concerned have been inspected by the appraisal teams over the last five years.

To carry out this appraisal, no technical, legal, environmental, administrative, or other audit was required. The valuation was based on the documents provided by the principal, namely:

- leases;
- descriptive sections of purchase deeds;
- details of receipts;
- details about the tax regime and certain charges.

PERFORMANCE CONDITIONS

This appraisal was conducted on the basis of documents and information sent by Gecina, in particular rental statements sent out in October, all presumed genuine and representing all the information and documents held by or known to the principal and likely to have an impact on the fair value of the property.

The appraisal procedures and assessments were made in accordance with:

- the recommendations of the Barthès de Ruyter report on assessing the property portfolio of publicly-listed companies, published in February 2000;

- the charter of Professional Real Estate Appraisers;
- the "European Valuation Standards", published by TEGoVA (The European Group of Valuers' Associations);
- the "Appraisal and Valuation Manual" of the Royal Institution of Chartered Surveyors (RICS);
- the "International Valuation Standards" of the International Valuation Standard Committee.

The following methods were used to estimate the fair value of assets:

- comparison method;
- revenue method;
- cash flow method;
- "developer's balance sheet" method (only applied to buildings under construction).

The valuation methodology is summarized in Note 5.1.1 to the consolidated financial statements.

This valuation applies subject to market stability and absence of significant changes in the buildings between the date of the appraisals discussed in this report and the value date.

With respect to properties and rights in rem covered by a financial lease, the appraisers exclusively valued the properties and the underlying rights in rem and not the assignment value of the financial lease.

Similarly, the appraisers did not take account of any specific financing methods that may have been used by property owners.

OBSERVATIONS

Fair values are stated exclusive of acquisition costs and transfer duties.

All appraisers have declared that they were independent and held no stake in Gecina; each appraiser has certified the fair values of the properties measured thereby without assuming liability for appraisals performed by any of the other appraisers and has agreed that this summary report be included in Gecina's Universal Registration Document.

CBRE
Valuation

Cushman
& Wakefield

Credit Foncier
Expertise

BNP Paribas Real
Estate

Euroflemming
Expertise

Catella Valuation
Advisors

Christie & Co

1.4 Business and earnings of the main companies

1.4.1 Gecina

1.4.1.1 BUSINESS AND EARNINGS

2019 rental income amounted to €237 million compared with €251 million in 2018. Commercial sector rents fell from €152 million to €138 million as a result of asset disposals and the impact of new franchises.

Write-backs on provisions in 2019 concern rent receivables for €1 million and employee commitments for €0.1 million.

Operating income includes recharges to tenants for €45 million and recharges of intercompany services for €57 million (classified in "other income").

Operating expenses for financial year 2019 came to €274 million (compared to €255 million for the previous year).

External charges down €2 million compared to the previous financial year includes €31.5 million of intermediaries' compensation and fees.

Depreciation totaled €60 million, in line with 2018.

Operating income thus stood at €68 million (€100 million for the previous year).

The acquisition of the securities of NHV generated registration duties (levies and taxes) in the amount of €16 million

Net financial income constituted net income of €300 million, compared to net income of €192 million the previous year. This reflects in particular:

- interest and related expenses (net of cash revenue) of €69 million (including €18 million linked to financial termination expenses following the restructuring of transactions on financial hedging instruments);
- dividends received from subsidiaries and income from equity investments of €343 million;
- write-downs and provisions for liabilities on securities and receivables of subsidiaries in the amount of €2 million.

Exceptional net profit of €255 million included €224 million in capital gains on disposals of properties, €14 million in net reversals of provisions on buildings, –€13 million on redemptions of bonds and €30 million following the conclusion of a protocol with CaixaBank.

In 2018, exceptional net profit came to €177 million including €120 million in capital gains on property disposals and €59 million in damages and interest linked to the legal dispute with Gecina's former CEO Joaquín Rivero.

Financial year 2019 net income amounted to a profit of €620 million, up from €468 million for 2018.

1.4.1.2 FINANCIAL POSITION

As of December 31, 2019, the company reported total assets of €13,368 million, compared to €13,909 million as of December 31, 2018.

The property portfolio directly held by Gecina totaled €3,165 million at the end of 2019 compared with €3,441 million at the end of 2018.

The changes were as follows:

In million euros

■ net book value of assets sold	(276)
■ capitalized expenditures	46
■ depreciation	(60)
■ net reversals of provisions	14
CHANGE IN THE PORTFOLIO VALUE	(276)

1 Comments on the fiscal year

Business and earnings of the main companies

Equity investments and related receivables represented a total net amount of €8,583 million as of December 31, 2019, compared to €8,824 million at the end of 2018.

In million euros

■ net increase of equity interests	234
■ net decrease in related receivables	(478)
■ net change in provisions	3
CHANGE IN EQUITY INVESTMENTS AND RELATED RECEIVABLES	(241)

The net decrease in related receivables is primarily due to repayments of intra-group long-term advances for €598 million.

As of December 31, 2019, the most significant equity investments were as follows, in gross value: Eurosic (€2,375 million), Geciter (€782 million) and Avenir Danton Défense (€476 million).

During the financial year, Gecina acquired 84.63% of the shares of NHV for the sum of €259 million.

Other financial investments include mainly the Eurosic OSRA for €890 million and treasury shares held by the company for €349 million.

Gecina holds a total of 2,959,038 treasury shares, i.e., 4% of the share capital.

Current assets amounted to €200 million as of December 31, 2019, versus €329 million as of December 31, 2018. These include:

- other receivables (€117 million net), comprised mainly of intercompany receivables (€129 million, including the €20 million receivable on Bami Newco entirely written down), as well as tax and VAT receivables;
- investments in marketable securities for €17 million;
- rent receivables for a net amount of €5 million;
- cash for €30 million;
- prepaid expenses for €30 million primarily concern loan issuance costs.

The €224 million increase in shareholders' equity can be explained as follows:

In million euros

Shareholders' equity as of December 31, 2018	5,597
Capital increase and merger premium resulting from the exercise of stock options and subscriptions to the company savings scheme (PEE)	9
Dividends paid in 2019	(405)
Net income for the year 2019	620
SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2019	5,821

Financial debt as of December 31, 2019 totaled €7,366 million compared with €8,129 million at the end of 2018, of which €121 million in intercompany debt.

Over the financial year, the company also issued new bonds for €500 million, carried out a partial redemption of three tap bonds at a nominal amount of €151.1 million, and the redemption of €749.1 million of matured bonds.

Provisions for liabilities and charges amounted to €32 million, compared with €30 million the previous year. The provisions concern €14 million for pension commitments and long service awards, €7 million for tax risk incurred following a number of tax audits, €6 million for property disputes and €5 million for subsidiary losses.

Disclosures about Gecina's terms of payment (article D. 441-4 of the French Commercial Code)

The tables below present the analysis of trade payables and account receivables as of December 31, 2019:

	Invoices issued and not paid as of the close of the financial year and whose terms have expired					
Amounts including all taxes (in thousand euros)	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranches						
Number of invoices concerned	67					872
Amount of invoices concerned	510	2,181	949	166	271	3,567
Percentage of the total amount of purchases in the financial year	0.3%	1.4%	0.6%	0.1%	0.2%	2.3%
(B) Invoices excluded from (A) relating to payables and debt disputed or not entered						
Number of invoices				1,132		

	Invoices issued and not paid at the close of the financial year and whose terms have expired					
Amounts including all taxes (in thousand euros)	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment tranches						
Number of invoices concerned						10,765
Amount of invoices concerned		4,662	80	92	6,515	11,349
Percentage of revenue of the financial year						4.8%
(B) Invoices excluded from (A) relating to payables and debt disputed or not entered						
Number of invoices				0		

1.4.2 Business and earnings of the main subsidiaries

GECITER

This subsidiary, which is wholly owned by Gecina, owns 26 office buildings with a block value, excluding duties, of €2.3 billion as of December 31, 2019.

The amount of rental income totaled €52.9 million in 2019 compared with €48.3 million in 2018. The net income for the financial year showed a profit of €57 million compared to €33 million in 2018 due to an increase in the exceptional items of €22.6 million (following the exchange on November 7, 2019 of the building at 22 rue du général Foy for 15.37% of the securities of the company NHV, which holds the "Carreau Neuilly" real estate complex, for an amount excluding duties of €47 million).

For the financial year 2018, in 2019 Geciter distributed a dividend of €191.14 per share i.e., €33.4 million.

EUROSIC

This subsidiary, which was 99.72% owned by Gecina as of December 2019, owns 20 buildings with a block value, excluding duties, of €1.2 billion as of December 31, 2019.

The amount of rental income totaled €23.2 million compared with €22.2 million in 2018.

The earnings for the year show a profit of €35 million compared to €224.7 million in 2018 (taking into account the recognition of exceptional dividends and capital gains on disposals of shareholdings).

For the financial year 2018, in 2019 Eurosic distributed a dividend of €4.52 per share i.e., €214.1 million.

| FONCIÈRE DE PARIS

This subsidiary, which is 100% owned by Eurosic, owns 33 office buildings with a block value, excluding duties, of €1.6 billion as of December 31, 2019.

The amount of rental income totaled €43.6 million in 2019 compared with €51.6 million in 2018. The amount of financial leases (legacy activity) totaled €19.2 million

compared with €26.4 million in 2018. Net income for the financial year showed a profit of €54 million, including non-recurring elements totaling €32.5 million, versus a net profit of €67.2 million in 2018 (including exceptional items of €41.3 million).

In 2019, in respect of the financial year 2018, Foncière de Paris distributed a dividend of €67.1 million representing €6.59 per share.

1.4.3 Related party transactions

| 1.4.3.1 TRANSACTIONS BETWEEN GECINA GROUP AND ITS SHAREHOLDERS

As of December 31, 2019, Gecina had no material transactions with the company's major shareholders, other than those described in Note 5.5.9.3 to the Consolidated financial statements.

| 1.4.3.2 TRANSACTIONS BETWEEN GROUP COMPANIES

The Group structure is highly centralized. Gecina is the direct employer of most of its administrative staff, with the exception of the Locare sales teams, the Gecina Management teams and property personnel, who are employed by the property companies. They re-invoice their subsidiaries for services and operating resources.

All the Group's financing requirements are organized by Gecina, with the exception of some financing specific to certain assets held by the subsidiaries.

Cash pooling agreements and loan agreements of associates and shareholders provide for optimized management of cash flow based on the various subsidiaries' excess funds and cash requirements between the different branches.

1.5 Triple Net Asset Value

The EPRA NNAV is calculated according to the EPRA⁽¹⁾ recommendations. The calculation is based on the Group's shareholders' equity obtained from financial statements, which include the fair value by block, excluding duties, of investment properties, buildings under reconstruction and properties held for sale, as well as financial instruments.

The foregoing elements are restated of the Group's shareholders' equity to calculate EPRA NAV and EPRA NNAV:

- unrealized capital gains on buildings valued at their historic cost such as operating building and inventory buildings are calculated on the basis of block appraisal values excluding duties, determined by independent appraisers;
- the fair value of fixed-rate financial debts and hotel commercial properties.

Registration fees are determined by taking into account the most appropriate mode of disposal of the asset: sale of

the asset or company shares. When the sale of the company appears to be more advantageous than the sale of the asset, the resultant registration rights replace those deducted from the property appraisals.

The number of diluted shares includes the number of shares likely to be created through the exercise of equity instruments to be issued in the right conditions. The number of diluted shares does not include treasury shares.

The diluted EPRA NAV totaled €12,951 million at December 31, 2019, or €175.8 per share.

Diluted EPRA NAV (unit) represents €182.4 per share at December 31, 2019, up by nearly +9% year-on-year, taking into account the residential portfolio's unit values.

The table below, compliant with EPRA recommendations, presents the transition between the Group's shareholders' equity derived from financial statements and the EPRA NNAV.

Net Asset Value – block

	12/31/2018		06/30/2019		12/31/2019	
<i>In million euros</i>	Amount / number of shares	Euros / share	Amount / number of shares	Euros / share	Amount / number of shares	Euros / share
Fully diluted number of shares	74,375,424		73,622,597		73,656,339	
Shareholders' equity under IFRS	11,722*		11,985*		12,699**	
+ Receivable from shareholders	0.0		201.6		0.0	
+ Impact of exercising stock options	4.0		4.0		1.7	
Diluted NAV	11,726	€157.7	12,191	€165.6	12,701	€172.4
+ Fair value reporting of assets at amortized cost	125.6		128.5		136.4	
+ Hotel business	53.1		37.7		0.0	
+ Optimization of transfer duties	116.4		118.4		135.1	
– Fair value of financial instruments	(2.9)		24.8		(20.9)	
– Deferred tax	0.5		0.0		0.0	
= Diluted EPRA NAV	12,019	€161.6	12,500	€169.8	12,951	€175.8
+ Fair value of financial instruments	2.9		(24.8)		20.9	
+ Fair value of liabilities	(80.4)		(296.1)		(280.7)	
+ Deferred tax	(0.5)		0.0		0.0	
= Diluted EPRA triple net NAV	11,941	€160.5	12,179	€165.4	12,692	€172.3

* Including €208 million of goodwill.

** Including €196 million of goodwill.

(1) European Public Real Estate Association.

1.6 Strategy and outlook

In 2019, Gecina completed or secured asset sales for a total volume of nearly €1.2 billion at end-December. The impact of these sales on the Group's recurrent net income per share is expected to be limited, with a contraction of just -2.5% forecast for 2020 and +2.0% when restated for the impact of this volume of sales.

This performance will be revised up or down in line with the portfolio's potential rotation in 2020.

In line with Gecina's strategy, built around a total return approach, 2020 will be marked by the impact of a strategy to optimize value extraction through the pipeline and its portfolio's rotation.

The robust rental performance driven by the development project pipeline and the organic performance

benefiting from the positive trends on Gecina's core markets will almost completely offset the loss of rent resulting from the non-strategic buildings sold in 2019 (for €1.2 billion with an average premium of +12% versus the latest appraisal values), as well as the temporary loss of rent on buildings with strong value creation potential freed up to be transferred to the pipeline (six new operations already launched).

Over the longer term, the pipeline of development projects underway or to be launched shortly is expected to generate around €130 million to €140 million of additional net rental income compared with the rental income reported at end-2019.

1.7 Post-balance sheet events

1.7.1 Gecina has signed a firm 12-year lease with Boston Consulting Group for L1ve in Paris' Central Business District

On February 7, 2020, Gecina signed a firm 12-year lease with Boston Consulting Group for its Paris headquarters, with 20,500 sq.m of office space and 3,000 sq.m of services in the "L1ve" building, which will come into effect

during the second half of 2022, more than two years before the building is scheduled to be delivered. This building is 78% pre-let nearly two years before its delivery, reflecting the good level of the CBD office markets.

1.7.2 First leases signed at €900/sq.m for a building at the heart of the CBD

At the start of 2020, Gecina signed two leases for a building located at the heart of the CBD, close to the Champs-Élysées, with a rental value of around €900/sq.m, confirming the market's strong upturn in the most

central sectors. On this building, Gecina is starting to capture the significant reversion potential that will be gradually achieved as tenants are rotated or leases renewed.

1.7.3 Gecina signs a lease with a GEODIS subsidiary for 3,600 sq.m in the Octant-Sextant building

Mid-February, Gecina signed a firm six-year lease for 3,600 sq.m with a GEODIS Group subsidiary in the Octant Sextant building, taking this building's letting rate up to

91%. The premises will be made available to the tenant by the end of the first quarter of 2020.

1.8 EPRA reporting at December 31, 2019

Gecina applies the EPRA⁽¹⁾ best practices recommendations regarding the indicators listed hereafter. Gecina has been a member of EPRA, the European Public Real Estate Association, since its creation in 1999. The EPRA best practice recommendations include, in particular, key performance indicators to make the financial statements of real estate companies listed in Europe more transparent and more comparable across Europe.

Gecina reports on all the EPRA indicators defined by the “Best Practices Recommendations” available on the EPRA website.

Moreover, EPRA defined recommendations related to corporate social responsibility (CSR), called “Sustainable Best Practices Recommendations”.

	12/31/2019	12/31/2018	See Note
EPRA Earnings (in million euros)	429.8	431.1	1.8.1.
EPRA Earnings per share	€5.84	€5.85	1.8.1.
EPRA NAV (in million euros)	12,951.4	12,018.5	1.8.2.
EPRA NNNAV (in million euros)	12,691.7	11,940.5	1.8.2.
EPRA Net Initial Yield	3.20%	3.00%	1.8.3.
EPRA “Topped-up” Net Initial Yield	3.40%	3.70%	1.8.3.
EPRA Vacancy Rate	6.9%	5.9%	1.8.4.
EPRA Cost Ratio (including direct vacancy costs)	22.2%	21.6%	1.8.5.
EPRA Cost Ratio (excluding direct vacancy costs)	20.6%	20.0%	1.8.5.
EPRA Property related capex (in million euros)	556	406	1.8.6.

1.8.1 Net recurring EPRA Earnings

The table below indicates the transition between the net recurring income disclosed by Gecina and the EPRA Earnings:

In thousand euros	12/31/2019	12/31/2018
Recurrent net income (Group share) ⁽¹⁾	438,176	437,232
— Amortization, net provisions and depreciation	(8,415)	(6,137)
EPRA RECURRENT NET INCOME	429,762	431,096
EPRA RECURRENT NET INCOME PER SHARE	€5.84	€5.85

(1) EBITDA restated for net financial expenses, recurrent tax, minority interests, income from associates and certain non-recurring costs (See note 1.1.3 Recurrent net income).

1.8.2 EPRA NAV and EPRA NNNAV

The calculation for the EPRA NNNAV is explained in section 1.5 “Triple Net Asset Value”.

In euros / share	12/31/2019	12/31/2018
Diluted NAV	172.4	157.7
DILUTED EPRA NAV	175.8	161.6
DILUTED EPRA NNNAV	172.3	160.5

(1) European Public Real Estate Association.

1.8.3 EPRA net initial yield and EPRA “topped-up” net initial yield

The table below indicates the transition between the yield rate disclosed by Gecina and the yield rates defined by EPRA:

(%)	12/31/2019	12/31/2018
GECINA NET CAPITALIZATION RATE⁽¹⁾	3.8%	4.0%
Impact of estimated costs and duties	-0.2%	-0.2%
Impact of changes in scope	0.0%	0.1%
Impact of rent adjustments	-0.4%	-0.9%
EPRA NET INITIAL YIELD⁽²⁾	3.2%	3.0%
Exclusion of lease incentives	0.2%	0.7%
EPRA TOPPED-UP NET INITIAL YIELD⁽³⁾	3.4%	3.7%

(1) Like-for-like 2019.

(2) The EPRA net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, after deducting lease incentives, divided by the portfolio value including duties.

(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.

Net initial yield and EPRA “Topped-up” net initial yield (in million euros)	Offices	Traditional residential	Student residences	Total 2019
Investment properties	16,448	3,075	355	19,879
Adjustment of assets under development and land reserves	1,668	6	22	1,695
Value of the property portfolio in operation excluding duties	14,781	3,069	334	18,184
Transfer duties	889	213	15	1,117
Value of the property portfolio in operation including duties	B 15,670	3,282	349	19,300
Gross annualized rents	532	107	20	659
Non recoverable property charges	16	17	5	37
Annualized net rents	A 516	89	15	621
Rents at the expiry of the lease incentives or other rent discount	40	0	0	40
“Topped-up” annualized net rents⁽³⁾	C 556	89	15	661
EPRA NET INITIAL YIELD	A/B 3.3%	2.7%	4.4%	3.2%
EPRA “TOPPED-UP” NET INITIAL YIELD	C/B 3.5%	2.7%	4.4%	3.4%

(3) The EPRA topped-up net initial yield rate is defined as the annualized contractual rent, net of property operating expenses, excluding lease incentives, divided by the portfolio value including duties.

1.8.4 EPRA vacancy rate

In %	12/31/2019	12/31/2018
Offices	7.5%	6.0%
Traditional residential	3.6%	2.4%
Student residences	5.9%	18.5%
GROUP TOTAL	6.9%	5.9%

EPRA vacancy rate corresponds to the vacancy rate “spot” at year-end. It is calculated as the ratio between the estimated rental value of vacant spaces and potential rents.

The financial occupancy rate reported in other parts of this document corresponds to the average financial occupancy rate of the portfolio.

	Market rental value of vacant units (in million euros)	Potential rents (in million euros)	EPRA vacancy rate at end-2019 (in %)
Offices	43	577	7.5%
Traditional residential	4	104	3.6%
Student residences	1	22	5.9%
EPRA VACANCY RATE	48	704	6.9%

1.8.5 EPRA cost ratios

<i>In thousand euros / As a %</i>	12/31/2019	12/31/2018
Property expenses	(184,716)	(193,059)
Overheads ⁽¹⁾	(92,968)	(86,916)
Amortization, net provisions and depreciation	(8,415)	(6,137)
Expenses billed to tenants	129,997	138,278
Rental expenses charged to tenants in gross rent	0	0
Other income / income covering overheads	5,447	3,452
Share in costs of associates	(345)	(303)
Ground rent	1,772	1,782
EPRA COSTS (INCLUDING VACANCY COSTS) (A)	(149,228)	(142,904)
Vacancy costs	10,546	10,746
EPRA COSTS (EXCLUDING VACANCY COSTS) (B)	(138,682)	(132,158)
Gross rental income less ground rent	671,715	659,934
Rental expenses charged to tenants in gross rent	0	0
Share in rental income from associates	1,790	1,831
GROSS RENTAL INCOME (C)	673,505	661,765
EPRA COST RATIO (INCLUDING VACANCY COSTS) (A/C)	22.2%	21.6%
EPRA COST RATIO (EXCLUDING VACANCY COSTS) (B/C)	20.6%	20.0%

(1) Excluding costs incurred in 2019 in connection with the proposed subsidiarization of the residential business (€2.6 million) and costs incurred for the Paris 2024 Olympic Village project (€1.4 million); the 2019 EPRA cost ratios including and excluding vacancy are stable at 21.6% and 20.0% respectively.

1.8.6 Capital expenditure

<i>In million euros</i>	12/31/2019			12/31/2018		
	Group	Joint-ventures	Total	Group	Joint-ventures	Total
Acquisitions	328	n.a	328	31	n.a	31
Development	148	n.a	148	301	n.a	301
o.w capitalized interests	8	n.a	8	18	n.a	18
Maintenance capex	80	n.a	80	75	n.a	75
Incremental lettable space	4	n.a	4	ns	n.a	ns
No incremental lettable space	66	n.a	66	64	n.a	64
Tenant incentives	6	n.a	6	7	n.a	7
Other material non-allocated	4	n.a	4	3	n.a	3
Capitalized interest	0	n.a	0	0	n.a	0
TOTAL CAPEX	556	n.a	556	406	n.a	406
Conversion from accrual to cash basis	49	n.a	49	83	n.a	83
TOTAL CAPEX ON CASH BASIS	604	n.a	604	490	n.a	490



2.

Risk Management

2.1. Organization of risk management and risk factors 84

2.1.1. General organization of risk management	84
2.1.2. Summary of the principal risk factors	86
2.1.3. Risks and disputes linked to certain transactions in Spain	89
2.1.4. Management of specific climate change risks	91
2.1.5. Building risks	92
2.1.6. Insurance	92

2.2. Information regarding certain control activities 94

2.2.1. Internal control procedures for the production and processing of accounting and financial information	94
2.2.2. Risk and Compliance and Internal Audit Department	96
2.2.3. Further information regarding the Risk and Compliance Department	96



2.1 Organization of risk management and risk factors

2.1.1 General organization of risk management

Risk management is a dynamic process that is defined and implemented under Executive Management's responsibility.

It covers all of the company's activities, processes and assets and consists of a number of resources, behaviors, and actions adapted to the Group's characteristics in order to maintain risks at an acceptable level.

Risk management is integrated in the company's decision making and operational processes. It is one of the management and decision-making tools. It gives the Executive Management an objective and comprehensive vision of the potential threats to and opportunities for the Group so that it can take measured and considered risks, thereby supporting their decisions with regard to the allocation of human and financial resources.

The Board of Directors ensures that the Group's strategy and objectives take full account of the major risks that are identified. Through the work of the Audit and Risk Committee, it ensures that the effectiveness of the internal control and risk management systems is monitored.

The Executive Management is responsible, either directly or through the Executive Committee, for designing and implementing the internal control systems and global risk management procedures, including the definition of roles and responsibilities within the Group.

Operational management ensures the application of Group policy in terms of the management of risks it is responsible for by implementing the risk identification, analysis and processing for the activities.

The functional departments are responsible for areas of expertise and functions dedicated to managing the global risk control process, by assisting operational management to identify and assess the principal risks by making available resources, tools, analyses and controls.

The Risk and Compliance Department, which reports to the Risk, Compliance and Internal Audit Department, is in charge of implementing a structured, permanent and adaptable system to identify, analyze and process general risks. It supervises the risk management policy, the mapping of operational risks and the internal control and compliance within the company.

As part of the Group's integrated risk management culture, the Risk and Compliance Department also intervenes in strategic issues, including development projects, investments, divestments, financing and marketing.

The risks related to the safety and the environment of the buildings are supervised by the Technical Department and are subject to regular reviews validated by Executive Management.

The Internal Audit Department, reporting directly to Executive Management, strengthens the process through the implementation of its audit plan, which is developed on the basis of a risk-based approach and also takes into account the concerns of Executive Management and the Audit and Risk Committee.

| RISK MANAGEMENT POLICY

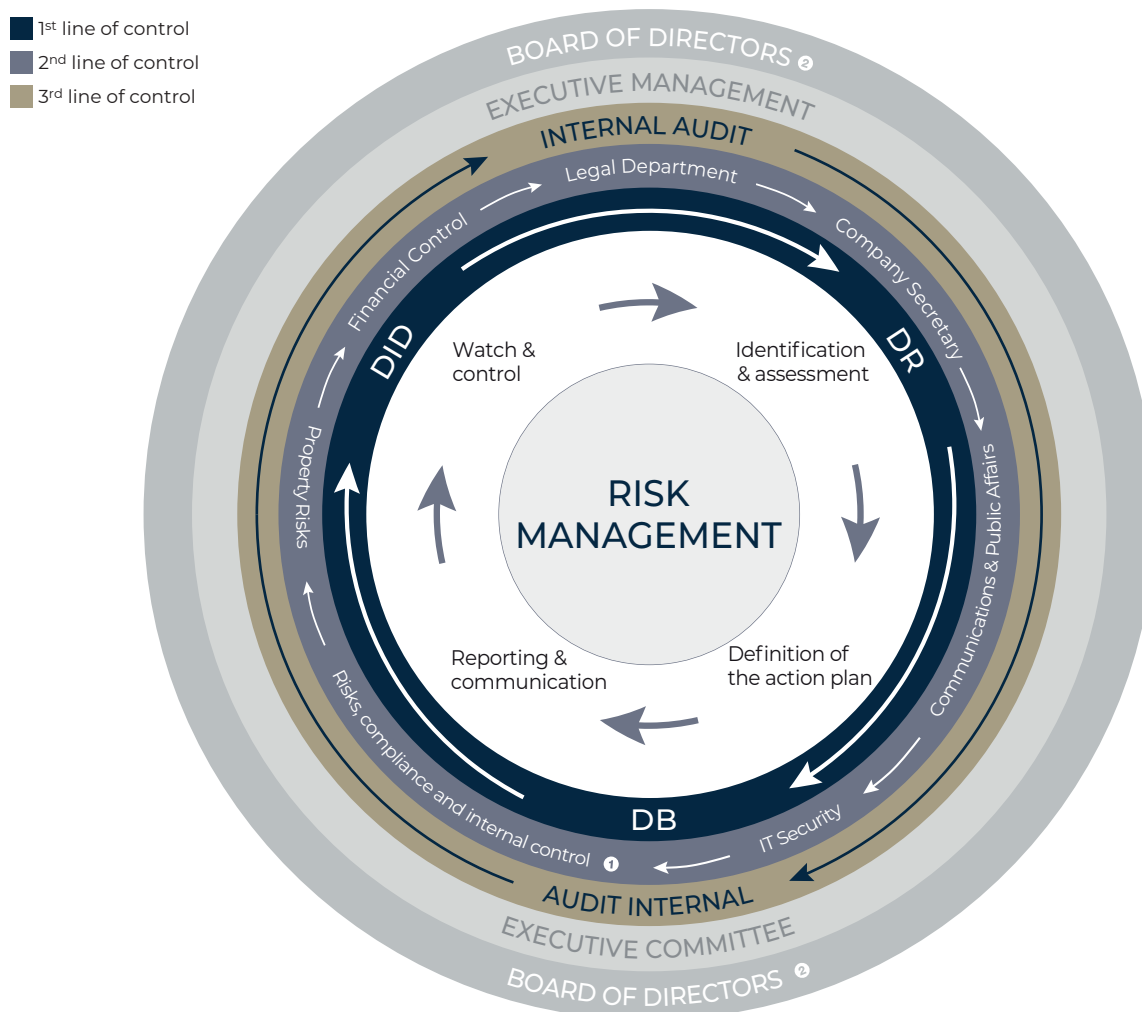
As part of risk management, Gecina has defined an appetite for risk that matches the company's risk profile as defined by Executive Management, in order to conduct its business and achieve its objectives while taking into consideration the strategy and values of the company. In general, the company's operations must also be conducted in compliance with the regulations and the principles defined in the Group's ethics charter. They must also comply with the company's CSR commitments.

All risk control processes are incorporated in a risk management policy deployed in-house. This policy is closely correlated with the Group's strategy. For this reason, it is updated at times of significant change in the Group's strategy.

This policy makes it easier to incorporate risk management into the organization's objectives, culture and operation. It strengthens the ties between the company's strategy and risk management through a process to identify, analyze and process risks, primarily on the basis of the risk mapping. The risk management policy clarifies the roles and responsibilities of all stakeholders and tends to strengthen the involvement of each party. This risk management policy can be consulted by all Group employees on the company's Intranet.

| THE THREE LINES OF CONTROL MODEL

Executive Management is at the center of the overall risk control process whose structure is based on "three lines of control". This reference model, which reflects the IFACI/AMRAE position, is organized along three lines of control that define the roles and responsibilities of operational management, Group functions, and the Internal Audit. It helps to clarify any issues related to risk management systems and contributes to their effectiveness.



DID = Investments and Development Department

DB = Offices Department

DR = Residential Department

① Internal rules and Delegation of powers and authorities

② CAR – Audit and Risk Committee

1 st line of control	2 nd line of control	3 rd line of control
The first line of control corresponds to controls performed by line management. It consists of operational managers who are responsible for assessing and decreasing risk.	The second line of control corresponds to the various functions set up by management to monitor risk control and compliance. This line consists of functional departments which are responsible for areas of expertise, and functions dedicated to managing the global risk control process.	The third line of control covers the effectiveness and consistency of the first 2 lines of control and consists of Internal Audit, which reports to the highest levels of the organization to ensure overall assurance. Furthermore, the external audits also provide independent assurance.

RISK FACTOR SENSITIVITY AND CORRELATION

The purpose of an annual risk correlation study is to identify interactions among the principal risks in order to improve the risk control process. In 2019, the Risk and Compliance Department, in collaboration with the Finance Department, conducted a sensitivity analysis of the main Group risk factors (LTV, ICR, NAV, Recurrent Net

Income) for the main exogenous parameters related to the real estate market that could affect them, including interest rate, margin and liquidity risks. This analysis was presented to the Audit and Risk Committee and the Board of Directors.

2.1.2 Summary of the principal risk factors

Every year, Gecina analyzes those risks whose occurrence could have a material impact on the Group's business. The summary table of the Group's principal risk factors shows a classification of the risks by type, presented according to a three-level ratings scale.

Note that the summary table neither seeks to compile an exhaustive inventory of risks and control processes, nor make a chronological ranking, with respect to the dynamic changes in each of the risk levels over time. Risk control actions are integrated into the objectives determined by each of the departments concerned.

As such, the Group draws investors' attention to the fact that, pursuant to article 16 of Prospectus Regulation

no. 2017/1129, the list of risks given in this section is not exhaustive, and that other risks, currently unknown or considered unlikely as of the date of the Universal Registration Document, having a significant adverse effect on the Group, its activity, its outlook, its financial situation, its earnings and its development, may exist or may occur.

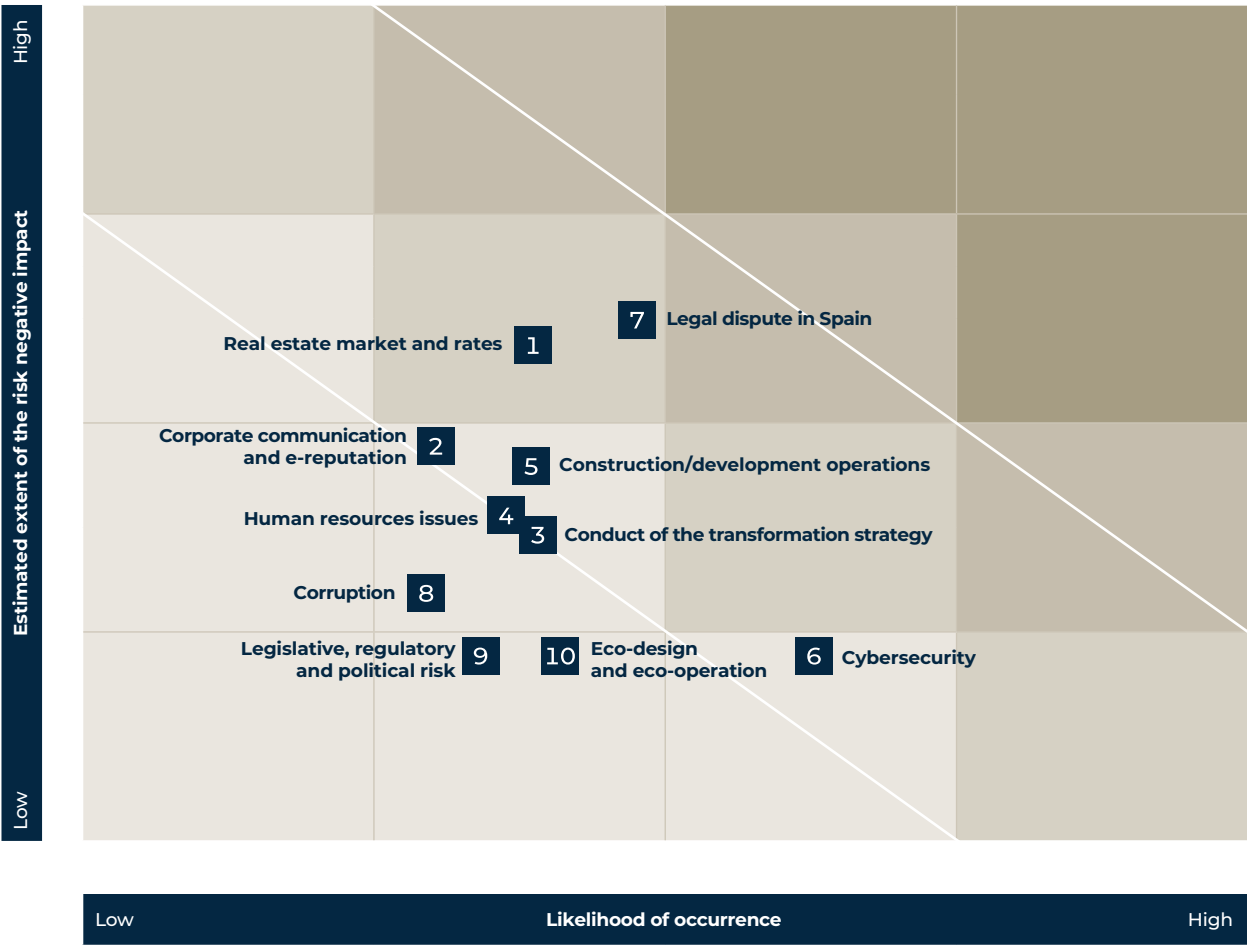
The pictograms summarizing the assessment of risk factors are represented based on the following key:

●	High risk
●	Medium risk
●	Low risk

MATRIX OF THE PRINCIPAL RISK FACTORS

The matrix presented below sets out the Group's principal risk factors and for each of them, on the filing date of the Universal Registration Document, gives the likelihood of their occurrence, along with the estimated extent of the negative impact on the Group, account taken of the risk control systems set up by the company.

The strengthening of risk control systems and the risk management culture driven by the Executive Management has helped to contain a number of trends that are structurally on the up, and to significantly reduce some risks that are no longer included in the matrix of principal risk factors.



Summary table of the principal risk factors that are material and specific to the Gecina group and the risk control systems implemented

Risk factors are presented in a limited number of categories according to type. Risks are ranked according to their probability of occurrence and their potential negative impact, with the most significant listed first within each category.

Risk factors	Potential impacts	Principal risk control processes
Risks related to the external environment		
Macroeconomic		
● REAL ESTATE MARKET AND RATES		
<ul style="list-style-type: none"> ■ Risk of economic downturn on the market which the Group already faced in 2008 during the financial crisis. The same level of vigilance remains in place despite the current favorable economic situation. ■ Risk of inability to implement the Group's strategy regarding rentals, disposals, and investments. ■ Risk related to rising interest rates. 	<ul style="list-style-type: none"> ■ Decline in rental incomes and deterioration of the Group's results. Fixed average residual maturity of ongoing leases was 4.2 years at the end of 2019, i.e. a maximum of 24% per annum on average of the leases impacted in the event of a fall in market rents. ■ Impact on the completion of investment and disposal activities. ■ Lower valuations of the Group's property portfolio. ■ Impact on the profitability of transactions. ■ Negative impact on the financial expenses (see section 1.2.6). 	<ul style="list-style-type: none"> ■ Improvement of cross-budget monitoring and anticipation of medium-term challenges. ■ Annual review of Asset Reviews, 10-year Business Plans and monitoring of key indicators. ■ Use of consulting, monitoring, internal and external studies. ■ Continuation of the portfolio management strategy. ■ Continuation of sensitivity analyses and Group-level stress scenarios. ■ Use of hedging instruments, in accordance with the management framework, presented and approved in the Audit and Risk Committee.
Risks related to the Group's activity		
Group strategy		
● CORPORATE COMMUNICATION AND E-REPUTATION		
<ul style="list-style-type: none"> ■ Risk related to media exposure during enhancement of the YouFirst brand strategy. ■ Risk associated with the use of social networks communication channels (Twitter, LinkedIn), which we developed in 2019. 	<ul style="list-style-type: none"> ■ Damage to the reputation of the commercial brand. ■ Consequences for the Group's results. ■ Influence on the share price. 	<ul style="list-style-type: none"> ■ Teams dedicated to Communication and Public Affairs, as well as Financial Communications. ■ Press release systematically sent upstream to the Executive Committee and Directors. ■ Certification and reliability of press releases. ■ Social networks and media monitoring tool. ■ Existence of a crisis unit scheme.
● CONDUCT OF THE TRANSFORMATION STRATEGY		
<ul style="list-style-type: none"> ■ Risk of non-deployment of the Group's transformation strategy, launched in 2018, specifically via the deployment of the YouFirst strategy and the digital transformation 	<ul style="list-style-type: none"> ■ Lack of adaptation of skills to changes in working methods and loss of competitiveness. ■ Resistance to change. ■ Consequences for the Group's results. 	<ul style="list-style-type: none"> ■ Work of the Board of Directors, Executive Committee, use of external advisors. ■ Launch of strategic structuring projects, particularly in digital technology, definition of pilots on projects. ■ Enhancing risk management within the Group's advisory and analysis bodies. ■ Support for employees, in the switch to more collaborative working methods and IT tools, in particular.
● HUMAN RESOURCES ISSUES		
<ul style="list-style-type: none"> ■ Resistance to change related to the implementation of the transformation strategy launched within the Group in 2018. ■ Risk of not being able to attract and retain the necessary talents related to the real estate business, Asset Management, Property Management, Technology or Development, in a context of scarcity of talent and a positioning of Gecina across the entire value chain. 	<ul style="list-style-type: none"> ■ Deterioration of the social climate. ■ Human impact. ■ Impact on the Group's results. ■ Damage to the Group's reputation. 	<ul style="list-style-type: none"> ■ Arrival of a new Human Resources Director and reorganization of the Human Resources Department. ■ Strengthening talent, particularly by rolling out cross-functional skill projects, and the recruitment of talented young people. ■ Managerial training program extended to all employees in 2019 and 2020.

Risk factors	Potential impacts	Principal risk control processes
Development and Construction		
CONSTRUCTION/DEVELOPMENT OPERATIONS		
<ul style="list-style-type: none"> ■ Risks related to volume of sites (upcoming projects in development, accounting for €1.7 billion). ■ Risks associated with the failure of companies involved in development projects, budgetary slippages, and economic uncertainties regarding development operations, in a context of significant construction site volume. ■ Carrying cost risk or risk of loss of asset valuation during the development phase before tenancy begins. ■ Image and criminal responsibility risk of officers in the event of a safety or health protection problem on a site. 	<ul style="list-style-type: none"> ■ Increase in corresponding costs. ■ Legal impacts related to non-compliance with labor regulations. ■ Carrying costs or the effect of lower valuation potential of the assets. ■ A decline in the quality of the services provided by the Group. 	<ul style="list-style-type: none"> ■ Overhaul of business lines and strengthening of approval processes. ■ Enhance process used to manage the sale price of assets, cost control for development projects. ■ Existence of bi-monthly internal committees to monitor operations, in the presence of the Executive Committee. ■ Well-known, significant players selected for construction and development operations.
Data and information systems		
CYBERSECURITY		
<ul style="list-style-type: none"> ■ Risk related to the Group's digital transformation in connection with the deployment of the YouFirst strategy. ■ Risk related to IT security, both physical and logical. ■ Risk related to the security of information flows (loss of information, IT security system flaws, cyberattacks, etc.). ■ Risk of data theft by intrusion. 	<ul style="list-style-type: none"> ■ Loss of revenue through data processing failure, corrupted data, loss or destruction of IT equipment, data and archives, business interruptions or fraud and theft. ■ Cost of repair or reconstruction of IT systems. 	<ul style="list-style-type: none"> ■ Specific reporting point during the Audit and Risk Committee and during the Board of Directors' meeting. ■ IT security intelligence and permanent strengthening of security systems. ■ Update and release upgrade of logical security applications (anti-virus, virtual server protection software, anti-malware, etc.). ■ Annual intrusion tests by an external company, and external audit. ■ Training employee awareness of digital and technological risks. ■ Monitoring of the Activity Recovery Plan. ■ Policy on cybercrime risk insurance.
Legal and regulatory		
LEGAL DISPUTE IN SPAIN		
<ul style="list-style-type: none"> ■ Risks linked to acquisitions and undertakings made in Spain during Joaquín Rivero's term as Chairman and CEO. This risk factor is characterized by the possible impact of litigation in Spain. This risk is detailed in section 2.1.3 of this document. 	<ul style="list-style-type: none"> ■ An increase in corresponding costs or legal risks. ■ Deterioration in the Group's results. ■ Damage to the Group's reputation. 	<ul style="list-style-type: none"> ■ Legal monitoring of the transactions undertaken by the Group's internal legal staff with the support of external counsel. ■ Review of the consistency of all case files to reduce the risk of strategic litigation.
CORRUPTION		
<ul style="list-style-type: none"> ■ Risk related to the specific nature of the Group's activity deemed at risk (development operations, work commitments, etc.). ■ Risk of non-compliance with regulations, particularly the Sapin II Act (corruption, collusion and fraud within the Group's various departments). ■ Risk of non-prevention and identification of fraud or embezzlement. 	<ul style="list-style-type: none"> ■ Legal risks related to non-compliance with regulations. ■ Adverse impacts on the Group's financial situation and earnings. ■ Damage to the Group's reputation. 	<ul style="list-style-type: none"> ■ Specific mapping of corruption risks. ■ Implication of the Risk and Compliance Department in all significant Group transactions (regulatory intelligence, risk analysis, corruption, fraud, etc.). ■ Process to manage whistleblowing. ■ Training of the employees (managers and staff members) most exposed to the risks of corruption and influence peddling, along with new employees. ■ Deployment of a dedicated internal control system.

Risk factors	Potential impacts	Principal risk control processes
LEGISLATIVE, REGULATORY AND POLITICAL RISK		
<ul style="list-style-type: none"> ■ Risk related to the inability to comply with the application of a law (e.g. rent frameworks, building permit applications, GDPR, etc.). ■ Risk associated with non-compliance with real estate regulatory obligations (asbestos, lead, etc.), the management of which is detailed in section 2.1.5 of this document. ■ Risk related to political instability in relation to municipal elections in 2020. 	<ul style="list-style-type: none"> ■ Financial penalties (GDPR: potential financial impact of up to 4% of the annual worldwide revenue, or €20 million). ■ Financial, reputational and criminal impact related to real estate regulatory risks. ■ Increased costs related to potential adverse changes in legislation, legal risks. ■ Deterioration in the Group's results. ■ Impact of municipal elections on development projects (building permit authorizations, etc.). 	<ul style="list-style-type: none"> ■ Legislative and regulatory monitoring system. ■ Regular training sessions on regulations. ■ Use of external advisors for cases in hand. ■ Annual analysis specifically devoted to regulatory risks on buildings, subject to a time-based action plan. ■ GDPR: Appointment of a Data Protection officer (DPO) and internal control.
Corporate Social Responsibility		
ECO-DESIGN and ECO-OPERATION <i>The "eco-design and eco-operation" risk was extracted from the CSR risks and opportunities mapping and was incorporated into the Group's risk factors.</i> <i>Other risk factors related to CSR issues are outlined in section 3.1.3 "Priority CSR risks and opportunities for Gecina" of this document.</i>		
<ul style="list-style-type: none"> ■ Risk related to the ability to develop and operate high-performance buildings in line with CSR (corporate social responsibility), and with Gecina's commitments, regulations and client expectations. CSR performance commitments cover four pillars: <ul style="list-style-type: none"> ■ the reduction of CO₂ emissions and energy efficiency (low carbon pillar), in conjunction with the specific risks associated with climate change detailed in section 2.1.4. of this document, ■ circular economy, ■ contribution to biodiversity, ■ well-being. 	<ul style="list-style-type: none"> ■ Impact on: <ul style="list-style-type: none"> ■ rent level and time taken to rent, due to heightened client expectations, ■ increase in building renovation, operation and end-of-life costs for Gecina, ■ cost of capital for Gecina, ■ the ability to obtain the necessary authorizations (building permits, work authorizations), ■ obsolescence of its real estate assets. 	<ul style="list-style-type: none"> ■ Regulatory and strategic monitoring of emerging CSR issues. ■ Group objectives, policy, action plans, indicators in place since 2008 described in chapter 3 of this document. ■ Participation in external rankings placing Gecina among the best European REITs ■ Accountability and training of teams on CSR management methods and tools. ■ Integration of CSR prerequisites in the company's processes (energy management system, certifications and labels) and its framework contracts.

2.1.3 Risks and disputes linked to certain transactions in Spain

Up until 2009, Gecina, chaired by Mr. Joaquín Rivero, made a certain number of acquisitions in the Spanish real estate sector, including SIF Espagne's acquisition of a 49% stake in Bami Newco in 2009. Gecina also made certain commitments, notably granting certain guarantees relating to these acquisitions, as referred to in Notes 5.5.5.13 and 5.5.9.3 of the Notes to the Consolidated Financial Statements.

Gecina cannot entirely rule out the possibility of non-compliance with its internal control and risk management arrangements resulting in additional financial, legal or regulatory risks that have not been identified to date. Occurrence of such risks may impact the Group's reputation, results or financial situation.

Each of the known legal disputes, in which Gecina or the Group's companies are involved, was reviewed at the close of the accounts and the provisions deemed necessary have, where called for, been created to cover

the estimated risks (see also Note 5.5.5.13 in the Notes to the Consolidated Financial Statements).

Apart from the disputes mentioned hereunder, the disputes and claims in which Gecina and its subsidiaries are currently involved fall under the normal course of their business activities.

2.1.3.1 PENDING CRIMINAL COURT DISPUTES

To date, the company is not in a position to evaluate any potential risks, in particular, regulatory, legal or financial, arising from the facts covered by the ongoing criminal proceedings and cannot, in particular, exclude the possibility that it may be joined as a party in the future, together with the company's officers and representatives.

- In 2009, a complaint was filed in France pertaining to certain transactions involving the former Chairman of Gecina's Board of Directors, Mr. Joaquín Rivero.

The company fully assisted the investigations and joined the proceedings as a civil party in 2010 to safeguard its interests.

During the investigations, the examining magistrate, Mr. Van Ruymbek, ordered the seizure of the sums representing the dividends owed by the company to Mr. Joaquín Rivero and to the companies that he controls by virtue of the General Meetings of April 17, 2012 and April 18, 2013 (around €87 million).

Mr. Joaquín Rivero was sent back to the Paris Criminal Court (Tribunal correctionnel) on various counts as a result of the aforementioned complaint and, in a ruling handed down on March 11, 2015, he was convicted of misuse of corporate assets and money laundering and sentenced to four years of imprisonment, with a one-year suspended sentence. He was also ordered to pay around €209 million to Gecina in damages and a fine of €375,000. The Court ordered the confiscation of all the sums seized during the investigation (around €87 million). The Court also indicated that a portion of the damages would have to be paid directly to Gecina by AGRASC (French agency dedicated to the management and recovery of seized or confiscated assets), as a priority on the confiscated assets managed by Agrasc and up to this amount. Lastly, Mr. Joaquín Rivero was acquitted on the counts of failure to report threshold crossings and circulation of false or misleading information.

As the parties have appealed this decision, the ruling is not enforceable.

Joaquín Rivero died on September 18, 2016. His passing renders the public action against him void but does not cancel Gecina's civil action, which may continue, against Mr. Rivero's assigns.

On December 5, 2018, the Paris Court of Appeal issued a ruling confirming that the appeal was extinguished and upheld the judgment of March 11, 2015 by the Criminal Court in all its provisions, which are now enforceable.

In addition, the fate of the €86 million representing the amount of dividends due to Mr. Joaquín Rivero through his company Alteco, subject to court-ordered liquidation proceedings in Spain, and which had been subject to a criminal seizure order issued by Judge Van Ruymbek in 2012 and 2013 as part of these proceedings, has been finalized through a settlement agreement with its court-appointed liquidator, with this agreement also contributing to the favorable ruling of December 5, 2018.

Under this settlement agreement, Gecina received €59 million in damages in April 2019.

Also in respect of recovery actions carried out by Gecina following the judgment of March 11, 2015 upheld by the Court of Appeal on December 5, 2018, the company signed a protocol with CaixaBank (subrogated to the rights of Banco de Valencia) pursuant to which Gecina received €30 million in the last quarter of 2019.

Following the judgment of March 11, 2015, Gecina seized the 8,839 shares held personally by Mr. Joaquín Rivero and the dividends attached to those shares since 2014, said seizure becoming enforceable as a result of the ruling of December 5, 2018.

- On September 11, 2014, the Spanish bank Abanca requested the payment by Gecina of €63 million pursuant to the guarantee letters of endorsements that were allegedly signed in 2008 and 2009, by Mr. Joaquín Rivero, former Gecina CEO.

Gecina, which had no knowledge of these letters of endorsement, considered, after talking to its legal advisers, that they represent a fraudulent arrangement since they are in breach of its corporate interest and of applicable rules and procedures.

For these reasons, Gecina informed Abanca that it contested the fact that it owed the sum being claimed and that as a result, it would not respond to its claim. On October 24, 2014, the company filed a criminal complaint in France against Mr. Joaquín Rivero and any other person involved, for misuse of authority under these letters of endorsement. Insofar as Mr. Joaquín Rivero was not the only person involved in this complaint, this procedure is still ongoing. Abanca summoned Gecina before the Court of First Instance of Madrid. (see section 2.1.3.2).

- On July 16, 2012, the company was informed by Banco de Valencia of the existence of four promissory notes issued in 2007 and 2009, for a total amount of €140 million, three of them being in the name of "Gecina SA Succursal en España" and the other in the name of "Gecina SA", for a Spanish company called Arlette Dome SL. The latter would seem to have presented the above-mentioned promissory notes to Banco de Valencia to guarantee loans granted by the bank.

After verification, the company noted that it had no information about these alleged promissory notes or about any business relationship with Arlette Dome SL which could have justified their issue. After also observing the existence of evidence pointing to the fraudulent nature of their issuance if the issue were to be confirmed, the company has filed a criminal complaint in this respect with the competent Spanish authorities. Following a series of decisions and appeals, Gecina was recognized as a civil party to the proceedings on April 19, 2016 before the National Court. In a judgment dated January 20, 2020, the National Court confirmed, inter alia, the fraudulent nature of the promissory notes and the non-existence of business relations with the company Arlette Dome SL. No provision was recognized for this purpose.

2.1.3.2 PENDING CIVIL AND COMMERCIAL COURT DISPUTES

- The Spanish bank Abanca, after seeking the payment by Gecina of €63 million (of which €48.7 million in principal) pursuant to the guarantee letters of engagement allegedly signed in 2008 and 2009 by Mr. Joaquín Rivero, former Gecina CEO (see section 2.1.3.1), summoned Gecina to appear before the Court of First Instance of Madrid in order to obtain the payment of the claimed amounts.

Gecina is challenging Abanca's claims, asserting its rights and defending its interests in these proceedings. On June 10, 2016, the Court of First Instance of Madrid declared that it had no jurisdiction to try the dispute. On July 14, 2016, Abanca appealed this decision. On July 4, 2017, the Madrid Court of Appeal declared that the Spanish Courts do have jurisdiction to hear Abanca's claim. In its ruling of May 21, 2019, the Madrid Court of First Instance ordered Gecina to pay €48.7 million, plus late payment interest, to Abanca. Gecina considers this ruling to be without grounds since the Court omitted to consider both the fraud committed by Abanca and the mandatory application of French law which was applicable to it on a decisive point in the case and has therefore decided to appeal. The judgment of May 21, 2019 is provisionally enforceable. Based on an assessment of the risk by the company and its counsels, no provision has been recognized. Gecina filed a criminal complaint in France against Mr. Joaquín Rivero and any other party involved, for misuse of authority in respect of the letters of endorsement raised by Abanca (see section 2.1.3.1).

- Bami Newco was the subject of insolvency proceedings commenced in June 2013. Gecina and SIF Espagne reported their receivables in the context of these bankruptcy proceedings.

The liquidation plan sent to the parties in November 2015 is still being executed by the court-ordered liquidator. This plan shows a liability significantly higher than the remaining assets of Bami Newco, thereby confirming that it is unlikely for Gecina and SIF Espagne to recover their receivables, considered as subordinated debt. On January 22, 2016, Gecina and SIF Espagne filed pleadings seeking a classification of fraudulent bankruptcy and liability of the de facto and de jure directors of Bami Newco and they continue to assert their rights and defend their interests in this proceeding.

The Spanish company Bamolo, to which Gecina granted in 2007 a €59 million loan, which matured in October 2010, filed for bankruptcy in 2011. Gecina has reported this loan refund receivable as a loss, under the Spanish proceedings. Having gained knowledge of a loan at the same time as the Gecina loan, granted by Bamolo, for an equivalent amount to a company known as Eusko Levantear Eraikuntzak II (ELE), also in receivership, Gecina is asserting its rights and defending its interests in these two bankruptcy proceedings. Following the liquidation phase of Bamolo, on March 10, 2015, Gecina filed, before the Spanish courts, a liability action against the de jure and de facto Directors of Bamolo, including Mr. Joaquín Rivero, for fraudulent bankruptcy. The proceedings are ongoing.

- There are no other government, judicial or arbitration proceedings pending, including any proceeding of which the company is aware, or with which it is threatened, which may have or have had in the last twelve months material impacts on the financial situation or profitability of the company and/or the Group.

2.1.4 Management of specific climate change risks

The analysis of risks related to climate change was carried out as part of the CSR risk and opportunity analysis described in section 3.1.3. of this document. The "Eco-design & eco-operation" risk on the risk map deals, in particular, with the risks associated with climate change, which are detailed in the paragraph below.

ANALYSIS OF THE EFFECTS OF CLIMATE CHANGE

The potential effects of climate change on 60 office buildings were analyzed by Gecina in three stages:

- awareness of the major climatic variations that may impact the Paris region by 2050-2070;
- identification of the areas of asset vulnerability to these climatic variations (facades and roofs, fan coils, comfort of occupants, equipment in the basement, etc.) for seven families of representative buildings in the property portfolio;

- adjustment of results according to the location of the building (heat island exacerbating the risk of a heatwave, flood-risk area).

Nine assets have accordingly been identified as priorities given the level of their exposure to physical risks related to climate change. Their portfolio value is €0.9 billion.

In addition to these physical risks, so-called transition risks can also materialize at various stages of a building's operating cycle:

- increase in construction costs in the event of incompatibility between the extraction and production

stages of materials that generate substantial emissions and the need to reduce CO₂ emissions;

- extension of construction times and deterioration in the quality of developments in the event of extreme weather events.

2.1.5 Building risks

The management of building risks is based on a specific analysis of regulatory risks relating to buildings listed in its property portfolio, with a view to containing health, safety, and environmental risks that may have a negative impact on:

- Group players (relevant clients, suppliers, employees, etc.);
- the building;
- the environment;
- continuation of activity;
- the Group's reputation.

The analysis of building risks aims to identify and define sets of standards and policies for each of the major risks associated with the property portfolio, and to set out the process used to manage these risks, in order to:

- ensure that buildings comply with current legislation: mandatory regulatory checks (elevators, fire safety, etc.), technical diagnostics (asbestos, lead, termites, etc.);
- make available to the various stakeholders those items relating to buildings compliance;
- allow the different Group players to pay more attention to risks linked to buildings under their day-to-day management and to reinforce their involvement in this regard.

It should be updated whenever the relevant regulations change and in the event of a significant change in the Group's strategy.

2.1.6 Insurance

The fundamental aim of Gecina's policy in terms of insurance is to protect its property portfolio and protect against any possible liabilities.

It is focused on assuring the Group's long-term viability faced with various risks, reducing the costs of these risks when they occur, constant improvement of guarantees and management of indemnification flows, and providing quality service to tenants.

The main risks for which Gecina has taken out insurance coverage are property damage and consequent loss of rents, construction risks and civil liability as a property owner and real estate professional.

The insurance program consists of four distinct parts: Insurance for developed real estate assets, including Building Owner Liability (RCPI); construction insurance (contractor's liability insurance and job site insurance); third-party liability (general and environmental); and other policies (cybersecurity, vehicles, staff travel, comprehensive IT risks, fraud and malicious intent, works of art, etc.).

To ensure that there is adequate coverage and management of the major risks, the Group has traditionally given preference to high levels of coverage with deductibles, enabling it to keep insurance costs down. In addition, to help structurally optimize the Group's insurance process, the risk management role was integrated within the responsibilities of the Insurance Director, and the joint brokerage agreement with Assurances-Conseils was terminated.

Cover for damage to properties and/or loss of use and building owner liability account for the bulk of the budget, because of its strategic importance to the Group in terms of risk management.

These risks are insured in a program that covers Gecina as well as all its subsidiaries or partnerships with leading insurers, principally Chubb and AXA, Allianz, Hiscox and Liberty Mutual, through its insurance brokers Assurances Conseils, Siaci Saint Honoré, Diot Immobilier, and Bessé.

In addition, in commercial leases Gecina favors a mutual waiver of appeal to facilitate the management of claims and reduce its frequency risk and that of its insurers.

There is no captive insurance company in the Group.

2.1.6.1 COVERAGE OF DAMAGE AND LIABILITIES ASSOCIATED WITH PROPERTIES

Because of the geographic dispersion of the Group's assets and its custom insurance coverage, a major claim affecting one of the Group's properties should have little impact on its financial situation. Indeed, cover has been set at levels that would easily cover a major claim for the largest property of the Group.

Gecina benefits from a Group insurance program that covers damage to its property portfolio, including that caused by natural events, acts of terrorism and attacks, claims by neighbors and third parties, loss of rental income, and consequential losses and indemnities. The program also covers replacement value as of the day of the loss.

The property portfolio is covered up to its brand-new value with a Limit of Indemnity (LOI) of €150 million, with the exception of:

- one office asset which benefits from an LOI of €170 million;
- seven assets (large office or residential buildings) which are covered by LOIs of €300 million and three office assets acquired in 2015 which benefit from an LOI of €600 million. Property damage and casualty policies include building owner third-party liability and environmental risks.

The general exclusions common to the insurance market as a whole (e.g. acts of war, damage consequential to the possible presence of asbestos, etc.) normally apply to the coverage taken out by Gecina.

2.1.6.2 COVER FOR CONSTRUCTION OPERATIONS

A call for tenders for brokers was launched in 2019, following which Diot SA and its subsidiary Diot Immobilier were selected for the insurance brokerage portion of our construction operations.

Subsequently, a call for tenders for insurers was organized, following which Allianz France was selected under a Long Term Agreement, with financial conditions and insurance cover that provided substantially more value and security, affording the Group a guarantee of stability.

The legal structure used is a framework agreement allowing a policy to be issued for each operation, providing cover for all our risks relating to construction insurance. It should also be noted that our construction program was negotiated in order to make it fully compliant with our CSR policy.

For operations falling outside the framework agreement, calls for tenders will be launched systematically.

2.1.6.3 GENERAL AND PROFESSIONAL THIRD-PARTY LIABILITY

The consequences of bodily, material and immaterial third-party liability due to employee malpractice or flawed professional work are insured under a Group policy.

Mandatory coverage for professional third-party liability of subsidiaries whose activities come under the Hoguet Law is incorporated into the Group's civil liability program. The program was renewed for three years on January 1, 2018.

It should be noted that no claims were made in respect of 2019.

2.1.6.4 ENVIRONMENTAL THIRD-PARTY LIABILITY

This guarantee was set up as early as 2007 to cover Gecina's liability for damage suffered by third parties and damage to biodiversity when such damage is the result of the impact of the Group's activities on the environment, and also any costs incurred from on-site pollution cleanup operations to neutralize or eliminate an environmental hazard. The program was renewed for a period of two years on January 1, 2020.

It should be noted that no claims were made in respect of 2019.

2.1.6.5 LEASE MANAGEMENT AND MANAGEMENT OF SUPPLIER CONTRACTS

The property risk assessment approach described in this chapter contains guidelines on the management of the insurance clauses and liability in the leases.

The importance of liability risk relates to its complexity and growing importance as laws and regulations evolve. This risk is difficult to foresee. It materializes when court proceedings are initiated by one or more third parties without it being possible to prejudge the validity of their reasons.

The court costs, and the expenses and internal costs of defense may also have major indirect effects on earnings and the company's finances. Whatever the case, they can adversely affect Gecina's image.

Like all other professionals, organizations or individuals, the Gecina group is bound by four types of commitment, which must all be respected: its technical commitments; its control over them; its disclosure and advisory obligations; its contractual obligations.

To each of them must be added the notion of security, which is increasingly taking the form of a quasi-performance guarantee.

Although Gecina accepts in its commercial leases an equitable mutual appeal waiver clause with its tenants and the relevant insurers, the regulation specific to residential leases requires the tenant to take out insurance for damage that might be sustained by the lessor and for which the tenant may be judged liable. However, even though the regulations authorize the lessor to require an appeal waiver from tenants for damage they might sustain due to the owner's fault, Gecina does not wish to systematically include such a clause in its leases out of concern for fairness toward its clients.

2.1.6.6 CLAIMS

It should be noted that no substantial claims were made in respect of 2019.

2.2 Information regarding certain control activities

2.2.1 Internal control procedures for the production and processing of accounting and financial information

| PRODUCTION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

The process for producing financial statements is mostly based on:

- the existence of formalized procedures related to closing and to the consolidation of financial statements based on a specific account closing schedule;
- the regular update of the Group's accounting principles and methods to reflect regulatory changes and the activity of Group companies;
- anticipation, validation and documentation of accounting and financial incidences of any significant transaction that occurs during the financial year;
- analytical reviews to validate changes in the main balance sheet items and the income statement linked to changes in Group structure;
- in addition, the Finance Department submits every year to the Audit and Risk Committee a presentation of various year-end sensitive issues, prior to the Committee's Annual Accounts Review Meeting.

The Group's Accounts and Tax Department performs and checks all the accounting works of the Group companies through a single information system. This centralization enables better control over accounting and consolidation practices, in accordance with the principles and standards defined at Group level.

The procedure and schedule of year-end closure are distributed to all parties involved and include the tasks of centralization, reconciliation and analysis that are required for the accuracy of the financial and accounting information. This process includes a hierarchical review of the closing procedures of all Group companies at each reporting date. Specific documentation has been issued to cover these procedures. In general, the reliability of accounting information is guaranteed by an organizational structure ensuring a separation of duties and control measures undertaken by the Group's various entities. Invoicing and collection of rent and other charges are tasks performed by the operational departments in accordance with specific procedures and subject to a series of detailed controls. Major transactions are automatically recorded in the accounting information system.

Furthermore, the budgetary monitoring system based on the Group's chart of accounts and the comparative analyses developed by the Financial Control function provide further reassurance.

Gecina also relies on external advice, on tax issues in particular, by reviewing and monitoring the Group's main risks and disputes.

The reliability of the valuation of the real estate properties is based on a biannual process of property appraisals. The Valuations and Appraisals function is responsible for coordinating and overseeing the performance of property appraisals, performed at least twice a year by independent appraisers, in connection with the semi-annual reporting. The function reports to Financial Control. It is centralized and separate from the responsibility for property transactions (which is handled by the operational departments) in order to guarantee the reliability and objectivity of property appraisal data.

Furthermore, internal valuations are carried out by each operational department concerned on the basis of the updated rental statements of the latest rentals carried out and the application of a yield rate per asset, which reflects developments on the markets concerned. This information is cross-checked using metric values and previous period appraisals. The property appraisal process is governed by a specific procedure that explicitly defines the principles for selecting appraisers and indicates how appraisal campaigns should be conducted. Under this procedure, the Audit and Risk Committee is provided with regular progress reports on the property appraisal process. Subsequent to each campaign, this Committee holds a Meeting devoted exclusively to reviewing property appraisals and, if necessary, obtaining additional appraisals on certain buildings.

Experts are selected on the basis of specifications and under the supervision of the Audit and Risk Committee.

The Financial Communication Department handles the following key activities:

- the preparation and drafting of press releases: these are subject to a strict writing process and a suitable level of control and approval;
- drafting and supervision of the Universal Registration Document (URD) and the half-year financial report (HFR): The Registration Document/half-year report approval process is centralized in the Finance Department with several levels of control;
- special presentations to third parties of the company: a presentation is used for investor roadshows. It can be complemented by additional presentations for individual investors or shareholders. Presentations are also made to credit rating agencies (with the approval of all departments involved). CSR and corporate

governance presentations for non-financial investors. Publication of the presentations is supervised by the departments (financial and operational) and by the CEO.

| FINANCIAL CONTROL

The Financial Control Department makes a significant contribution to the reliability of financial and accounting information through its budgetary activities and analyses.

| BUDGET PREPARATION AND CONTROL

A forecast budget is drawn up for each building, covering rent, work and property-related expenses. Assumptions are made for each building with regard to vacancy rate, turnover rate, new letting trends and re-letting periods.

Budget monitoring of properties is performed on a monthly basis for rent and construction work, and quarterly for property-related expenses. Any differences between forecasts and actual figures are analyzed and justified in conjunction with the relevant operational departments.

With respect to overheads, payroll expenses are checked every month, and other expenses are checked quarterly.

| MONITORING OF ACTIVITY INDICATORS

There are activity indicators for measuring the performance of the rental activity in each sector. These indicators are primarily used to monitor rentals and departure notices. The Financial Control Department, in coordination with the operational departments, regularly analyzes the vacancy rate, prices and re-letting periods, as well as turnover rates.

| PROPERTY PROFITABILITY ANALYSIS

This is assessed on the basis of market indicators and the last known appraisals. Properties are classified for each category (by asset type and region). Buildings with an abnormally low level of profitability are specifically monitored in order to optimize their earnings or decide on their future status within the property holdings.

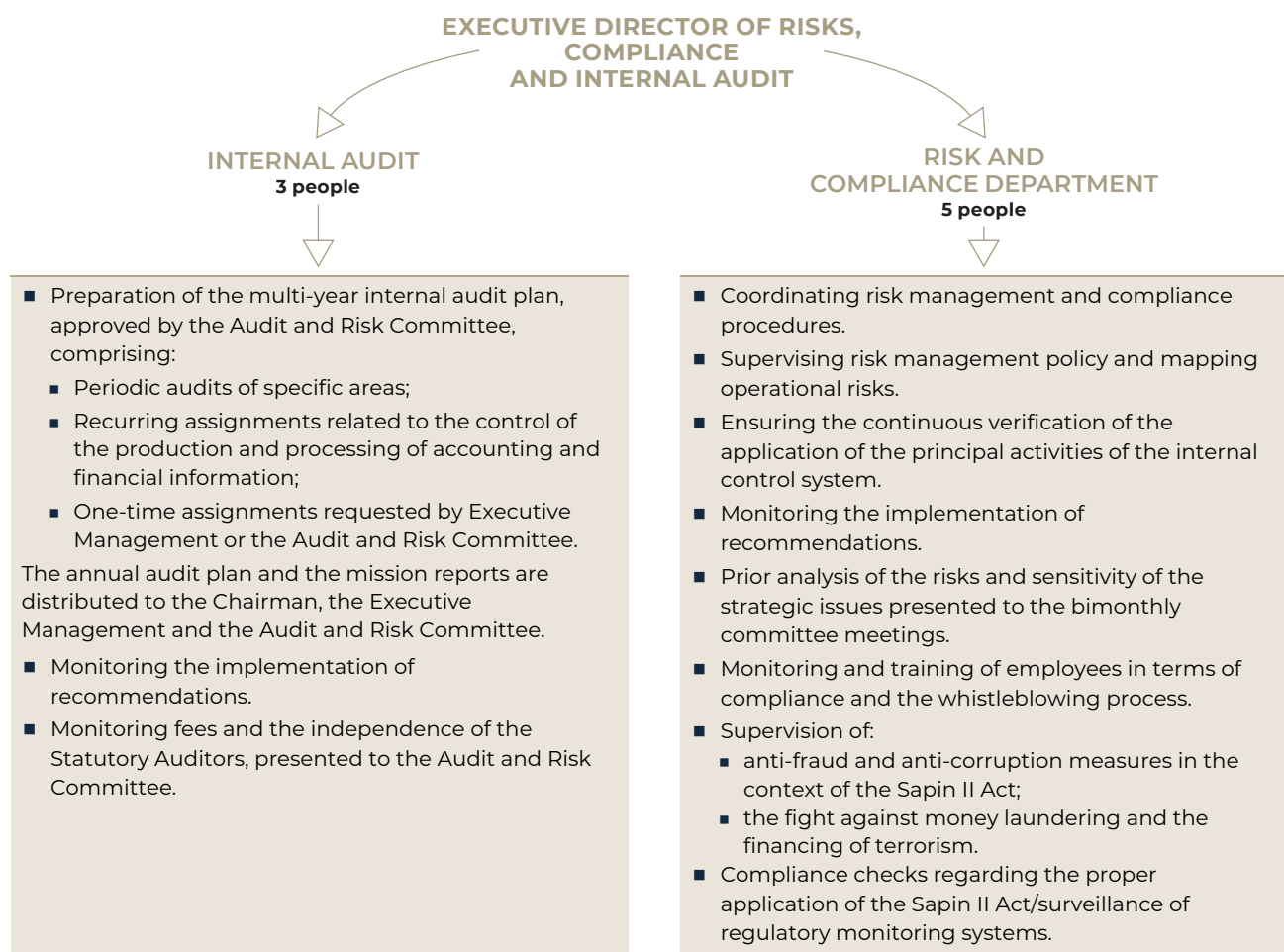
To monitor operations more effectively, Gecina's Financial Control is carried out at two levels:

- on an operational level linked directly and continuously with each of the departments by supplying the reports required for monitoring the activity and useful for decision taking;
- on a centralized level, it is specifically responsible for drawing up and monitoring budgets, tracking key business indicators, analyzing the profitability of properties and conducting property appraisals. It produces detailed monthly reports on each business line and performs any budgetary analysis specifically requested by the Executive Management.

The Financial Control Department is currently composed of 12 financial controllers and integrated into the Finance Department.

2.2.2 Risk and Compliance and Internal Audit Department

The Risk and Compliance and Internal Audit Department, reporting to Executive Management, includes the Risk and Compliance and the Internal Audit Departments. It takes part in supervising internal control and risk management.



2.2.3 Further information regarding the Risk and Compliance Department

2.2.3.1 RISK ANALYSIS

The Risk and Compliance Department is involved in the dynamic management of the portfolio of assets, with the integration of a risk analysis:

- into the twice-yearly budget review process to provide an in-depth analysis of market trends, as well as the assets held, taking into account risk factors based on various scenarios;
- presented to the Development, Investment/Divestment, Financing, and Marketing (DIFC) Committee which meets on a bi-monthly basis. The task of this Committee is to conduct a shared review of strategic issues, with all departments, in the presence of the members of the Executive Committee. These issues are also subject to presentation to the Board of Directors, where appropriate.

2.2.3.2 INTERNAL CONTROL SYSTEM

Internal control aims to prevent and manage all risks arising from the Group's activity.

The Gecina group's internal control system is based on key factors in line with AMF recommendations:

- delegations of powers in place;
- effective, secure information systems;
- updated processes;
- internal control plan.

2.2.3.3 FIGHT AGAINST FRAUD, CORRUPTION AND INFLUENCE PEDDLING

The Executive Management is extremely vigilant in the fight against fraud, corruption, influence peddling, money laundering and the financing of terrorism. All the systems outlined below, not only allow the Gecina group to comply with the law, but above all to embody the values it endeavors to uphold and pass on to its employees, and to the stakeholders accompanying it in its business. The Gecina group aims to continuously support the role it can and must play in improving the control of its processes.

The Gecina group's arsenal to fight fraud, corruption and influence peddling is overseen by the Risk and Compliance Department. It has been implemented in the entity within the meaning of article 17 of the Act of

December 9, 2016, the so-called Sapin II Act, on transparency, the fight against corruption and the modernization of economic life.

The system rolled out is based on eight pillars outlined in the following paragraphs. It is based on a review of existing systems and the Group's risk activities. The deployment of operational tools aims to ensure the continuity of risk control in the fight against corruption. Lastly, operational, internal and periodic controls allow the Group to analyze the systems deployed and to provide feedback to enhance employee knowledge, and thus, as far as possible, to meet regulatory expectations.



1 – Ethics charter

The ethics charter was drafted in accordance with Gecina's fundamental values and ratified by the Board of Directors. It is distributed to all employees, is available via the intranet and is made public via its website. Each new employee is given the ethics charter and the practical guide on joining the company. A presentation on the charter is also added to the orientation process for new Group employees and the executive induction seminar. This presentation is part of the more comprehensive anti-corruption training scheme. The ethics charter, which is appended to the internal regulations, is based around nine main challenges:

- compliance with regulations;
- Group commitments to stakeholders;

- Group corporate social responsibility;
- community involvement and political neutrality;
- work conduct;
- ethical business management;
- confidentiality;
- stock exchange compliance;
- whistleblowing mechanism.

All employees are asked to comply with and enforce this charter and, under all circumstances, to behave consistently toward their colleagues and to any other people for whom they may act as a representative of Gecina or one of its subsidiaries.

2 – Whistleblowing mechanism

The ethics charter provides for a whistleblowing mechanism that allows each Group employee to report suspicions of fraud and behaviors or situations that are in breach of the ethics charter. In the event of additional questions regarding an operation or doubts over a particular situation, any employee can raise these anonymously directly with the Compliance Director. This mechanism, in place since 2012, has a dedicated email address. Depending on the nature and severity of the problem, an alert committee is then formed to analyze the request and take any sanctions required. A process, currently being formalized, oversees the system. In 2019, no requests were filed.

3 – Risk mapping of corruption and influence peddling

In keeping with the general risk mapping which is updated every year, specific mapping of anti-corruption and influence peddling was established in 2019. In general, risks of corruption and influence peddling are satisfactorily contained in terms of the control process in place, which was enhanced in 2019.

4 – Third-party assessment procedure

To ensure compliance with the commitments made by the Gecina group regarding integrity and transparency, in 2019 the Risk and Compliance Department strengthened the implementation of the anti-corruption and influence peddling system, enhancing the procedures used to assess clients, leading suppliers and intermediaries with regard to risk mapping, so as to ensure that third parties provide sufficient guarantees in terms of integrity.

In 2020, supplier assessments will be enhanced by the deployment of an additional tool to monitor the identity of counterparties.

5 – Development of accounting control procedures

The implementation of accounting control procedures aims to ensure that the Group's financial statements are not used to conceal corruption or influence peddling. The Risk and Compliance Department, working together with the Accounting and IT departments, endeavors to verify the access authorizations to the data-entry system for accounting and operational data, and the principle of separation of tasks, along with high-risk transactions identified in risk mapping. In addition to internal control work, an assessment of the system will be undertaken by Internal Audit as part of its multi-year internal audit plan (2019-2023).

6 – Training for relevant executives and staff

The Risk and Compliance Department, working together with the Human Resources Department launched a training system over the past two years to help educate employees in preventing corruption. The system is based on training courses covering the ethics charter and the

fight against corruption, provided to those executives and staff most exposed to risks of corruption and influence peddling, as well as to new employees.

Given the initial training provided when the Ethics Charter was launched in 2012, and staff turnover since then, 100% of employees have had their awareness raised of fraud, corruption and influence peddling.

The Gecina group thus shows its commitment to serving a culture of integrity.

7 – Disciplinary regime

The internal regulations provide for and describe the various penalties incurred and the procedure to be followed in the event of a breach of the Group's ethics charter.

All these penalties comply with the legal obligations in force. In 2019, no disciplinary penalties were sought in respect of corruption and/or influence peddling on the part of a Gecina group employee.

8 – Internal monitoring and evaluation system

To ensure that the integrity and transparency systems listed above remain robust, and to integrate them within a continuous improvement approach, the Gecina group implements appropriate and regular controls. This is characterized firstly by the development of accounting control procedures and secondly, by the performance of internal control work and the intervention of the Internal Audit team.

In 2019, the Risk and Compliance Department conducted a series of controls on fraud, corruption and influence peddling, to ensure that internal systems were compliant. Their findings noted satisfactory compliance. The conclusions of the internal control work were presented to an Audit and Risk Committee meeting. The Committee also approved the multi-year Internal Audit Plan (2019-2023), which includes an audit mission on this topic.

These compliance checks will continue in 2020.

2.2.3.4 THE FIGHT AGAINST MONEY LAUNDERING AND THE FINANCING OF TERRORISM

The fight against money laundering and the financing of terrorism is integrated within the anti-corruption system.

Vigilance obligation

The Gecina group ensures that vigilance is observed regarding third parties, particularly in terms of compliance with social security obligations. To this end, prior to signing a preliminary sale or purchase agreement, the Risk and Compliance Department undertakes formal "Know Your Customer" due diligence regarding the counterparty. An assessment of the risk is appraised in the corruption risk mapping, which specifically formalizes the system in place and the tools used to identify and manage this risk.

Risks of money laundering and the financing of terrorism are monitored as part of the internal control work undertaken by the Risk and Compliance Department. The third-party identification system was further strengthened in 2018 via the implementation of a new counterparty identity intelligence tool.

Training

Training sessions were delivered by the Risk and Compliance Department to the appropriate staff. The training included a summary of the key points of the Sapin II Act, points specific to money laundering, as well as hands-on role-play sessions.

Obligation to report suspicions

Should suspicions arise regarding a third party and/or its capital, the Gecina group undertakes, in accordance with the regulations, to report its findings to the Tracfin regulatory entity. Monitoring the fight against money laundering and the financing of terrorism is an integral part of the ethics charter notably via the whistleblowing mechanism, for which the procedures are identical to those of the anti-corruption system.

In view of the current requirements and the associated reputational risk, the fight against money laundering and the financing of terrorism is at the core of the work done by the Risk and Compliance Department.



3.

**From
corporate social
responsibility
to sustainable
performance**

3.1. Our commitment to people, the planet and our heritage	102
3.1.1. Gecina and CSR	102
3.1.2. The dashboard	104
3.1.3. Priority CSR risks and opportunities for Gecina	106
3.2. Our CSR pillars	108
3.2.1. CSR pillars that generate economic and societal value	108
3.2.2. Low carbon buildings	109
3.2.3. Circular economy	113
3.2.4. Comfort and well-being of occupants	115
3.2.5. Biodiversity	117
3.3. Our levers for action	121
3.3.1. Our human resources: a key factor in guaranteeing a high level of performance	121
3.3.2. Certifying and labeling our assets	124
3.3.3. CSR at the heart of the business lines	124
3.3.4. Innovating to support societal and territorial transformation	128
3.4. Our support actions	132
3.4.1. Supporting the environment, disability and heritage through the new Gecina Foundation	132
3.4.2. Supporting art and culture	133
3.4.3. Supporting emergency accommodation aid	133
3.5. Other non-financial information	134
3.6. Reporting rules	135
3.7. Independent third party's report on consolidated non-financial statement	137



3.1 Our commitment to people, the planet and our heritage

3.1.1 Gecina and CSR

Environmental emergency, digital transformation, and aspirations of new generations are all factors that accelerate the renewal of production, operating and consumption models. Formulating sustainable solutions for territories seeking new social, environmental and economic development balances means formulating solutions whose approaches are ecosystemic, which call upon collective action, and where the economic model and societal performance feed into each other.

With its property portfolio concentrated in Paris and the inner suburbs, Gecina is a player at the local level. The central location of its assets prevents the creation of urban sprawl and limits emissions resulting from commuting. The real estate park is regularly renovated to adapt its assets to the energy transition. Finally, its expertise in commercial and residential environments allows Gecina to focus on the reversibility of spaces and offer new functions. Societal trends therefore represent an opportunity for Gecina to reinforce its strengths and its contribution to the sustainable city by making the Group's various business lines more aware of the environmental, social and societal impacts of the real estate business.

Nonetheless, evolving in a sector that generates one quarter of the greenhouse gas emissions and two-thirds of the waste produced in France, since 2008 Gecina has adopted ambitious Corporate Social Responsibility policies and quantitative objectives. With its ten years of experience, Gecina concentrates on four CSR pillars (see 3.2 "Our CSR pillars"): the low carbon policy, the circular economy, biodiversity and the well-being of occupants. Each of these pillars is part of an overall responsibility approach, the performance of which is measured by tracking key indicators and the generalization of certifications and labels awarded by independent third-parties (HQE Green Building, HQE Operations, WELL®, BiodiverCity®, WiredScore, BBKA (Association for Promotion of Low Carbon Construction), etc.). These commitments and the progress achieved since 2008 have transformed Gecina into a player recognized by specialist analysts, notably receiving scores of 92/100 on the Global Real Estate Sustainability Benchmark, 88/100 on the Sustainalytics rating, and the highest level awarded by the CDP (A) and the MSCI (AAA).

In order to go further, in 2019 we accelerated the adoption of CSR subjects by all our employees and strengthened the integration of CSR practices into the heart of our business lines by:

- adopting a strong policy of raising awareness of the challenges of global warming by engaging all employees in the "Climate Collage" workshop;

- formalizing with the Business Divisions an ongoing improvement process for how CSR issues are taken into consideration;
- setting CSR objectives in a manner increasingly targeted to the business lines and functions;
- creating and deploying low carbon, biodiversity and circular economy best practice sheets to operational teams;
- setting up an internal carbon fund to accelerate the decarbonization of our actions;
- deploying remote metering across most of the commercial portfolio in order to better manage energy consumption with clients and maintenance staff.

Beyond the intrinsic performances of its buildings, Gecina is working on more contributory approaches aiming to reduce energy dependency, improve local environmental performance, and better take into consideration the specific needs of the territories and the users of its buildings. Acting in favor of a sustainable model means promoting an environmental model, centered on human beings, that collaboratively integrates the necessary level of technology. Thus, in connection with signing the Charte en faveur du développement de l'occupation temporaire (Charter to promote the development of temporary occupation), Gecina responded to the call by the Minister of Cities and Housing asking private real estate players to identify premises that could be offered as emergency temporary accommodation to the destitute. Premises in the 14th arrondissement of Paris have been made temporarily available free of charge for a period of six months. The structure has a potential capacity of 150 spaces, which are open to families and homeless women recently discharged from maternity wards in particular. A reserve of 50 additional spaces could be provided in the event of a period of severe cold. The management of this site has been taken over by the non-profit organization France Horizon.

In 2020, Gecina will work to develop a fifth CSR pillar on corporate social in respect of its stakeholders. In this constantly changing world in which we have to anticipate and assist new ways of living, Gecina is putting in place tools and methods with its employees, as well as working on bringing together its clients, suppliers, and more broadly speaking, its stakeholders (see 3.3 "Our levers for action"). The new CSR governance relies on the collective intelligence of the teams and functions in a cross-disciplinary manner. Gecina is expanding the CSR criteria already present in its supplier assessments, as well as its performance-based specifications, and the individual objectives of its employees.

In the same spirit, in order to propose new user experiences that are unique and differentiated, as part of

its new relational and service-based brand YouFirst, Gecina has put in place an extensive open innovation policy. This approach positions Gecina as a proactive player in social and environmental innovation. The Group's operating teams can rely on the new R&D and Innovation Department that is structuring an ecosystem of innovative players around the sustainable and decarbonized city and technologies that impact real estate (innovation fund, start-ups, innovative suppliers, schools, etc.) and the rising power of employees. Gecina will be able to step up flexibility and the pooling of certain spaces in its building network, and further personalize the client pathway, in particular through targeted services and enhanced digital fluidity.

To support this transformation, Gecina acquired new skills by recruiting 58 new employees in 2019, committed to an ambitious training policy to develop a common culture around the company's strategic plan, and launched the second edition of its Graduate Program for young talents.

Finally, Gecina's commitment is also demonstrated by its support of citizen actions that serve the public interest (see 3.4 "Our support actions"). In 2019, greater clarity was brought to the Foundation's work through the creation of a single foundation and the addition of housing access for all to the three existing areas (disability, environment and heritage preservation). The endowment of the Foundation was increased to a maximum of €1 million per year.

Two major events should also be noted:

- the organization of a solidarity day involving all the company's employees;
- the partnership with the Heritage Foundation as part of the Bern Mission's "Never Again" collection to protect threatened heritage sites in the Paris Region.

Gecina has also signed the "1 Building, 1 Work of Art" charter of the Ministry of Culture and is a partner of the International Weather and Climate Forum (IWCF) chaired by the climatologist Jean Jouzel.

In conclusion, faced with expectations of more economical, more responsible, more service-efficient and customizable user experiences, Gecina's challenge is to fight against climate warming while improving the quality of life of its clients and developing the local economy. Ultimately, it is a matter of simultaneously taking care of people, the planet and our heritage. This is why in 2019, we consolidated all of our societal commitments into the "UtilesEnsemble" (BenefitTogether) corporate program. This next generation company seeks to benefit all of its stakeholders: clients, employees, suppliers, etc. And all stakeholders have a role to play in building a more sustainable society. We must urgently assert our beliefs about the world that we want to build together. We must urgently be "UtilesEnsemble".

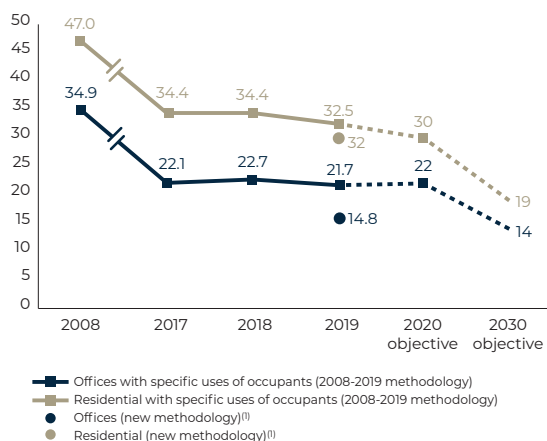
3.1.2 The dashboard

THE CSR PILLARS OF GECINA



Low carbon

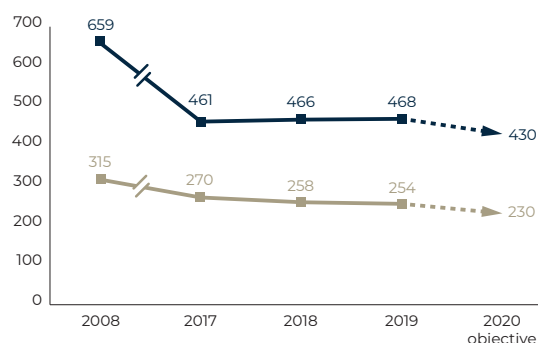
GHG emissions linked to operating property assets (in kgCO₂/sq.m)



Main actions leading to a reduction of 5 % of GHG emissions in like-for-like basis :

- 42% of buildings connected to an urban heating network.
- 24% of buildings connected to a cooling network.
- 100% of electricity paid for by Gecina was of guaranteed renewable origin.

Energy performance of the property portfolio (in kWh of primary energy per sq.m)



Main actions to limit energy consumption :

- Investing: 16% of the two-year capex and opex to improve the CO₂ performance of office buildings
- Managing our performance better: 95 commercial buildings equipped with an energy monitoring system.
- Mobilizing our employees: 74 best low-carbon practices to be deployed across our buildings.
- Engaging our stakeholders in a continuous improvement process: 145 buildings have ISO 50001 certification.

Assets in operation



Circular economy

91%

of delivered construction site waste in 2019 was recycled as materials



Well-being

106,643 sq.m

awarded the WELL® label since 2017



Biodiversity

92,861 sq.m

awarded the BiodiverCity® label since 2017

Assets under development

98%

of operating waste recovered as materials or as energy

65%

Gecina office building contribute more to the productivity of their occupants than standard buildings (VIBEO method)

37%

of vegetated plots at in-ground equivalent. In addition, 100% of our building with green spaces have a biodiversity profile

(1) An average emission factor per energy (Location Based method) was used and the emissions avoided through purchasing electricity of guaranteed renewable origin were deducted, in accordance with market practices and the recommendations of the CSR auditor.

LEVERS FOR ACTION

Human Resources

96%

of employees attended at least one training course

75%

of managers had at least one individual CSR objective following the integration of CSR into the business lines and the proposal of individual CSR objectives

Certifications in operations

72%

of surface areas with HQE Exploitation / BREEAM In Use certification thanks to the certification of 11 assets in 2019

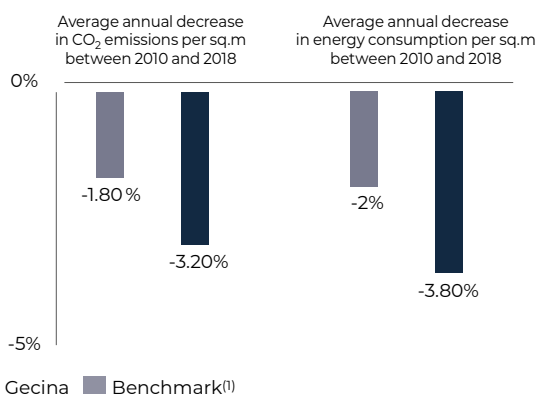
Responsible purchasing

73%

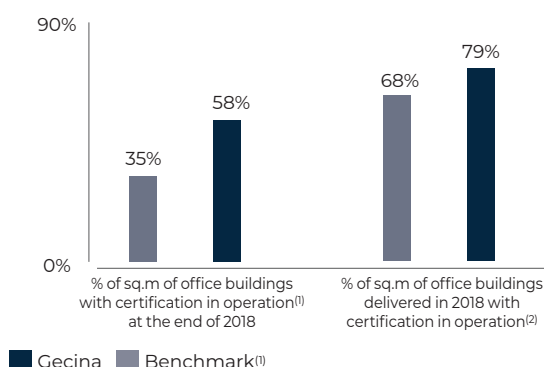
of purchases related to light renovation work were analyzed in terms of their impact on the CSR performance of the property

GECINA IS PROGRESSING FASTER THAN ITS MARKET IN TERMS OF CSR

Gecina and its market comparison of the average annual decrease in CO₂ and energy consumption between 2010 and 2018








Comparison of the operations and construction certification rate between Gecina and its market in 2018



2019 RATINGS

Set the standard and prove it

Ratings	Evaluation criteria	Previous evaluation	2019
	Global Real Estate Sustainability Benchmark, a benchmark classification in the real estate sector	92/100 (2018)	92/100 Ranked 3 rd among office real estate companies listed in Europe
	Evaluation of a company's CSR performance based on 14 criteria	88/100 (2018)	88/100, 3 rd in the sector
	Evaluation of a company's CSR performance based on the three most relevant criteria for its sector	AAA (2018)	AAA, best possible score
	Carbon Disclosure Project, a score that reflects a company's transparency and commitment in terms of climate change	A- (2017)	A, the best possible score obtained by only 2% of the companies evaluated
	Overall evaluation of a company's CSR performance based on six topics	C+ (2018)	B- best score in the sector with two other companies

(1) Sources: CO₂ and energy/sq.m, and certifications in operations: OID, Environmental and Energy Performance Barometer 2019.

(2) Sources: Certifications in construction: Green Soluce, Environmental Certification Barometer 2019.

3.1.3 Priority CSR risks and opportunities for Gecina

In 2018, Gecina completed its CSR risks and opportunities mapping. This work supplements the identification of the Group's risks conducted by Gecina's Audit and Risk Department. It allows to re-focus the analysis of the CSR challenges identified in the 2016 materiality matrix on the most essential points, linked to the Gecina business model.

To conduct the exercise, a sector-based universe of CSR risks and opportunities was initially established based on investor requirements, market trends, and Gecina's 2016 materiality analysis. On this basis, all of the members of the Executive Committee, the Audit and Risk Department, and the CSR Department took part individually, then in a plenary meeting, in evaluating the most significant CSR themes for Gecina in relation to its activity.

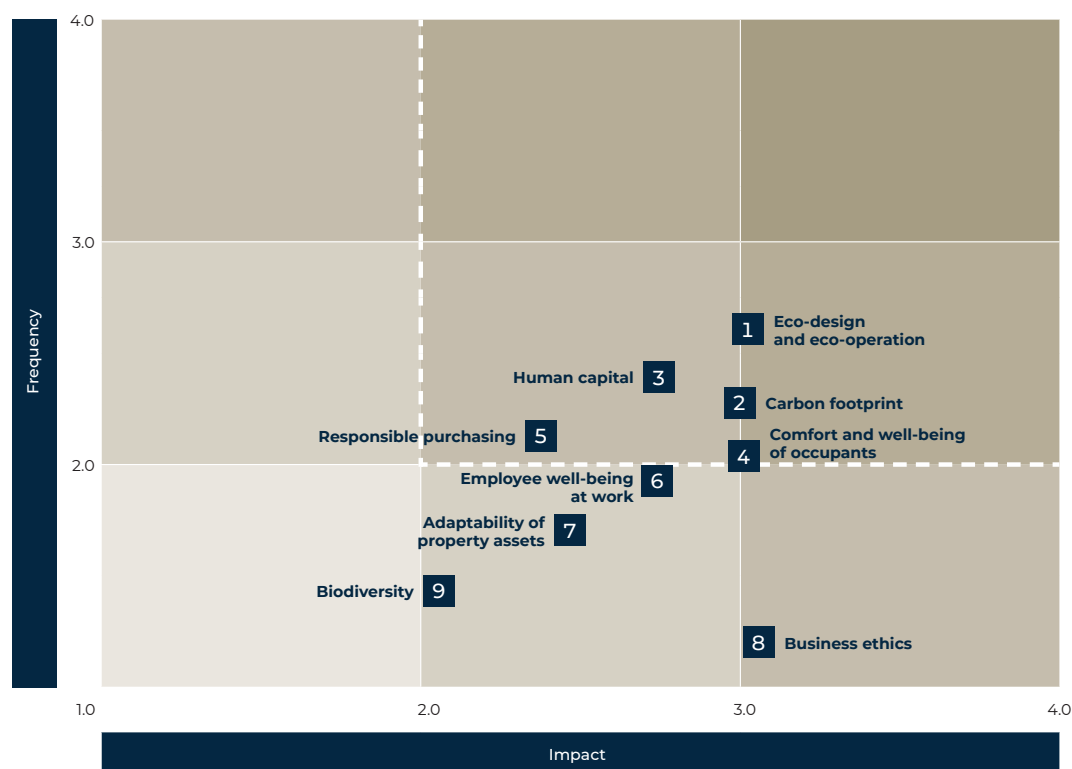
Two rating scales were established, ranging from 1 (limited) to 4 (critical):

- the severity in terms of impact on reputation, operating costs, revenue, and client loyalty to Gecina;
- the frequency with which the risk could arise.

At the same time, the level of control of each risk and opportunity was evaluated to determine whether the actions deployed by the Group are adequate to manage the CSR risks and opportunities that it faces. This rating took into account the goal and the scope of deployment of the CSR actions as well as the robustness of the performance management.

In 2019, the priority risk of eco-design and eco-operation was incorporated into the mapping of the main risk factors for Gecina.

CSR risks/opportunities inherent in Gecina's business



Five CSR risks and opportunities emerge from this analysis. They are considered as priorities since the probability of their occurrence and their impact on the activity were evaluated as high:

Eco-design and eco-operation are related to the energy efficiency and rational management of resources in the development and operation of Gecina's assets.

Carbon footprint corresponds to the capacity to reduce the greenhouse gas emissions related to renovation work and the operation of assets.

Human capital refers to talent and skills management, diversity within the company and quality of life at work. The human capital lever for action (see 3.3.1 "Our human resources") allows us to manage this risk/opportunity.

Comfort and well-being of occupants is linked to the expectations of Gecina's clients and the changes in use.

Responsible purchasing means making sure that Gecina's suppliers are top performers in terms of CSR issues. The responsible purchasing lever for action (see 3.3.3 "CSR at the heart of the business lines") allows us to manage this risk/opportunity.

Although **biodiversity** is not currently considered a major risk for a real estate business in the heart of the city, Gecina has historically invested in the topic and is strengthening its position as a leader in this area by making biodiversity one of its CSR pillars (see 3.2.5 “Biodiversity”). Indeed, at Gecina, we firmly believe that biodiversity is one of the major challenges of this century and that it is our duty to think about how our business can promote the development of biodiversity. As a real estate player, acting to promote biodiversity means

incorporating vegetation in our property assets in order to help create green belts and to preserve local flora and fauna and get our clients involved. In addition, acting to promote biodiversity has a strong impact on two other CSR pillars: low carbon and the well-being of occupants.

As with the Group’s risks, this work was presented to the Audit and Risk Committee. It will track the effectiveness of the action plans implemented and managed by the Executive Committee to ensure the best management.

3.2 Our CSR pillars

3.2.1 CSR pillars that generate economic and societal value

The four CSR pillars generate economic value for Gecina and societal value for its stakeholders

Four pillars	Creation of economic value for Gecina	Creation of societal value	Risks and opportunities
Low Carbon	<ul style="list-style-type: none"> ▪ Reduced operating costs. ▪ Securing or even enhancing the rent level. ▪ Mitigation of physical risks from climate change. ▪ Attractiveness of the property assets by meeting clients' expectations. 	<ul style="list-style-type: none"> ▪ Reduction in energy consumption (in France, 40% of energy consumption and 25% of CO₂ emissions are due to real estate). ▪ Access to low-carbon lifestyles for 100,000 clients within a network of buildings in the city center, thus avoiding emissions from commuting to work. ▪ Support for local renewable energies. 	<ul style="list-style-type: none"> ▪ Eco-design and eco-operation. ▪ Carbon footprint. ▪ Responsible purchasing.
Circular economy	<ul style="list-style-type: none"> ▪ Reduction in waste management costs, which represent 2-4% of the costs of a development project. ▪ Income generated by the resale of second-hand equipment and materials. 	<ul style="list-style-type: none"> ▪ Reduction in waste production (in France, 70% of total waste is construction waste). ▪ Improving the standard of living of our clients by offering them services that provide solutions to everyday problems. ▪ Creation of local jobs and supporting responsible waste management channels. 	<ul style="list-style-type: none"> ▪ Eco-design and eco-operation. ▪ Responsible purchasing.
Well-being	<ul style="list-style-type: none"> ▪ Securing or even enhancing the rent level from "value-added" clients. ▪ Average value increase of 7% for office buildings that improve the productivity of their occupants according to the WBCSD. 	<ul style="list-style-type: none"> ▪ Improvement of well-being for 100,000 clients benefiting from a network of buildings. ▪ Increased productivity in office buildings (up to 15%). 	<ul style="list-style-type: none"> ▪ Comfort and well-being of occupants. ▪ Responsible purchasing.
Biodiversity	<ul style="list-style-type: none"> ▪ Mitigation of physical risks from climate change (e.g. during heat waves). ▪ Iconic buildings. 	<ul style="list-style-type: none"> ▪ Improving well-being of employees. ▪ Supporting the resilience of cities against the effects of the urban heat island (+8 °C on average in Paris by 2100). ▪ No biodiversity losses associated with urban sprawl due to the central locations of our projects. ▪ Contributing to the creation of green belts. 	<ul style="list-style-type: none"> ▪ Biodiversity. ▪ Carbon footprint. ▪ Well-being. ▪ Responsible purchasing.

Across the board, CSR enables us to:

- **reduce the cost of capital** by borrowing more cheaply (see 3.3.3.3 “CSR performance contributes to financial performance”) and by being more attractive to investors that take CSR performance into account when making investment decisions. For financial players, the immaterial benefits are reflected in the increased attractiveness of the buildings. It is then easier to market them and the vacancy rates are lower, to the benefit of the property owners and investors;
- **strengthen the financial attractiveness of our buildings;** For the occupants, the improvement in

building performance immediately results in savings on bills. In France, the latest MSCI IPD index shows a difference of 11% in favor of certified buildings across all operating expenses, including 16% for insurance costs, 19% for energy costs and 21% for occupant services. In the benchmark that it has issued since 2010, the MSCI IPD studies the financial performance gap between green offices and high-end non-green offices. At the end of 2018, this difference amounted to 5% in terms of market rental value, 8% in terms of market value and 26% in terms of overall yield;

- **increase our attractiveness and control our risks.**

3

3.2.2 Low carbon buildings

3.2.2.1 BACKGROUND

Gecina, like all players in the real estate industry, is very concerned about the fight against greenhouse gas emissions and has several levers for action:

- improving energy efficiency and using energies that emit less greenhouse gas for its operating buildings. This is a major challenge since property represents one quarter of the greenhouse gas emissions in France;
- eco-designing real estate developments, by using construction materials and equipment that emit low levels of greenhouse gases, both during the manufacturing phase and when operated in an occupied building. In addition, property renovation may enable a four-fold reduction in the energy consumption of an existing building;
- involving its clients and suppliers in the fight against greenhouse gas emissions. Client use impacts between 10% and 30% of the emissions of buildings. The role of maintenance operators is crucial to properly configure equipment and control their energy consumption. Finally, corporate clients seek high-performance company headquarters in order to embody their own low carbon ambitions.

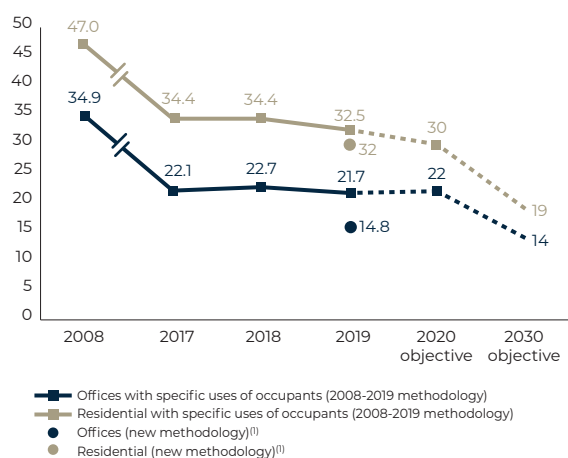
3.2.2.2 COMMITMENTS

Gecina has set ambitious objectives in order to set the direction and deploy appropriate tools and solutions:

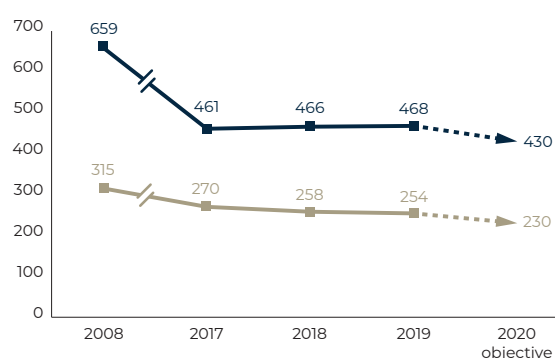
- To make low carbon the standard in:
 - managing the operating portfolio with an objective to reduce our greenhouse gas emissions by **40%** by 2020 and by **60%** by 2030 (compared to 2008); and
 - the design of developments with a goal of achieving **carbon neutrality** by the end of 2050;
- To set up and use an internal carbon fund to stimulate low carbon innovation.
- To produce renewable energy in each of our development projects.

KEY PERFORMANCE INDICATORS

GHG emissions linked to buildings in operation (in kgCO₂/sq.m)



Energy performance of the property portfolio (in kWh of primary energy per sq.m)



Breakdown of emissions according to GHG protocol

	Scope 1 (tons of CO ₂)	Scope 2* (tons of CO ₂)	Scope 3 partial** (tons of CO ₂)	Total CO ₂ (tons of CO ₂)	Total surface area (sq.m)
Commercial	3,416	8,474	14,586	26,477	1,226,668
Residential	4,946	5,088	3,692	13,726	417,905
TOTAL	8,362	13,563	18,278	40,204	1,644,573

* Including indirect emissions linked to the purchase or production of electricity and heating and cooling.

** Including indirect emissions related to energy consumed but not controlled by Gecina and use by our tenants.

(1) In order to align the calculation of CO₂ emissions with market practices, and in accordance with the CSR auditor's recommendations, a new methodology for calculating greenhouse gas emissions is being implemented. This uses an average emission factor per energy in accordance with the Location Based method and takes into account the emissions avoided through the purchase of electricity of guaranteed renewable origin.

3.2.2.3 ACTION PLANS

	Key actions	Progress and results
Design low carbon	Creation of a guide for Life Cycle Analysis (LCA) in the Design phase	<ul style="list-style-type: none"> Finalization of the guide and the carbon impact accounting and optimization tool for any new renovation. 100% of assets delivered in 2019 benefited from a LCA (excluding light renovations). 100% of assets undergoing renovation benefited from a LCA (excluding light renovations). 75% of the assets under construction benefited from a LCA (excluding Pre-construction sales).
	Carbon footprint of materials taken into account in the specifications	<ul style="list-style-type: none"> Low carbon requirements of materials in new renovation projects as far as possible (renewably sourced insulation, floorings etc.). On-going inventory of low carbon materials and equipment to be favored in the design phase. Priority given to products that carry out LCAs and take steps to improve their carbon impact, which enabled us, for example, to reduce the predicted carbon footprint of the L'Ve project from 1748 kgCO₂/sq.m to 996 kgCO₂/sq.m.
	Low carbon labeling	<ul style="list-style-type: none"> Obtaining the BBCA label is targeted for new developments from 2019. Gecina is a founding member of the BBCA label and among the top 10 players in terms of applying the label to assets.
Decarbonizing the energy mix	Facilitating connections to low carbon energy sources	<ul style="list-style-type: none"> 41% of commercial buildings connected to an urban heating network. 24% connected to a cooling network. 42% of residential buildings connected to an urban heating network.
	Strengthening green energy contracts	<ul style="list-style-type: none"> 38% of renewable energies in the energy mix through renewable origin guarantees and biomethane compared to 19.5% used in the traditional energy mix, which corresponds to a difference of 3,858 tons of CO₂ that Gecina does not deduct from its emissions. A three-year contract signed in 2018 for the progressive integration of biomethane to supply the boilers of the residential and commercial property portfolio (10% of the gas consumed by residential and commercial properties in 2019, 20% in 2020 and 60% in 2021).
Limiting energy consumption	Improving energy performance	<ul style="list-style-type: none"> 5 projects under development, designed to achieve average final energy consumption of 66 kWh/sq.m once the property is operational. 18 buildings retro-commissioned between 2018 and 2019 (in addition to the 12 assets where this solution was deployed between 2017 and 2018). Approximately 16% of capex and opex contribute to the energy and low carbon performance of Gecina's office assets. 145 buildings certified to ISO 50001 (90 offices, 37 residences and 18 student residences). 61% of residential surface areas covered by an incentive contract linked to the energy performance of the building. In 2018, 45% of covered surface areas benefited from a bonus. Provision of 74 best practice sheets, including 22 priorities related to energy and low carbon, so that they can be included in future work plans. These sheets include three broad themes: lighting, adjustment of programming and calibration of equipment, and maintenance of heating, ventilation and air-conditioning equipment. Contractual commitment by the multi-technical service provider to reduce energy consumption by 10% on 30 sites.

An internal carbon fund to stimulate low carbon transformation

In order to integrate the management of greenhouse gas emissions with the operating business lines and to stimulate low carbon innovation among its employees, at the end of 2018 Gecina created an internal carbon fund. Each operating department makes a contribution prorated to the greenhouse gas emissions of the buildings that it operates, on the basis of €10 per ton of CO₂ emitted. Concerning real estate developments, the projects are taxed on the level of greenhouse gas emissions during construction. In order to strengthen the transformational character of this mechanism in the case of developments, the cost of CO₂ emissions is €50 per ton in 2019.

In 2019, nine projects were supported:

- half of the projects related to renewable energy;
- 21% of the projects related to energy management;
- 18% of the projects related to sustainable mobility;
- 14% of the projects related to the reuse of materials.

This initial approach is in the Test & Learn phase and will enable Gecina to identify the best strategy for using this internal carbon fund.

One of the innovative solutions supported by the carbon fund is a heat recovery system for shower wastewater created by WisElement®. This solution, named Ekô, is being tested in eight buildings. The device generates savings of up to 30% on the domestic hot water used by showers by recovering the calories still present in the wastewater before it reaches the sewers.

Deployment of a building energy monitoring system

As part of its digitalization program, Gecina tested two solutions for remote metering on around ten commercial buildings.

The test phase, which lasted approximately six months, allowed the Group to select the most efficient tool for monitoring the energy performance of its commercial real estate portfolio and for detecting new sources of energy gains.

The remote metering system increases the reliability of the data by measuring consumption precisely in order to manage the energy and carbon performance of the real estate properties and to better communicate with our clients. This control will provide a better understanding of consumption and identify actions to improve. Their implementation and the savings generated will therefore have a positive impact on tenants' energy costs. This management of our energy performance through remote metering will also support Gecina's energy and low carbon commitments, and is intended to support Gecina and its clients in responding to future regulatory obligations (see the Commercial Decree).

The partnership established with the service provider selected contains two cumulative commitments regarding results:

- commitment to reduce energy consumption by 3% per year compared to the benchmark over three years, followed by a reduction of 2% per year (in response to the Commercial Decree);
- commitment to reduce GHG emissions (kg CO₂-eq) by 5% per year compared to the benchmark over three years, then a reduction of 3% per year (in response to the Gecina low carbon pillar).

At the end of 2019, deployment began on 95 commercial buildings, i.e. 864,320 sq.m, representing 68% of the operating commercial properties and 70% of consumption in 2019. The rest of the property portfolio will be progressively equipped by the end of 2021. Its application to the residential portfolio is also currently under consideration.

Promoting wooden structures

As far as possible, Gecina promotes the use of materials enabling a reduction in the carbon footprint of its renovation projects. Wooden construction is therefore favored in all of the Group's operations. Its main benefit is carbon storage: one cubic meter of wood absorbs 700 kg of CO₂. In addition, unlike other materials, the industrialization of wooden components uses little energy, which limits production-related GHG emissions by 180 kg of CO₂ per m³ compared with 400 kg of CO₂ for reinforced steel. The light weight and availability of the material is beneficial notably for reducing transport-related emissions. Finally, it is a dry construction, which limits both the impact of work on the neighboring residents and the time of completion.

As part of the operation conducted at 2, avenue de Saint-Mandé in the 12th arrondissement of Paris, a construction of 13 housing units in the courtyard of the existing residence will be installed in a wood frame. The building is mainly made of wood, in both its structure and facade elements. The structure is demountable and modular, which makes it easier to transport the various construction elements on site. As described above, the wood sequesters the CO₂ during its growth and the life of the building in which it is used. In addition, the wooden panels used transmit heat twenty times slower than reinforced concrete and have better fire stability than concrete.

Anticipating the effects of climate change

In 2017, the potential effects of climate change on Gecina's office buildings were analyzed in three stages:

- awareness of the major climatic variations that may impact the Paris region by 2050-2070;
- identification of the areas of asset vulnerability to these climatic variations (facades and roofs, fan coils, comfort of occupants, equipment in the basement, etc.) for seven families of representative buildings in the property portfolio;
- adjustment of results according to the location of the building (heat island exacerbating the risk of a heatwave, flood-risk area).

Nine assets have accordingly been identified as priorities given their level of exposure to physical risks related to climate change. Their portfolio value is €0.9 billion.

In addition to these physical risks, so-called transition risks can also materialize at various stages of a building's operating cycle:

- increase in construction costs in the event of incompatibility between the extraction and production stages of materials that generate substantial emissions and the need to reduce CO₂ emissions;
- extension of construction times and deterioration in the quality of developments in the event of extreme weather events.

In 2020, Gecina will launch a similar analysis of its residential portfolio and will study the impact of climate change on the value of its property portfolio.

Gecina will also set guidelines for its assets under development and solutions for operating assets.

3.2.3 Circular economy

3.2.3.1 BACKGROUND

The circular economy promotes a resource-efficient economy involving the development of recycling, reuse, pooling and eco-design. It is a daunting challenge given the current maturity of the sector and the number of players that need to be mobilized in order for the pathways to be created.

At Gecina, the circular economy applies on several levels with regard to a building:

- **Recycling construction site waste.** The building sector generates 40 million tons of waste each year in France, 90% of which comes from deconstruction and rehabilitation works, according to a study by the French Building Federation (FFB). The regulatory obligation to recover 70% of building sector waste in 2020 by recycling, reuse, or infilling, offers the industry the opportunity to better manage its waste;
- **Reducing the consumption of raw materials and resources at source:**
 - by promoting the purchase of eco-designed products in order to reduce the environmental impacts linked to raw materials, of which the sector consumes half of global production,
 - by improving the quality and the performance of the buildings, by minimizing the use of materials,
 - by identifying possibilities for recovering wasted energy and reusing other types of losses;
- **Extending the lifetime and the use of the building while adapting to changing usages,** such as by pooling certain areas.

3.2.3.2 COMMITMENTS

- Promote the reuse and recycling of resources from our deconstruction sites through the use of a digital marketplace.
- Design buildings that evolve over time and are simpler to deconstruct.
- Promote recycled or reused materials in our restoration projects.
- Take advantage of the resources generated during the operating phase of a building (energy, water, CO₂).

KEY PERFORMANCE INDICATORS

98%

operating waste recovered as materials or as energy i.e. 1,993 tons of office waste collected⁽¹⁾ of which 37% recovered as materials and 61% recovered as energy

(1) For 33% of the commercial buildings covered by a collection contract subject to annual reporting.

91%

of delivered **construction site waste** in 2019 was recycled as materials

Over 83 tons

of **materials reused** i.e. 416 tons of CO₂ avoided

ACTION PLANS

Key actions	Progress and results
Initiating resource diagnosis	<ul style="list-style-type: none"> Six resource diagnoses initiated in 2019 for ongoing renovation programs, i.e. more than 4,400 tons of potentially reusable materials and 14,000 tons of avoidable CO₂.
Adapting and changing our design models	<ul style="list-style-type: none"> Gecina is a member of Circolab, a non-profit organization whose aim is to promote the circular economy in real estate. Ongoing study to determine our circular economy strategy, including in particular an identification of the reused channels for key materials.
Recovering deconstruction waste	<ul style="list-style-type: none"> 84% of delivered construction site waste recycled as materials. Signing in 2019 of a framework contract to systematize the recovery and recycling of the carpet on all clean-up operations of more than 600 sq.m where the carpet cannot be reused. The impact of this partnership is significant, given that producing 1 sq.m of carpet emits around 10 kgCO₂. 100% of the resource diagnostics identified ex situ reuses.
Recovering resources from operating activities in the property portfolio	<ul style="list-style-type: none"> Provision of 29 best practice sheets, including four priorities for the circular economy, so that they can be integrated into future work plans. 7 Gecina buildings equipped with Cy-Clope ashtrays in order to recover cigarette butts as fuel for furnaces, i.e. 140 kg of butts collected and recycled. 12 residential buildings equipped with "Relais" collection points, the leading operator for collection and recovery of textiles, clothing and shoes in France, representing more than 28 tons of textiles collected. Study assigned in 2019 to a design office to develop a new operating waste management contract with challenging CSR criteria to ensure that the service providers selected are the best performers in their recycling operations.
Limiting resource consumption and pooling	<ul style="list-style-type: none"> Collection of rainwater for irrigation of green spaces. Raising awareness of residents and office occupants around selective sorting during the European Week for Waste Reduction and at tenant meetings run by management teams. Installation of 4 shared libraries in the residences in 2019 and 4 libraries planned for the start of 2020. Following the feedback from a service provider and in order to strengthen the sharing of parking spaces across its real estate properties, Gecina has identified the assets on which a sustainable mobility solution could be deployed. End of disposable dishes at the Gecina head office. Gradual replacement of capsule coffee machines at the head office with ground coffee machines.

A true reuse operation on the Anthos building

Following the reuse operation carried out on the L'Ve building in 2018 (with an outperformance of 394 tCO₂ avoided instead of the 284 tCO₂ hoped) the Anthos building, at 63, rue Marcel-Bontemps, in Boulogne, was the next to undergo a true multi-stage reuse operation during its renovation in 2019. Low carbon and circular economy materials have been favored:

- paint made from natural raw materials: Breton algae. These natural renewably sourced components are created from local and renewable resources. This paint emits less than 1 g/liter of VOCs (volatile organic compounds) and contributes to air quality;
- the wood used is of French origin;
- the carpet installed is made of recycled yarn.

In situ and off-site reuse was favored during the operation. Various materials are being sold on a dedicated materials platform (false ceilings, carpeting, glass partitions, roofing slabs). 16 units have already been sold. The three main in situ reuse operations relate to:

- concrete walls that were destined for demolition instead being adapted and reused to create the separating partitions between the various restoration spaces instead of building partitions from new materials;
- the current equipment for the Technical Management of Buildings (TMB) being renovated instead of completely replaced;
- various decorative elements that were destined for demolition being reused: the lights on the stairs have been converted into a chandelier for the restaurant and the roof gratings have been reused to create shelves for plants in the restaurant.

3.2.4 Comfort and well-being of occupants

3.2.4.1 BACKGROUND

Comfort and well-being are becoming more and more important for residential and commercial occupants. Driving forces of the improvement of the quality of life, these are also important factors for our Office clients in attracting talent and for team productivity.

User expectations break down into three areas of focus:

- health and environment, leading to very precise technical specifications;
- a new concept of spaces, that must now be adapted to the new ways of living and working;
- the availability of services that simplify the lives of users.

3.2.4.2 COMMITMENTS

With the launch of the relational brand YouFirst, Gecina strengthened its commitment to enhance well-being and go beyond the technical treatment of its assets. YouFirst proposes a user experience that takes into consideration the new usage needs of occupants.

We are therefore committed to:

- ensure that 100% of assets under development bear the WELL Building Standard® label, as per our objective set in early 2018. This label is based on seven areas: air, water, access to healthy and varied food, light, physical activity, comfort, and the mental and emotional health of users;

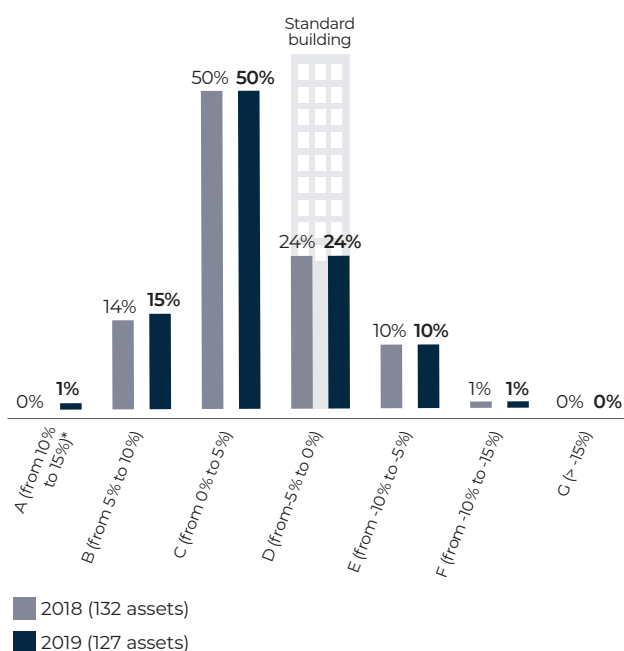
- measure and improve the intrinsic qualities of our commercial buildings based on modeling the productivity and well-being generated by an office building using the methodology developed by the Vibeo working group. Elements such as light, ventilation, air quality, acoustics and proximity to green areas are taken into consideration in the evaluation. The 2020 objective is for 75% of office buildings to contribute more to the productivity of their occupants than a standard building;
- design or assist space planning to promote proximity, conviviality, and social connections among users. Examples of this are the remodeling of the Gecina head office, or the consideration giving to co-living;
- develop the implementation of services to occupants, in connection with local players, and thus enabling our clients get maximum benefit from the centrality of Gecina's property portfolio.

KEY PERFORMANCE INDICATORS

65%

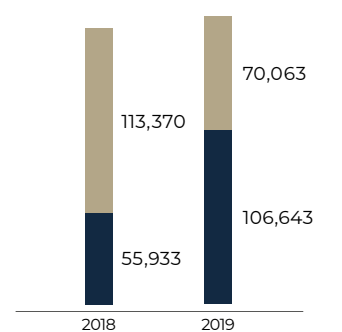
of Gecina office buildings contribute more to the productivity of their occupants than standard buildings (VIBEO method)

Breakdown of Cecina's office buildings according to their occupant productivity contribution label (VIBEO method)



* Contribution of the building to the maximum productivity of its occupants.

Surface areas awarded or working towards WELL® label



3.2.4.3 ACTION PLANS IMPLEMENTED FOR THE COMFORT AND WELL-BEING OF OCCUPANTS

Key actions	Progress and results
Adhering to the provisions of the specifications regarding occupant well-being for renovations	<ul style="list-style-type: none"> Six commercial buildings delivered in 2019 contribute more to the productivity of occupants compared with standard buildings.
Developing a new concept of spaces	<ul style="list-style-type: none"> Extension of communal areas in restructured commercial buildings and student residences. Complete redesign of workspaces and common areas carried out at Gecina's head office. Approximately 16% of capex and opex contribute to improving the well-being of occupants in commercial assets.
Developing shared services in offices	<ul style="list-style-type: none"> 83% of commercial buildings delivered receive the top rating in the "building services" criteria (concierge services, fitness rooms, inter-company restaurant, parking lots, showers).
Developing alternative means of transport	<ul style="list-style-type: none"> 19 office buildings and one residence equipped with electric vehicle recharge infrastructure (EVRI).
Providing disabled access in our buildings	<ul style="list-style-type: none"> 240 establishments receiving the public, at 103 buildings identified as part of the scheduled accessibility agenda. 40% are compliant or in the process of becoming compliant with the agenda. 100% of property portfolio common areas⁽¹⁾ were assessed on the basis of the most stringent accessibility criteria, of which 36% are already compliant, with the others only being compliant with the Labor Code or the relevant BHC Code.

(1) Of the operating property assets (excluding co-ownership and single tenant).

A head office completely redesigned to promote employees well-being

After the work carried out on the open floor office areas in 2018, Gecina continues to transform its head office and improve the comfort and well-being of employees. In fact, in 2019 new services were offered to Gecina's employees. In addition to contributing to the well-being of employees, new services are tested before deploying them in property assets:

- an e-concierge that allows employees at head office to take advantage of more than 25 services (deliveries, daily services, troubleshooting, home help, leisure, care, etc.) through a web application;
- connected lockers for deliveries to employees;
- the digitalization of the various access and payment passes within the premises;
- at the start of 2020, unveiling of the fleet of electric vehicles for private hire, the profits of which will be paid to a non-profit organization.

The Carré Michelet building: the embodiment of the YouFirst ambition and the contribution to client well-being

The Carré Michelet building, located at 10-12, cours Michelet in La Défense, covering more than 37,000 sq.m, embodies Gecina's ambitions regarding the comfort and well-being of occupants through the intrinsic qualities of the building and the wide range of innovative services offered to its occupants.

The office spaces have been designed for new uses of clients and are open and flexible. 88% of the office space is

brand new (open floor areas) and all the service spaces have natural lighting. The wide spacing of the windows (1 window every 2 frames) maximizes the input of natural light into the various spaces. Clients also benefit from 1,400 sq.m of outdoor space offering accessible landscaped areas, including a large internal courtyard of nearly 600 sq.m at street level, an indoor garden, and terraces and balconies as part of the standard floor layout. In addition, a custom work of art is being created, which is to be suspended in the inner courtyard.

Many services have been deployed across the building:

- a 1,277 sq.m business center facing the courtyard which has capacity for up to 650 people, including an auditorium of 200 seats and six modular meeting rooms;
- various catering spaces have been designed to meet the needs of the occupants: a self-service restaurant, an alternative all-day catering option, fast food and takeaway, and a working café. These various dining spaces can serve 1,230 meals per day;
- a fitness space;
- two bike storage areas allowing no-step access to the building.

These features make Carré Michelet the first office building in Gecina's property portfolio to be rated A (according to the Vibeo calculation method). This means that occupants generate more than 10% additional productivity than in a standard building. In particular, Carré Michelet received the maximum score of 20 in the criteria of comfort, building services and relaxation spaces.

3.2.5 Biodiversity

3.2.5.1 BACKGROUND

For a player in the real estate industry, promoting biodiversity can be envisaged in several ways:

■ Avoiding land artificialization and reintegrating in-ground vegetation.

The need to seal surface areas has consequences on living organisms, and in France the equivalent area of one department is sealed every seven years. Even though Gecina does little to urban sprawl, it is sensitive to this and committed to developing in-ground vegetation in its properties.

■ Promoting biophilia, or the connection between humans and other living organisms.

Gecina's voluntary policy to promote biodiversity in its network of buildings contributes to enriching the biodiversity of the City of Paris, which is already quite significant, with 1,300 animal species and 637 plant species inventoried.

■ Contributing to the energy efficiency of the buildings.

In addition, beyond the benefits to occupant well-being, biodiversity contributes to the energy efficiency of the buildings and cooler temperatures in summer.

■ Raising awareness of these issues among urban citizens,

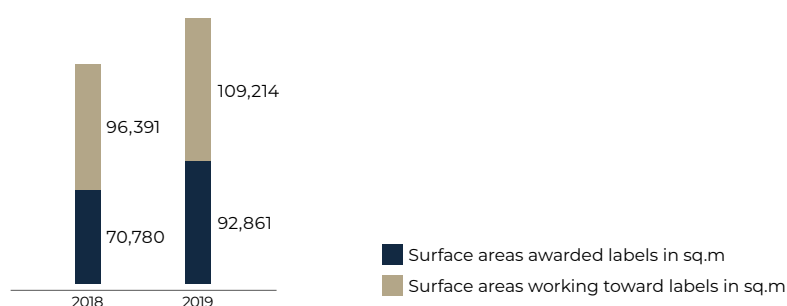
with the goal of recreating a social dialog on the subject, which is fundamental today for strengthening our urban resilience.

3.2.5.2 COMMITMENTS

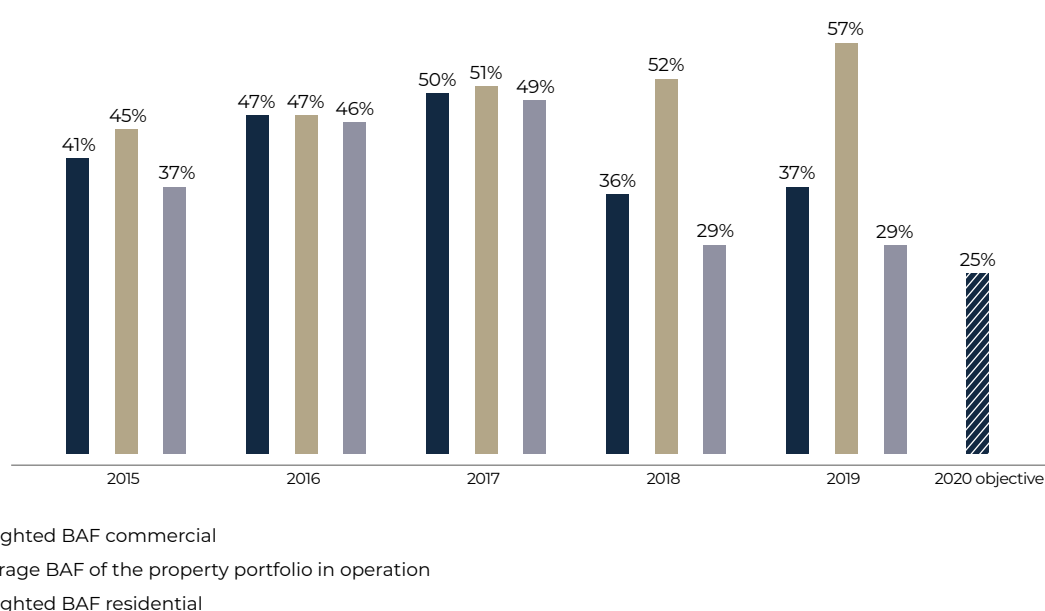
- Measure our contribution to biodiversity in all buildings in which part of the surface area contains vegetation.
- Improve our contribution to biodiversity, with the objective of a minimum 25% of spaces with vegetation at in-ground equivalent.
- Make our 100,000 clients agents of biodiversity by raising their awareness and allowing them to benefit from biodiversity in their home and working spaces.
- Objective of creating a green space bearing the BiodiverCity® label in 100% of developments where it is possible, adopted at the beginning of 2018.

KEY PERFORMANCE INDICATORS

Surface areas awarded or working towards BiodiverCity® label



Greenification of plots in the property portfolio at in-ground equivalents (Biotope Area Factor – BAF)



To go further:

100%

of our buildings have a biodiversity profile

3.2.5.3 OUR ACTION PLANS

Key actions	Progress and results
Defining a vision and tools	<ul style="list-style-type: none"> ▪ Identification of 8 major trends through a strategic study carried out by a specialized firm. ▪ Creation of 16 best practices sheets to be implemented to improve our contribution to biodiversity. ▪ New biodiversity policy approved by the Executive Committee, accompanied by a new assessment tool (building biodiversity profile) and action sheets. ▪ Approximately 1.5% of capex and opex contribute to the biodiversity of Gecina's operating office assets. ▪ Founding and board member of the International Biodiversity & Property Council (IBPC), involvement in the Regional Biodiversity Agency of Île-de-France, SNB (National Biodiversity Strategy) recognition, etc.
Measuring our contribution to biodiversity	<ul style="list-style-type: none"> ▪ Creation of a biodiversity profile allowing a biodiversity assessment of green spaces to be carried out. ▪ A biodiversity profile has been completed for all buildings with planted surface areas. ▪ Inventory of fauna and flora present in the property portfolio. ▪ In 2019, installation of 20 hives on 10 buildings, and 12 buildings have insect hotels and nesting boxes.
Boosting the greenification of dense urban areas	<ul style="list-style-type: none"> ▪ Systematic involvement of an ecologist for all new programs. ▪ 78% of surface areas under development in 2019 are working towards the BiodiverCity® label and 22% received the label in 2019. ▪ An office building and a residential building under review for testing the BiodiverCity® Life evaluation grid being created by the IBPC. ▪ 16% of all plots with in-ground vegetation for new assets delivered and acquired. ▪ A Learning Expedition on urban agriculture and aquaponics. ▪ Creation of habitats for local species. ▪ Prohibition of the use of phytosanitary products (such as glyphosate) for providers of green spaces.
Getting our 100,000 clients involved in biodiversity	<ul style="list-style-type: none"> ▪ Events on the theme of biodiversity organized by the residents of the two buildings that have the BiodiverCity® label. ▪ 2 urban agriculture workshops were organized at two student residences. ▪ 3 biodiversity awareness workshops conducted at 55 Amsterdam.

3.2.5.4 IMPROVE OUR CONTRIBUTION TO BIODIVERSITY

In 2019, Gecina adopted and prioritized 16 biodiversity best practice sheets to be implemented on its assets, both office and residential, whether operating or being designed/renovated. They are intended to anchor biodiversity into the daily life of operational staff and are primarily concerned with greenification and client involvement. These sheets are aimed at technical and operational managers and have been disseminated through dedicated teaching workshops.

In order to measure and improve our contribution to biodiversity, two types of actions have been implemented:

- deployment and rapid gain actions as part of operations (complete a bed, plant native trees, improve the soil, install a vegetable garden and set up events and educational panels, etc.);
- more complex and impactful actions requiring heavy work (creating a sustainable green façade, installing a living roof, setting up urban agriculture initiatives, etc.).

3.2.5.5 INVOLVE OFFICE AND RESIDENTIAL CLIENTS IN THE BIODIVERSITY POLICY

Gecina believes that its contribution to biodiversity will be even greater if its 100,000 clients become 100,000 “consumer-actors”, as their choices strongly impact biodiversity.

This is why the Group has set itself the ambition of raising their awareness in this area.

From 2020, client awareness workshops will be organized across the office and residential assets with green spaces. These workshops will present biodiversity in general but also the actions carried out by Gecina on its assets in order to stimulate their desire to act and to contribute to the preservation of biodiversity.

3.2.5.6 BIODIVERSITY PROFILE OF AN ASSET

Gecina has co-developed with a third-party expert a methodology for measuring the contribution of a building to biodiversity. This scoring tool, known as an asset's biodiversity profile, was tested on 22 buildings (11 offices and 11 residences) as well as with our technical managers.

This profile assesses several criteria spread over four themes:

- ecological quality;
- services rendered;
- management;
- adherence.

The criteria assessed include the quality of the soil, efforts to fight heat islands, the management of irrigation or raising user awareness.

Following the test phase of the 22 buildings, we can report that this profile works and is easy to use:

- three actions per property on average are recommended. They will enable us to increase the contribution of the buildings to biodiversity by 60%;
- 86% of the buildings tested have improvement measures planned in their 2020 budget.

3.3 Our levers for action

3.3.1 Our human resources: a key factor in guaranteeing a high level of performance

3.3.1.1 BACKGROUND

In a rapidly changing context, the development of our human resources is an essential pillar for the transformation of the company and the changes in the jobs of our 513 employees. The real estate sector is aware of three fundamental trends that require an adaptation of our human resources:

- a significant shift in uses;
- digitalization of business lines;
- new environmental challenges to be addressed.

With this in mind and following an audit of the Human Resources department involving some 50 employees, Gecina has redefined its Human Resources policy and committed to a significant transformation around three objectives:

- supporting employees, half of whom are managers;
- developing a common culture around the company's strategic plan;
- safeguarding the company's growth and positioning.

This new policy aims to meet the highest standards of our internal clients' expectations and market practices.

3.3.1.2 COMMITMENTS

Anticipate our skills needs while attracting the best talent

Gecina must anticipate the skills essential to its future objectives. Work began in July 2019, leading to the definition of the skills that Gecina will need in order to implement its strategy beginning in mid-2020. This participation-based and cross-functional project will bring together 200 employees. It will enable all HR processes, such as evaluation interviews, training, recruitment needs and the compensation policy, to be made fit for purpose. This project is also part of the HR Department transformation, which will strengthen its role as a Business Partner to the departments.

In parallel, we are continuing our efforts to attract and develop talent, in particular through our recruitment and training policies. A new integration program was unveiled

in September 2019. Organized over a period of one month, it alternates between the sharing of technical knowledge and common values and developing the well-being of our employees.

Manage and develop the culture of accountability

In October 2018, Gecina launched a management training program called in French "PEPS" (Share, Train, Progress, Realize) aimed at all individuals managing at least one employee, including the Executive Committee. This eighteen-month support tool has helped to develop a common skills base for the entire management team. Co-development workshops on specific topics are already in place to complement the scheme in order to maintain the momentum of the transformation.

The principles of the PEPS training are now being deployed to all employees, who are trained using the same methods in order to develop accountability and a common culture.

Overhauling employee-management relations

Employee-management relations have undergone a process of renewal with the implementation of the CEC (Company Economic Committee) in April 2019. Following this implementation, all staff representatives received training. Employee-management relations are now shared with all managers, which allows relations to improve in quality and efficiency in a context where it is an indispensable lever for the management of change.

Promote diversity within teams

Gecina has for many years pursued a proactive approach to workplace diversity and gender equality, which involves all employees. It received a score of 92/100 for the first year that the Professional Equality Index was implemented and maintains its top spot in the Ethics & Board category on inclusion of women in governing bodies. This year for the first time, a partnership with a high-priority education network school was developed with a 9th grade class (14-15 years of age) in order to educate these students about the real estate business and the requirements of the professional world.

3 From corporate social responsibility to sustainable performance Our levers for action

KEY PERFORMANCE INDICATORS

Anticipate our skills needs

28

positions created

96%

of **employees** attend at least one training course during the year

Manage and develop the culture of accountability

408

employees trained through PEPS

80%

satisfaction rate of PEPS training

Overhauling employee-management relations

49.8%

participation in the CEC elections

22

meetings of employee representative bodies in 2019

Promote diversity within teams

92/100

on the professional **equality index** in 2019

3.3.1.3 ACTION PLANS

	Key actions	Progress and results
Anticipate our skills needs	<ul style="list-style-type: none"> ▪ Prospective. ▪ Internal promotion. ▪ Integration. ▪ Graduate Program. 	<ul style="list-style-type: none"> ▪ 4 defined areas of expertise (information technology, real estate operations and rental management, project and work management, purchasing and supplier relations). ▪ 30 employees promoted. ▪ 52 employees completed the integration process. ▪ 4 new graduates welcomed with implementation of individual professional training.
	<ul style="list-style-type: none"> ▪ Training plan. ▪ Annual Progress Reviews. 	<ul style="list-style-type: none"> ▪ 96% of employees attended at least one training during the year. ▪ 7.78% of employee expenses allocated to training. ▪ 34.6 hours of training per employee on average. ▪ Average amount invested per employee in training: €5,764. ▪ 96% of annual reviews conducted in 2019.
	<ul style="list-style-type: none"> ▪ Attractive compensation. 	<ul style="list-style-type: none"> ▪ 17.9% of employee expenses allocated to profit-sharing and incentive schemes. ▪ 15.8% of total employee expenses allocated to individual bonuses. ▪ Distribution of 49,010 performance shares to 100 employee beneficiaries.
Manage and develop the culture of accountability	<ul style="list-style-type: none"> ▪ Leadership training. 	<ul style="list-style-type: none"> ▪ 169 employees trained since 2018, of which 79 started in 2019. ▪ 58 employees trained in co-development.
	<ul style="list-style-type: none"> ▪ PEPS training excluding management. 	<ul style="list-style-type: none"> ▪ 244 employees trained.
Promote diversity within teams	<ul style="list-style-type: none"> ▪ Increasing the number of female managers. 	<ul style="list-style-type: none"> ▪ Board of Directors: 50%. ▪ Executive Committee: 40%. ▪ Senior management (Executive Committee and Management Committee): 32%. ▪ Jury Trophy at the IMMO Forum – Gender balance.
	<ul style="list-style-type: none"> ▪ Wage equality. 	<ul style="list-style-type: none"> ▪ Professional Equality Index 2019: 92/100. ▪ Wage Compensation – Across 8 comparable categories, 2 categories had a difference in average salary of over 3% in 2019. ▪ An envelope of €51,000 accounting for 0.2% of employee expenses dedicated to gender wage equality. ▪ 4 male members of staff who became fathers in 2019 benefited from parental leave paid in full by Gecina. ▪ 6 cribs reserved for Gecina employees in the nursery.
	<ul style="list-style-type: none"> ▪ Employment of persons with disabilities. 	<ul style="list-style-type: none"> ▪ Employment rate of 9.3% compared to a requirement of 6%. ▪ 5.3% of employees with declared disabilities. ▪ €130,656 of expenses in the protected sector. ▪ 15 job redesigns in 2019, including 6 for Persons with recognition as disabled worker status.
	<ul style="list-style-type: none"> ▪ Welcomed interns from the 9th grade. 	<ul style="list-style-type: none"> ▪ Welcomed 15 trainees including 5 from disadvantaged backgrounds.
Overhauling employee-management relations	<ul style="list-style-type: none"> ▪ Meetings held. 	<ul style="list-style-type: none"> ▪ 15 ordinary meetings. ▪ 7 extraordinary meetings. ▪ 2 agreements signed in 2019.

3.3.2 Certifying and labeling our assets

The labeling and certification of Gecina's property portfolio provides objective certification of the performance of the assets, as their evaluation is performed by independent third parties. Most real estate investors and clients expect to see this certification. Labeling and certification also facilitate the involvement of partners (architects, general companies, engineering firms for building certifications, operating providers and clients for operating certifications) in the emerging environmental and societal challenges.

3.3.2.1 FOR ASSETS UNDER DEVELOPMENT

BIODIVERCITY®	WELL®	WIREScore	HQE Green Building / LEED®
100%			
Surface area under development in 2019 having certified, having obtained or working towards obtaining the label			

In 2019, Gecina confirmed its goal of obtaining high levels of certification and labels for all of its restructured buildings and major renovations.

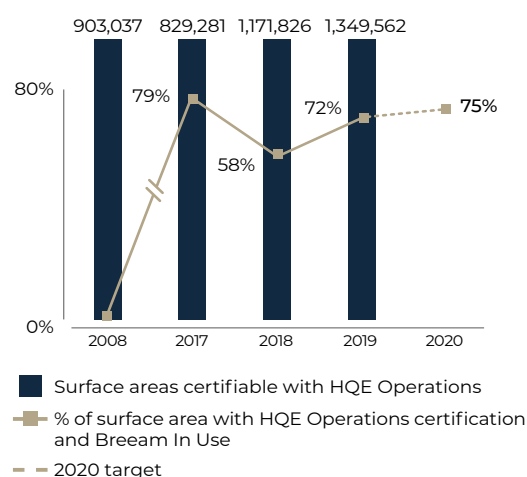
Four objectives were thus set with the aim of obtaining:

- the **High Environmental Quality** (HQE) Green Building certification – excellent or exceptional or LEED®
- the **WELL® Building Standard** label, aimed at designing buildings that promote the comfort and well-being of occupants;
- the **BiodiverCity®** label to incorporate the biodiversity aspect from the design phase of an asset;
- the **WiredScore** label to improve building connectivity;

3.3.2.2 FOR OPERATING ASSETS IN THE PROPERTY PORTFOLIO

In order to commit to an action plan to reach the objective of 75% of Office properties with HQE Operation certification in 2020, the feasibility of certifying the buildings consolidated at the end of the merger with Eurosic was analyzed in 2018 to identify the certifications obtained up to that time. In 2019, 11 assets received the HQE Exploitation certification (including 8 ex-Eurosic buildings), bringing the certification rate of the operating commercial properties to 72% including the assets certified as BREEAM in Use and HQE Operations.

Surface areas with HQE Operations/BREEAM in Use – Office certification



In addition to certification, some commercial buildings benefit from the WiredScore label whilst under development. In 2019, three assets obtained the WiredScore label, bringing the office surface area having received the label since 2017 to more than 178,700 sq.m.

Gecina has two pilot buildings to test the evaluation grid that will launch the process towards obtaining the BiodiverCity® Life label, so that its portfolio of operating assets can benefit from it.

3.3.3 CSR at the heart of the business lines

3.3.3.1 RESPONSIBLE PURCHASING

As it is reliant on a large network of suppliers to develop, renovate and operate its property portfolio, Gecina is indirectly affected by the main environmental, social and societal impacts of these business partners. This is why the Group launched a responsible purchasing policy in 2012 in partnership with its suppliers, based in particular on the assessment of 308 companies and the inclusion of CSR criteria into the specifications used in several framework contracts.

With the establishment of a Purchasing Department in 2019, Gecina reviewed its responsible purchasing policy with a focus on the following three objectives:

- **improving the overall quality of our buildings** by selecting products and service providers that perform highly in environmental, social and societal terms;
- **increasing our societal contribution by influencing positively our business partners;**
- **controlling the responsible purchasing risk, one of the five main CSR risks** identified in 2018.

Action plan

	Key actions	Progress and results
Create a method and tools to deploy the responsible purchasing process	Integration into purchasing processes	<ul style="list-style-type: none"> Integration into projects under development: application of CSR prerequisites needed to obtain the certifications and labels targeted and formalization of additional requirements into the performance-based program and the YouFirst interior furnishing charters. Integration into the operating purchasing process: identification of the main CSR issues through market intelligence, definition of CSR criteria and the weighting of the CSR rating in the specifications and the consultation regulations, and formalization of contractual clauses.
	Formalization of the relevant CSR criteria by family of suppliers	<ul style="list-style-type: none"> Co-piloting of the "responsible purchasing" working group of the Sustainable Real Estate Observatory (l'Observatoire de l'immobilier durable), which brings together 14 real estate actors. Formalization of CSR criteria addressing major risks identified, which can be evaluated and are specific for 53 purchasing families. Weighting recommendation to be assigned to CSR criteria based on the suppliers' impact on the CSR performance of Gecina assets and the importance of CSR issues that affect its business (5-30% depending on the categories).
	Training of purchasers	<ul style="list-style-type: none"> Presentation of the tools co-developed with the OID (sustainable real estate observatory) to purchasers. In-depth training of purchasers and employees with purchasing functions to be carried out in 2020.
Take CSR performance into account in framework contracts and light renovation work	Inclusion of CSR clauses into framework contracts	<ul style="list-style-type: none"> Inclusion of CSR clauses into multi-technical framework contracts, audiovisual production, asbestos waste management and operating waste.
	Standardization of how the CSR impacts of light renovation work are taken into account	<ul style="list-style-type: none"> Analysis of the impact of light renovation work on the CSR performance of the property in 73% of cases (representing 86% of the sums committed).
Exemplary behavior in our relations with our suppliers	Supplier's payment terms	<ul style="list-style-type: none"> Payment of Gecina suppliers is 35 days on average, whereas suppliers in the sector are often faced with late payments (half of the companies in the sector pay their suppliers late according to the Payment Deadline Observatory).
	Supplier's dependency	<ul style="list-style-type: none"> Analysis of suppliers' pool and consideration of an action plan to avoid any reciprocal dependence.

Multi-technical maintenance providers contributing to CSR performance of buildings

As part of the formalization of a contract for 30 buildings, Gecina has taken into account the CSR performance of multi-technical maintenance providers in two areas:

- CSR performance criteria for services offered in buildings. The candidates committed to increasing the energy efficiency of the buildings in which they operate by 10%;
- Criteria assessing the CSR performance of candidates: accidentology, sustainable mobility, societal commitments, carbon impact.

These criteria represented 15% of the final score.

Examples of CSR best practices included in the contracts with our service providers:

- Circular economy:
 - encourage the purchase of materials resulting from reuse and the re-utilization of materials in-situ.
- Biodiversity:
 - prohibit the use of phytosanitary products;
 - management of rainwater recovery tanks and internal networks.
- Well-being:
 - monitoring of well-being indicators (temperature comfort, acoustic comfort, indoor air quality);
 - compliance with the WELL certification requirements.
- Low carbon:
 - monitoring of actions related to the recalibration of technical equipment;
 - reporting of energy consumption.

Towards a responsible user experience: the YouFirst Experience

In the context of deploying its YouFirst initiative, Gecina is formalizing internal management standards that incorporate high CSR requirements:

- in the common areas of office buildings;
- in the private areas of housing units, as part of renovation work when tenants depart.

These standards anchor CSR into the user path and contribute to the various areas of the Gecina CSR policy:

- to well-being, by being aligned with the WELL criteria as well as the comfort criteria of general certifications and the purposes of the end user;
- to the low carbon policy, by focusing on benchmarks and the lowest-carbon materials based on the information contained in the Environmental and Health Declaration Sheets (EHDS) and the Environmental Product Declarations (EPD);
- to the dialogue with stakeholders. For example, Gecina has entered into dialogue with its furniture suppliers to identify the best-performing furniture in terms of CSR.

Through these processes, Gecina intends to use its position to boost the monitoring of CSR impacts at all stages of the value creation chain, from material producers to assemblers and installers and finally to the user experience. Gecina supports companies in improving their CSR performance in the event that they do not meet the CSR criteria set out in the call for tenders.

3.3.3.2 CONTRIBUTION OF BUSINESS LINES TO THE CSR STRATEGY

CSR is at the heart of all of our business lines. That is the reason why we encourage every employee to get involved with an individual or group CSR action plan.

Gecina has committed to bringing its employees together around CSR issues while giving them the tools and resources to act. Four types of actions were conducted:

Acculturate

- The **“Climate Collage”**: All employees attended this creative and fun 3-hour workshop, led by 19 internal trainers and supported by an external stakeholder. The objective is twofold: to understand the causes and consequences of climate change while thinking about the solutions that each line of work can implement to meet CSR challenges: 801 solutions were proposed by the employees. After being grouped into 158 ideas, the 15 most popular solutions were presented to the Executive Committee.
- 15 sessions were conducted from April to December and received a high satisfaction score (3.25/4 from 176 responses).
- The success of the workshops led the Group to extend this event to an initial group of stakeholders: residential clients, members of the European Think Tank on CSR, and the Shareholders' Club.

- The **International Weather and Climate Forum** or IWCF: Gecina participated in this forum for education and mobilization on climate issues for the first time and encouraged its employees and clients to bring their families. A series of fun events and Do It Yourself workshops were offered by Gecina, its Foundation and its partners (Les Clayes Handisport, Chaussettes Orphelines, Conservatoire du Littoral, Kinomé, Plastic Odyssey, Potager du roi, the French Apiculture Observatory and the French National Forests Office). The aim was to raise public awareness of low carbon/ climate issues, well-being, biodiversity and the circular economy. In addition, methods of greenification and daily best practices have also been tested. More than 8,600 visitors toured around the various IWCF stands during these four days.
- European Sustainable Development Week: the Sustainable Development Olympiad was organized from June 3 to 7. 74 employees participated in teams of 10 people in events based on our four CSR pillars. Meanwhile conferences were held on the same topics.

Promote accountability

- The Cyrus3 strategic plan has allowed the CSR processes to be considered afresh and the roles and responsibilities of operational departments in the CSR value chain to be redefined. For example, asset managers and technical managers must, in particular:
 - improve the CSR performance of their buildings based on CSR best practices;
 - steer the progress of their buildings by using the gains estimates contained in the CSR best practices.
- The ways in which each of Gecina's business lines can contribute has been clarified by proposing individual CSR objectives specific to 30 major business line categories. These proposals were presented to the members of the Management Committee for distribution in their teams. In 2019, 75% of executives for whom an objective had been set had at least one individual CSR objective. These objectives represented an average of 12% of the employee's final appraisal. The final rating determines the individual bonus assigned to employees.

Train

- CSR is identified as a key skill at Gecina. These CSR skills have been pre-identified for each business family and will be set out in detail.
- A training scheme at various levels has been set up:
 - by building on existing resources: Gecina is preparing a set of MOOCs (massive open online courses) and educational content for dissemination to its employees;
 - by contributing to and supporting the development of MOOCs relating to biodiversity, in partnership with the OID.

Equip

- In order to give employees the keys to progress in CSR, Gecina has formalized detailed “best practice” sheets on low carbon, biodiversity and circular economy issues. Designed for operational employees, these sheets specify the expected gains, cost and feasibility conditions.
 - 119 sheets were formalized and then prioritized into 4 groups on the basis of ease of deployment and the significance of the estimated gains. 34 best practices have been identified as a priority;
 - these sheets were also presented to the managers and technical assistants during 4 workshops of 2 hours. At the end of these workshops, 100% of participants believed that the best practices are relevant and 90% felt ready to use them (panel: 20 respondents who participated in the workshops);
 - in 2020, best practice sheets on our well-being pillar will be developed and made available to employees following the same principle as the low carbon, circular economy and biodiversity sheets.
- Biodiversity profiles have been formalized (see 3.2.5.6 “Biodiversity Profile of an asset”) in order to measure the contribution of a property to biodiversity. These profiles help operational employees to recognize the biodiversity potential of their buildings and to identify the improvements to be implemented.
- With regard to developing projects, the performance-based program defining the expected requirements for each office building has enhanced its CSR prerequisites, particularly in terms of the circular economy and low carbon issues (pursuing the BBKA label in addition to the certifications and labels targeted).
- Identification of innovative solutions to propose to operational employees for implementation in their buildings (see 3.3.4 “Innovating to support societal and territorial transformation”).

3.3.3.3 CSR PERFORMANCE CONTRIBUTES TO FINANCIAL PERFORMANCE

In 2019, Gecina signed three new responsible credit contracts, which increases the Group's number of responsible credit contracts to five. At December 31, 2019, they represented an outstanding amount of €910 million, or 20% of Gecina's bank debt. The financial terms of these credit contracts are indexed to the Group's performance in terms of CSR. At the end of 2019, 60% of the criteria for financing indexed to the Group's CSR objectives were achieved.

3.3.3.4 CSR GOVERNANCE

To guarantee cross-functionality and the operational adaption of CSR challenges, Gecina's Executive Management has appointed, within the Executive Committee, a sponsor for each of its four pillars:

- Low Carbon: Executive Director Finance.
- Circular Economy: Executive Director Offices.
- Well-being: Executive Director Investments and Development.
- Biodiversity: Executive Director Residential.

These officers participate in defining Gecina's CSR roadmap, building action plans, and tracking the progress of the Group. This work is carried out together with the Executive Director R&D, Innovation and CSR, who also sits on the Executive Committee.

A monthly committee was established to coordinate the deployment of CSR actions within the Group. It brings together teams from the Technical and CSR Departments, and on a case-by-case basis, invites the business lines concerned by deployment of the actions.

With regard to committees at the level of the Board of Directors, the Audit and Risk Committee was involved in choosing the Independent Third-Party Organization and analyzing CSR risks and opportunities.

Projects supported in the context of the internal carbon fund will be presented at bi-monthly meetings of the Development, Investment, Divestment, Financing, and Marketing (DIFC) Committee.

3.3.4 Innovating to support societal and territorial transformation

Our society is undergoing an unprecedented technological and societal revolution. The population is growing quickly and cities are becoming more and more densely populated. Challenges related to the environment, well-being and resource-sharing are all the more pressing.

Our models must evolve and offer a positive change to meet the needs of territorial autonomy, the recovery of space and the customization of services.

In order to create ever more innovative and sustainable living areas, Gecina continued in 2019 to restructure and reinforce its teams dedicated to R&D and innovation. Behind this approach is the ambition to continually improve our value propositions, for the well-being of our occupants, the value-enhancement of spaces and the personalization of services.

To this end, Gecina has created an ecosystem of local, European and global partners as part of its Open Innovation Policy. This ecosystem was structured during 2019 in order to maximize its value with a threefold objective:

- improve the client and employee experience, particularly through the relational and service-based YouFirst brand;
- identify new opportunities for value creation, particularly by conducting exploratory tests on new themes;
- strengthen our societal contribution through a highly committed CSR policy.

3.3.4.1 STRUCTURE THE OPEN INNOVATION POLICY TO MAXIMIZE ITS VALUE

Gecina has placed innovation at the heart of its strategy in order to improve the attractiveness of its buildings and offer a renewed client experience. In order to accelerate this ambition, Gecina strengthened its teams in 2019 by recruiting a Director and an Innovation Project Officer. This was accompanied by the operational deployment of the Open Innovation Policy to maximize the business, societal and environmental impact.

3.3.4.1.1 Working with partners specialized in innovation

- Fifth Wall
In order to strengthen its ability to anticipate and source new innovative services and technologies on a large scale, Gecina invested \$20 million in Fifth Wall Ventures. This investment makes Gecina the first partner in France of this venture capital fund, which is dedicated to real estate technologies. The target investments of this fund are companies developing innovative solutions related to real estate: energy

efficiency, data and statistics, digitalization, modular construction, smart cities, Blockchain, urban mobility, etc. Fifth Wall Ventures has also developed expertise in supporting its investors with their innovation strategy, which Gecina is taking full advantage of in the course of its transformation. Examples include the work in progress with the operational teams of the Offices department around the deployment of the YouFirst Collaborative offer or around new digital service platforms for our clients.

- Demeter

The new €5 million investment in "Paris Fonds Vert" (a fund specializing in the energy and ecological transition), announced in December 2018 and managed by Demeter, strengthens Gecina's ability to identify and target on a very large scale the technological solutions and innovative partners working towards the sustainable city and carbon neutrality. These investments in fast-growing, innovative SMEs enable Gecina to strengthen the relevance of its long-term strategy and accelerate the transformation of both technology and services.

- Paris&Co and Wilco

In addition to these equity investments, Gecina strengthened its links with the incubators Paris&Co. and the accelerator Wilco in 2019, who are increasingly involved in the various business lines. One example of this is the organization of two pitch startup half-days carried out at our premises with employees from various departments around waste management on the one hand and legal tech on the other.

3.3.4.1.2 Bringing together players committed to innovation

- Think Tank

A Gecina initiative created in 2018, the Think Tank, dedicated to innovation and CSR, was expanded to include in 2019, seven European real estate companies: Alstria, Castellum, COIMA RES, Colonial, Gecina, Great Portland Estates, and NSI.

During 2019, four 2-day meetings were held in order to share our thoughts, experiences and best practices on the themes of innovation and CSR. The 2019 work notably facilitated the creation of a European survey on office building user expectations by 2030 (sustainable, intelligent, flexible, service-rich and "sweet" offices).

The links between the various real estate companies were built up and strengthened over the course of the year. The 2020 meetings are intended to deepen the work begun in 2019 and to encourage feedback from operational teams on topics such as adaptation to climate change, coworking, use of new technologies, etc.

- Club des Directeurs de l'Innovation de Paris
Gecina is a member of the Club des Directeurs de l'Innovation de Paris (the Paris innovation Directors club). This is a place where Gecina can meet and discuss the benefits of their experience with other corporate members, as well as share best practices and pool studies and international analyses on innovation. Two employees from the business divisions also benefited from a special one-week training course dedicated to the management of innovation projects.

3.3.4.1.3 Bringing employees together around a culture of innovation

The R&D and Innovation Department is committed to develop a true culture of innovation among Gecina's employees.

- Shared monitoring
As part of their monitoring activities, in order to identify trends and improve their understanding, the innovation teams actively participated in more than 30 national or international external events (mainly in France, the United States and the United Kingdom). To develop the culture of innovation among our employees, more and more operations employees also take part in these events. Furthermore, on the basis of a substantive analysis of the stakeholder ecosystem, each theme identified as important is the subject of an internal awareness. This awareness is carried out throughout the year during various team meetings, or TedX events opened to everyone, or through Newsletters dedicated to innovation and CSR instigated in 2019. This monthly Newsletter, sent to all employees, includes four sections: a presentation of an innovative solution, a description of an innovative internal achievement, a reminder of a CSR best practice, as well as an inspiration section.
- Learning expeditions
In 2019, several learning expeditions were organized with Gecina employees from different departments for a better understanding of trends and practices that challenge our business lines, such as urban agriculture, smart homes and co-living. In addition, six members of the Executive Committee and Management Committee visited the CES in Las Vegas.
- A collaborative platform
In order to go further in intelligence-sharing and collective intelligence, the implementation of a **collaborative innovation and eco-design platform** was launched at the end of 2019. This platform will facilitate the acceleration of the open innovation process through the collaborative sharing with all

employees of solutions, innovative projects and innovation and CSR best practices on an internal qualified basis (around 500 qualified solutions in 2019).

- Collaborative workshops
As Gecina is convinced of the power of collective intelligence, several ideation workshops were set up in 2019 with employees and also with stakeholders (service providers, major accounts, startups). Some 50 employees thus participated in the YouFirst Bureau, YouFirst Collaborative, YouFirst Residence and YouFirst Campus workshops.

In addition, to create ever more innovative and sustainable living spaces, right from the design stage, the innovation team is systematically integrated into the property renovation project teams. The ideation sessions conducted include the workshops on the L1ve building (75, avenue de la Grande Armée in Paris) or the Bancelle building (145, rue de Courcelles in Paris) during which 54 relevant ideas were generated and qualified.

In the same way, collective ideation sessions were performed during the events at the Climate Collage, which was attended by all employees.

3.3.4.2 INNOVATING TO IMPROVE THE USER EXPERIENCE

Gecina is continuing to develop a framework of services in response to the expectations identified:

- corporate clients and their employees in terms of their use of workspaces;
- clients of residential properties and student residences.

3.3.4.2.1 Making spaces flexible to better serve our clients

With regard to office clients, Gecina has launched YouFirst Bureau and YouFirst Collaborative, which strengthen the support provided to major client accounts along their real estate pathway. YouFirst Bureau aims to enrich the experience of their employees in working spaces through a service-based approach. YouFirst Collaborative seeks to provide more flexibility and modularity in the management of spaces and in occupancy duration. It will address the increasingly demanding expectations for new use of spaces, promote more collaborative approaches and provide a wider range of services to occupants.

In addition, networking a portion of the spaces (flexible spaces, meeting rooms, auditoriums, restaurants) will gradually allow all of Gecina's clients to take advantage of a unique service offer within our network of buildings.

Concerning residential and student clients, YouFirst Residence and YouFirst Campus go beyond housing to offer a true customer pathway that simplifies and significantly improves the lives of tenants by responding to new expectations in terms of lifestyles. For a better understanding of these expectations, residents from 17 sites participated in focus groups. Working from these, beginning in 2019, initial experiments were carried out on, for example, the deployment of shared libraries, electrical recharging points for vehicles, or connected lockers for parcels, as well as services to make life at home easier.

3.3.4.2.2 Customizing paths via an adapted digital transformation

In the same way that digital technology is disrupting all our daily lives, digital technology is transforming the world of real estate. Objects are now connected, buildings are becoming intelligent, data has an ever-increasing role and is more and more opened and geo-located, and reality is becoming virtual or augmented. This is having an impact on ways of life, ways of working, relationships at workplace and at home and, more generally, urban spaces, mobility and even health.

Gecina is working on the impacts of this digital transformation on its clients' pathways, but also making its buildings more intelligent.

■ Digitalize processes

Each stage of the real-estate pathway may be facilitated using digital tools, whether for asset searching, visits, contracting or the lives of a building's users. All digital channels for clients are currently being redesigned or created. In early 2020 there will be an update of the Locare website (before a total overhaul as part of YouFirst Residence) as well as the online implementation of the first version of the YouFirst Collaborative website.

In addition to digital channels aimed at our clients, Gecina has committed to digitalizing its processes to improve their flexibility and efficiency. In addition to the electronic signing of leases and commercialization mandates with our partners, Gecina implemented a project to digitize all of its archives in 2019. All documents are now managed through an Electronic Document Manager (EDM). In addition, all renovation projects are now subject to digital building modeling. This Building Information Modeling (BIM) concept is now to be extended to the operation, renovation and data analysis of assets. To go further in the evolution of our operating methods, workshops involving multidisciplinary teams were held at the end of 2019 in order to consider how digital technologies can be applied to change how different stakeholders collaborate in a development project.

■ Connecting buildings

The digital journey goes hand in hand with buildings that are increasingly connected. In fact, smart buildings pool the expertise of players in areas as varied as telecoms, communicating objects, the collection and use of data, mobility, etc. Overall building management is improved through the dynamic processing of collected data (energy, space occupation, equipment obsolescence, etc.), and greater assistance is provided to user-clients through a more in-depth knowledge of their practices and the implementation of a services platform adapted to their needs. Take, for example, the implementation in 2019 of a system of remote metering of all fluids across the operating office assets (deployment will continue in 2020). This makes the data more reliable through the precise measurement of consumption in order to manage the energy and carbon performance of the property portfolio and to better communicate with our clients. This control will provide a better understanding of the consumption and improvements to be carried out.

In addition, Gecina began major work at the end of 2019 on updating its vision of the smart building. One of the objectives is to go further by federating an ecosystem of actors, as well as to define long-term models that create value for all stakeholders. In this context, 100% of the office projects in development are already targeting the achievement of the WiredScore label.

3.3.4.2.3 Setting an example with the head office

The full renovation of the Gecina head office that started in 2018 continued in 2019. The development of the new offices embodies the new collaborative approaches to work, as well as the company's societal and environmental commitment. In fact, the surface areas were opened up and the shared spaces increased to encourage even more collaboration (1,000 sq.m floors, of which 30% is dedicated to collaboration, and 1,300 sq.m of vegetated gardens and terraces). Special care was also taken over the building's energy efficiency (39% reduction in energy consumption for heating and 31% for air conditioning). In addition, in order to provide the best possible experience for employees and visitors, all floors have consistently had technology fully integrated into the design of the spaces.

This new working space planning promotes the running of TedX events by our employees and external stakeholders. Events are held at least twice per month directly on the office floors, bringing together up to 40 employees each time.

In addition to these developments, new services are also being offered to employees through a mobile app. Examples include the implementation in 2019 of connected lockers for parcels, concierge services in association with local actors or even building access and catering services payment via smartphone.

3.3.4.3 INNOVATING TO STRENGTHEN GECINA'S SOCIETAL CONTRIBUTION

Cities face considerable challenges in terms of urban densification, environment, mobility, social mix, leisure, revegetation, health and quality of life; issues that are calling into question how our cities should be developed. By the year 2050, 75% of the world's population will live in cities. Companies and territories are well aware that these changes necessitate making a transition toward an economy based on the sharing of spaces, energy and services. With its residential and commercial building network in the Paris Region, Gecina plans to participate positively in the development of the "Métropole du Grand Paris".

3.3.4.3.1 Moving toward a better quality of life

In 2019, Gecina confirmed its strong commitment to sustainable development. Its low carbon road-map points towards a society that uses less energy and pollutes less and which is economically more sustainable. In order to accelerate the transition, an internal carbon fund was set up in 2019. The purpose of this carbon fund is to support innovative projects that positively impact the decarbonization of the portfolio (renewable energies, energy management, sustainable mobility, reuse of materials, etc.).

In addition, the circular economy policy will strengthen this objective in a very operational manner with the players in the territory. Quality of life is also expressed through increasingly more innovative techniques and models designed to introduce biodiversity in the city, the vector of biophilia. Obviously, issues such as air quality, sound insulation, and comfortable lighting are also assessed very closely, particularly using the indicator Vibeo (immaterial value of occupants' well-being), based on the outcome of a research group in which Gecina took part. For example, the L'Ve building (75, avenue de la Grande-Armée in Paris), which is currently being renovated, is representative of the elements of our policy:

- supporting biodiversity and well-being: 2,800 sq.m of accessible green terrace, garden, and rooftop;
- reuse of materials (e.g. 66% of the 1,500 sq.m of flooring in the gallery comes from the old façade), resale and donations to non-profit organization where possible. This prevented 81 tons of waste. In addition, 394 tons of carbon emissions were avoided during the renovation process;
- selection of materials based on their carbon footprint over their life cycle;

- heavy use of renewable energy such as solar panels or geothermics;
- rainwater recovery and reuse;
- 8% of the hours worked were devoted to social integration.

This policy allows us to set ambitious certification targets for this project: HQE Green Building (exceptional), LEED Platinum, WELL® Gold, BiodiverCity® and WiredScore.

3.3.4.3.2 Moving towards more short-cycle innovation

Short-cycle innovation is local innovation that draws on local potential in a virtuous-circle dynamic. This results in various kinds of value creation, such as:

- the improvement in local economic efficiency: energy-producing buildings, rationalization of parking with car-sharing, better water management;
- the development of new user services: concierge services with "Relais" collection points, bicycle repair stations, fitness and well-being centers, local organic restaurants, urban agriculture;
- The implementation of circular economy solutions: recycling of raw materials from waste, sustainable procurement with local suppliers, the selection of materials with low environmental and social impacts.

Examples include one of the projects supported in 2019 by our internal carbon fund, which involved the implementation of shower wastewater heat recovery systems from WisElement®. This device, currently being tested in 8 buildings, generates savings of up to 30% on the domestic hot water used by the shower by recovering the calories still present in the wastewater before it reaches the sewers.

At the end of 2019, Gecina launched an open innovation competition on the Agorize platform in order to imagine new uses for basements. The competition sparked the enthusiasm of innovative companies and generated more than 40 relevant candidate proposals. The majority of the files included short-term innovations. The final, during which the five finalists were able to propose their solution to the Gecina jury (made up of employees as well as the Executive Committee), took place on January 27, 2020 at the Gecina's head office. Among the finalists were the following solutions, which won the first prize and the "Employees' Choice" award respectively:

- the UpCycle solution, which offers a composting solution for building biowaste with the compost produced used locally;
- The Cyclo Power Factory solution, which proposes to produce renewable electricity for a building through the recovery of energy produced by bicycles in a gym.

3.4 Our support actions

3.4.1 Supporting the environment, disability and heritage through the new Gecina Foundation

2019 saw the merger of the two Gecina Group corporate foundations: the Gecina Foundation and the City and Heritage Foundation. Their merger (a first in France) brought together under one umbrella an action plan that is coherent and reinforced by a new commitment pillar.

The objective of the new Gecina Foundation is organized around four themes:

- the environment;
- disability in all its forms;
- access to housing for the largest number possible;
- preservation of heritage.

In 2019, the Gecina Foundation continued to support human-scale interaction structures while moving towards new forms of contribution: in-kind donations, donations in expertise and advice and skills sponsorship.

The Foundation has mobilized its employees, who have participated in large numbers in each of the Foundation's actions. The Group's employees are in fact at the heart of the collective actions supported by the Foundation, acting on a voluntary and non-profit basis.

In particular, the Foundation:

- organized, for the 3rd year in a row, the solidarity day, where all of Gecina's employees devoted a day of their working time to the service of 17 non-profit organizations mobilized during the day at 25 different geographical sites distributed throughout the Paris Region;
- supported the non-profit organization "Mécénat Chirurgie-Cardiaque" (Cardiac Surgery Sponsorship) through a charity walk. €12,000 was collected thanks to the 1,216 km travelled by our employees on September 20, 2019;
- participated in IWCF held from May 25 to 28, 2019. Gecina invited several of its partner non-profit organizations to showcase their actions and initiatives, both small and large, with regard to climate issues;
- renewed its partnership in the "Paris Plage 2019" (Paris Beaches 2019) operation;
- supported the "École nationale supérieure du paysage de Versailles" (Higher Landscaping Institute of Versailles) in the restoration and redevelopment of the "Potager du Roi" (King's Garden).

Gecina has offered its employees an innovative way of showing generosity – the micro-donation via salary – allowing them to give each month on a voluntary basis

from their net salary a rounded or a fixed amount to two non-profit organizations selected by the employees through a vote. Those organizations are "Prerana", a non-profit organization fighting against intergenerational trafficking in India and "Agir pour l'école", a French platform for experimenting with new methods of teaching reading. For each euro donated, Gecina doubles the effort via a supplementary donation.

In 2019, the Foundation also established a strong partnership with the "Fondation du Patrimoine" (Heritage Foundation) as part of the "Never again!" collection, which feeds into an emergency fund to finance the securing of French heritage sites under threat, identified by the Bern Mission. Six projects were identified by the Bern Mission and presented to Gecina employees so that they could nominate their three favorites. Through this support, Gecina reaffirms its commitment to the restoration and safeguarding of the Paris heritage area.

As a founding member of the Palladio Foundation, Gecina contributes support, from coaching to the training of all persons involved (students, researchers or young professionals) committed to building the city of the future. In addition to its financial support and active participation in the annual seminars, Gecina hosts the teams of the Palladio Foundation at its premises. In 2019, Gecina also strengthened its governance within the Palladio Foundation by appointing Méka Brunel, director and chief executive officer of Gecina, as its vice-chair.

Presided by the Chairman of the Board of Directors, the Gecina Foundation has been organizing the company's philanthropic projects since 2008. The Foundation implicates Group employees, nourishes and enriches the company's reflection on societal issues and contributes toward building a culture of solidarity. The Foundation extends Gecina's CSR approach and open it to civil society, beyond its business line commitments:

- improve living conditions for the disabled (accessibility, sports, etc.);
- protect nature through actions to preserve or restore natural sites and promote biodiversity. Group employees may participate in volunteering and charity work through participation schemes:
 - skills sponsorship;
 - project sponsorship;
 - group mobilization for specific and periodic support initiatives.

3.4.2 Supporting art and culture

In 2019, Gecina established the new direction of its artistic policy by publishing clear guidelines.

This voluntary initiative seeks to achieve progress by giving meaning, contribute responsibly and preserve that which has value.

This desire to protect our heritage, people and the planet shaped the artistic policy, for the purposes of harmonizing

the collection and advancing the cultural life of the company and the way in which it communicates.

As part of its participation in the "1 Building, 1 Work of Art" Club, Gecina has installed a new piece, "The Sun" by Hugo Rondinone at 32 Guersant and four projects are being carried out, particularly at Carré Michelet and Sky 56, with orders for specific works.

3.4.3 Supporting emergency accommodation aid

In December 2019, Gecina responded to the call by the Minister of Cities and Housing asking private real estate actors to identify premises that could be offered as emergency temporary accommodation to homeless people.

Premises in the 14th arrondissement of Paris have been made temporarily available free of charge for a period of six months. The structure has a potential capacity of 150 spaces, which are open to families and homeless

women recently discharged from maternity wards in particular. A reserve of 50 additional spaces could be provided in the event of a period of severe cold.

The management of this site has been taken over by the non-profit organization France Horizon. Gecina is a signatory to the Charter for the development of temporary occupancy as a tool to benefit the Paris area since August 26, 2019.

3.5 Other non-financial information

Additional indicators	2016	2017	2018	2019
Social, environmental and societal data				
Managers	198	197	257	271
Women	99	98	138	137
Men	99	99	119	134
Supervisors	139	135	157	152
Women	108	105	119	117
Men	31	30	38	35
Administrative staff	35	31	34	33
Women	20	15	11	16
Men	15	16	23	17
Caretakers	76	68	62	57
Women	46	41	39	36
Men	30	27	23	21
Total workforce (indefinite-term, fixed-term, work-study)	448	431	510	513
Average age (indefinite-term)	46.2	46.4	45.4	43.9
Average seniority (indefinite term)	14.6	14.5	13	11.7
Turnover rate (Indefinite term)	7.6%	7.6%	25.8% ⁽¹⁾	11.5%
Number of people on sick leave for 3 days or less	124	126	154	192
% of people with sick leave for a period of 3 days or less	28.5%	29.5%	30.7%	38.1%
Absenteeism rate due to illness	3.47%	2.73%	3.80%	4.39%
Number of accidents with time off work	5	4	9	13
Accident frequency rate at Gecina	6.88	5.67	8.43	15.42
Accident severity rate at Gecina	0.03	0.22	0.39	0.44
Environmental data				
Environmental Management System certification rate	60%	62%	45%	58%

(1) 13% excl. impact of Eurosic (departures related to disposals of ex-Eurosic buildings).

3.6 Reporting rules

3.6.1 CSR reporting

3

3.6.1.1 REPORTING CENTERED ON GECINA'S CSR PILLARS AND ON THE RISKS AND OPPORTUNITIES DEEMED SIGNIFICANT

Pursuant to the European directive on non-financial reporting, and consistent with the integrated reporting approach, Gecina summarized the key financial and non-financial performance information in the integrated report, in the introduction to this document. This includes the key figures, the description of the business model, as well as the contribution of Group stakeholders to the company's strategy.

In addition, the content of chapter 3 provides details on the policies, actions and results relating to the four CSR pillars and the risks and opportunities identified as priorities (3.1.3 "Priority CSR risks and opportunities for Gecina").

3.6.1.2 SUMMARY OF THE NON-FINANCIAL SCOPE AND REPORTING PERIOD

Aware of the importance of reporting for its publications to reflect the environmental, social, and societal consequences of its business activities, Gecina has put in place a number of processes to ensure that this reporting is exhaustive and manageable:

- 97% of its operating property surface areas are included in the reporting scope, and the remainder are linked to exclusions for operating reasons;
- Gecina's indicators and objectives are calculated on a current basis in order to be representative of its impacts;
- the data on energy consumption and greenhouse gas emissions include client uses, even though Gecina does not have direct control over these accounting lines;
- no reservations or observations by any external auditor have been issued since the 2013 financial year, even though a large proportion of indicators have been audited with demanding requirements.

Activities concerned

- The scope covers all operational and development activities of offices and residential properties (including student residences) from January 1 to December 31 of

the reporting year (year Y). All related activities (restaurants, hotels, etc.) were excluded from the 2019 reporting, due to an ongoing disposal or programmed disposal of these assets. Gecina operates exclusively in France.

- The scope includes all assets regardless of the level of operating control exercised by Gecina (full control by Gecina, control shared with the tenant or full control by the tenant). The Group's levers for action to influence the performance of the assets are dependent on this level of control.

Assets included in the reporting scope

The reporting scope for operations-related indicators takes account of all assets present at December 31 of year Y. An asset sold during year N is therefore excluded from the scope (even on disposal of one or more units in a residential building) and an asset acquired or delivered during year Y is added to the scope.

However, for indicators concerning occupants' consumption of utilities (energy and water use, waste collection and sorting and GHG emissions), in order to guarantee the highest reliability and comparability of data, the following assets are excluded:

- in operation for less than one year;
- with a physical occupancy rate below 50%;
- acquired to be restructured in the short term (within less than five years).

For indicators concerning construction certification, life cycle analysis, and immaterial value, all assets delivered in the year following a renovation or construction project are taken into account.

For indicators related to operating certification, assets acquired for very short-term renovation (three years) whose date of departure of the tenant is known, are excluded.

The indicator related to the EMS (Environmental Management System) includes assets in operation, assets under construction and renovation and assets in design during the year.

The surface areas used are:

- Gross Leasable Area (GLA) for offices;
- Net Floor Area (NFA) for residential assets.

Commercial and residential surface areas used in 2019 reporting

		Number of 2019 assets	Surface area 2019 assets
Offices	Scope in operation	129	1,275,233
	Scope considered for consumption-related indicators	123	1,226,668
	Scope under construction or renovation	8	102,375
	Scope delivered and acquired during the year	6	75,620
Residential (including student residences)	Scope in operation	58	418,551
	Scope in operation considered for consumption-related indicators	56	417,905
	Scope under construction or renovation	5	20,188
	Scope delivered during the year	0	0
TOTAL	SCOPE IN OPERATION	187	1,693,784
	SCOPE CONSIDERED FOR CONSUMPTION-RELATED INDICATORS	179	1,644,573
	SCOPE UNDER CONSTRUCTION OR RENOVATION	13	122,563
	SCOPE DELIVERED DURING THE YEAR	6	75,620

Lastly, to monitor the performance specifically related to actions implemented on the portfolio, energy consumption and greenhouse gas emission indicators are corrected for climate hazards.

Reporting period and frequency

Gecina's reporting cycle is annual and aligned with the calendar year, from January 1 to December 31 of reporting year Y, except for data on energy, greenhouse gas emissions and water consumption, which are measured from October 1 to September 31. Data is collected once per year.

Reporting tool

In order to facilitate and make the collection, consolidation and calculation of non-financial information reliable, Gecina has implemented a dedicated reporting tool. The indicators related to energy, carbon, biodiversity, contribution to occupant productivity, accessibility and transportation and waste are all tracked using this software. The raw data is imported in December and January. The automated calculations only require the updating of the parameters (emission factors and energy mix for each year).

This set-up is based on the rules established in Gecina's reporting protocol. For each indicator, the protocol defines:

- the scope;
- the terms of the indicator and each data point used;
- the data collection processes, calculation rules and methodologies;
- the interpretation, consolidation, validation and control procedures.

3.6.1.3 EXTERNAL VERIFICATION OF NON-FINANCIAL INFORMATION

Since 2011, Gecina has commissioned a third party to audit the social, environmental, and societal information published in its management report, in accordance with the methods described in its reporting protocol.

In agreement with the Audit and Risk Committee of the Board of Directors, EY & Associés, an organization accredited by Cofrac, was appointed by Gecina's Chief Executive Officer as the Independent Third Party to audit the social, environmental and societal information disclosed in the management report for the financial year ended December 31, 2019.

The audit carried out in 2019 received an unqualified opinion in all aspects (see 3.7 "Report of the independent auditor on the consolidated non-financial performance statement included in the management report").

In 2019, a total of **24 quantitative and qualitative indicators** were audited, with different levels of assurance:

- **3 indicators were audited at a reasonable level of assurance** (audit by sampling approximately 50% of the consolidated data);
- **17 indicators were audited at a moderate level of assurance** (audit by sampling approximately 20% of the consolidated data);
- consistency with the practices in place was verified, during **three site visits** (two office assets and one residence) and **four interviews** with Gecina employees involved in the CSR policy and reporting.

3.7 Independent third party's report on consolidated non-financial statement

Year ended the December 31, 2019

To the General Assembly,

In our quality as an independent verifier, accredited by the Cofrac under the number n° 3-1681 (scope of accreditation available on the website www.cofrac.fr), we present our report on the consolidated non-financial statement established for the year ended on the December 31, 2019 (hereafter referred to as the "Statement"), included in the management report pursuant to the requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

The entity's responsibility

The Managing Board is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement or which are available on request from the entity's head office.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

At the entity's request, and outside the scope of accreditation, it is also our duty to express a conclusion of reasonable assurance that the information selected by the entity and identified by an * in Appendix 1 (hereinafter the "Information considered most important") was established in all significant aspects, in line with the reporting standards.

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

1 – Justified opinion on compliance and accuracy

Nature and scope of the work

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000⁽¹⁾.

- We obtained an understanding of the entity's activities and the description of the principal risks associated.
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate.
- We verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation.
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;.
- We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain risks (responsible procurement, human capital and well-being at work), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of sites: Vouillé Le Cézanne residential building, the T1 tower and the Horizons tower;

⁽¹⁾ ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

- We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code.
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.
- For the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 10% and 11% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (11% of climate-adjusted primary energy consumption and 10% of waste production).
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our verification work mobilized the skills of five people and took place between September 2019 and March 2020 on a total duration of intervention of about eight weeks.

We conducted four interviews with the persons responsible for the preparation of the Statement.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

2 – Report of reasonable assurance on the information selected

Nature and scope of procedures

With regard to the Information Selected by the entity identified by an * in Appendix 1, we performed work of the same nature as that described in paragraph 1 above concerning the key performance indicators and other quantitative results we considered most important, but in more depth, particularly in respect of the extent of tests.

The sample selected represents 57% of climate-adjusted primary energy consumption.

We consider that this work allows us to express reasonable assurance regarding the information considered most important.

Conclusion

In our opinion, the information selected by the entity was established, in all material aspects, in accordance with the reporting standards.

Paris-la Défense, the February 17, 2020

French original signed by:
Independent third party
EY & Associés

Jean-François Bélorgey
Partner

Eric Duvaud
Partner, Sustainable Development

Appendix 1: The most important information

Environmental Information

Quantitative information (including key performance indicators)	Qualitative Information (actions or results)
<p>Energy:</p> <ul style="list-style-type: none"> ■ Energy consumption in kWh in final energy and primary energy per sq.m corrected for climate hazards* ■ Reduction in consumption since 2008 (%)* ■ Share of new surface areas covered by a Life Cycle Analysis (LCA) <p>Circular economy:</p> <ul style="list-style-type: none"> ■ Share of recovered / recycled operating waste ■ Share of recovered / recycled site waste ■ Biotope ratio per surface area <p>Carbon:</p> <ul style="list-style-type: none"> ■ Carbon emissions in kgCO₂/sq.m* ■ Share of renewable energy in the energy mix* 	<p>The improvement of energy efficiency, particularly through ISO 50001-certified energy management system</p> <p>The use of energies that emit fewer greenhouse gases</p> <p>Evaluation of Life Cycle Analysis for delivered and redevelopment projects or under construction properties</p> <p>The design of less carbon-intensive property developments</p> <p>The completion of resource diagnostics</p> <p>The recovery of site and operating waste</p> <p>The increase in revegetation in densely-populated urban areas</p>

Societal Information

Quantitative information (including key performance indicators)	Qualitative Information (actions or results)
<p>Share of operations awarded the WELL® label</p> <p>Share of surfaces Biodiversity-certified or in the process of being certified</p> <p>Distribution of surface areas by productive efficiency class</p> <p>HQE Construction Certification</p> <p>HQE Exploitation Certification (Offices) and NF HQE Habitat Certification (Residential)</p>	<p>Enhancing the comfort and well-being of occupants</p> <p>Development of alternative means of transport</p> <p>Actions to promote disabled access to common areas of buildings</p> <p>Involvement of employees</p>

Social Information

Quantitative Information (including key performance indicators)	Qualitative Information (actions or results)
<p>Workforce</p> <p>Turnover (%)</p> <p>Absenteeism rate (%)</p> <p>Share of employee expenses allocated to training</p> <p>Average number of training hours per employee</p> <p>Share of employee expenses allocated to profit-sharing and incentive schemes</p>	<p>Talent recruitment, integration and retention</p> <p>Developing and capitalizing on employees' skills</p> <p>Actions designed to promote diversity within teams</p>



4.

Board of Directors' report on corporate governance

4.1. Governance	144
4.1.1. Structure of the Board of Directors and the Executive Management team	144
4.1.2. Executive Management procedures	160
4.1.3. Conditions for the preparation and organization of the Board of Directors' work	161
4.1.4. Conflicts of interest among the administrative bodies and Executive Management	168
4.1.5. Related-party agreements	169
4.1.6. Special conditions governing the attendance of shareholders at General Meetings	170
4.1.7. Summary of financial authorizations	170
4.2. Compensation	172
4.2.1. Compensation policy for corporate officers for the 2020 financial year	172
4.2.2. Compensation of corporate officers in respect of the 2019 financial year	178
4.3. Information about the capital structure and factors that could have an impact in the event of a public offer	194

This report, prepared by the Board of Directors pursuant to article L. 225-37 of the French Commercial Code, includes the information mentioned in articles L. 225-37-2 to L. 225-37-5 of the French Commercial Code, and in particular:

- information on the company's governance;
- information on the compensation of the corporate officers; and
- information about the capital structure and factors that could have an impact in the event of a public offer.

This report was prepared with the support of the Company's internal departments and the assistance of the Governance, Appointment and Compensation Committee (hereinafter the "GACC").

It was approved by the Board of Directors at its meeting of February 19, 2020.

Gecina complies with the AFEP-MEDEF Corporate Governance Code for listed companies (the "AFEP-MEDEF Code"). As at the date of preparation of this report, Gecina complies with all recommendations of this Code, which is available on the AFEP (www.afep.com) and MEDEF (www.medef.com) websites.

4.1 Governance

4.1.1 Structure of the Board of Directors and the Executive Management team

According to the bylaws, the Board of Directors must be composed of a minimum of three and maximum of eighteen members. The Directors shall be appointed for a term of four years. By way of exception in order to allow the staggered renewal of directorships, the Ordinary General Meeting may appoint one or several Directors for a period of two or three years. Potential observers are chosen from among the shareholders. Their number cannot exceed a maximum of three, and they are appointed for a period of three years.

As of December 31, 2019, the Gecina Board of Directors is composed of ten members, 60% of whom are independent Directors (on the basis of the independence criteria set out in the AFEP-MEDEF Code) and 50% are women.

Ms. Méka Brunel, Director, performs the duties of Chief Executive Officer. Additional information on Executive Management procedures is provided in section 4.1.2.

Mr. Bernard Carayon is the Chairman of the Board of Directors. It should be noted that since the total number of employees of the company and its subsidiaries is lower than the thresholds fixed by article L. 225-27-1 of the French Commercial Code, there is no Director representing employees on the Board of Directors. However, in accordance with article L. 2312-72 of the French Labor Code, members of the Company and Economic Committee attend Board of Directors' meetings in an advisory capacity.

CHANGES IN THE STRUCTURE OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

During the 2019 financial year, no changes in the structure of the Board of Directors or its Committees were recorded. Only renewals of terms of office were decided:

	Departure	Appointment	Renewal
Board of Directors	x	x	<ul style="list-style-type: none"> ■ Ms. Dominique Dudan April 17, 2019 ■ Predica, represented by Mr. Jean-Jacques Duchamp April 17, 2019
Strategic and Investment Committee	x	x	<ul style="list-style-type: none"> ■ Predica, represented by Mr. Jean-Jacques Duchamp April 17, 2019
Audit and Risk Committee	x	x	<ul style="list-style-type: none"> ■ Ms. Dominique Dudan April 17, 2019 ■ Predica, represented by Mr. Jean-Jacques Duchamp April 17, 2019
Governance, Appointment and Compensation Committee	x	x	x

The directorships of Ms. Dominique Dudan and of the company Predica, represented by Mr. Jean-Jacques Duchamp, were renewed by the Annual General Meeting of April 17, 2019 for four-year terms, i.e. until the end of the Annual General Meeting convened to approve the financial statements for the financial year ending December 31, 2022.

The applications from Directors for renewals of their terms of office were reviewed by the Governance, Appointment and Compensation Committee and by the Board of Directors who have committed to maintaining a balance in terms of diversity within the structure of the Board of Directors.

These renewals enable the Board of Directors to maintain perfect parity between its male and female members, to benefit from extensive, varied and complementary expertise and to maintain the rate of independent Directors at 60% (in accordance with the independence criteria set out in the AFEP-MEDEF Code).

Changes expected in 2020

Observer

The Board of Directors meeting of January 20, 2020 agreed the appointment of Mr. Jérôme Brunel as an Observer for a period of three years. For the avoidance of doubt, it is recalled that there is no family relation between Mr. Jérôme Brunel and Ms. Méka Brunel, Chief Executive Officer and Director of the company. The appointment by the Board of Directors of Mr. Jérôme Brunel as an observer, subject to ratification by the next General Meeting, will allow him, in particular, to familiarize himself with the work and deliberations of the Board of Directors and to offer, with continuity and fluency, a potential transition to a role as a Director with a view to a possible change in the governance of the company. Mr. Jérôme Brunel's presence on the Board will also allow it to benefit from his knowledge and skills, particularly in terms of governance, CSR and public affairs.

In accordance with article 18 of the bylaws of the Company, Mr. Jérôme Brunel is a shareholder of the Company and the ratification of his appointment will be submitted to the next General Meeting.

The Board of Directors, having appointed Mr. Jérôme Brunel as an observer, ensured that he is aware of the regulations relating to market abuse, and more specifically the rules regarding refraining from disclosing privileged information. Although they only act in an advisory capacity during the deliberations of the Board of Directors, the Board decided in its meeting of January 20, 2020 that the conflict of interest management measures and the confidentiality rules applicable to Directors will apply to him.

Expiry of terms of office

Renewal of the term of two Directors

The directorships of Ms. Inès Reinmann Toper and Mr. Claude Gendron expired at the end of the Annual General Meeting called to approve the financial statements for the financial year ended December 31, 2019. Ms. Inès Reinmann Toper and Mr. Claude Gendron applied to renew their term of office.

The Board of Directors noted that these two directors were also members of the Governance, Appointment and Compensation Committee and that this Committee had a total of three members.

In order to meet the requirements of good governance as established by the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) in its updated Recommendation on Corporate Governance and Compensation of Corporate Officers with reference to the AFEP-MEDEF Code published in December 2019, to reflect on the two Directors' terms of office that are coming to an end in a manner in line with the best governance practices of listed companies, and to rule out any potential conflict of interest, the Board of Directors decided on January 20, 2020, in accordance with article 5 of its internal regulations, to establish an Ad Hoc Committee that is responsible for analyzing the renewal of the Directors and is composed of five members (the company Predica, represented by Mr. Jean-Jacques Duchamp, Chairman of this Ad Hoc Committee, Ms. Laurence Danon Arnaud, Ms. Dominique Dudan, Mr. Bernard Carayon and the company Ivanhoe Cambridge Inc., represented by Mr. Sylvain Fortier).

The Ad Hoc Committee considered the two applications for renewal. In the light of the points relating to their commitment, their skills, their contribution to continuing the diversity of the Board of Directors, and also, with regard to Ms. Inès Reinmann Toper, the points relating to the conditions of independence and the continued feminization of the Board of Directors, this Ad Hoc Committee decided to recommend to the Board of Directors that Ms. Inès Reinmann Toper and Mr. Claude Gendron be nominated for the renewal of their duties as Directors of Gecina.

The Board of Directors meeting of February 19, 2020 decided to include this renewal proposal in the agenda of the next Shareholders' General Meeting, following the recommendation of the Ad Hoc Committee.

Ms. Inès Reinmann Toper and Mr. Claude Gendron would continue to provide the Board of Directors with their rich professional experience.

The biographies of Ms. Inès Reinmann Toper and Mr. Claude Gendron are included below.

Admission of a new Director and change of Chair

Upon recommendations of the Governance, Appointment and Compensation Committee, the Board of Directors decided, at its meeting of February 19, 2020, to ask the next General Meeting to appoint Mr. Jérôme Brunel as a Director.

Mr. Jérôme Brunel's skills, particularly in terms of governance, CSR, and public affairs, represent a strong addition to the existing skills of the Board of Directors of Gecina.

Having joined Crédit Lyonnais at the end of 1990, Mr. Jérôme Brunel successively held several operational management positions in France and then at international level in Asia and North America before becoming Director of Human Resources in 2001. He was then appointed Director of Human Resources for the Crédit Agricole Group at the time of the merger between Crédit Agricole and Crédit Lyonnais in 2003. Following

this, he successively held the positions of Head of the Regional Mutuals Division and Head of Capital Investment at Crédit Agricole SA, Head of Private Banking and Head of Public Affairs at Crédit Agricole SA. He was Company Secretary of the Crédit Agricole Group until his retirement on December 31, 2019.

Furthermore, the Board of Directors, at its meeting of February 19, 2020, having noted that Mr. Bernard Carayon exceeded the maximum statutory age to perform the duties of Chairman of the Board of Directors in 2019 and the fact that he will be deemed to have resigned his office at the end of the next Annual General Meeting, envisages that Mr. Jérôme Brunel will be appointed Chairman of the Board of Directors, subject to his being appointed as Director by this General Meeting.

In anticipation of his appointment as a Director and his appointment as Chairman of the Board of Directors, the Board of Directors meeting of February 19, 2020, on the advice of the Governance, Appointment and Compensation Committee, qualified Mr. Jérôme Brunel as independent in line with the criteria set out in the AFEP-MEDEF Code.

Amendments to the bylaws and the internal regulations of the Board

Furthermore, as part of its work on adapting the governance of the company to legislative and regulatory developments and the new issues arising therefrom, the Board of Directors, on February 19, 2020, decided to:

- propose to the next Annual General Meeting called to approve the financial statements for the financial year ended December 31, 2019 the amendments to the bylaws summarized below:
 - in article 7, remove the requirement to hold shares in registered form,
 - in article 9, increase by 1% (from 1% to 2%) the first bylaw threshold triggering the obligation to inform the company of the crossing of the threshold, reduce the multiples of the subsequent bylaw thresholds by 0.5% (from 1% to 0.5%), and shorten the deadline to give notice of this information in order to align it with the legal deadline in the event that the legal thresholds are crossed (from five to four days),

- in article 19, replace the term "attendance fees" with "compensation",
- in article 23, allow the possibility of the company issuing distributions in kind;
- amend certain provisions of its internal regulations in order to update them in view of legislative and regulatory changes and market recommendations (the internal regulations thus updated are available and can be consulted on the company's website);
- create a Compliance and Ethics Committee. The tasks of the Compliance and Ethics Committee shall be to review and monitor the policies of the Gecina Group in terms of anti-corruption compliance and ethics, as well as the mechanisms and procedures put in place under the authority of the Company Secretary to implement them and to give its opinion on these topics to the Board of Directors;
- create a Corporate Social Responsibility (CSR) Committee. The tasks of the Corporate Social Responsibility Committee shall be to provide advice and recommendations to the Board of Directors on the commitments and orientations of Gecina's CSR policy and their consistency with the expectations of the stakeholders, to monitor their deployment and, more generally, to take CSR topics into account in the Gecina strategy and its implementation.

STRUCTURE OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT TEAM

The table below presents, for each Director and for the Chief Executive Officer, their age, nationality, gender, independence status, appointment to any Committees, mandate expiry date, number of Gecina shares held, list of offices held as of December 31, 2019, and any offices or functions held during the past five years and terminated. Unless otherwise indicated, all the terms of offices indicated are held outside the Group.

BERNARD CARAYON, Chairman of the Board of Directors – Independent director



Member of the Strategic and Investment Committee

Age: 70 years old

Nationality: French

First appointment:
GM of 04/18/2018

Office expiry date
as Director: OGM 2022

Appointment as
Chairman of the Board
of Directors: Board
Meeting of 04/18/2018

Office expiry date as
Chairman of the Board
of Directors: OGM 2020

Domiciled:
101, avenue Mozart
75016 Paris
France

Number of shares held:
200

Offices held at December 31, 2019

- Independent Director of Bloomage (company under Mauritian law)
- Chairman of Dadou SAS
- Member of the Supervisory Board of SAS Supernova Invest

Offices and functions exercised during the past five years and terminated

- Director of:
 - BFT Investment Managers
 - LCL Obligations Euro
 - CACEIS
 - Amundi Finance
 - Amundi Hong Kong LTD
 - LCH Clearnet
 - Amundi Japan
- Permanent representative of Amundi at CPR Asset Management
- Executive Director and Head of the Steering and Control Division at Amundi⁽¹⁾
- Director and Deputy CEO of Amundi Asset Management
- Chairman of the Board of Directors of Amundi Mutual Fund Brokerage Securities (Thailand) Company Ltd (formerly Amundi Thailand Ltd)
- Vice-Chairman of ABC-CA Fund Management Co
- Observer at Gecina

Brief resume

Bernard Carayon has a PhD in Economics from Paris-Sorbonne University. With extensive experience in auditing and risk management, as well as in previous roles as a director of public companies, Bernard Carayon's appointment allows the Board to benefit from his expertise in the areas of banking, CSR and asset management. Until March 2017, Bernard Carayon was a Director and the CEO of Amundi AM, Director of Management and Control Functions at Amundi and Advisor to the Executive Management Team of Amundi for SRI.

(1) Listed company.

MÉKA BRUNEL, Director and Chief Executive Officer



Member of the Strategic and Investment Committee

Age: 63 years old

Nationality: French

First appointment as Director: GM of 04/23/2014

Mandate expiry date as Director: OGM 2022

Appointment as CEO: Board Meeting of 01/06/2017

Office expiry date (CEO): Indefinite

Domiciled:
15, rue Jouvenet
75016 Paris
France

Number of shares held:
28,425

Offices held at December 31, 2019

- Independent Director of Hammerson Plc⁽¹⁾
- Director and Vice-Chairwoman of EPRA
- Director of FSIF
- Chairwoman of the Development Board of Métropole du Grand Paris (Codev)
- Member of the ORIE Collège Investisseurs (Investment Council)
- Director of the Institut du Capitalisme Responsable

Offices and functions exercised during the past five years and terminated

- Director of ORIE
- Chairman of France GBC
- Director of P3
- Chairwoman of Ivanhoé Cambridge Europe
- Director of HBS PG
- Independent Director and member of the Strategic Committee of Poste Immo
- Director and Chairwoman of the Appointments and Compensation Committee of Crédit Foncier de France

Brief resume

A leader in the real estate sector, Méka Brunel is a graduate engineer of the School of Public Works (ETP), has an Executive MBA from the School of Higher Business Studies (HEC Paris) and is a Fellow of the Royal Institution of Chartered Surveyors. From 1996, she held various executive management positions with Simco, which later merged with Gecina. In 2006, she became CEO of Eurosic, before joining Ivanhoé Cambridge in 2009 as Vice President for Europe. She has been a Director at Gecina since 2014 and was appointed as its Chief Executive Officer in January 2017. A major contributor to company life and professional bodies (including as Honorary Chairwoman of the HQE Association – France GBC, Vice-Chairwoman of the Palladio Foundation, Director of the FSIF and the EPRA), Méka Brunel was appointed Director of Hammerson Plc in November 2019. She has also been Chairwoman of the Development Board of Métropole du Grand Paris since October 2017. Méka Brunel is a Knight of the Legion of Honor. She was also crowned Professional of the Year in the Pierres d'Or real estate awards in 2013 and 2018.

⁽¹⁾ Listed company.

LAURENCE DANON ARNAUD, Independent director



Member of the Governance, Appointment and Compensation Committee and the Audit and Risk Committee

Age: 63 years old
Nationality: French
First appointment: GM of 04/26/2017
Office expiry date: OGM 2021
Domiciled: 30, bd Victor-Hugo 92200 Neuilly-sur-Seine France
Number of shares held: 203

Offices held at December 31, 2019

- Independent Director and Chairwoman of the Audit Committee of TFI⁽¹⁾
- Independent Director and Chairwoman of the Strategic Committee of Amundi⁽¹⁾
- Independent Director of Groupe Bruxelles Lambert⁽¹⁾
- Chairwoman of Primerose
- Member of the French Academy of Technologies

Offices and functions exercised during the past five years and terminated

- Chairwoman of the Board of Directors of Leonardo & Co.
- Director of Diageo Plc⁽¹⁾ (UK)
- Senior Advisor at Natixis Partners

Brief resume

Laurence Danon Arnaud entered the École normale supérieure de Paris in 1977. She then qualified as a college lecturer in physical sciences in 1980. After two years of research in the French national center for scientific research (CNRS) laboratories, she entered the École nationale supérieure des mines in 1981 and graduated as a Corps des Mines engineer in 1984. After five years with the French Ministry for Industry and the Hydrocarbons Division, Laurence Danon Arnaud joined the ELF group in 1989. From 1989 to 2001, she held various positions in the Total FINA ELF group's chemicals branch, notably as CEO of Bostik, the world's second largest adhesives company, from 1996 to 2001. In 2001, Laurence Danon Arnaud was appointed Chairwoman and CEO of Printemps and a member of the Executive Board of PPR (Kering). Following the repositioning and successful sale of Printemps in 2007, she moved to the world of finance. Initially as Chairwoman of the Management Board of Edmond de Rothschild Corporate Finance from 2007 and 2013, then from 2013 as Chairwoman of the investment bank Leonardo & Co. (subsidiary of the Italian Banca Leonardo group). After Leonardo & Co. was sold to Natixis in 2015, she devoted herself to her family office, Primerose. Laurence Danon Arnaud has been a Director of Amundi since 2015 and is Chairwoman of its Strategic Committee. She has also been a member of the Board of Directors of TFI since 2010, chairing its Audit Committee. She also served as a member of other companies' Boards of Directors, including the British company Diageo (2006-2015), Plastic Omnium (2003-2010), Experian Plc (2007-2010), Rhodia (2008-2011) and of the Supervisory Board of BPCE (2009-2013) where she chaired its Appointments and Compensation Committee. From 2005 to 2013, Laurence Danon Arnaud was also Chairwoman of the MEDEF Commission. From 2000 to 2003, she was Chairwoman of the Board of Directors of École des mines de Nantes, and, from 2004 to 2006, Chairwoman of the École normale supérieure Paris Foundation.

(1) Listed company.

JEAN-JACQUES DUCHAMP, Permanent representative of Predica – Director



Member of the Strategic and Investment Committee and of the Audit and Risk Committee

Age: 65 years old

Nationality: French

First appointment:
GM of 12/20/2002

Office expiry date:
OGM 2023

Domiciled:
16-18, bd Vaugirard
75015 Paris
France

Number of shares held
by Predica: 9,986,026

Number of shares
held by

Mr. Jean-Jacques
Duchamp: 458

Offices held at December 31, 2019

- Deputy CEO of Crédit Agricole Assurances⁽²⁾, member of the Executive Committee
- Vice-President of the Board of Directors, Director of Générale de Santé SA⁽¹⁾
- Director of Société Foncière Lyonnaise⁽¹⁾
- Director of CPR-AM⁽²⁾
- Director de Spirica⁽²⁾ and of ULP⁽²⁾
- Director of CA Vita⁽²⁾
- Director of Pacifica⁽²⁾
- Director of SEMMARIS
- Director of COMEXPOSIUM
- Member of the office of the economic and financial commission of FFSA

Offices and functions exercised during the past five years and terminated

- Director of Foncière des Régions⁽¹⁾
- Director of BES VIDA⁽²⁾
- Director of Korian⁽¹⁾
- Director of Sanef (Autoroutes du Nord et de l'Est de la France)

Brief resume

Graduate of AGRO-INAPG and ENGREF. After a career abroad (India, Morocco and Colombia) in public works and hydraulics, and later infrastructure financing with the World Bank, Jean-Jacques Duchamp joined the Crédit Agricole group, where he has held a variety of positions in the general inspectorate of finances and auditing at regional mutuals of Crédit Agricole, and later internationally on capital markets, before joining the Board of Finances of Crédit Agricole group. In 2001, he was part of the personal insurance division of Predica where he assumed the management of "Financing and Corporate" on the Executive Committee. In 2011, he was appointed Deputy CEO of Crédit Agricole Assurance and member of its Executive Committee. He is also a member of the Office of the Economic and Financial commission of the Fédération Française de l'Assurance.

(1) Listed company.

(2) Crédit Agricole SA group company.

DOMINIQUE DUDAN, Independent director



Member of the Audit and Risk Committee

Age: 65 years old

Nationality: French

First appointment:
GM of 04/24/2015

Office expiry date:
OGM 2023

Domiciled:
1, rue de Condé
75006 Paris
France

Number of shares held:
85

Offices held at December 31, 2019

- Director of Mercialis⁽¹⁾
- Member of the Supervisory Board of Selectirente⁽¹⁾
- Member of the Supervisory Board of Swiss Life Reim
- Chairwoman of the Supervisory Board of OPCI Sofidy Pierre Europe
- Member of the Supervisory Board of SCPI Pierre Expansion
- Manager of SCI du 92
- Manager of SA RL William's Hotel
- Chairwoman of Artio Conseil
- Member of the Supervisory Board of SCPI Altixia Commerce
- Chairwoman of the Supervisory Board of SCPI Altixia Cadence 12

Offices and functions exercised during the past five years and terminated

- Chairwoman of Union Investment Real Estate France
- President of 6 real estate investment funds (OPCI) managed on a proprietary basis by Union Investment Real Estate France
- Co-manager of Warburg HIH France
- Manager of SCI du Terrier

Brief resume

After studying science, Dominique Dudan joined the real estate industry. Admitted as a member of the Royal Institution of Chartered Surveyors (MRICS), she subsequently became a Fellow of the institution. Between 1996 and 2005, Dominique Dudan held the position of Development Director inside the Accor Hotels & Resorts group. She then joined HSBC Reim as Director of Operations and Executive Board member, then BNP Paribas Reim as Deputy CEO and Director of Regulated Real Estate Funds. In 2009, Dominique Dudan created her own Artio Conseil structure and in 2010 she became CEO of Arcole Asset Management. From 2011 to 2015, she was Chairwoman of the company Union Investment Real Estate France SA S, then was appointed Manager of Warburg HIH France. Now a Senior Adviser at LBO France and a Corporate Director, Dominique Dudan is also a member of the Observatoire Régional de l'Immobilier d'Île-de-France (ORIE) after having served as its Chairwoman, as a member of the MEDEF Fiscal Commission for the Service Professionals group, a member of the Cercle des Femmes de l'Immobilier and the Club de l'Immobilier d'Île-de-France and a member of Breizh Immo. She is a Knight of the National Order of Merit.

(1) Listed company.

SYLVAIN FORTIER, Permanent representative of Ivanhoé Cambridge Inc. – Director



Chairman of the Strategic and Investment Committee

Age: 54 years old

Nationality: Canadian

First appointment:
Board Meeting
of 04/21/2016 (coopted)

Office expiry date:
OGM 2021

Domiciled:
80, rue Deauville
S. Candiac (QC) J5R 6X7,
Canada

Number of shares held
by Ivanhoé Cambridge
Inc.: 40

Number of shares held
by Ivanhoé Cambridge
Concert Party: 11,575,623

Offices held at December 31, 2019

- Head of Investment and Innovation at Ivanhoé Cambridge Inc.
- Director of Otéra Capital

Offices and functions exercised during the past five years and terminated

- Executive Vice President and Head of Investments – Ivanhoé Cambridge Inc.
- President, Residential, Hotels and Real Estate Investment Funds, Ivanhoé Cambridge Inc.
- Chairman of the Board of Directors of Otéra Capital

Brief resume

Sylvain Fortier is Head of Investment and Innovation, having previously held the position of President, Residential, Hotels and Real Estate Investment Funds and Strategic Adviser to the CEO of Ivanhoé Cambridge, a real estate subsidiary of the Caisse de dépôt et placement du Québec, one of the largest institutional fund managers in Canada. He was responsible for a residential portfolio valued at CAD 12 billion and a hotel portfolio currently consisting of almost 4,000 rooms in Canada and the United States, as well as the company's acquisitions of real estate funds which combined represent over CAD 5 billion in invested capital worldwide. Mr. Fortier is also Director of Otéra Capital, a mortgage lender valued at CAD 11 billion. Sylvain Fortier has almost thirty years of global experience in the investment and financing of real estate. He began his career at London Life, before joining Standard Life. After moving to the Caisse de dépôt et placement du Québec and its real estate divisions, he held a number of senior management positions both in Canada and the United States. In 2010, he was appointed Vice President, Strategic Advisory and went on to hold several strategic positions in this field, leading to the role as President, Residential, Hotels and Real Estate Investment Funds at Ivanhoé Cambridge and afterward to his current role. Sylvain Fortier graduated from McGill University (Montreal, Canada) with a Bachelor's degree in commerce, specializing in finance and real estate. He is a member of the PREA and the National Multifamily Housing Council (NMHC) and is a Director of Théâtre du Nouveau Monde (Montreal).

GABRIELLE GAUTHEY, Independent director



Chairwoman of the Audit and Risk Committee

Age: 57 years old

Nationality: French

First appointment:
GM of 04/18/2018

Office expiry date:
OGM 2022

Domiciled:
46, avenue de Suffren
75015 Paris
France

Number of shares held:
40

Offices held at December 31, 2019

- Member of the Supervisory Board of CDC Habitat (formerly SNI)
- Chairwoman of SA S Exerimmo
- Director of Naval group
- Member of the Supervisory Board of Radiall

Offices and functions exercised during the past five years and terminated

- Chairwoman of the Board of Directors of Cloudwatt
- Director of Investments and Local Development, member of the Executive Committee of the Caisse des Dépôts group, a French public institution
- Permanent representative of the Caisse des dépôts et consignations, Director of GIE Atout France

Brief resume

Ms. Gabrielle Gauthey is a former student of the École polytechnique and graduate of Télécom ParisTech and École des mines of Paris. A general mining engineer, she has a postgraduate diploma (DEA) in economic analysis. The appointment of Ms. Gabrielle Gauthey enables the Board, in particular, to benefit from her expertise in new technologies and innovation. From February 2015 to March 2018, Ms. Gabrielle Gauthey was Investment and Local Development Director and member of the Management Committee of the Caisse des Dépôts group, a French public institution.

CLAUDE GENDRON, director



Member of the Governance, Appointment and Compensation Committee and the Audit and Risk Committee

Age: 67 years old

Nationality: Canadian

First appointment:
GM of 04/23/2014

Office expiry date:
OGM 2020

Domiciled:
4898, rue Hutchison-
Montreal (Quebec)
H2V 4A3, Canada

Number of shares held:
40

Offices held at December 31, 2019

- Special Advisor to the senior management team of Ivanhoé Cambridge

Offices and functions exercised during the past five years and terminated

- Executive Vice President for Legal Affairs and Head of Litigation of Ivanhoé Cambridge and companies affiliated to the Ivanhoé Cambridge group
- Member of the Ivanhoé Cambridge Executive Committee

Brief resume

Claude Gendron is a professional lawyer. He holds the position of Special Advisor to the senior management team of Ivanhoé Cambridge, a real estate subsidiary of the Caisse de dépôt et placement du Québec, one of the largest institutional fund managers in Canada. Until 2017, Mr. Gendron was Executive Vice President, Legal Affairs and General Counsel at Ivanhoé Cambridge and a member of its Executive Committee. Claude Gendron holds a degree in business administration from the University of Ottawa (Canada) in addition to a BA and MA in business law from the University of Montreal (Canada). Specialized in financial and real estate transactions for more than thirty years, he started as a legal adviser at the Banque nationale du Canada, a leading Canadian bank (1975 to 1980). Claude Gendron then continued his career in law firms by joining Fasken Martineau DuMoulin, a leading international business law firm, where he was the senior partner (1998-2013) before joining Ivanhoé Cambridge.

JACQUES-YVES NICOL, Independent director



Age: 69 years old
Nationality: French
First appointment:
GM of 5/10/2010
Office expiry date:
OGM 2022
Domiciled:
7, rue Brunel
75017 Paris
France
Number of shares held:
45

Offices held at December 31, 2019

None.

Offices and functions exercised during the past five years and terminated

- Member of the Club des Présidents de Comité d'Audit of the IFA

Brief resume

Jacques-Yves Nicol graduated from ESSEC Business School and completed postgraduate studies in Economics. He was Managing Director of the ESSEC group Alumni Association, after being the Managing Director (France) of Aberdeen Property Investors and Tishman Speyer Properties. He has also held posts at Bank of America in France and internationally, at Bouygues (CFO and Deputy General Manager for Spain), then with the AXA group as Managing Director of AXA Immobilier, then responsible successively for overseeing life-insurance activities in Asia-Pacific and the South Europe/Middle East area of AXA. He is a member of the Club des Présidents de Comité d'Audit of the Institut français des administrateurs.

INÈS REINMANN TOPER, Independent director



Chairwoman of the Governance, Appointment and Compensation Committee and member of the Audit and Risk Committee

Age: 62 years old

Nationality: French

First appointment:
GM of 04/17/2012

Office expiry date:
OGM 2020

Domiciled:
57, bd du
Commandant-Charcot
92200 Neuilly-sur-Seine
France

Number of shares held:
46

Offices held at December 31, 2019

- Independent Director and Member of the Audit Committee of Cofinimmo⁽¹⁾
- Vice-Chair of the Supervisory Board of SA S Cleveland⁽²⁾
- Director of:
 - AINA Investment Fund (Luxembourg)⁽²⁾, SICAV
 - Orox Asset Management (Geneva) SA⁽²⁾
- Observer for OPCI Lapillus
- Member of the Club de l'Immobilier Île-de-France
- Member of the Cercle des Femmes de l'Immobilier
- Fellow of The Royal Institution of Chartered Surveyors

Offices and functions exercised during the past five years and terminated

- Chairwoman of Acxior Immo
- Partner at Acxior Corporate Finance
- Director of Acxior Corporate Finance
- Co Joint leader of the Innovative Financing group – Plan Bâtiment Grenelle 2
- Member of the Management Board of EDRCF (Edmond de Rothschild Corporate Finance)

Brief resume

After studying law (post-graduate degree in property law), Inès Reinmann Toper worked for Dumez SA E and Bouygues, then continued her career with Coprim (Société Générale group), first as Development Director, then as Operational Director and lastly as Corporate Real Estate Commercial Director. From 2000 to 2004, she was the CEO of Tertial, then between 2004 and 2007 was Director of the Icade Commercial Property Market, President of EMGP, President of Tertial and a Board member of Icade Foncière des Pimonts. Between 2007 and 2010, she occupied the position of Managing Director Continental Europe at Segro Plc. She was also a Director of that company. From 2010 to 2014, she was the partner in charge of the real estate subfund of Acxior Corporate Finance. She is a Real Estate Managing Partner at Edmond de Rothschild Corporate Finance Management Board, and Director of Cofinimmo. She is also a Fellow of the Royal Institution of Chartered Surveyors. In addition, she is a member of the Club de l'Immobilier Île-de-France and the Cercle des Femmes de l'Immobilier.

(1) Listed company.

(2) Edmond de Rothschild group company.

DIVERSITY OF THE STRUCTURE OF THE BOARD OF DIRECTORS

The Board of Directors integrates a diversification goal in its structure in terms of the representation of women and men, nationalities, age, qualifications and professional experiences, as recommended by the AFEP-MEDEF Code and its internal regulations (article 7) which stipulate that "The Board shall regularly examine the desired balance of its structure and that of its Committees especially in terms of diversity (representation of women and men, nationalities, ages, qualifications and professional experience)."

The Board of Directors ensures that each change in its structure is compliant with this goal in order to be able to carry out its tasks under the best conditions. Accordingly, at December 31, 2019, the members of the Board of Directors:

- include two different nationalities (French and Canadian);
- respect gender parity with a 50% representation of women on the Board;
- are 60% independent Directors in accordance with the independence criteria of the AFEP-MEDEF Code;
- have a range of diverse and complementary expertise, notably in the areas of real estate, finance, accounting, management, law, CSR, risk management and new technologies. Their expertise is detailed in the biographies above, which list the functions and offices held by each of the Directors, as well as the experience and skills thereof. They are also summarized in the table below.

Main areas of expertise of the company Directors:

Administration and Management	10
International experience	10
Real estate	8
Finance and Accounting	8
Banking and Insurance	6
Risks and Audit	5
Human Resources	4
CSR	4
New and Digital technologies	4
Law	3

In line with actions undertaken since 2014, the Board of Directors confirmed its intention to comply with the recommendations of the AFEP-MEDEF Code and the AMF, in terms of diversity of its members, particularly

regarding independent Directors, the balanced representation of women and men, and the skills of the Directors.

In 2019, the company was once again praised for the results of its policy to increase the number of women on the Board of Directors and other executive bodies of the company. For the fourth consecutive year, Gecina retained its leading position obtained in 2016 in the ranking of companies with female executives on the SBF 120 compiled by Ethics & Boards for the Secretary of State for equality between women and men and the fight against discrimination.

The Board of Directors also aims to preserve the diversity it has created.

In addition, gender balance is also sought within the Executive Committee, among the 10% of employees with the greatest responsibility and, more generally, at company and Group levels. For many years, the company has implemented a human resources management policy designed to attract all talents in their diversity and to build loyalty by taking their specific needs into account. The objective of the diversity policy applied to the governing bodies within the company is to feminize these functions. As such, an Executive Director of Human Resources was recruited in 2019, enabling the "Human Resources" function to develop. In addition, tools and programs are developed by the company to manage, in particular, the issues of gender balance and equality. In order to ensure these issues are monitored, they are integrated into company agreements, steered by indicators, reflected in objectives where applicable, and presented periodically to employee representatives.

This commitment to gender balance is expressed by the percentage of women, which stands at 50% of the Board of Directors, 40% of the Executive Committee and 35% of the 10% of positions considered to carry the "greatest responsibility".

TRAINING OF DIRECTORS

In the context of the introduction of new Directors, and pursuant to the AFEP-MEDEF Code recommendation relating to the training of Directors, documentation on the key subjects of the company (a "Director's kit") has been distributed to the latter.

Meetings with the members of the Company's Executive Committee were also organized in 2019 for the Directors.

In addition, a budget was allotted for the training of Directors and the use of external consultants by the Board of Directors and its Committees. To this end, in 2019, as part of a conference cycle, several evening debates were organized for the Directors and the main corporate officers, with the involvement of external experts, on matters of relevance to Gecina.

INDEPENDENT DIRECTORS

Each year, after seeking the opinion of the Governance, Appointment and Compensation Committee, the Board of Directors reviews the status of each of its members in relation to the independence criteria listed in article 8 of the AFEP-MEDEF Code, namely:

Criterion 1: Employees and corporate officers during the preceding five years

Must not be, or have been during the preceding five years:

- an employee or executive corporate officer of the company;
- an employee, executive corporate officer or Director of an entity consolidated by the company;
- an employee, executive corporate officer or Director of the parent company of the company or a company consolidated by said parent company.

Criterion 2: Inter-related offices

Must not be an executive corporate officer of a company in which the company directly or indirectly holds a Director mandate, or in which an employee who has been appointed as such or an executive corporate officer of the company (currently or at any time in the last five years) holds a Director mandate.

Criterion 3: Significant business relationships

Must not be a client, supplier, investment banker, commercial banker or adviser:

- of significance to the company or its Group;
- or for which the company or its Group represent a significant amount of business.

The assessment of the nature (significant or not significant) of the relationship between the company or its Group is made by the Board on the basis of quantitative and qualitative criteria (e.g. continuity, economic dependence, exclusivity, etc.), as set out in the corporate governance report.

Criterion 4: Family ties

Must not have any close family ties with a corporate officer.

Criterion 5: Statutory Auditors

Must not have served as a Statutory Auditor for the company at any time in the last five years.

Criterion 6: Term of office exceeding 12 years

Must not have been a Director of the company for more than 12 years. The loss of independent Director status occurs on the 12th anniversary.

Criterion 7: Status of non-executive corporate officer

A non-executive corporate officer cannot be considered independent if he/she receives variable compensation in cash or securities or any performance-based compensation from the company or the Group.

Criterion 8: Status of major shareholder

Directors representing major shareholders of the company or its parent company may be considered independent provided these shareholders are not actively involved in the control of the company. However, if Directors hold more than 10% of the share capital or voting rights, the Board, acting on the basis of a report issued by the Governance, Appointment and Compensation Committee, must systematically investigate compliance with the independence criteria, taking account of the shareholder structure of the company and the existence of any potential conflicts of interest.

Criteria ⁽¹⁾	Criterion 1: Employees and corporate officers during the preceding 5 years	Criterion 2: Inter- related offices	Criterion 3: Significant business relationships	Criterion 4: Family ties	Criterion 5: Statutory Auditors	Criterion 6: Term of office exceeding 12 years	Criterion 7: Status of non- executive corporate officer	Criterion 8: Status of major shareholder	Classification made by the Board of Directors
Mr. Bernard Carayon	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Ms. Méka Brunel	x	x	✓	✓	✓	✓	✓	✓	Not independent
Ms. Laurence Danon Arnaud	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Predica									Not independent
Mr. Jean-Jacques Duchamp	✓	✓	✓	✓	✓	x	✓	x	
Ms. Dominique Dudan	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Ivanhoé Cambridge Inc.									Not independent
Mr. Sylvain Fortier	✓	✓	✓	✓	✓	✓	✓	x	
Ms. Gabrielle Gauthey	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Mr. Claude Gendron	✓	✓	✓	✓	✓	✓	✓	x	Not independent
Mr. Jacques-Yves Nicol	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Ms. Inès Reinmann Toper	✓	✓	✓	✓	✓	✓	✓	✓	Independent

(1) In this table, ✓ represents a criterion of independence that is fulfilled, and x represents a criterion of independence that is not.

ATTENDANCE OF THE DIRECTORS AT MEETINGS OF THE BOARD OF DIRECTORS AND THE COMMITTEES IN 2019

	Attendance at Board of Directors' meetings	Attendance at Strategic and Investment Committee meetings	Attendance at Audit and Risk Committee meetings	Attendance at Governance, Appointment and Compensation Committee meetings
Mr. Bernard Carayon Chairman of the Board of Directors	100%	100%	N/A	N/A
Ms. Méka Brunel Director, Chief Executive Officer	100%	100%	N/A	N/A
Ms. Laurence Danon Arnaud Director	100%	N/A	100%	100%
Mr. Jean-Jacques Duchamp (Predica) Director	100%	83%	80%	N/A
Ms. Dominique Dudan Director	100%	N/A	100%	N/A
Mr. Sylvain Fortier (Ivanhoe Cambridge Inc.) Director	86%	100%	N/A	N/A
Ms. Gabrielle Gauthey Director	100%	N/A	100%	N/A
Mr. Claude Gendron Director	100%	N/A	100%	100%
Mr. Jacques-Yves Nicol Director	100%	N/A	N/A	N/A
Ms. Inès Reinmann Toper Director	100%	N/A	80%	100%

N/A: not applicable.

SHARES HELD BY DIRECTORS

As stated in the internal regulations of the Board of Directors applicable during the financial year 2019, each Director must own at least 40 shares in the company for the duration of his or her term in office. In order to increase the alignment of interests between the shareholders of the company and its Directors, the Board of Directors at its meeting on February 19, 2020, adopted a revised version of its internal regulations, which stipulates in particular that each Director who receives compensation for this role must from now on own a number of shares of the company equivalent to one year of his/her share of remuneration (per the calculation methods to be determined).

Directors are responsible for reporting to the French Financial Markets Authority (Autorité des marchés financiers – AMF) within three trading days and with a copy addressed to Gecina, any transactions involving company shares or any other security issued by the company, carried out directly or through a third party on their own behalf or for any other third party under a mandate not applying to third party management services. Transactions carried out by people with close links to the Directors as described by the applicable regulations are also concerned. This reporting obligation applies only when the total sum of transactions carried out over the course of the calendar year exceeds €20,000.

A summary of the transactions carried out in 2019 by managers and/or people to whom they are closely linked, involving company shares, is presented below:

Declarer	Financial instruments	Type of transaction	Number of transactions	Transaction amount (in euros)
Predica SA, member of the Board of Directors	Shares	Acquisition	8	33,313,260.82
Utah Investment Sarl legal entity linked to Ivanhoé Cambridge Inc., Director	Shares	Pledge	1	0.00
Juno Investment Sarl legal entity linked to Ivanhoé Cambridge Inc., Director	Shares	Pledge	1	0.00
Omaha Investment Sarl legal entity linked to Ivanhoé Cambridge Inc., Director	Shares	Pledge	1	0.00
Nicolas Dutreuil, member of the Executive Committee	Shares	Acquisition of performance shares	1	0.00
Thibault Ancely, Member of the Executive Committee	Shares	Acquisition of performance shares	1	0.00

RULES ABOUT MULTIPLE OFFICES

The internal regulations of the Board of Directors (article 2), in compliance with the recommendations of the AFEP-MEDEF Code and the applicable provisions in terms of the numbers of corporate officers and Directors, states that:

"Directors should devote the necessary time and attention to their duties and participate, as much as possible, in all Board meetings and, as applicable, in the meetings of the Committees to which they belong. A Director shall not hold more than four other offices in listed companies external to the Group, including foreign ones. Where a Director exercises executive functions in the company, such Director must devote his/her time to the management of the company and shall not hold

more than two other directorships in listed companies external to his/her Group, including foreign ones. He/she shall seek the approval of the Board before accepting another corporate office in a listed company."

Furthermore, the Directors' charter (article 16), which is an appendix to the Board of Directors' internal regulations, specifies that *"The Director undertakes, for any new office of any kind, inside the Group, a French or foreign company, to contact the Chairman of the Board of Directors or the Secretary of the Board of Directors, in order to inform him/her, as necessary, of the conditions for compliance with the regulation applicable to the holding of multiple offices and the principles stemming from this charter."*

4.1.2 Executive Management procedures

4.1.2.1 SEPARATION OF THE DUTIES OF CHAIRMAN OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

The Board of Directors considers that the separation of duties is the most suitable form of governance for the company's activity, as it helps to strengthen Strategic and Control functions at the same time as the Operational functions. It should also strengthen governance and allow a better balancing of powers between the Board of Directors on the one hand and the CEO on the other.

4.1.2.2 ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board takes care to develop and maintain a close and regular relationship between the Board and the Executive Management, to guarantee the continuity and consistency of its implementation of the plans set out by the Board.

He is regularly updated by Executive Management on significant events and situations pertaining to the Group and in particular with regard to its strategy, organization, monthly financial reporting, major investment and divestment projects, and major financial transactions. He may request from Executive Management or the Executive Directors of the company, informing the Chief Executive Officer as such, any information required to guide the Board of Directors and its Committees in the performance of their duties.

In the event of a proven failure by or within any of the company's bodies, the Chairman of the Board shall take the necessary steps to remedy the situation as quickly as possible.

He alone may speak on behalf of the Board, except in exceptional circumstances where a specific mandate has been given to another Director.

During the 2019 financial year, no specific duties, other than those provided for by law, were carried out by Mr. Bernard Carayon, Chairman of the Board of Directors.

4.1.2.3 POWERS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer has the broadest powers to act in the company's name under any and all circumstances.

As an internal measure and pursuant to the provisions of article 4.1.2 of the internal regulations, the Board of Directors has set limits to the CEO's powers.

Accordingly, pursuant to article 4.1.2 of the Board of Director's internal regulations and the law, the Chief Executive Officer may not grant any endorsement, deposit or guarantee to third parties without the express prior authorization of the Board of Directors. The revised version of the Board's internal regulations adopted by the

Board of Directors at its meeting on February 19, 2020 also stipulates that the Chief Executive Officer must, in particular, obtain the authorization of the Board of Directors for any significant decision beyond certain thresholds and/or outside the framework of the annual budget and/or the strategic business plan as approved by the Board or for any decision amending them, or for any decision to issue marketable securities likely to lead to a change in the share capital of the company.

Authorizations for guarantees, endorsements and deposits – article L. 225-35 of the French Commercial Code

The Board of Directors' meeting of February 19, 2019 renewed the authorization given to the CEO, with an option to subdelegate such powers, to issue, on behalf of Gecina, deposits, endorsements and guarantees, for the duration of the commitments guaranteed (i) for up to €1.65 billion on behalf of its subsidiaries, (ii) for up to €50 million on behalf of third parties, and (iii) without limit for guarantees made to tax and customs authorities, and to continue with any deposits, endorsements and guarantees granted previously.

Commitments made by Gecina in previous financial years, which were still in effect as of December 31, 2019, represented a total of €184 million.

4

4.1.3 Conditions for the preparation and organization of the Board of Directors' work

The procedures for the Board of Directors' organization and operation are governed by the company's bylaws and by the internal regulations of the Board of Directors. These internal regulations were adopted by the Board of Directors on June 5, 2002 and are regularly reviewed by the Board of Directors. They, as well as the appendices mentioned below, have been amended whenever necessary to reflect the regulatory context, marketplace recommendations and changes in corporate governance. The latest revision of the internal regulations and appendices were approved by the Board of Directors on February 19, 2020.

Attached to these regulations are: the Director's charter, the charter of the representative of the Company and Economic Committee on the Board of Directors and the internal regulations of the Governance, Appointment and Compensation Committee, of the Audit and Risk Committee, and of the Strategic and Investment Committee, and, from February 19, 2020, of the Compliance and Ethics Committee and the Corporate Social Responsibility (CSR) Committee.

Some sections of the Board of Directors' internal regulations (per the version adopted on February 19, 2020) are reproduced in this report. They are also available on the company's website, in accordance with AMF recommendation 2012-02 as updated.

4.1.3.1 ROLE OF THE BOARD OF DIRECTORS

In accordance with article 3 of its internal regulations, the Board of Directors:

- determines the orientations of the company's activity and ensures that they are implemented in accordance with the interests of the company, whilst taking into account the social and environmental challenges of its business;
- addresses any issues relating to the effective performance of the company and, through its deliberations, resolves any issues affecting said performance and carries out any controls and checks that it deems appropriate;
- is kept regularly informed about changes in the Group's activities and property holdings, as well as its financial situation and cash flow. It is also informed about any significant commitments made by the Group;
- reviews and approves prior to their implementation, as an internal measure, the deeds, transactions and commitments that fall under the restrictions to the powers of the Chief Executive Officer, defined and set out in article 4.1.2. of its internal regulations (see section 4.1.2 above);
- at the time of each renewal or appointment of a member of the Board, conducts an evaluation of his/her independence with regard to the independence criteria set out in article 8 of the AFEP-MEDEF Code,

the specific circumstances, and the situation of the interested party in relation to the company;

- at least once a year, before the publication of the corporate governance report, performs an evaluation of the independence of each of its members. In the course of this evaluation, the Board, having received the opinion of the Governance, Appointment and Compensation Committee if applicable, reviews the qualification of each of its members on a case-by-case basis with regard to the independence criteria set out in article 8 of the AFEP-MEDEF Code, the specific circumstances, and the situation of the interested party in relation to the company. The conclusions of this evaluation are brought to the attention of shareholders in the corporate governance report;
- in coordination with the Governance, Appointment and Compensation Committee, which will consult with the other committees concerned, defines a *raison d'être*;
- is kept informed of developments in the markets, the competitive environment and the main issues facing the company, including in the area of social and environmental responsibility;
- ensures, in conjunction with the Compliance and Ethics Committee, which may consult with the other Committees concerned, the implementation within Gecina and its Group (i) of a system for the prevention and detection of corruption and influence peddling; (ii) of procedures for collecting reports from and protecting whistleblowers; and (iii) of procedures allowing compliance with the obligations relating to the transparency of relations between the representatives of interests and the public authorities;
- reviews the company's financial communication policy as well as the quality of information supplied to shareholders and to financial markets in the form of financial statements or on the occasion of major transactions;
- approves a corporate officer compensation policy subject to a draft resolution submitted for approval by the Shareholders' General meeting in accordance with the applicable regulations;
- deliberates annually on the company's policy with respect to professional and wage equality, in accordance with the applicable legal provisions.

As part of the exercise of their duties, the Committees and the Directors are entitled to meet with the company's Executive Committee, in the presence or absence of the CEO and of the Chairman of the Board of Directors, after submitting a prior request to the Chairman of the Board of Directors and informing the CEO thereof. It is specified that this option is automatically available to the Audit and Risk Committee and that this Committee is not required

to request it from the Chairman of the Board of Directors or to inform the CEO thereof.

Directors can organize work meetings on specific subjects in order to prepare, if necessary, Board of Directors' meetings, including without the presence of the CEO or the Chairman. In this case, the Chairman or the CEO shall be informed thereof in advance.

Furthermore, the Board of Directors:

- undertakes to promote the long-term creation of value by the company taking account of the social and environmental challenges of its activities. It proposes, where applicable, any statutory changes that it deems appropriate;
- regularly examines, in line with the strategy it has defined, opportunities and risks such as financial, legal, operational, social and environmental risks, and the measures taken in response to these. To this end, the Board of Directors shall receive all the information necessary to the performance of its role, notably from the corporate executive officers;
- also ensures that the executive corporate officers adhere to an anti-discrimination and diversity policy, particularly with regard to a balanced representation of gender within its executive bodies.

4.1.3.2 ORGANIZATION AND FREQUENCY OF BOARD OF DIRECTORS' MEETINGS

The Board of Directors meets whenever necessary and at least four times a year, these meetings being normally convened by its Chairman. The Directors making up at least one third of the members of the Board of Directors may, upon indicating the agenda of the meeting, convene the Board at any time. The Chief Executive Officer may also ask the Chairman to convene a Board Meeting on a specific agenda. Decisions are taken by a majority vote expressed by the members present or represented. In the event of a tie, the Chairman of the Meeting does not have a casting vote.

Article 14 of the bylaws and article 6 of the Board's internal regulations allow Directors to meet and take part in the Board's deliberations using video-conferencing or telecommunications facilities, or any other means provided for under French law. They are then deemed to be present for the calculation of the quorum and the majority. This method of meeting is not permitted for the adoption of the decisions described in articles L.232-1 and L.233-16 of the French Commercial Code, namely approval of the annual financial statements and the management report and approval of the consolidated financial statements and the Group management report and the issuing of the half-year company and consolidated accounts.

Number of meetings and average attendance rate for the 2019 financial year

Type of meetings	Number of meetings	Average attendance rate
Board of Directors	7	99%
Strategic and Investment Committee	6	96%
Audit and Risk Committee	5	93%
Governance, Appointment and Compensation Committee	5	100%

4.1.3.3 ACTIVITIES OF THE BOARD OF DIRECTORS IN 2019

In addition to the performance by the Board of Directors of its duties in accordance with the provisions of the law and market recommendations, 2019 was notably marked by the consolidation of the strategy via implementation of, amongst others, the continued re-centering of the property portfolio and the deployment of YouFirst, the Group's client-centered relational brand.

The Board met seven times, with an average attendance rate of 99%.

Monitoring of the Group's routine management

The Board of Directors is regularly informed about changes in the Group's activities and property holdings, as well as its financial position and cash flow. To this end, the Executive Management presents an overview of the Group's business (landing forecast, rental management, disposals and investments, financing and overheads) at each Board of Directors' meeting.

During 2019, the Board of Directors established the Group's 2018 annual and consolidated financial statements, the consolidated financial statements for the period ended June 30, 2019, reviewed business at March 31 and September 30, 2019, and established management forecasts, press releases as well as the annual and half-year financial reports and the Registration Document. It monitored the implementation of the budget for the 2019 financial year.

The Board of Directors also renewed the authorization given to the CEO to grant deposits, endorsements and guarantees on behalf of the company within the limits restated above (see paragraph 4.1.2.3).

Pursuant to article L. 225-40-1 of the French Commercial Code, the Board of Directors, after reviewing the related-party agreements signed and authorized in prior years whose performance continued in 2018, duly noted the continuation of these agreements.

Governance

In line with actions undertaken since 2014, the Board of Directors confirmed its intention to follow the recommendations of the AFEP-MEDEF Code and the AMF, in particular regarding the appointment of independent Directors, gender representation and the expertise of Directors (see the diversity policy described in paragraph 4.1.1).

At its meeting on April 17, 2019, held at the end of the Annual General Meeting, the Board of Directors confirmed, following the renewal of their mandate as Directors, Ms. Dominique Dudan as a member of the Audit and Risk Committee and the company Predica, represented by Mr. Jean-Jacques Duchamp, as a member of the Audit and Risk Committee and the Strategic and Investment Committee. These renewals enable the Board of Directors to maintain perfect parity between its male and female members, to benefit from extensive, varied and complementary expertise and to maintain the rate of independent Directors at 60% (in accordance with the independence criteria set out in the AFEP-MEDEF Code).

With respect to compensation, the Board of Directors expressed its opinion on the various compensation elements concerning Ms. Méka Brunel, Chief Executive Officer, and the Directors (see paragraph 4.2). In this respect, the Board of Directors, assisted by the Governance, Appointment and Compensation Committee ensured compliance with the provisions of the AFEP-MEDEF Code and the AMF recommendations on executive and Directors' compensation.

Authorization for real estate acquisition/development and disposal transactions in line with the defined strategy

The Board of Directors has consolidated the implementation of the strategy by continuing to recenter the Group's property portfolio through disposals of mature or non-strategic assets (hotels and warehouses located outside Paris, etc.).

To this end, it ruled on a variety of property disposals and investing activities.

The Board of Directors meeting of December 10, 2019 decided, after consulting the Company and Economic Committee, to implement the carve-out of the Residential division of the company. The final execution of this operation will be subject to shareholder approval at the 2020 Annual General Meeting.

This carve-out is an opportunity for Gecina to develop its property portfolio of rental housing units in the most central areas of Grand Paris, as well as in the major French metropolises.

In due course, it will allow the capital of this subsidiary, the control of which will be retained by Gecina, to be opened up, enabling future investors to benefit from the Group's experience.

Continuing the CSR and innovation strategy

The Board of Directors continued its reflection as part of its policy of innovation and corporate social responsibility, by allowing, among other things, Gecina to strengthen its role as a benchmark in terms of societal contribution, celebrated by the awarding of several recognized labels.

The Board of Directors also reviewed the 2018 report on the comparative situation as presented to it by the Executive Director of Human Resources, and duly noted the company's policy with respect to professional and wage equality.

The Directors constantly seek to take corporate social responsibility issues into account during the decisions of the Board of Directors.

In order to strengthen their involvement in these fundamental issues, the members of the Board of Directors decided on February 19, 2020 to establish a Corporate Social Responsibility Committee.

Risk management and monitoring of disputes

The Board of Directors, assisted by the Audit and Risk Committee, has continued to ensure the existence of reliable procedures for identifying, controlling and evaluating the company's commitments and risks. In this respect, the work of the Audit and Risk Committee in this area has been extensively reported to the Board of Directors.

4.1.3.4 BOARD OF DIRECTORS' COMMITTEES IN 2019

To ensure the quality of work of Gecina's Board of Directors and help it in the exercise of its responsibilities, three specialized Committees comprising representatives of the principal shareholders and independent Directors were established by the Board of Directors:

- the Strategic and Investment Committee;
- the Audit and Risk Committee;
- the Governance, Appointment and Compensation Committee.

The internal regulations of each of these Committees specify their operating principles and roles.

The Committees systematically submit an executive summary of their findings to the Board of Directors.

Furthermore, the Committees may call upon any expert of their choice to assist them in their duties (after having informed the Chairman of the Board of Directors or the Board of Directors itself), at the expense of the company. The Committees shall verify, where applicable, the objectivity, competence and independence of said expert.

In order to reinforce the adjustment of the company's governance to legislative and regulatory developments and to the new challenges arising therefrom, the Board of Directors decided on February 19, 2020 to establish a Compliance and Ethics Committee and a Corporate Social Responsibility Committee. The tasks of the Compliance and Ethics Committee shall be to review and monitor the policies of the Gecina Group in terms of compliance and ethics, as well as the mechanisms and procedures in place to implement them and to give its opinion on these topics to the Board of Directors. The tasks of the Corporate Social Responsibility Committee shall be to provide advice and recommendations to the Board of Directors on the commitments and orientations of Gecina's CSR policy and their consistency with the expectations of the stakeholders, to monitor their deployment and, more generally, to take CSR topics into account in the Gecina strategy and its implementation.

Strategic and Investment Committee

4 members, of whom 1 independent:	Number of meetings in 2019	Participation rate in 2019
■ Ivanhoé Cambridge Inc., represented by Mr. Sylvain Fortier, Chairman of the Committee	6	96%
■ Ms. Méka Brunel		
■ Mr. Bernard Carayon ⁽¹⁾		
■ Predica, represented by Mr. Jean-Jacques Duchamp		

(1) Independent member.

Main duties	<p>The Committee:</p> <ul style="list-style-type: none"> ■ reviews the strategic projects presented by Executive Management, including their economic and financial consequences (budget, financing structure, including cash flow forecasts); ■ provides guidance to the Board through its analysis of the strategic plans submitted to it by Executive Management, on developments and the progress of ongoing significant transactions; ■ examines information on market trends, reviews the competition and the resulting medium- and long-term outlook; ■ examines the company's long-term development projects specifically with respect to external growth, especially those concerning acquisitions or divestments of subsidiaries, equity interests, real estate assets or other important assets, in investment or divestment as well as financial transactions likely to have a material impact on the balance sheet structure; ■ evaluates the corporate social responsibility policies proposed by Executive Management and ensures the integration of such policies in the company's strategy. It also monitors their development and improvement to guarantee the company's growth. <p>More generally, it gives an opinion on any subject that falls within the scope of matters referred to its attention or likely to be referred to its attention.</p>
2019 work	<p>During these meetings, the Committee notably:</p> <ul style="list-style-type: none"> ■ examined the annual, half-year and quarterly financial statements and reviewed the dividend distribution policy; ■ issued recommendations in relation to various acquisition, disposal and asset development projects following an in-depth examination of their economic, financial and strategic consequences; ■ received information from the Executive Management regarding the strategic orientations and the deployment of the YouFirst brand; ■ ensured the proper monitoring of the Group's CSR and innovation policy; ■ checked the execution of the 2019 budget and analyzed the 2020 budget proposal; ■ studied and analyzed the carve-out project of the Residential division and issued recommendations.

Audit and Risk Committee

The Chair of the Committee has a casting vote in the event of a tie.

All members have specific expertise in financial or accounting matters, presented in greater detail under section 4.1.1.

**6 members, of whom 4 independent
and no executive corporate officers:**

	Number of meetings in 2019	Participation rate in 2019
■ Ms. Gabrielle Gauthey ⁽¹⁾ , Chairwoman of the Committee	5	93%
■ Ms. Laurence Danon Arnaud ⁽¹⁾		
■ Ms. Dominique Dudan ⁽¹⁾		
■ Mr. Claude Gendron		
■ Predica, represented by Mr. Jean-Jacques Duchamp		
■ Ms. Inès Reinmann Toper ⁽¹⁾		

(1) Independent members.

The Committee operates and performs its tasks in accordance with Articles L. 823-19 and L. 823-20 of the French Commercial Code (transposing the EU Directive of May 17, 2006), the AFEP-MEDEF Code, the work of the IFA and the Ifaci, and specifically the work of the EPRA.

Main duties	<p>The Committee gives the Board of Directors its opinions and recommendations on:</p> <ul style="list-style-type: none"> ■ the financial reporting preparation process; ■ the review of individual and consolidated financial statements and financial reporting; ■ the review of the budget and business plans; ■ the process for appointing Statutory Auditors, reviewing their fees, monitoring their independence (including the pre-approval of the provision of services other than certification of accounts), and the performance of their legal audit duties with respect to the annual and consolidated financial statements; ■ the process for appointing appraisal experts and the performance of their engagement; ■ financial policy and financing plans; ■ risk mapping, quality, internal control and their effectiveness; ■ the operation and assignments of Internal Audit; ■ the main risks linked to sensitive judicial cases/proceedings. <p>More generally, it gives an opinion on any subject that falls within the scope of matters referred to its attention or likely to be referred to its attention.</p> <p>As part of its work, the Committee ensures that the timelines for the provision and review of the financial statements are sufficient.</p>
2019 work	<p>During these meetings, the Committee notably:</p> <ul style="list-style-type: none"> ■ examined the results of the appraisals of the property assets as of December 31, 2018 and June 30, 2019, the annual and consolidated financial statements for the 2018 financial year and the consolidated financial statements at June 30, 2019, reviewed business at March 31 and September 30, 2019, and examined the situation of financing and hedging plans. On these occasions, it examined the clarity and reliability of the information communicated to shareholders and to the market by reviewing the draft press releases. It studied the management report; ■ conducted a review of rental, legislative, financial, technological and fraud risks, and risks related to cybersecurity and CSR; ■ determined and implemented a selection process for property appraisers; ■ examined the work plan, the Internal Audit reports and the financing, hedging and banking relations plan. At these meetings, Internal Audit submitted presentations on its review of off-balance sheet commitments and risk mapping. The Committee also reviewed the draft analysis of risk exposure and performed an in-depth analysis of certain risks and certain aspects of internal control. In addition, it was kept informed of changes in sensitive judicial cases/procedures in order to examine associated risks and provisions, where applicable; ■ examined the risks and the accounting and financial treatment of significant acquisition and disposal transactions. The Committee also examined the impacts and risks associated with the share buyback program; ■ reviewed the budget for the Statutory Auditors and verified the independence thereof, having specifically in this respect, and in accordance with applicable regulations, granted pre-approval of the duties and services, other than certification, assigned to the Statutory Auditors. Statutory Auditors systematically participate in the Committee's work relating in particular to the different presentations of accounts, and presented to the Committee the results of the legal audit, the review of certain aspects of internal control and the recommendations issued as well as the selected accounting options. Furthermore, the Committee held an in-depth Meeting with the Statutory Auditors, without the presence of management; ■ studied and analyzed the carve-out project of the Residential division and in particular the risks associated with this carve-out and issued recommendations.

Governance, Appointment and Compensation Committee

The Chair of the Committee has a casting vote in the event of a tie.

3 members, 2 of whom are independent:	Number of meetings in 2019	Participation rate in 2019
■ Ms. Inès Reinmann Toper ⁽¹⁾ , Chairwoman of the Committee	5	100%
■ Ms. Laurence Danon Arnaud ⁽¹⁾		
■ Mr. Claude Gendron		

⁽¹⁾ Independent members.

Main duties	<p>The Committee:</p> <ul style="list-style-type: none"> ■ reviews the operation of the Board of Directors and its Committees and makes proposals to improve corporate governance; ■ leads discussions on the Committees in charge of preparing the Board of Directors' work; ■ supervises the Board of Directors' assessment procedure; ■ examines the structure of the company's executive bodies and prepares a succession plan for corporate officers and Directors; ■ makes proposals to the Board of Directors on all aspects of officers' compensation. <p>The Committee may invite officers and executives of the company and its subsidiaries, Statutory Auditors and, more generally, any person who may be of assistance in achieving its goals, to its meetings.</p>
2019 work	<p>At these meetings, the Committee addressed various issues related to governance, appointment and compensation.</p> <p>With regard to governance and appointments, the Committee notably:</p> <ul style="list-style-type: none"> ■ examined the independence of the Directors and expressed an opinion on those Directors who may qualify as being independent; ■ recommended the renewal of the directorships expiring after having reviewed the diversification of the structure of the Board of Directors in terms of gender balance and skills; ■ noted the report on the evaluation of the Board of Directors and Committees carried out by an external firm and issued recommendations; <p>With regard to compensation, the Committee notably:</p> <ul style="list-style-type: none"> ■ examined the elements of the compensation of Ms. Méka Brunel, CEO. In this respect, the Committee ensured compliance with the principles laid down in the AFEP-MEDEF Code: exhaustiveness, balance between compensation elements, comparability, coherence, intelligibility of rules and measure; ■ reviewed draft press releases related to the elements of the compensation of executive corporate officers which were made public immediately after the Board meeting at which they were approved; ■ was informed of the compensation policy for key non-executive corporate officers; ■ debated the use of the budget for and the calculation method of compensation of Directors in respect of 2019; ■ noted the company's Human Resource policy and its professional gender equality policy, as well as the reorganization of the Human Resources Department following the arrival of the new Executive Director of Human Resources; ■ studied and analyzed, from a company perspective, the carve-out project of the Residential division and issued recommendations. <p>Over the course of the 2019 financial year, the Chairman of the Board of Directors was invited to attend certain Committee meetings. Similarly, the Chief Executive Officer was invited to attend certain Committee meetings that covered, in particular, the compensation of Executive Committee members and the study of the planned carve-out of the Residential division.</p>

4

4.1.3.5 EVALUATION OF THE BOARD OF DIRECTORS' WORK AND THE PERFORMANCE OF EXECUTIVE MANAGEMENT

The rules for evaluating the Board of Directors' work are defined in its internal regulations (article 7):

- annual discussion of its operating principles and those of its Committees;
- regular discussion on the desired balance of its structure and that of its Committees, particularly in terms of diversity (representation of women and men, nationalities, age, qualifications and professional experience);
- formal evaluation performed at least every three years, which may be implemented, under the direction of the

Governance, Appointment and Compensation Committee, with the assistance of an external consultant.

Pursuant to the decision of the Board of Directors, the assessment of its work and that of its Committees in 2019 was carried out by the Board Secretariat.

In this context, a questionnaire, prepared by the Board Secretariat and approved by the Governance, Appointment and Compensation Committee was sent to each of the Directors.

The questionnaire focused on the following topics:

- the size and structure of the Board of Directors;
- the organization and operation of the Board of Directors;
- the areas of competence of the Board of Directors and its working methods;
- relationships between the Board of Directors and the Executive Management Team;
- risk management;
- organization and operation of Committees;
- Directors' compensation;
- personal assessment of governance,
- assessment of the individual contribution of Directors;
- the expectations of Directors.

Once the questionnaires completed by the Directors were received, a report was prepared and presented to the Governance, Appointment and Compensation

Committee, then to the Board of Directors. An item was placed on the agenda of these meetings.

Through this assessment, the Directors expressed their satisfaction, particularly in the following areas:

- the compliance of the Board's operation with corporate governance rules;
- the composition, skills, and attendance within the Board;
- the efficiency of the Board Secretariat;
- the effective organization and functioning of the Board and the various Board Committees, and the successful completion of their duties;
- the active contribution of each member of the Board;
- the high quality, in both substance and form, of files presenting strategic decisions submitted to the Board;
- the organization of strategic seminars and dinner parties, during which stakeholders (external experts) lead discussions on matters of relevance to Gecina.

4.1.4 Conflicts of interest among the administrative bodies and Executive Management

The internal regulations of the Board of Directors and the Directors' charter, in accordance with the AFEP-MEDEF recommendations, in the new version adopted by the Board of Directors on February 19, 2020, set out the rules to be followed by Directors in the area of prevention and management of conflicts of interests.

Article 2 of the Board of Directors' internal regulations states that *"The Director, even if only indirectly concerned, shall inform the Board of any situations of conflict of interest, even potential, and shall refrain from attending the debate and participating in the vote on the corresponding deliberation. The Director may, in the event of doubt or questions about the rules for the prevention and management of conflicts of interest, consult the Chairman of the Board or the Secretary of the Board, who shall inform the Chairman of the Board."*

Article 14 of the Directors' charter provides further clarity on the issue by stating that: *"The Director undertakes to ensure that the interests of the company and of all its shareholders prevail under all circumstances over direct or indirect personal interests."*

Any Director who may, even potentially, whether directly or through an intermediary, be in a conflict of interest situation with respect to the corporate interest, owing to the duties that he or she performs and/or the interests that he or she has elsewhere, undertakes to inform the Chairman of the Board of Directors or any person designated by said Chairman.

In the event of a conflict of interests, even potential conflicts, the Director shall refrain from participating in the debates and decision-making on the issues

concerned under the conditions set out by the internal regulations of the Board. This rule shall be waived if all Directors have to abstain from taking part in the vote owing to the application of this rule.

Pursuant to the law, each Director shall communicate to the Chairman of the Board any agreement to be concluded directly or through an intermediary, with the company or its subsidiaries, except where the agreements relate to transactions that are routine and concluded under normal conditions.

Regarding a legal entity that is a Director, the agreements concerned are those concluded with the company itself and the companies that it controls, or which control it, as defined by article L. 233-3 of the French Commercial Code. The same applies for agreements by which the Director is indirectly concerned.

The Director may, for any ethical issue, even occasional, consult the Chairman of the Board of Directors or the Secretary of the Board, who will inform the Chairman of the Board of Directors."

Each year, the Governance, Appointment and Compensation Committee devotes a point of its agenda to reviewing potential situations of conflict of interest.

For transactions for which there could be a conflict of interests (acquisition, disposal of assets, etc.), the Board of Directors ensures that the aforesaid rules are strictly followed. Furthermore, the information or documents linked to such transactions are not disclosed to the Directors in such situations of conflicts of interests, even potential ones.

To Gecina's knowledge:

- no member of the Board of Directors has been convicted of fraud in the last five years;
- none of its members have held senior positions in companies subject to bankruptcy, receivership or liquidation proceedings in the last five years and no one has been under arraignment and/or been the object of official public sanctions levied by a statutory or regulatory authority;
- none of these members have been prohibited by a Court from serving as a member of an administrative, executive, or supervisory body of an issuer or from being involved in the management of an issuer during the last five years.

To Gecina's knowledge, (i) there exist no arrangements or agreements entered into with the major shareholders, clients, suppliers or other parties, by virtue of which any of the Directors were selected, (ii) there exist no restrictions other than those, where applicable, mentioned in section 4.3, accepted by the corporate officers concerning the sale, within a certain period of time, of stake(s) in the share capital, (iii) there exist no service contracts linking members of the administration bodies to Gecina or to any of its subsidiaries providing for the granting of benefits at the end of such a contract.

To the company's knowledge, there is no family link among (i) members of the Board of Directors, (ii) corporate officers of the company and (iii) between the persons referred to under (i) and (ii).

4.1.5 Related-party agreements

AGREEMENTS AND COMMITMENTS AUTHORIZED DURING THE YEAR

No agreement or commitment was submitted for the approval of the Board of Directors during the 2019 financial year.

AGREEMENTS AND COMMITMENTS APPROVED IN PREVIOUS YEARS WHICH REMAINED IN FORCE DURING THE FINANCIAL YEAR

Pursuant to the provisions of article L. 225-40-1 of the French Commercial Code, the agreements and undertakings mentioned above approved in previous financial years and which continued to be performed during the financial year were reviewed by the Board of Directors' meeting of February 19, 2019, which duly noted the continuation of these agreements and commitments, as well as by the Board of Directors' meeting of February 19, 2020.

Agreement defining the terms and conditions of the severance pay, in the event of the termination of the duties of Ms. Méka Brunel as Chief Executive Officer

The Board of Directors on January 6, 2017, authorized, pursuant to article L. 225-38 of the French Commercial Code, the conclusion of an agreement defining the terms and conditions of the severance pay, in the event of the termination of the duties of Ms. Méka Brunel as Chief Executive Officer. The terms of this agreement can be summarized as follows:

- severance pay granted to Ms. Méka Brunel in the event of forced departure. The amount of the payment is based on her seniority as CEO of the company. For seniority of more than two years, the amount of severance pay will be a maximum of 200% of her total

gross compensation in respect of her position as CEO (fixed + variable) for the preceding calendar year;

- payment will be subject to the fulfilment of the performance conditions set forth below;
- the severance payment will be made at 100% only if the average of the bonuses for the last two years (Y-1 and Y-2) ended before termination is equal to or greater than the target bonus.

Performance conditions	Severance pay
Average of the bonuses for years Y-1 and Y-2 ≥ target bonus	100%
Average of the bonuses for years Y-1 and Y-2 ≥ 80% target bonus	80%
Average of the bonuses for years Y-1 and Y-2 ≥ 70% target bonus	50%
Average of the bonuses for years Y-1 and Y-2 < 70% target bonus	No severance pay

It is the duty of the Board of Directors to check that these performance-related criteria are satisfied, with the understanding that the Board of Directors may take into account exceptional events that occurred during the year.

The prior authorization of the Board of Directors was based on the fact that this agreement was in the company's interests.

This agreement was approved by the Shareholders' General Meeting of April 26, 2017.

Procedure for evaluating routine agreements

In accordance with article L. 225-39 of the French Commercial Code, the meeting of the Board of Directors of February 19, 2020 approved the procedure set up within the Company to regularly assess whether the agreements relating to routine transactions concluded under normal conditions correctly fulfil these conditions.

The procedure adopted by the Board of Directors is essentially based on the following principles:

- at the time of the conclusion, renewal or amendment of the transactions to which the Company is a party, assessing and identifying by the Finance Department and the Company Secretary the concept of a routine transaction and the approved normal conditions, in particular with regard to:
 - the company's corporate purpose,
 - the nature and importance of the transaction,
 - the company's business activity and its usual practices,
 - the usual conditions in place;
- excluding persons directly or indirectly concerned by the assessment process;
- consulting the auditors of the company;
- integrating the review of routine agreements into the Group's internal monitoring system under the responsibility of the Risk and Internal Audit Department;
- presenting annually the agreements identified as involving routine transactions concluded under normal conditions to the Audit and Risk Committee, then to the Board of Directors.

4.1.6 Special conditions governing the attendance of shareholders at General Meetings

The conditions governing shareholders' attendance at General Meetings are specified in article 20 of the bylaws and are restated in section 8.3 of the Universal Registration Document, in the chapter on legal information.

4.1.7 Summary of financial authorizations

Securities concerned Date of General Meeting (Term of authorization and expiry date)	Restrictions	Use of authorizations
1. Issue with pre-emptive subscription right		
Capital increase by issue of shares and/or transferable securities giving access to share capital and/or the issue of transferable securities (A) GM of April 18, 2018 – 21 st resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase €100 million (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million	Issue of 29,258 shares from the stock option plans of 2010
Capital increase by capitalization of reserves, profits or premiums (B) GM of April 18, 2018 – 28 th resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase €100 million	None
2. Issue without pre-emptive subscription right		
Capital increase by issue of shares and/or marketable securities giving access to share capital in connection with a public offer (C) GM of April 18, 2018 – 22 nd resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase €50 million (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million	None
Capital increase by issue of shares and/or marketable securities giving access to share capital in the event of a public exchange offer initiated by the company (D) GM of April 18, 2018 – 23 rd resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase €50 million (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million Maximum amount of marketable securities representing debt securities €1 billion	None
Capital increase by issue of shares and/or transferable securities giving access to share capital in connection with a private placement offer (E) GM of April 18, 2018 – 24 th resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase €50 million (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million	None
Capital increase as remuneration for contributions in kind (F) GM of April 18, 2018 – 26 th resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase 10% of adjusted share capital (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million	None

Securities concerned Date of General Meeting (Term of authorization and expiry date)	Restrictions	Use of authorizations
Issue of shares at a freely-set price (G) GM of April 18, 2018 – 27 th resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase 10% of adjusted share capital per annum subject to the ceilings applicable to (C) and (E)	None
Capital increase through issues reserved for members of the company savings plans (H) GM of April 18, 2018 – 29 th resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase €2 million (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million	61,942 shares issued in October 2019
Performance shares (I) GM of April 18, 2018 – 30 th resolution (26 months maximum, expiring June 18, 2020)	Maximum number of existing or yet-to-be-issued performance shares 0.5% of share capital on the day of the decision by the Board of Directors to grant Shares granted to executive corporate officers: Maximum 0.2% of share capital on the day of the decision by the Board of Directors to grant (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million	Award of 49,010 shares to be issued on February 20, 2022
3. Issue with or without pre-emptive subscription right		
Increase of the number of shares to issue in case of capital increase (J) GM of April 18, 2018 – 25 th resolution (26 months maximum, expiring June 18, 2020)	Maximum amount of capital increase 15% of original issue (A) + (C) + (D) + (E) + (F) + (H) + (I) + (J) limited to €150 million	None
4. Share buyback		
Share buyback transactions GM of April 17, 2019 – 14 th resolution (18 months maximum, expiring October 17, 2020)	Maximum number of shares that can be purchased 10% of adjusted share capital or 5% in the event of share buybacks for external growth acquisitions Maximum number of shares that can be held by the company: 10% of share capital Maximum price of share buybacks: €170 per share Maximum overall amount of the share buyback program: €1,296,513,330	818,612 shares redeemed ⁽¹⁾
Reduction of share capital by cancellation of treasury shares GM of April 18, 2018 – 31 st resolution (26 months maximum, expiring June 18, 2020)	Maximum number of shares that can be canceled in 24 months 10% of shares comprising the adjusted share capital	None

(1) It is specified that the share redemption transactions carried out between February 20 and June 28, 2019 were carried out under the authorizations granted by the General Meetings of April 18, 2018 and April 17, 2019.

4.2 Compensation

The information presented below, drafted with the assistance of the Governance, Appointment and Compensation Committee, reflects, in view of its presentation, the AFEP-MEDEF Code, the activity reports of the French council for corporate governance (Haut Comité de Gouvernement d'Entreprise), the AMF 2019 report on corporate governance and the compensation

for officers and the guide for preparing the Registration Document from the AMF (to the extent permitted by the provisions compatible with European Regulation 2017/1129 of 06/14/2017 ("Prospectus Regulation"), the associated delegated regulations and the guidelines and Q&As of the ESMA).

4.2.1 Compensation policy for corporate officers for the 2020 financial year

Pursuant to article L. 225-37-2 of the French Commercial Code, the compensation policy for corporate officers for the 2020 financial year is set out below.

The General Meeting of April 23, 2020 will be asked, on the basis of these elements, to approve the compensation policy for the corporate officers for 2020. To this end, three resolutions, set out below, will be presented in relation to the members of the Board of Directors, the Chairman of the Board of Directors and the Chief Executive Officer, respectively. It should be noted that resolutions of this type will be submitted at least every year and at every significant change to the compensation policy for the approval of the Shareholders' General Meeting as required by law.

If the General Meeting of April 23, 2020 does not approve these resolutions, compensation will be determined in line with the compensation policy that was approved for previous years, or, if there is no compensation policy that was previously approved, in line with the compensation allocated for the previous year or, if no compensation was paid for the previous year, in accordance with standard practice in the company. In this case, the Board of Directors will submit a draft resolution presenting a revised compensation policy to the next ordinary Shareholders' General Meeting, indicating how the shareholders' vote and, if applicable, the opinions expressed at the General Meeting have been taken into account.

It is specified that no compensation element, of any kind whatsoever, may be determined, allocated or paid by the company, nor any commitment corresponding to compensation elements, allowances or benefits due or likely to become due resulting from the accepting, ceasing or changing of functions or retroactively to the exercise of them can be actioned by the company if it does not comply with the approved compensation policy or, in the absence of one, to the compensations or practices stated above. Any payment, allocation or commitment made or taken in breach of this principle is invalid. However, in exceptional circumstances, Board of Directors may derogate from the application of the compensation policy if this derogation is temporary, in accordance with the company's interest and necessary to guarantee the continuation or viability of the company.

The payment of the variable and exceptional compensation elements, and where applicable that of the Chairman of the Board of Directors and the Chief Executive Officer, depends on the approval by an Ordinary General Meeting of the compensation elements for the corporate officer in question in respect of the previous financial year.

Furthermore, it should be noted that the Board of Directors and the Governance, Appointment and Compensation Committee take into consideration and rigorously apply the principles recommended by the AFEP-MEDEF Code (exhaustiveness, balance between compensation elements, comparability, coherence, intelligibility of rules and measure). These principles apply to all elements of the corporate officers' compensation.

4.2.1.1 PRINCIPLES APPLICABLE TO ALL CORPORATE OFFICERS

General principles and governance

Determination of the corporate officers' compensation policy is the responsibility of the Board of Directors and is based on the recommendations of the Governance, Appointment and Compensation Committee. In this context, the Board of Directors and the Governance, Appointment and Compensation Committee may take into consideration the benchmarking studies and, where applicable, the duties assigned to the corporate officer in question in addition to the general duties stipulated by law. The compensation policy is then submitted to the vote of the Shareholders' General Meeting by separate resolutions.

This policy was adopted after the Board of Directors had ensured that it complied with Gecina's interest as a company and that it contributed to the continuity of the company while also being in line with its business strategy.

The compensation policy for Gecina's corporate officers is defined separately according to each officer's role in the governance of the Group. The compensation of Gecina's corporate officers is paid solely by the parent company. They do not receive any compensation from the subsidiaries.

The members of the Board of Directors are compensated on the basis of their participation in the work of the Board and its Committees, within the framework of the overall budget allocated by the General Meeting (see section 4.2.1.2).

The Board of Directors considered that the compensation of the Chairman of the Board of Directors should consist solely of fixed elements (fixed compensation and benefits in kind), excluding any variable compensation, whether in cash or shares. This policy ensures the dissociation of his role guaranteeing the Executive Management's permanent and continuous implementation of the orientations set by the Board and the operational performance of the company (see section 4.2.1.3).

The Board of Directors considered that the Chief Executive Officer's compensation should include fixed and variable elements, in cash and shares, that would align her level of compensation with the company's operational performance, within the framework of the objectives set by the Board of Directors, the definition of which must guarantee compliance with the strategy and orientations chosen. The Board considered that a balanced allocation between the fixed and variable elements of her compensation should favor the company's long-term performance (see section 4.2.1.4).

The implementation and revision of this policy is determined by the Board of Directors and is based on the proposals and work of the Governance, Appointment and Compensation Committee in this regard. This determination is made in accordance with the measures for the prevention and management of conflicts of interest as set out in the internal regulations of the Board of Directors. The proposals and work of the Governance, Appointment and Compensation Committee relating to the compensation policy submitted to the Board of Directors are based on a consideration and analysis of the compensation and working conditions of Gecina's employees, in particular the following elements:

- the distribution of the group's employees by department and classification;
- the change in wages observed over several financial years;
- the types of jobs and their evolution over several financial years;
- equal treatment of women and men by job and classification;
- working conditions and their societal impact.

As such, among the objectives established for the Chief Executive Officer, the Board of Directors ensures that one of them incorporates a managerial dimension that encourages the improvement of the compensation and working conditions of Gecina employees.

It is specified that no substantial change has been made to the compensation policy compared to the policy voted on by the shareholders at the last General Meeting in April 2019.

The provisions of the compensation policy applicable to corporate officers, subject to approval by the General Meeting of April 23, 2020, apply to both newly appointed

corporate officers and to those whose mandate is renewed after the General Meeting, pending, where appropriate, the approval by a subsequent General Meeting of major changes to the compensation policy, as laid out in article L. 225-37-2 of the French Commercial Code.

To date, there is no provision for an exemption from the application of the company's compensation policy. Should the need arise, the approval of said derogation would be the responsibility of the Board of Directors.

Content of the compensation policy applicable to all corporate officers

In order to determine the extent to which the corporate officers meet, where applicable, the performance criteria set out for their variable and share-based compensation, the Board of Directors relies on the proposals and the work of the Governance, Appointment and Compensation Committee, which prepares and verifies the potential achievement of all individual performance criteria, where appropriate with the assistance of the Finance Department of the company and any expert or advisor that it considers necessary. This verification is documented and made available to members of the Board of Directors. The compensation policy detailed in section 4.2.1.4. of this report presents the valuation methods to be applied to the Chief Executive Officer's compensation in order to determine the extent to which the performance criteria for her variable and share-based compensation have been met.

The distribution criteria for the annual fixed sum allocated by the General Meeting to the Directors are presented in section 4.2.1.2. of this report.

4.2.1.2 COMPENSATION POLICY APPLICABLE TO MEMBERS OF THE BOARD OF DIRECTORS

The compensation policy for the Directors comprises, firstly, the elements common to all corporate officers presented in section 4.2.1.1, and, secondly, the specific elements set out below.

The Shareholders' General Meeting is responsible for determining the overall annual amount of compensation granted to members of the Board of Directors, whose mandates last four years (except as provided for in article 12 of the Company bylaws).

As an example, the Combined General Meeting of April 24, 2015 set, for the financial year starting on January 1, 2015, the annual total amount of compensation granted to Directors at €800,000.

On the basis of the total annual amount of the compensation granted to Directors as decided by the Combined General Meeting of April 24, 2015, the table below sets out, by way of example, the method for distributing the Directors' compensation as adopted by the Board of Directors, which takes into account, in particular, the benchmarking studies and the recommendations of the AFEP-MEDEF Code.

Example distribution method based on the total annual amount approved by the Combined General Meeting of April 24, 2015
(in euros)

Annual fixed portion for each Director	20,000
Annual fixed portion for each Committee member	6,000
Annual fixed portion for each Committee Chairman	25,000
Variable portion by attendance at a Board Meeting	3,000
Variable portion by attendance at a Committee Meeting	2,000

The other methods relating to the payment of Directors' compensation are also described below:

- if an extraordinary Committee Meeting takes places (i) during an interruption of a Board of Directors session, (ii) or immediately before, (iii) or immediately after, only the Board of Directors will give rise to compensation;
- should several Board of Directors' Meetings be held on the same day, especially on the day of the Annual General Meeting, attendance of these Meetings by a Director shall be considered as only one attendance;
- as appropriate, capping amounts and any rebates at the end of the year in order not to exceed the annual total amount authorized by the General Meeting and ensure a balance between the number of meetings and each of the Committees.

As a result of the application of these rules, the variable portion linked to the regular attendance of Board meetings and Committee meetings outweighs the fixed portion.

Furthermore, it should be noted that:

- Directors linked to the Ivanhoé Cambridge group do not receive compensation for reasons related to the internal policy of their group;
- the Predica company, represented by Mr. Jean-Jacques Duchamp, ceased receiving remuneration on January 1, 2019, for reasons related to the internal policy of the Predica group;
- Mr. Bernard Carayon, Chairman of the Board of Directors, and Ms. Méka Brunel, Chief Executive Officer, do not receive any compensation from their offices as Directors;
- the meeting of the Board of Directors held at the end of the Annual General Meeting of April 17, 2019 did not give rise to any compensation.

It is recalled that the payment of the amount granted to Directors in compensation of their activities may be suspended (i) under the second paragraph of article L. 225-45 of the French Commercial Code, if the Board of Directors is not structured in accordance with the first paragraph of article L. 225-18-1 of the Code, and (ii) under the conditions of II of article L. 225-100 of the French Commercial Code, if the General Meeting does not approve the draft resolution containing the information required by article L. 225-37-3 of the French Commercial Code.

In accordance with II of article L. 225-37-2 of the French Commercial Code, the following resolution will be submitted to the General Meeting of April 23, 2020:

Draft resolution submitted to the General Meeting of April 23, 2020 on the approval of the elements of the compensation policy for the members of the Board of Directors in respect of the 2020 financial year

"The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having read the Board of Directors' report on Corporate Governance prepared pursuant to article L. 225-37 of the French Commercial Code describing the elements of the corporate officers' compensation policy, approves, in application of article L. 225-37-2 II of the French Commercial Code, the compensation policy applicable to members of the Board of Directors in respect of the 2020 financial year, as presented in the corporate governance report in Chapter 4 of the 2019 Universal Registration Document, section 4.2."

4.2.1.3 COMPENSATION POLICY APPLICABLE TO THE CHAIRMAN OF THE BOARD OF DIRECTORS

The compensation policy for the Chairman of the Board of Directors comprises, firstly, the elements common to all corporate officers presented in section 4.2.1.1, and, secondly, the specific elements set out below.

Determination of the Chairman of the Board's compensation is the responsibility of the Board of Directors and is based on the recommendations of the Governance, Appointment and Compensation Committee.

In this context, the Board of Directors and the Governance, Appointment and Compensation Committee may take into consideration the benchmarking studies and, where applicable, the duties assigned to the Chairman of the Board of Directors in addition to the general duties stipulated by law.

The compensation of the Chairman of the Board of Directors consists of fixed compensation and of benefits in kind (company car and IT devices required to perform his duties).

The Chairman of the Board of Directors does not receive any variable compensation in cash or securities or any performance-based compensation from the company and/or the Group.

He also does not receive any compensation from his position as Director.

As an example, the Board of Directors decided, on the recommendation of the Governance, Appointment and Compensation Committee, to set the gross annual fixed compensation of the Chairman of the Board at €300,000 for the year 2020.

The compensation of the Chairman of the Board of Directors takes into account the review by the Board of Directors of the scope of the duties exercised by him. The Chairman's tasks have been specified in the internal regulations of the Board of Directors as follows: "The Chairman of the Board takes care to develop and maintain a confident and regular relationship between the Board and the Executive Management in order to ensure the permanence and continuity of its implementation of the strategies laid down by the Board. He is regularly updated by Executive Management on significant events and situations pertaining to the Group and in particular with regard to its strategy, organization, monthly financial reporting, major investment and divestment projects, and major financial transactions. He may ask the Executive Management or the Company's executive directors, informing the Chief Executive Officer thereof, for any information liable to enlighten the Board of Directors and its committees in the performance of their duties. He alone may speak on behalf of the Board, except in exceptional circumstances where a specific mandate has been given to another Director."

In accordance with II of article L. 225-37-2 of the French Commercial Code, the following resolution will be submitted to the General Meeting of April 23, 2020:

Draft resolution submitted to the General Meeting of April 23, 2020 on the approval of the elements of the compensation policy for the Chairman of the Board of Directors in respect of the 2020 financial year

"The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having read the Board of Directors' report on Corporate Governance prepared pursuant to article L. 225-37 of the French Commercial Code describing the elements of the corporate officers' compensation policy, approves, in application of article L. 225-37-2 II of the French Commercial Code, the compensation policy applicable to the Chairman of the Board of Directors in respect of the 2020 financial year, as presented in the corporate governance report in Chapter 4 of the 2019 Universal Registration Document, section 4.2."

4.2.1.4 COMPENSATION POLICY APPLICABLE TO THE CHIEF EXECUTIVE OFFICER

The compensation policy for the Chief Executive Officer comprises, firstly, the elements common to all corporate officers presented in section 4.2.1.1, and, secondly, the specific elements set out below.

Determination of the Chief Executive Officer's compensation is the responsibility of the Board of Directors and is based on the recommendations of the

Governance, Appointment and Compensation Committee.

In this context, the Board of Directors and the Governance, Appointment and Compensation Committee may take into consideration the benchmarking studies in addition to any non-recurring elements occurring over the course of the year.

The Chief Executive Officer's compensation includes fixed compensation, annual variable compensation, performance shares and benefits in kind. A severance payment in the event of forced termination can also be awarded and depends on seniority and the achievement of performance conditions, pursuant to the provisions of the AFEP-MEDEF Code and article L. 225-37-2, III of the French Commercial Code.

Thus, assuming that the assigned objectives are exceeded and the maximum amount of compensation granted for a single financial year is paid, the fixed portion of the Chief Executive Officer's compensation would represent 35% of the total compensation allocated and the variable portion in cash would represent 53% of the total compensation allocated, while the share-based compensation, spread over four years, would represent 12% of the total compensation.

Furthermore, the Chief Executive Officer does not receive any compensation for her office as a Director.

Fixed compensation

The gross annual fixed compensation is set by the Board of Directors and based on the recommendations of the Governance, Appointment and Compensation Committee, in accordance with the principles of the AFEP-MEDEF Code.

This amount should in principle be reviewed only at relatively long intervals (length of the term of office). However, exceptional circumstances may give rise to its review during the year by the Board of Directors as a result of changes in the scope of responsibility or significant changes within the company or the market. In these particular situations, the adjustment of the fixed compensation and the reasons for it will be made public.

In application of these principles, we note for example that with effect from January 1, 2018 following the approval by the 2018 Annual General Meeting of the Chief Executive Officer's compensation policy, the Board of Directors, based on the work performed by Mercer analyzing a sample of 15 comparable real estate companies, and on the recommendation of the Governance, Appointment and Compensation Committee, has set the annual fixed compensation of Ms. Méka Brunel at €650,000.

It should be noted that the Mercer study was based on a sample of 15 European real estate companies, including 7 French companies (Altarea-Cogedim, Carmila, Covivio – formerly Foncière des Régions, Klépierre, Mercialis, SFL and Unibail-Rodamco-Westfield), 3 German companies (Deutsche Wohnen, GSW Immobilien and Vonovia), 4 British companies (British Land, Hammerson, Land Securities and Segro) and 1 Swiss company (Swiss Prime Site).

Annual variable compensation

The rules for setting this compensation must be consistent with the annual assessment of the performance of the Chief Executive Officer and the achievement of objectives determined in line with the company's strategy. These are contingent upon the performance of the Chief Executive Officer and the development of the company.

The Board specifically defines the quantifiable and qualitative criteria used to determine the annual variable compensation.

The quantitative performance criteria will be based on the main financial indicators decided by the Board to assess the financial performance of the Group and, in particular, those provided to the market such as EBITDA, net recurring earnings per share and the real estate investment performance of Gecina compared with the MSCI index.

The qualitative criteria will be set based on detailed objectives defined by the Board that reflect the implementation of the Group's strategic plan as well as other performance indicators or objectives intended to assess the level of achievement of overall or specific strategic initiatives.

A maximum limit is set for each portion that corresponds to the quantitative and qualitative criteria, with the quantitative criteria carrying the most weight. These account for 60% of the target variable compensation and the qualitative criteria for 40%. The maximum variable compensation is set in the form of a percentage of the fixed compensation and is proportionately higher than it. It is set at 100% of the Chief Executive Officer's fixed compensation, which may increase to a maximum of 150% of the fixed compensation if the target quantitative and qualitative performance criteria are exceeded.

As an example, for 2020, the target variable compensation of Ms. Méka Brunel, Chief Executive Officer, was set by the Board of Directors on February 19, 2020 at 100% of her fixed compensation, which may increase to a maximum of 150% of fixed compensation if the target quantitative or qualitative performance criteria are exceeded. The quantitative criteria represent 60% of the target variable compensation and the qualitative criteria represent 40%.

Quantitative performance criteria: Target 60%/Maximum 90%

The achievement of the quantitative performance criteria will be established according to the grid below:

EBITDA % achieved/budget	Bonus	NRI – GS per share % achieved/budget	Bonus	Asset Value Return % property value creation	Bonus
>102	30%	>102	30%	>MSCI +1%	30%
>100 target	20%	>100 target	20%	>MSCI +0% target	20%
>98	10%	>98	10%	>MSCI –0.5%	10%
>96	5%	>96	5%	>MSCI –1%	5%
<96	0%	<96	0%	<MSCI –1%	0%

NRI – GS = Net Recurring Income – Group Share per share.
MSCI = Index that measures real estate investment performance in France.

Qualitative performance criteria: Target 40%/Maximum 60%

Each qualitative criterion is quantified as follows:

Qualitative criteria	Target bonus (40%)	Maximum bonus (60%)
Confidential strategic objective	16%	24%
Expand the "YouFirst" service offering	16%	24%
Develop the raison d'être	8%	12%

Payment of the annual variable compensation of the Chief Executive Officer for 2020 is conditional upon its approval by the Ordinary General Meeting to be held in 2021, in accordance with the provisions of article L. 225-100 III of the French Commercial Code.

The criteria that govern the allocation of variable compensation contribute to the objectives of the compensation policy insofar as they take into account both the measurement of Gecina's long-term economic and financial performance and the short-term measurement of the quality of the operational

performance and the implementation of the strategy set by the Board of Directors.

Since the objectives set are measurable and tangible, there is no provision for any deferral period for the variable compensation or the possibility for the company to request its return.

Performance shares

Performance shares are not only intended to encourage the executive corporate officers to consider their action over the long term, but also to enhance loyalty and

promote the alignment of their interests with the corporate interest of the company and the interest of the shareholders.

The Board of Directors may, when setting up the company's performance share plans, award performance shares to the Chief Executive Officer. These allocations, which are valued based on IFRS standards, cannot account for more than 100% of the maximum annual gross compensation granted (fixed portion + maximum variable portion). The allocations must be subject to demanding relative and, if applicable, internal performance conditions, which must be met over a period of three years.

The performance conditions consist, in general, of two criteria representative of Gecina's performance, adapted to the specificity of its business activity, that correspond to the key indicators followed by investors and analysts to measure the performance of companies in the real estate sector. They are set by the Board of Directors, which will also review their achievement following a prior review by the Governance, Appointment and Compensation Committee. Whether or not they are awarded is also ultimately subject to a presence condition applicable to all of the beneficiaries, unless otherwise provided by the plan rules (e.g. in the event of death or disability) or decided by the Board of Directors.

The Chief Executive Officer must make a formal commitment to not engage in risk hedging transactions on performance shares until after the end of the share holding period that may be set by the Board of Directors.

As an example, the Board of Directors, on February 21, 2018, granted to Ms. Méka Brunel, as part of the 2018 performance share award plan, 12,000 performance shares for the duration of her term of office as Chief Executive Officer and in accordance with the following terms:

- this allocation represented 0.016% of the share capital as at the date of the plan and 20.7% of all shares allocated to Group employees and officers benefiting from the same plan;
- the consolidated value (IFRS 2) of all of the 12,000 shares granted represented 56.7% of her potential total annual gross compensation for 2018;
- the term of the vesting period was three years and the holding period was two years.

It should be noted that these 12,000 performance shares were awarded to Ms. Méka Brunel for the entirety of her term, i.e. for a period of four years. Spread over four years and taken at their IFRS consolidated value (€76.79 per performance share), this allocation represented 35% of her fixed annual compensation.

Definitive acquisition of performance shares is subject to compliance with the presence condition and achievement of the following performance conditions:

Total Shareholder Return (TSR): performance criteria adopted for 75% of the performance shares awarded

Gecina's Total Shareholder Return compared to the Euronext IEIF "SIIC France" TSR index over the same period (January 4, 2021 opening share price versus January 2, 2018 opening share price), the number of performance shares vested varying to reflect the performance rate achieved:

- all the shares contingent on this condition shall only vest if the shares outperform this index by at least 5%;
- at 100% of the index, 80% of the total number of shares contingent on this condition will be vested;
- in the event of a performance rate of between 101% and 104%, stepwise progression will be applied up to the achievement of 96% of the total number of shares contingent on this condition;
- in the event of performance comprised between 99% and 85%, stepwise regression will be applied within the limit of the achievement of 25% of the total number of shares contingent on this condition;
- in the event of performance below 85%, none of these performance shares will be vested.

Total Return: performance criterion adopted for 25% of the performance shares awarded

Total return: Triple net NAV dividends attached per share compared to a group of five French real estate companies⁽¹⁾. The vesting of performance shares shall be contingent on exceeding the average performance of the comparison group. If this average performance is not exceeded, none of these performance shares will be vested.

Holding period of securities.

The performance shares that will be definitively vested for Ms. Méka Brunel will be recorded in a registered account and must be held in registered form until the end of the two-year holding period. In addition, Ms. Méka Brunel is required to hold at least 25% of the performance shares which will be definitively vested for her until the end of her term of office. This obligation will continue to apply until the total amount of shares held and definitively vested represents 200% of the last gross annual fixed compensation, calculated on that same date. This second obligation then replaces the first.

Prohibition on hedging

Ms. Méka Brunel may not use any hedging instrument to hedge the risk inherent in her shares.

Exceptional compensation

In accordance with the AFEP-MEDEF Code (article 24.3.4), the Board of Directors, at the recommendation of the Governance, Appointment and Compensation Committee, has adopted the principle that the Chief Executive Officer may receive exceptional compensation in certain exceptional circumstances which will have to be precisely communicated and justified.

(1) Covivio, Icade, SFL, Tour Eiffel, Unibail-Rodamco-Westfield.

In any case, in the event of such a decision by the Board:

- the payment of this exceptional compensation, the amount of which will be assessed on a case-by-case basis by the Board of Directors, at the recommendation of the Governance, Appointment and Compensation Committee, depending on the event justifying it and the particular involvement of the party concerned, may not take place without prior approval from the shareholders pursuant to article L. 225-100, III of the French Commercial Code;
- this decision will be made public immediately after it has been taken by the Board of Directors;
- it must be justified and the events leading up to it explained.

It should be noted that this compensation may only be granted in exceptional circumstances and that it will require the approval of Gecina's Annual General Meeting. In addition, it must be below a maximum ceiling of 100% of the annual base salary.

Benefits in kind

The Chief Executive Officer may benefit from a company car in accordance with company policy, in addition to the health insurance and welfare benefits policies set up by the company.

Severance payment in the event of termination of duties

The Board of Directors may decide, subject to the provisions of article L. 225-37-2, III of the French Commercial Code and the AFEP-MEDEF Code, to grant a severance payment in the event of termination of the Chief Executive Officer's duties.

The performance conditions associated with this payment are applied over at least two financial years. They are strict and only allow payment to the Chief Executive Officer in the event of forced departure.

The severance pay shall not, where applicable, exceed the sum of two years' compensation (annual fixed and variable).

As an example, the Board of Directors meeting of January 6, 2017 decided that a severance payment would be granted to Ms. Méka Brunel, Chief Executive Officer, in the event of forced departure. The calculation and performance conditions of this payment are detailed in paragraph 4.1.5 of this report.

In accordance with II of article L. 225-37-2 of the French Commercial Code, the following resolution will be submitted to the General Meeting of April 23, 2020:

Draft resolution submitted to the General Meeting of April 23, 2020 on the approval of the elements of the compensation policy for the Chief Executive Officer in respect of the 2020 financial year

"The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having read the Board of Directors' report on Corporate Governance prepared pursuant to article L. 225-37 of the French Commercial Code describing the elements of the corporate officers' compensation policy, approves, in application of article L. 225-37-2 II of the French Commercial Code, the compensation policy applicable to the Chief Executive Officer in respect of the 2020 financial year, as presented in the corporate governance report in Chapter 4 of the 2019 Universal Registration Document, section 4.2."

4.2.2 Compensation of corporate officers in respect of the 2019 financial year

In accordance with article L. 225-100, II of the French Commercial Code, the General Meeting will decide on the information mentioned in article L. 225-37-3 of the French Commercial Code.

A motion will therefore be made to the General Meeting of April 23, 2020 to vote on this information. To this end, a resolution, as reproduced below, will be presented to the General Meeting.

If the General Meeting of April 23, 2020 does not approve this resolution, the Board of Directors must submit a revised compensation policy, taking into account the shareholders' vote, for approval by the next General Meeting. The payment of the amount granted to the Directors for the current financial year pursuant to the first paragraph of article L. 225-45 of the French Commercial Code shall then be suspended until the approval of the revised compensation policy. When it is reinstated, it includes the arrears since the last General Meeting. If the General Meeting does not approve the draft resolution presenting the revised compensation policy, the amount suspended may not be paid, and the

same effects as those associated with the rejection of the draft resolution will apply.

Draft resolution submitted to the General Meeting of April 23, 2020 on the approval of the information required by article L. 225-37-3, I of the French Commercial Code regarding the compensation of corporate officers in respect of the 2019 financial year

"The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having read the Board of Directors' report on Corporate Governance prepared pursuant to article L. 225-37 of the French Commercial Code describing the elements of the corporate officers' compensation policy, approves, in application of article L. 225-100 II of the French Commercial Code, the information required by article L. 225-37-3 I of the French Commercial Code, as presented in the corporate governance report in chapter 4 of the 2019 Universal Registration Document, section 4.2."

Pursuant to article L. 225-100, III of the French Commercial Code, the General Meeting rules upon the fixed, variable and exceptional elements comprising the total compensation and benefits of any kind paid over the course of the financial year ended or allocated in respect of that financial year through specific resolutions for the Chairman of the Board of Directors and the Chief Executive Officer.

It will thus be proposed to the General Meeting of April 23, 2020 to approve the compensation elements paid over the course of or allocated in respect of the 2019 financial

year to Mr. Bernard Carayon, Chairman of the Board of Directors and to Ms. Méka Brunel, Chief Executive Officer, as described hereafter.

It is recalled that no compensation is paid or allocated to the corporate officers of Gecina by a company within the scope of consolidation, as defined in article L. 233-16 of the French Commercial Code, other than by Gecina itself.

No discrepancy has been observed in relation to the procedure for implementing the compensation policy and no derogation has been applied to this policy.

4.2.2.1 COMPENSATION OF MEMBERS OF THE BOARD OF DIRECTORS

4.2.2.1.1 Reminder of the procedures applicable to the compensation of members of the Board of Directors in 2019

The Combined General Meeting of April 24, 2015 set, for the financial year starting on January 1, 2015, the annual total amount of compensation granted to Directors at €800,000.

The table below presents the attendance sharing method as adopted by the Board of Directors which takes into account benchmarking studies and the recommendations of the AFEP-MEDEF Code.

	Sharing method (in euros)
Annual fixed portion for each Director	20,000
Annual fixed portion for each Committee member	6,000
Annual fixed portion for each Committee Chairman	25,000
Variable portion by attendance at a Board Meeting	3,000
Variable portion by attendance at a Committee Meeting	2,000

The other methods relating to the payment of Directors' compensation are also described below:

- if an extraordinary Committee Meeting takes places (i) during an interruption of a Board of Directors session, (ii) or immediately before, (iii) or immediately after, only the Board of Directors will give rise to compensation;
- should several Board of Directors' Meetings be held on the same day, especially on the day of the Annual General Meeting, attendance of these Meetings by a Director shall be considered as only one attendance;
- as appropriate, capping amounts and any rebates at the end of the year in order not to exceed the annual total amount authorized by the General Meeting and ensure a balance between the number of meetings and each of the Committees.

As a result of the application of these rules, the variable portion linked to the regular attendance of Board meetings and Committee meetings outweighs the fixed portion.

Furthermore, it should be noted that:

- Directors linked to the Ivanhoé Cambridge group do not receive compensation for reasons related to the internal policy of their group;
- the Predica company, represented by Mr. Jean-Jacques Duchamp, ceased receiving remuneration on January 1, 2019, for reasons related to the internal policy of the Predica group;
- Mr. Bernard Carayon, Chairman of the Board of Directors, and Ms. Méka Brunel, Chief Executive Officer, do not receive any compensation from their offices as Directors;
- the meeting of the Board of Directors held at the end of the Annual General Meeting of April 17, 2019 did not give rise to any compensation.

Compensation allocated or paid to members of the Board of Directors

On the basis of the principles presented in paragraph 4.2.2.1.1, the amount of Directors' compensation paid over the course of the last two financial years 2018 and 2019 and allocated under the last two financial years 2018 and 2019 were as follows:

	2018 financial year		2019 financial year	
	Amounts allocated (in euros)	Amounts paid (in euros)	Amounts allocated (in euros)	Amounts paid (in euros)
Non-executive corporate officers				
Mr. Bernard Carayon⁽¹⁾				
Compensation (fixed, variable)	–	14,918		–
Other compensation				
Ms. Laurence Danon Arnaud				
Compensation (fixed, variable)	–	70,712		70,000
Other compensation				
Predica, represented by Mr. Jean-Jacques Duchamp				
Compensation (fixed, variable)	–	82,000		–
Other compensation				
Ms. Dominique Dudan				
Compensation (fixed, variable)	–	67,000		54,000
Other compensation				
Ivanhoé Cambridge Inc., represented by Mr. Sylvain Fortier				
Compensation (fixed, variable)		–		–
Other compensation				
Ms. Gabrielle Gauthey				
Compensation (fixed, variable)	–	52,896		73,000
Other compensation				
Mr. Claude Gendron				
Compensation (fixed, variable)		–		–
Other compensation				
Mr. Jacques-Yves Nicol				
Compensation (fixed, variable)	–	70,699		38,000
Other compensation				
Ms. Inès Reinmann Toper				
Compensation (fixed, variable)	–	106,000		87,000
Other compensation				
TOTAL		480,918		322,000

(1) Mr. Bernard Carayon received compensation in respect of his position as observer, which ended on April 18, 2018. On this date, he was appointed Director and Chairman of the Board of Directors. He does not receive any compensation for his position as a Director.

The company recorded no provision for Directors' compensation and benefits.

The Shareholders' General Meeting of the company of April 17, 2019 did not pronounce on the compensation elements paid or allocated in respect of the 2018 financial year to the members of the Board of Directors. This vote was not required by the legal provisions applicable at the time, which is why it is not possible to provide explanations regarding their suitability for the compensation policy adopted.

4.2.2.2 COMPENSATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

4.2.2.2.1 Reminder of the general principles of the 2019 policy

Determination of the Chairman of the Board's compensation is the responsibility of the Board of Directors and is based on the recommendations of the Governance, Appointment and Compensation Committee.

The compensation of the Chairman of the Board of Directors consists of a fixed compensation and of benefits in kind (company car and IT devices required to perform his duties).

The Chairman of the Board of Directors does not receive any variable compensation in cash or securities or any performance-based compensation from the company and/or the Group.

He also does not receive any compensation from his position as Director.

The Board of Directors decided, on the recommendation of the Governance, Appointment and Compensation Committee, to set the gross annual fixed compensation of the Chairman of the Board at €300,000 in 2019.

4.2.2.2.2 Compensation allocated or paid to the Chairman of the Board of Directors

Pursuant to article L. 225-100, III of the French Commercial Code, the Shareholders' General Meeting rules upon the fixed, variable and exceptional elements comprising the total compensation and benefits of any kind paid over the course of the 2019 financial year or allocated in respect of that financial year to the Chairman of the Board of Directors.

It will thus be proposed to the General Meeting of April 23, 2020 to approve the compensation elements paid or allocated in respect of the 2019 financial year to Mr. Bernard Carayon, Chairman of the Board of Directors, as described hereafter. These elements comply with the principles and criteria for compensation of the Chairman of the Board of Directors in respect of the 2019 financial year as approved by the Shareholders' General Meeting of April 17, 2019.

Compensation elements paid or allocated to Mr. Bernard Carayon, Chairman of the Board of Directors

Compensation elements	Amounts allocated or accounting valuation (in thousand euros)		Overview
	2018	2019	
Fixed compensation	209 ⁽¹⁾	300	
Annual variable compensation	N/A	N/A	Mr. Bernard Carayon is not entitled to any variable compensation
Multi-year variable compensation	N/A	N/A	Mr. Bernard Carayon is not entitled to any multi-year variable compensation
Exceptional compensation	N/A	N/A	Mr. Bernard Carayon is not entitled to any exceptional compensation
Award of stock options	N/A	N/A	No stock options were awarded in 2019
Award of performance shares	N/A	N/A	Mr. Bernard Carayon is not entitled to performance shares
Compensation resulting from a Director's position	N/A	N/A	Members of the management team do not receive Directors' compensation in their capacity as corporate officers in Group companies.
Benefits in kind	0	0	Company car
Severance pay	N/A	N/A	Mr. Bernard Carayon is not entitled to any severance pay
Non-compete compensation	N/A	N/A	Mr. Bernard Carayon is not entitled to any non-compete compensation
Pension plan	N/A	N/A	Mr. Bernard Carayon does not have a supplementary pension plan with the Group

(1) Mr. Bernard Carayon was appointed Chairman of the Board at the end of the Combined General Meeting of April 18, 2018.

Compensation elements paid or awarded to Mr. Bernard Michel, Chairman of the Board of Directors until April 18, 2018

Compensation elements	Amounts allocated or accounting valuation (in thousand euros)		Overview
	2018	2019	
Fixed compensation	165 ⁽²⁾	–	
Annual variable compensation	N/A	–	Mr. Bernard Michel is not entitled to any variable compensation
Multi-year variable compensation	N/A	–	Mr. Bernard Michel is not entitled to any multi-year variable compensation
Exceptional compensation	N/A	–	Mr. Bernard Michel is not entitled to any exceptional compensation
Award of stock options	N/A	–	No stock options were awarded in 2018
Award of performance shares	N/A	–	Mr. Bernard Michel is not entitled to performance shares
Compensation resulting from a Director's office	N/A	–	Members of the management team do not receive Directors' compensation in their capacity as corporate officers in Group companies
Benefits in kind	2	–	Company car
Severance pay	N/A	–	Mr. Bernard Michel is not entitled to any severance pay
Non-compete compensation	N/A	–	Mr. Bernard Michel is not entitled to any non-compete compensation
Pension plan	N/A	–	Mr. Bernard Michel does not have a supplementary pension plan with the Group

(2) The term of office of Mr. Bernard Michel expired at the end of the Combined General Meeting of April 18, 2018.

The Shareholders' General Meeting of the company of April 17, 2019 approved at 99.64% the compensation elements paid or allocated in respect of the 2018 financial year to Mr. Bernard Carayon, Chairman of the Board of Directors since April 18, 2018. This very high percentage of approval was taken into account by the Board of Directors in the company's compensation policy and in the compensation elements paid or allocated for the 2019 financial year to Mr. Bernard Carayon, Chairman of Board of Directors, which remained equivalent to those for the 2018 financial year.

The reminder of the general principles of the 2019 compensation policy applicable to the Chairman of the Board of Directors in section 4.2.2.2.1 of this report just before the presentation in section 4.2.2.2.2 of the compensation allocated or paid in respect of financial year 2019 to the Chairman of the Board of Directors demonstrates that the total compensation paid or allocated for the 2019 financial year to Mr. Bernard Carayon, Chairman of the Board of Directors, complies with the 2019 compensation policy, which was adopted by the Shareholders' General Meeting of the company on April 17, 2019, and contributes to the long-term performance of the company thanks, in particular, to the stability of its structure as a solely a fixed element dissociated from the operational performance of Gecina, in accordance with the compensation policy adopted.

Draft resolution submitted to the General Meeting of April 23, 2020 on the approval of the fixed, variable and exceptional elements comprising the total compensation and benefits of any kind paid over the course of or allocated in respect of the 2019 financial year to the Chairman of the Board of Directors

"The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having read the Board of Directors' report on Corporate Governance prepared pursuant to article L. 225-37 of the French Commercial Code describing the elements of the corporate officers' compensation policy, approves, in application of article L. 225-100 II of the French Commercial Code, the fixed, variable and exceptional elements of compensation paid over the course of the 2019 financial year or allocated in respect of financial year 2019 to the Chairman of the Board of Directors, as presented in the corporate governance report in Chapter 4 of the 2019 Universal Registration Document, section 4.2."

Compensation ratios

Comparison of the compensation of executive corporate officers with the average and median compensation of employees

In accordance with 6° and 7° of I of article L. 225-37-3 of the French Commercial Code in its version resulting from Ordinance No. 2019-1234 of November 27, 2019, the table below indicates the ratios between the level of compensation of the Chairman of the Board of Directors and, firstly, the average compensation on a full-time

equivalent basis for employees other than corporate officers, and secondly, the median compensation on a full-time equivalent basis for employees other than corporate officers. It also shows the annual evolution in the compensation of the Chairman of the Board of Directors, the performance of the company, the average compensation on a full-time equivalent basis of employees other than the officers and the above-mentioned ratios, over the course of the five most recent financial years.

The compensation of the Chairman of the Board of Directors used for the purposes of the table below includes all compensation elements and benefits of any kind paid or allocated over the course of the 2015 to 2019 financial years. The ratios presented below in accordance with Ordinance No. 2019-1234 of November 27, 2019 were calculated on the basis of the median and the average of the compensation paid or allocated over the course of the 2015 to 2019 financial years to the employees of the company.

Evolution of aggregates

	2015	2016	2017	2018	2019
Bernard Carayon – Chairman of the Board of Directors⁽¹⁾	Bernard Michel⁽²⁾	Bernard Michel	Bernard Michel	Bernard Michel and Bernard Carayon	Bernard Carayon
Compensation	€558,000	€558,000	€558,000	€376,000	€300,000
<i>(Evolution compared to the previous financial year)</i>		0%	0%	-33%	-20%
Average compensation of employees (full-time equivalent basis excluding corporate officers)	€64,641	€68,285	€72,399	€73,955	€77,584
<i>(Evolution compared to the previous financial year)</i>		6%	6%	2%	5%
Ratio in relation to the average compensation of employees (full-time equivalent basis excluding corporate officers) ⁽³⁾	9	8	8	5	4
<i>(Evolution compared to the previous financial year)</i>		-5%	-6%	34%	-24%
Median compensation of employees (full-time equivalent basis excluding corporate officers)	€46,366	€48,065	€50,253	€48,894	€52,903
<i>(Evolution compared to the previous financial year)</i>		4%	5%	-3%	8%
Ratio compared to the median compensation of employees (full-time equivalent basis excluding corporate officers) ⁽³⁾	12	12	11	8	6
<i>(Evolution compared to the previous financial year)</i>		-4%	-4%	-31%	-26%

(1) Mr. Bernard Carayon was appointed Chairman of the Board at the end of the Combined General Meeting of April 18, 2018.

(2) The term of office of Mr. Bernard Michel expired at the end of the Combined General Meeting of April 18, 2018.

(3) Ratios calculated on the basis of full-time equivalent compensation of employees of Gecina, present from January 1 to 31 December, in accordance with AFEP-MEDEF recommendations.

4.2.2.3 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

4.2.2.3.1 Reminder of the general principles of the 2019 policy

Determination of the Chief Executive Officer's compensation is the responsibility of the Board of Directors and is based on the recommendations of the Governance, Appointment and Compensation Committee.

In this context, the Board of Directors and the Governance, Appointment and Compensation

Committee may take into consideration the benchmarking studies in addition to any non-recurring elements occurring over the course of the year.

The Chief Executive Officer's compensation includes fixed compensation, annual variable compensation, performance shares and benefits in kind. A severance payment in the event of forced termination can also be awarded and depends on seniority and the achievement of performance conditions, pursuant to the provisions of the AFEP-MEDEF Code and article L. 225-37-2, III of the French Commercial Code.

Fixed compensation

The gross annual fixed compensation is set by the Board of Directors and based on the recommendations of the Governance, Appointment and Compensation Committee, in accordance with the principles of the AFEP-MEDEF Code.

This amount should in principle be reviewed only at relatively long intervals (length of the term of office). However, exceptional circumstances may give rise to its review during the year by the Board of Directors as a result of changes in the scope of responsibility or significant changes within the company or the market. In these particular situations, the adjustment of the fixed compensation and the reasons for it will be made public.

In application of these principles, with effect from January 1, 2018 following the approval by the 2018 Annual General Meeting of the Chief Executive Officer's compensation policy, the Board of Directors, based on the work performed by Mercer analyzing a sample of 15 comparable real estate companies, and on the recommendation of the Governance, Appointment and Compensation Committee, has set the annual fixed compensation of Ms. Méka Brunel at €650,000.

It should be noted that the Mercer study was based on a sample of 15 European real estate companies, including seven French companies (Altarea-Cogedim, Carmila, Covivio – formerly Foncière des Régions, Klépierre, Mercialis, SFL and Unibail-Rodamco-Westfield), 3 German companies (Deutsche Wohnen, GSW Immobilien and Vonovia), 4 British companies (British Land, Hammerson, Land Securities and Segro) and 1 Swiss company (Swiss Prime Site).

Annual variable compensation

The rules for setting this compensation must be consistent with the annual assessment of the performance of the Chief Executive Officer and with the company's strategy. These are contingent upon the

performance of the Chief Executive Officer and the progress made by the company.

The Board specifically defines the quantifiable and qualitative criteria used to determine the annual variable compensation.

The quantitative performance criteria will be based on the main financial indicators decided by the Board to assess the financial performance of the Group and, in particular, those provided to the market such as EBITDA, net recurring earnings per share and the real estate investment performance of Gecina compared with the MSCI index.

The qualitative criteria will be set based on detailed objectives defined by the Board that reflect the implementation of the Group's strategic plan as well as other performance indicators or objectives intended to assess the level of achievement of overall or specific strategic initiatives.

A maximum limit is set for each portion that corresponds to the quantitative and qualitative criteria, with the quantitative criteria carrying the most weight. These will account for 60% of the target variable compensation and the qualitative criteria for 40%. The maximum amount of variable compensation is determined as a percentage of the fixed compensation and is proportionately higher than this fixed portion. It is set at 100% of the Chief Executive Officer's fixed compensation, but it is possible to achieve a maximum of 150% of the fixed compensation if the target quantitative and qualitative performance criteria are exceeded.

For 2019, the target variable compensation of Ms. Méka Brunel, Chief Executive Officer, was set by the Board of Directors on February 19, 2019 at 100% of her fixed compensation, with however the possibility of reaching a maximum of 150% of fixed compensation if the target quantitative or qualitative performance criteria are exceeded. The quantitative criteria represent 60% of the target variable compensation and the qualitative criteria represent 40%.

Quantitative performance criteria: Target 60%/Maximum 90%

The achievement of the quantitative performance criteria will be established according to the grid below:

EBITDA % achieved/budget	Bonus	NRI – GS per share % achieved/budget	Bonus	Asset Value Return % property value creation	Bonus
>102	30%	>102	30%	>MSCI +1%	30%
>100	20% Target	>100	20% Target	>MSCI +0%	20% Target
>98	10%	>98	10%	>MSCI –0.5%	10%
>96	5%	>96	5%	>MSCI –1%	5%
<96	0%	<96	0%	<MSCI –1%	0%

NRI – GS = Net Recurring Income – Group Share per share.

MSCI = Index that measures real estate investment performance in France.

Qualitative performance criteria: Target 40%/Maximum 60%

Each qualitative criterion is quantified as follows:

Qualitative criteria	Target bonus (40%)	Maximum bonus (60%)
Confidential strategic objective	16%	24%
Deployment of the "YouFirst" brand	16%	24%
Finalization of the IT systems changeover	8%	12%

Payment of the annual variable compensation of the Chief Executive Officer for 2019 is conditional upon its approval by the General Meeting to be held in 2020.

Performance shares

Performance shares are not only intended to encourage the executive corporate officers to consider their action over the long term, but also to enhance loyalty and promote the alignment of their interests with the corporate interest of the company and the interest of the shareholders.

The Board of Directors may, when setting up the company's performance share plans, award performance shares to the Chief Executive Officer. These allocations, which are valued based on IFRS, cannot account for more than 100% of the maximum annual gross compensation granted to them (fixed portion + maximum variable portion). The allocations must be subject to demanding relative and, if applicable, internal performance conditions, which must be met over a period of three years.

The performance conditions consist, in general, of two criteria representative of Gecina's performance, adapted to the specificity of its business activity, that correspond to the key indicators followed by investors and analysts to measure the performance of companies in the real estate sector. They are set by the Board of Directors, which will also review their achievement following a prior review by the Governance, Appointment and Compensation Committee. Whether or not they are awarded is also ultimately subject to a presence condition applicable to all of the beneficiaries, unless otherwise provided by the plan rules (e.g. in the event of death or disability) or decided by the Board of Directors.

The Chief Executive Officer must make a formal commitment to not engage in risk hedging transactions on performance shares until after the end of the share holding period that may be set by the Board of Directors.

As an example, the Board of Directors, on February 21, 2018, granted to Ms. Méka Brunel, as part of the 2018 performance share award plan, 12,000 performance shares for the duration of her term of office as Chief Executive Officer and in accordance with the following terms:

- this allocation represented 0.016% of the share capital as at the date of the plan and 20.7% of all shares allocated to Group employees and officers benefiting from the same plan;
- the value (IFRS 2) of the 12,000 shares granted represents 56.7% of her potential annual total gross compensation for the 2018 financial year;
- the term of the vesting period is three years and the holding period is two years.

It should be noted that these 12,000 performance shares are awarded to Ms. Méka Brunel for the entirety of her

term, i.e. for a period of four years. Spread over four years and taken at their IFRS value (€76.79 per performance share), this allocation represented 35% of her annual base salary.

Definitive acquisition of performance shares is subject to compliance with the presence condition and achievement of the following performance conditions:

Total Shareholder Return (TSR): performance criteria adopted for 75% of the performance shares awarded

Gecina's Total Shareholder Return compared to the Euronext IEIF "SIIC France" TSR index over the same period (January 4, 2021 opening share price versus January 2, 2018 opening share price), the number of performance shares vested varying to reflect the performance rate achieved:

- all the shares contingent on this condition shall only vest if the shares outperform this index by at least 5%;
- at 100% of the index, 80% of the total number of shares contingent on this condition will be vested;
- in the event of a performance rate of between 101% and 104%, stepwise progression will be applied up to the achievement of 96% of the total number of shares contingent on this condition;
- in the event of performance comprised between 99% and 85%, stepwise regression will be applied within the limit of the achievement of 25% of the total number of shares contingent on this condition;
- in the event of performance below 85%, none of these performance shares will be vested.

Total Return: performance criterion adopted for 25% of the performance shares awarded

Total return: Triple net NAV dividends attached per share compared to a group of five French real estate companies⁽¹⁾. The vesting of performance shares shall be contingent on exceeding the average performance of the comparison group. If this average performance is not exceeded, none of these performance shares will be vested.

Holding period of securities

The performance shares that will be definitively vested for Ms. Méka Brunel will be recorded in a registered account and must be held in registered form until the end of the two-year holding period. In addition, Ms. Méka Brunel is required to hold at least 25% of the performance shares that will be definitively vested for her until the end of her term of office. This obligation will continue to apply until the total amount of shares held and definitively vested represents 200% of the last gross annual fixed compensation, calculated on that same date. This second obligation then replaces the first.

Prohibition on hedging

Ms. Méka Brunel may not use any hedging instrument to hedge the risk inherent in her shares.

(1) Covivio, Icade, SFL, Tour Eiffel, Unibail-Rodamco-Westfield.

Exceptional compensation

In accordance with the AFEP-MEDEF Code (Article 24.3.4), the Board of Directors, at the recommendation of the Governance, Appointment and Compensation Committee, has adopted the principle that the Chief Executive Officer may receive exceptional compensation in certain exceptional circumstances, which will have to be precisely communicated and justified.

In any case, in the event of such a decision by the Board:

- the payment of this exceptional compensation, the amount of which will be assessed on a case-by-case basis by the Board of Directors, at the recommendation of the Governance, Appointment and Compensation Committee, depending on the event justifying it and the particular involvement of the party concerned, may not take place without prior approval from the shareholders pursuant to article L. 225-37-2 of the French Commercial Code;
- this decision will be made public immediately after it has been taken by the Board of Directors; and
- it must be justified and the events leading up to it explained.

It should be noted that this compensation may only be granted in exceptional circumstances and that it will require the approval of Gecina's Annual General Meeting. In addition, it must be below a maximum ceiling of 100% of the annual base salary.

Benefits in kind

The Chief Executive Officer may benefit from a company car in accordance with company policy, in addition to the health insurance and welfare benefits policies set up by the company.

Severance payment in the event of termination of duties

The Board of Directors may decide, subject to the provisions of article L. 225-37-2, III of the French Commercial Code and the AFEP-MEDEF Code, to grant a severance payment in the event of termination of the Chief Executive Officer's duties.

The performance conditions associated with this payment are applied over at least two financial years. They are strict and only allow payment to the Chief Executive Officer in the event of forced departure.

The severance pay shall not, where applicable, exceed the sum of two years' compensation (annual fixed and variable).

The Board of Directors of January 6, 2017 decided that a severance payment would be granted to Ms. Méka Brunel, CEO, in the event of forced departure. The calculation and performance conditions of this payment are detailed in paragraph 4.1.5 of this report.

The Chief Executive Officer also does not receive any compensation for her office as a Director.

4.2.2.3.2 Compensation allocated or paid to the Chief Executive Officer

Pursuant to article L. 225-100, III of the French Commercial Code, the Shareholders' General Meeting rules upon the fixed, variable and exceptional elements comprising the total compensation and benefits of any kind paid over the course of the 2019 financial year or allocated in respect of that financial year to the Chief Executive Officer.

It will thus be proposed to the General Meeting of April 23, 2020 to approve the compensation elements paid or allocated in respect of the 2019 financial year to Ms. Méka Brunel, Chief Executive Officer, as described hereafter. These elements comply with the principles and criteria for compensation of the Chief Executive Officer in respect of the 2019 financial year as approved by the Shareholders' General Meeting of April 17, 2019.

Compensation elements	Amounts allocated or accounting valuation (in thousand euros)		Overview
	2018	2019	
Fixed compensation	650	650	
Annual variable compensation	956	975	The target variable compensation is set at 100% of the fixed portion of the compensation with, however, a possibility of reaching a maximum of 150% of the fixed portion of the compensation if the target quantitative or qualitative performance criteria are exceeded. The quantitative criteria represent 60% of the target variable compensation and the qualitative criteria represent 40%. Qualitative performance criteria relate to profitability and productivity, the value creation strategy and the corporate social responsibility policy. Fulfillment of quantifiable performance criteria is determined in accordance with the grid presented below this table.
Multi-year variable compensation	N/A	N/A	Ms. Méka Brunel is not entitled to any multi-year variable compensation
Exceptional compensation	N/A	N/A	Ms. Méka Brunel is not entitled to any exceptional compensation
Award of stock options	N/A	N/A	No stock options were awarded in 2019
Award of performance shares	921	N/A	No performance shares were granted over the course of the 2019 financial year

Compensation elements	Amounts allocated or accounting valuation (in thousand euros)		Overview
	2018	2019	
Compensation resulting from a Director's office	N/A	N/A	Members of the management team do not receive Directors compensation in their capacity as corporate officers in Group companies
Benefits in kind	9	9	Company car
Severance pay			See paragraph 4.1.5
Non-compete compensation	N/A	N/A	Ms. Méka Brunel is not entitled to non-compete compensation
Pension plan	N/A	N/A	Ms. Méka Brunel does not have a supplementary pension plan with the Group

Annual variable compensation of the CEO in respect of 2019

The target variable compensation for 2019 is set at 100% of the fixed portion of the compensation with, however, the possibility of reaching a maximum of 150% of the fixed portion of the compensation if the target quantitative or qualitative performance criteria are exceeded. This possibility to reach a maximum of 150% is in line with the median average observed on the sample used by the Mercer firm of fifteen listed European real estate companies. The quantitative criteria represent 60% of the target variable compensation and the qualitative criteria represent 40%.

Quantitative performance criteria: Target 60%/Maximum 90%

The achievement of the quantitative performance criteria will be established according to the grid below:

EBITDA % achieved/budget	Bonus	NRI – GS per share % achieved/budget	Bonus	Asset Value Return % property value creation	Bonus
>102	30%	> 102	30%	>MSCI +1%	30%
>100	20% Target	>100	20% Target	>MSCI +0%	20% Target
>98	10%	>98	10%	>MSCI –0.5%	10%
>96	5%	>96	5%	>MSCI –1%	5%
<96	0%	<96	0%	<MSCI –1%	0%

NRI – GS = Net Recurring Income – Group Share per share.

MSCI = Index that measures real estate investment performance in France.

The quantifiable criteria were set in order to combine elements relating to the construction of recurring net income, operating margin and value creation momentum, thereby combining capital return ambitions with rental yield ambitions. These criteria are therefore aligned with the overall performance strategy followed by the Group since early 2015.

Qualitative performance criteria: Target 40% / Maximum 60%

Each qualitative criterion is quantified as follows:

Qualitative criteria	Target bonus (40%)	Maximum bonus (60%)
Confidential strategic objective	16%	24%
Deployment of the "YouFirst" brand	16%	24%
Finalization of the IT systems changeover	8%	12%

If the target is exceeded, these qualitative criteria can reach 60% of fixed compensation.

The Board of Directors, on February 19, 2020, having reviewed these quantitative and qualitative performance criteria, and at the recommendation of the Governance, Appointment and Compensation Committee, set the variable compensation of Ms. Méka Brunel in respect of the 2019 financial year at 150% of her fixed base compensation in 2019, i.e. €975,000. This 150% breaks down as follows:

- 90% for the achievement of quantitative criteria:
 - 30% for EBITDA (in euros 543.5 million achieved for a target of €529.1 million),
 - 30% for net recurring income (€5.95 per share achieved for a target equivalent to €5.67 per share after adjustment for the detachment of pre-emptive subscription rights,
 - 30% for Gecina's real estate investment performance (Asset Value Return) in relation to the MSCI index (AVR +5.1% vs. return on capital MSCI France offices +3.2%);
- 60% for the achievement of qualitative criteria.

The Shareholders' General Meeting of the company of April 17, 2019 approved at 91.72% the compensation elements paid or allocated in respect of the 2018 financial year to Ms. Méka Brunel, Chief Executive Officer. This high percentage of approval was taken into account by the Board of Directors in the company's compensation policy and in the compensation elements paid or allocated for the 2019 financial year to Ms. Méka Brunel, Chief Executive Officer, which remained equivalent to those for the 2018 financial year.

The reminder of the general principles of the 2019 compensation policy applicable to the Chief Executive Officer in section 4.2.2.3.1. of this report just before the presentation in section 4.2.2.3.2. of the compensation allocated or paid in respect of financial year 2019 to the Chief Executive Officer demonstrates that the total compensation paid or allocated for the 2019 financial year to Ms. Méka Brunel, Chief Executive Officer, complies with the 2019 compensation policy, which was adopted by the Shareholders' General Meeting of the company on April 17, 2019, and contributes to the long-term performance of the company thanks, in particular, to the 12,000 performance shares issued by the Board of Directors to the Chief Executive Officer on February 21, 2018.

Draft resolution submitted to the General Meeting of April 23, 2020 on the approval of the fixed, variable and exceptional elements comprising the total compensation and benefits of any kind paid over the course of or allocated in respect of the 2019 financial year to the Chief Executive Officer

"The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, having read the Board of Directors' report on Corporate Governance prepared pursuant to article L.225-37 of the French Commercial Code describing the elements of the corporate officers' compensation policy, approves, in application of article L. 225-100 III of the French Commercial Code, the fixed, variable and exceptional elements making up the total compensation and the benefits of any kind paid over the course of the 2019 financial year or allocated in respect of the 2019 financial year to the Chief Executive Officer, as presented in the corporate governance report in Chapter 4 of the 2019 Universal Registration Document, section 4.2."

Compensation ratios

Comparison of the compensation of executive corporate officers with the average and median compensation of employees

In accordance with 6° and 7° of I of article L.225-37-3 of the French Commercial Code in its version resulting from Ordinance No.2019-1234 of November 27, 2019, the table below indicates the ratios between the level of compensation of the Chief Executive Officer and, firstly, the average compensation on a full-time equivalent basis for employees other than corporate officers, and secondly, the median compensation on a full-time equivalent basis for employees other than corporate officers. It also shows the annual evolution in the compensation of the Chief Executive Officer, the performance of the company, the average compensation on a full-time equivalent basis of employees other than the officers and the above-mentioned ratios, over the course of the five most recent financial years.

The compensation of the Chief Executive Officer used for the purposes of the table below includes all compensation elements and benefits of any kind paid or allocated over the course of the 2015 to 2019 financial years. The ratios presented below in accordance with Ordinance No.2019-1234 of November 27, 2019 were calculated on the basis of the median and the average of the compensation paid or allocated over the course of the 2015 to 2019 financial years to the employees of the company.

Evolution of aggregates

Méka Brunel – Chief Executive Officer ⁽¹⁾	2015	2016	2017	2018	2019
	Philippe Depoux	Philippe Depoux	Méka Brunel ⁽²⁾	Méka Brunel	Méka Brunel
Compensation	€728,000	€832,000	€501,000	€1,489,250	€1,845,250
(Evolution compared to the previous financial year)		14%	–40%	197%	24%
Average compensation of employees (full-time equivalent basis excluding corporate officers)	€64,641	€68,285	€72,399	€73,955	€77,584
(Evolution compared to the previous financial year)		6%	6%	2%	5%
Ratio in relation to the average compensation of employees (full-time equivalent basis excluding corporate officers) ⁽³⁾	11	12	7	20	24
(Evolution compared to the previous financial year)		8%	–43%	191%	18%
Median compensation of employees (full-time equivalent basis excluding corporate officers)	€46,366	€48,065	€50,253	€48,894	€52,903
(Evolution compared to the previous financial year)		4%	5%	–3%	8%
Ratio compared to the median compensation of employees (full-time equivalent basis excluding corporate officers) ⁽³⁾	16	17	10	30	35
(Evolution compared to the previous financial year)		10%	–42%	206%	15%

(1) Ms. Méka Brunel was appointed Chief Executive Officer on January 6, 2017. She succeeded Mr. Philippe Depoux, who had been appointed CEO on April 17, 2013 effective June 3, 2013.

(2) Annualization of the 2017 compensation of Ms. Méka Brunel in her capacity as Chief Executive Officer, which began on January 6, 2017.

(3) Ratios calculated on the basis of full-time equivalent compensation of employees of Gecina, present from January 1 to 31 December, in accordance with AFEP-MEDEF recommendations.

4.2.2.4 STANDARDIZED PRESENTATION OF THE COMPENSATION OF EXECUTIVE CORPORATE OFFICERS

In the interests of legibility and comparability of information on the compensation of executive corporate officers, all elements of the compensation of Mr. Bernard Carayon and Ms. Méka Brunel are presented below, in table format as recommended by the AMF and the AFEP-MEDEF Code (table 3 appears in section 4.2.2.1.2 "Directors' compensation").

Table summarizing the compensation and stock options and shares granted to each executive corporate officer (table 1)

<i>In thousand euros</i>	12/31/2018	12/31/2019
Bernard Carayon – Chairman of the Board of Directors⁽¹⁾		
Compensation allocated for the financial year (details in table 2)	209	300
Valuation of the multi-year variable compensation allocated during the period		
Valuation of stock options awarded during the period	N/A	N/A
Valuation of performance shares awarded during the period	N/A	N/A
TOTAL	209	300
Bernard Michel – Chairman of the Board of Directors⁽²⁾		
Compensation allocated for the financial year (details in table 2)	167	
Valuation of the multi-year variable compensation allocated during the period		
Valuation of stock options awarded during the period	N/A	
Valuation of performance shares awarded during the period	N/A	
TOTAL	167	
Méka Brunel – Chief Executive Officer		
Compensation allocated for the financial year (details in table 2)	1,615	1,634
Valuation of the multi-year variable compensation allocated during the period		
Valuation of stock options awarded during the period	N/A	N/A
Valuation of performance shares awarded during the period	921	N/A
TOTAL	2,536	1,634

(1) Mr. Bernard Carayon was appointed Chairman of the Board at the end of the Combined General Meeting of April 18, 2018.

(2) The term of office of Mr. Bernard Michel expired at the end of the Combined General Meeting of April 18, 2018.

Table summarizing the compensation of each executive corporate officer (table 2)

In thousand euros	12/31/2018		12/31/2019	
	Amounts allocated	Amounts paid	Amounts allocated	Amounts paid
Bernard Carayon – Chairman of the Board of Directors⁽¹⁾				
Fixed compensation	209	209	300	300
Annual variable compensation				
Multi-year variable compensation				
Exceptional compensation				
Attendance fees				
Value of benefits in kind (new technologies)	0	0	0	0
Value of benefits in kind (company car)				
TOTAL	209	209	300	300
Bernard Michel – Chairman of the Board of Directors⁽²⁾				
Fixed compensation	165	165		
Annual variable compensation				
Multi-year variable compensation				
Exceptional compensation				
Attendance fees				
Value of benefits in kind (new technologies)	0	0		
Value of benefits in kind (company car)	2	2		
TOTAL	167	167		
Méka Brunel – Chief Executive Officer				
Fixed compensation	650	650	650	650
Annual variable compensation ⁽³⁾	956	600	975	956
Multi-year variable compensation				
Exceptional compensation				
Severance pay				
Attendance fees				
Value of benefits in kind (new technologies)	1	1	1	1
Value of benefits in kind (company car)	8	8	8	8
TOTAL	1,615	1,259	1,634	1,615

(1) Mr. Bernard Carayon was appointed Chairman of the Board at the end of the Combined General Meeting of April 18, 2018.

(2) The term of office of Mr. Bernard Michel expired at the end of the Combined General Meeting of April 18, 2018.

(3) The variable compensation due for year N-1 is paid in year N.

Stock options for the purchase of new or existing shares awarded during the year to each executive corporate officer by the issuer and by any Group company (table 4)

No stock option for new or existing shares was granted to executive corporate officers in 2019.

Stock options for the purchase of new or existing shares exercised during the year by each executive corporate officer (table 5)

No executive corporate officer exercised stock options for new or existing shares in 2019.

Performance shares granted to each corporate officer during the financial year (table 6)

No performance shares were granted to executive corporate officers during the 2019 financial year.

Performance shares that became available for each corporate officer during the financial year (table 7)

No performance share became available for corporate officers in 2019.

History of the allocation of stock options for the purchase of new or existing shares – information on stock options for the purchase of new or existing shares (table 8)

None.

History of allocation of performance shares and information on performance shares (table 9)

		AP18 ⁽¹⁾
Date of General Meeting		4/21/2016
Date of Board Meeting		2/21/2018
Total number of shares awarded free of charge		57,920
of which the number of shares granted to:		
Ms. Méka Brunel		12,000
Acquisition date of shares		2/22/2021
End of holding period		2/22/2023
Performance Conditions	Performance of the Gecina share compared to the Euronext SIIC France index with dividends reinvested (for 75%) Triple net NAV dividends attached per share compared to a Group of five French real estate holders (for 25%)	
Number of shares definitively awarded at 2/19/2020		–
Aggregate number of canceled or obsolete shares		7,993
Outstanding shares awarded free of charge at year end (in vesting period)		49,927

(1) The vesting period for performance shares, as stated in the plan rules, is three years from the date of the Gecina Board of Directors' Meeting that decided to grant said shares, subject to the fulfillment of a presence condition and a performance condition, the terms of which are described below:

Total Shareholder Return: performance criterion adopted for 75% of the performance shares awarded

The Gecina Total Shareholder Return compared over a period of three years with the Euronext IEIF "SIIC France" index – dividends reinvested over the same period (opening share price of January 4, 2021 versus opening share price of January 2, 2018), the number of performance shares vested varying to reflect the performance rate achieved:

- if the average performance of Gecina shares is equal to the average performance of the Euronext IEIF SIIC France index – dividends reinvested, a performance rate of 80% shall be applied to the target number of shares;
- if the average performance of Gecina shares is between 101% and 105%, stepwise progression will be applied up to the achievement of 100%;
- if the average performance of Gecina shares is between 99% and 85%, stepwise regression will be applied up to the achievement of 25%;
- in the event of performance below 85%, no performance shares will be awarded.

Total Return: performance criterion adopted for 25% of the performance shares awarded

Total return: Triple net NAV dividends attached per share compared to a group of five French real estate companies. The vesting of performance shares shall be contingent on exceeding the average performance of the comparison group.

- if the average performance of Gecina's total return is below the average of the comparison group over the period from January 1, 2018 to June 30, 2020, no performance shares will be awarded;
- if the average performance of Gecina's total return is above the average of the comparison group over the period from January 1, 2018 to June 30, 2020, 100% of the shares will be awarded.

In addition, the Chief Executive Officer must hold at least 25% of the performance shares definitively vested for him/her until the end of his/her term of office. This obligation shall apply until the total amount of shares held reaches, upon definitive vesting, a threshold equal to 200% of the most recent gross annual fixed compensation as assessed on the same date.

Table summarizing the multi-year compensation of each executive corporate officer (table 10)

None.

Other information (table 11)

	Employment contract		Supplementary pension plan		Compensation ⁽¹⁾ or benefits due or likely to become due as a result of the termination of, or change in duties		Compensation relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Corporate officers								
Bernard Carayon – Chairman		x		x		x		x
Date of appointment	04/18/2018							
Office expiry date ⁽²⁾	GM 2022							
Bernard Michel – Chairman		x		x		x		x
Date of appointment	02/16/2010							
Office expiry date ⁽²⁾	04/18/2018							
Méka Brunel – Chief Executive Officer		x		x	x			x
Date of appointment	01/06/2017							

(1) Compensation in the event of termination of the duties of the Chief Executive Officer is presented in section 4.1.5.

(2) The General Meeting of April 18, 2018 decided to appoint Mr. Bernard Carayon as an independent Director, to replace Mr. Bernard Michel whose term of office expired at the end of this Meeting. The four-year term of office of Mr. Bernard Carayon will expire at the end of the General Meeting convened to approve the financial statements for the 2021 financial year.

4.3 Information about the capital structure and factors that could have an impact in the event of a public offer

Under Article L. 225.37.5 of the French Commercial Code, the company is required to identify factors that could have an influence in the event of a takeover bid. Among these factors are agreements made by the company that would be amended or terminated in the event of a change in control of the company. In this respect, the company has disclosed the clauses of change of control contained in the financing contracts (see the "Financial Resources" section in chapter 1).

Information about the capital structure is presented in detail in Chapter 5 of the Consolidated Financial Statements (Note 5.5.9.1).

There is no limitation on voting rights and the shares do not carry double voting rights. However, the number of

exercisable voting rights must be adjusted to take account of treasury shares which have restricted voting rights.

The company is not aware of the existence of any shareholders' agreements that may concern it. It also has no knowledge of any holders of securities of the company with special control rights.

The rules applicable to the appointment and replacement of the members of the Board of Directors and to the amendment of the bylaws of the company are presented in section 8.3.2 "Bylaws" in Chapter 8.

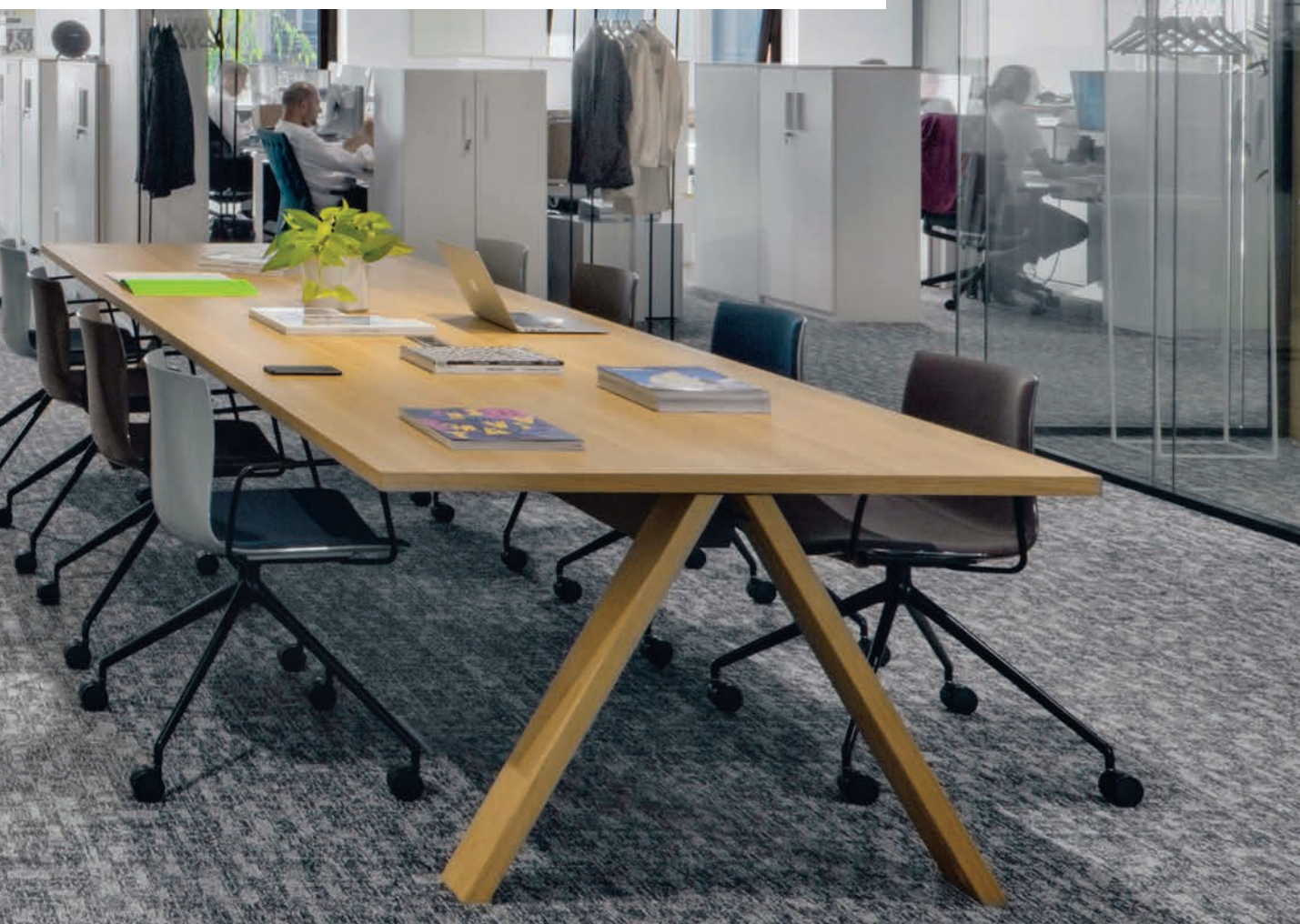
The powers of the Board of Directors, in particular with regard to the issue or redemption of shares, are also indicated in section 8.3.2 "Bylaws" in Chapter 8.

5.

Consolidated financial statements



5.1. Consolidated statement of financial position	198
Assets	198
Equity and liabilities	199
5.2. Consolidated statement of comprehensive income	200
5.3. Statement of changes in consolidated equity	201
5.4. Consolidated statement of cash flows	202
5.5. Notes to the consolidated financial statements	203
5.5.1. Highlights	205
5.5.2. General principles of consolidation	206
5.5.3. Accounting methods	212
5.5.4. Management of financial and operational risks	220
5.5.5. Notes to the consolidated statement of financial position	222
5.5.6. Notes to the consolidated statement of comprehensive income	233
5.5.7. Notes to the consolidated statement of cash flows	239
5.5.8. Segment reporting	242
5.5.9. Other information	244



5.1 Consolidated statement of financial position

Assets

<i>In thousand euros</i>	Note	12/31/2019	12/31/2018
Non-current assets		19,244,737	18,669,492
Investment properties	5.5.5.1	17,662,308	16,604,020
Buildings under reconstruction	5.5.5.1	1,055,147	1,508,051
Operating properties	5.5.5.1	85,977	66,866
Other tangible fixed assets	5.5.5.1	14,629	16,188
Goodwill	5.5.5.1.4	196,127	207,688
Intangible assets	5.5.5.1	7,017	6,632
Financial receivables on finance leases	5.5.5.1	121,643	175,141
Financial fixed assets	5.5.5.2	25,788	27,236
Equity-accounted investments	5.5.5.3	51,441	48,361
Non-current financial instruments	5.5.5.12.2	22,760	7,409
Deferred tax assets	5.5.5.4	1,900	1,900
Current assets		1,210,068	1,039,475
Properties for sale	5.5.5.5	928,751	649,846
Inventories	5.5.5.6	35,683	49,101
Trade receivables	5.5.5.7	77,385	110,723
Miscellaneous other receivables	5.5.5.8	111,205	175,000
Prepaid expenses	5.5.5.9	19,198	23,115
Current financial instruments	5.5.5.12.2	0	0
Cash and cash equivalents	5.5.5.10	37,846	31,690
TOTAL ASSETS		20,454,805	19,708,967

Equity and liabilities

<i>In thousand euros</i>	Note	12/31/2019	12/31/2018
Shareholders' equity	5.5.5.11	12,726,570	11,751,245
Capital		573,077	572,001
Additional paid-in capital		3,281,893	3,273,306
Consolidated reserves attributable to owners of the parent company		7,328,961	6,871,522
Consolidated net income attributable to owners of the parent company		1,515,287	1,004,985
Shareholders' equity attributable to owners of the parent company		12,699,218	11,721,814
Non-controlling interests		27,352	29,431
Non-current liabilities		5,487,705	5,425,371
Non-current financial debt	5.5.5.12.1	5,398,632	5,382,661
Non-current lease obligations		50,480	0
Non-current financial instruments	5.5.5.12.2	1,268	3,835
Deferred tax liabilities	5.5.5.4	1,654	5,784
Non-current provisions	5.5.5.13	35,671	33,091
Current liabilities		2,240,530	2,532,351
Current financial debt	5.5.5.12.1	1,884,852	2,103,918
Current financial instruments	5.5.5.12.2	555	709
Security deposits		80,545	80,988
Trade payables	5.5.5.15	153,006	207,284
Current tax and social security liabilities	5.5.5.16	48,983	72,650
Other current liabilities	5.5.5.17	72,589	66,802
TOTAL LIABILITIES AND EQUITY		20,454,805	19,708,967

5.2 Consolidated statement of comprehensive income

<i>In thousand euros</i>	Note	12/31/2019	12/31/2018
Gross rental income	5.5.6.1	673,487	661,716
Expenses not billed to tenants	5.5.6.2	(54,719)	(54,781)
Net rental income		618,768	606,935
Current operating income on finance lease transactions	5.5.6.3	5,411	9,242
Current operating income on the hotel activity	5.5.6.3	4,190	3,410
Services and other income net	5.5.6.4	34,584	62,454
Overheads	5.5.6.5	(92,968)	(86,916)
EBITDA		569,984	595,125
Real estate margin	5.5.6.6	388	(9,477)
Gain or losses on disposals	5.5.6.7	102,289	(11,459)
Change in value of properties	5.5.6.8	1,004,271	565,781
Depreciation and amortization	5.5.5.1	(13,399)	(13,577)
Net impairments and provisions	5.5.5.13	(3,129)	(5,300)
Impacts of the business combination	5.5.6.9	0	(696)
Operating income		1,660,404	1,120,397
Financial expenses		(102,098)	(99,317)
Financial income		82	5,615
Net financial expenses	5.5.6.10	(102,016)	(93,702)
Financial impairment and depreciation and amortization		0	21
Change in value of derivatives and borrowings	5.5.6.11	(26,071)	(14,590)
Premium and bond redemption costs		(15,933)	0
Net income from equity-accounted investments	5.5.5.3	4,647	529
Consolidated net income, before tax		1,521,031	1,012,656
Taxes	5.5.6.12	(4,141)	(5,691)
Consolidated net income		1,516,890	1,006,965
Of which consolidated net income attributable to non-controlling interests		1,603	1,980
Of which consolidated net income linked to owners of the parent company		1,515,287	1,004,985
Consolidated net earnings per share	5.5.6.13	€20.58	€13.63
Consolidated diluted net earnings per share	5.5.6.13	€20.52	€13.59
<i>In thousand euros</i>		12/31/2019	12/31/2018
Consolidated net income		1,516,890	1,006,965
Items not to be recycled in the net income		(3,281)	(1,387)
Actuarial gains (losses) on post-employment benefit obligations		(2,508)	(1,387)
Gains (losses) on non-consolidated interests		(773)	0
Items to be recycled in the net income		40	(7)
Gains (losses) from translation differentials		40	(7)
Comprehensive income		1,513,649	1,005,571
Of which comprehensive income attributable to non-controlling interests		1,603	1,980
OF WHICH COMPREHENSIVE INCOME LINKED TO OWNERS OF THE PARENT COMPANY		1,512,046	1,003,591

5.3 Statement of changes in consolidated equity

At year-end 2019, the capital was composed of 76,410,260 shares with a par value of €7.50 each.

<i>In thousand euros (except for number of shares)</i>	Number of shares	Share capital	Additional paid-in capital and consolidated reserves	Shareholders' equity attributable to owners of the parent company	Shareholders' equity attributable to non-controlling interests	Total shareholders' equity
Balance at December 31, 2017	75,363,444	565,226	10,420,746	10,985,972	28,438	11,014,410
Dividend paid in 2018			(388,079)	(388,079)	(1,545)	(389,624)
Effect of treasury shares ⁽¹⁾			1,052	1,052	0	1,052
Effect of share-based payments ⁽²⁾			2,781	2,781	0	2,781
Actuarial gains (losses) on post-employment benefit obligations			(1,387)	(1,387)	0	(1,387)
Gains (losses) from translation differentials			(7)	(7)	0	(7)
Group capital increase ⁽³⁾	903,306	6,775	106,452	113,227	0	113,227
Change in scope			3,270	3,270	558	3,828
Net income at December 31, 2018			1,004,985	1,004,985	1,980	1,006,965
Balance at December 31, 2018	76,266,750	572,001	11,149,813	11,721,814	29,431	11,751,245
Dividend paid in 2019			(405,703)	(405,703)	(3,548)	(409,251)
Effect of treasury shares ⁽¹⁾			(107,798)	(107,798)	0	(107,798)
Effect of share-based payments ⁽²⁾			2,773	2,773	0	2,773
Actuarial gains (losses) on post-employment benefit obligations			(2,508)	(2,508)	0	(2,508)
Gains (losses) from translation differentials			40	40	0	40
First application of IFRS 16			(32,568)	(32,568)	0	(32,568)
Group capital increase ⁽³⁾	143,510	1,076	8,268	9,345	0	9,345
Change in scope			(1,462)	(1,462)	(134)	(1,597)
Net income at December 31, 2019			1,515,287	1,515,287	1,603	1,516,890
BALANCE AT DECEMBER 31, 2019	76,410,260	573,077	12,126,141	12,699,218	27,352	12,726,570

(1) Treasury shares:

<i>In thousand euros (except for number of shares)</i>	As of 12/31/2019		As of 12/31/2018	
	Number of shares	Net amount	Number of shares	Net amount
Shares recorded as a deduction from shareholders' equity	2,959,038	348,647	2,140,426	241,233
Treasury stock in %		3.87%		2.81%

(2) Impact of benefits related to share award plans (IFRS 2).

(3) Creation of shares linked to the definitive vesting of shares as a result of the performance share award plan of April 21, 2016 (creation of 48,709 shares out of 48,709 initially allocated) and of July 21, 2016 (creation of 3,000 shares out of 3,000 initially allocated), to the capital increase reserved for Group employees (61,942 shares), to the exercise of share subscription (29,258 shares), and in respect of liquidity commitments for the benefit of holders of Eurosic performance shares (601 shares). For the 2018 financial year, creation of shares linked to the capital increase reserved for Group employees (33,557 shares), to the exercise of share subscription options reserved for employees (16,850 shares), and to the definitive vesting of shares as a result of the performance share award plan of February 19, 2015 (creation of 53,114 shares out of 58,120 initially allocated) in respect of liquidity commitments for the benefit of holders of Eurosic performance shares (328 shares) and for the payment of the dividend in shares in July 2018 (799,457 shares).

5.4 Consolidated statement of cash flows

<i>In thousand euros</i>	Note	12/31/2019	12/31/2018
Consolidated net income (including non-controlling interests)		1,516,890	1,006,965
Net income from equity-accounted investments		(4,647)	(529)
Net depreciation, amortization, impairments and provisions		16,528	18,877
Changes in fair value, premiums and repurchase costs on bonds	5.5.7.1	(962,267)	(551,191)
Calculated charges and income from performance shares		2,773	2,781
Tax expenses (including deferred tax)	5.5.6.12	4,141	5,691
Capital gains and losses on disposals	5.5.5.6, 5.5.6.7	(102,677)	20,936
Other calculated income and expenses		(26,069)	12,048
Net financial expenses	5.5.6.10	102,016	93,702
Net cash flow before cost of net debt and tax		546,688	609,282
Tax paid		(7,478)	(6,584)
Change in operating working capital requirement	5.5.7.2	81,136	(21,008)
Net cash flow from operating activities (A)		620,346	581,690
Acquisitions of tangible and intangible fixed assets and capitalized expenses	5.5.5.1.2	(550,917)	(405,913)
Disposals of tangible and intangible fixed assets	5.5.7.3	876,114	1,308,678
Acquisition of financial assets (non-consolidated securities)		(3,733)	0
Dividends received (equity-accounted affiliates, non-consolidated securities)		1,513	740
Changes in loans and agreed credit lines		46,159	20,491
Other cash flows from investing activities		(7,252)	(3,973)
Change in working capital requirement relating to investing activities	5.5.7.4	(78,716)	(124,413)
Net cash flow from investing activities (B)		283,167	795,610
Proceeds from capital increase received from shareholders		6,949	4,010
Amounts received on the exercise of stock options		2,395	1,372
Purchases and sales of treasury shares		(107,798)	1,052
Dividends paid to owners of the parent company	5.5.7.5	(405,716)	(280,234)
Dividends paid to non-controlling interests		(3,548)	(1,545)
New loans	5.5.7.6	4,448,919	3,822,992
Repayments of loans	5.5.7.6	(4,651,706)	(4,889,092)
Net interests paid		(128,014)	(109,365)
Other cash flows from financing activities		(58,834)	(16,830)
Net cash flow from financing activities (C)		(897,353)	(1,467,641)
Net change in cash and cash equivalents (A + B + C)		6,156	(90,341)
Opening cash and cash equivalents	5.5.7.7	31,690	122,031
CLOSING CASH AND CASH EQUIVALENTS	5.5.7.7	37,846	31,690

5.5 Notes to the consolidated financial statements

5.5.1 HIGHLIGHTS	205
5.5.2 GENERAL PRINCIPLES OF CONSOLIDATION	206
5.5.2.1 Reporting standards	206
5.5.2.2 Consolidation methods	206
5.5.2.3 Scope of consolidation	207
5.5.2.4 Consolidation adjustments and eliminations	212
5.5.2.5 Foreign currency translation	212
5.5.3 ACCOUNTING METHODS	212
5.5.3.1 Property portfolio	212
5.5.3.2 Equity interests	215
5.5.3.3 Inventories	215
5.5.3.4 Operating receivables	215
5.5.3.5 Cash and cash equivalents	216
5.5.3.6 Treasury shares (IAS 32)	216
5.5.3.7 Share-based payments (IFRS 2)	216
5.5.3.8 Financial instruments (IFRS 9)	216
5.5.3.9 Leases (IFRS 16)	217
5.5.3.10 Financial liabilities (IAS 32, IFRS 9 and IFRS 16)	217
5.5.3.11 Long term non-financial provisions and liabilities	217
5.5.3.12 Employee benefit commitments	217
5.5.3.13 Taxes	218
5.5.3.14 Recognition of rental income (IFRS 16)	218
5.5.3.15 Lessee loan contracts (IAS 40)	219
5.5.3.16 Finance leases	219
5.5.3.17 Key accounting estimates and judgments	219
5.5.4 MANAGEMENT OF FINANCIAL AND OPERATIONAL RISKS	220
5.5.4.1 Real estate market risk	220
5.5.4.2 Financial market risk	220
5.5.4.3 Counterparty risk	220
5.5.4.4 Liquidity risk	220
5.5.4.5 Interest rate risk	220
5.5.4.6 Foreign exchange risk	221
5.5.4.7 Operating risks	221
5.5.5 NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	222
5.5.5.1 Property portfolio	222
5.5.5.2 Financial fixed assets	223
5.5.5.3 Equity-accounted investments	224
5.5.5.4 Deferred tax assets and liabilities	224
5.5.5.5 Properties for sale	224
5.5.5.6 Inventories	224
5.5.5.7 Trade receivables	225

5.5.5.8	Other receivables	225
5.5.5.9	Prepaid expenses	225
5.5.5.10	Cash and cash equivalents	225
5.5.5.11	Consolidated shareholders' equity	225
5.5.5.12	Borrowings, financial debt and financial instruments	226
5.5.5.13	Provisions	229
5.5.5.14	Pensions and other employee benefits	231
5.5.5.15	Trade payables	231
5.5.5.16	Tax and social security liabilities	232
5.5.5.17	Other current liabilities	232
5.5.5.18	Off balance sheet commitments	232
5.5.5.19	Recognition of financial assets and liabilities	233
5.5.6	NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	233
5.5.6.1	Gross rental income	233
5.5.6.2	Direct operating expenses	234
5.5.6.3	Operating income from finance leases and hotel activities	234
5.5.6.4	Services and other income (net)	234
5.5.6.5	Overheads	235
5.5.6.6	Real estate margin	235
5.5.6.7	Gains or losses on disposals	235
5.5.6.8	Change in value of properties	236
5.5.6.9	Impacts of business combinations	237
5.5.6.10	Net financial expenses	237
5.5.6.11	Change in value of financial instruments and debt	238
5.5.6.12	Taxes	238
5.5.6.13	Earnings per share	239
5.5.7	NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS	239
5.5.7.1	Change in value and bond redemption costs	239
5.5.7.2	Change in operating working capital requirements	240
5.5.7.3	Proceeds from disposals of tangible and intangible fixed assets	240
5.5.7.4	Change in working capital requirements from investing activities	240
5.5.7.5	Dividends paid to shareholders of the parent company	240
5.5.7.6	New loans and repayments of loans	241
5.5.7.7	Closing cash and cash equivalents	241
5.5.8	SEGMENT REPORTING	242
5.5.9	OTHER INFORMATION	244
5.5.9.1	Shareholding structure of the Group	244
5.5.9.2	Dividends distributed	245
5.5.9.3	Related parties	246
5.5.9.4	Group employees	246
5.5.9.5	Stock options and performance shares	246
5.5.9.6	Compensation for administrative and governance bodies	247
5.5.9.7	Auditors' fees	247
5.5.9.8	Post-balance sheet events	247

5.5.1 Highlights

2019 FINANCIAL YEAR

On February 19, 2019, in connection with the implementation of its share buyback program, as decided by the Board of Directors, Gecina appointed an independent investment service provider to buy back Gecina shares on its behalf, depending on market conditions, for up to a maximum of €150 million from February 20, 2019 to June 30, 2019. The shares purchased have been allocated for tenders or exchanges of shares on potential external growth operations. This operation is in line with the authorizations given by the Combined General Meeting on April 18, 2018, which authorized a share buyback program for up to 10% of the capital and a maximum price per share of €180. On June 30, 2019, 818,612 shares were acquired at an average price of €131.2 per share, i.e. a total amount excluding cost of €107.4 million.

On March 21, Gecina indicated that the Edenred group, the global leader in workplace payment solutions, signed a lease for offices for its future international headquarters in the building Be Issy in Issy-les Moulineaux. This new lease came into effect from December 1, 2019.

On May 22, 2019, Gecina successfully placed a €500-million bond issue with a 15-year maturity (maturing in May 2034) and a coupon of 1.625%. Alongside this, Gecina launched a tender offer on three of its outstanding series of notes. On June 4, 2019, Gecina finalized this bond tender offer, redeeming a nominal total of €151.5 million (average residual maturity of 4.6 years and average coupon of 2.0%).

On June 18, 2019, Gecina announced that a new lease was signed for the Be Issy building with the consulting firm Leyton. Covering a nine-year period, this new lease with nearly 3,700 sq.m of office space became effective from September 15, 2019. It follows the arrivals of Séqens and Edenred, taking this asset's letting rate up to almost 80%.

On June 24, 2019, Gecina signed a unilateral preliminary purchase agreement with Angelo Gordon, under which Angelo Gordon made a commitment to acquire Gecina's hotel portfolio for a valuation excluding duties of €181 million. This portfolio, comprising the premises and business of five hotels located in Paris, Boulogne, Bougival and Roissy, was from the Eurosic portfolio. This transaction was finalized on October 31, 2019.

On July 15, 2019, following a call for tenders issued by the CRPN (Caisse de Retraite du Personnel Navigant Professionnel de l'Aéronautique Civile), France's flight crew pension fund, Gecina entered into exclusive negotiations to acquire 100% of office units held by the CRPN in the "Carreau de Neuilly" real estate complex on Avenue Charles de Gaulle in Neuilly-sur-Seine. This transaction, which was finalized on November 7, 2019, took the form of an exchange of assets. Consequently, Gecina signed an asset exchange contract with the Caisse de Retraite du Personnel Navigant (CRPN) allowing it to acquire the "Carreau de Neuilly" property for the sum of €306 million excluding duties. This office property, 90% occupied, contains a floor surface area of around

34,000 sq.m. In return, Gecina transferred two mature office buildings, fully leased, in Neuilly and Paris, for a total amount of €238 million excluding duties. The price difference gave rise to a balancing payment due. Gecina thus proceeded to dispose of a building of 17,500 sq.m located at 12-16 boulevard du General Leclerc in Neuilly-sur-Seine and a building located at 22, rue du General Foy in the 8th arrondissement of Paris, with a surface area of close to 3,200 sq.m.

On September 11, 2019 and for the second consecutive year, Gecina received the overall rating of 92/100 in the GRESB (Global Real Estate Sustainability Benchmark) classification, which evaluates the performance and CSR policy of companies in the real estate sector every year. This rating took into account for the first time the office buildings from the property portfolio of Eurosic, a company acquired by Gecina in August 2017.

On September 12, 2019, Gecina indicated the finalization of three new responsible credit contracts with BNP Paribas, Natixis and Société Générale for an amount of €660 million, taking the form of either new banking lines of credit or conversion of traditional banking lines of credit into responsible lines of credit. Combined with the lines set up in 2018 with ING France and Crédit Agricole Corporate & Investment Bank, the volume of Responsible Credit Contracts now amounts to €910 million, i.e. more than 20% of the Group's portfolio of banking lines of credit. The financial terms of these credit agreements will be indexed to the Group's performance in terms of corporate social responsibility (CSR), illustrating once again its strong convictions with regard CSR by putting its social and environmental concerns on an equal footing with its financial objectives. CSR performance is assessed on the basis of changes in the key indicators used by Gecina, which attests to their relevance to financial players and to the quality of its approach.

On October 16, 2019, Gecina finalized the sale of the Pointe Metro 2 building at Gennevilliers to a joint venture held by PGGM and Foncière Atland, Paris Office Partnership for a sum of €58.2 million excluding duties. This building of nearly 15,000 sq.m, of which 13,000 sq.m is office surface area, is mainly occupied by a subsidiary of the PSA Peugeot Citroën Group.

On November 25, 2019, Gecina entered into a transactional agreement with CaixaBank (subrogated in the rights of Banco de Valencia) as part of the discussion regarding the realization of a collateral pledge for a credit transaction on Gecina shares, the validity of which was disputed by Gecina. Under the terms of this agreement, Gecina received an amount of €30 million. This transactional agreement is part of the recovery actions carried out by Gecina following the Judgment of March 11, 2015 by the Correctional Court (Tribunal correctionnel), which was confirmed by the Court of Appeal on December 5, 2018 and which acknowledged the damage done to Gecina through the unlawful actions of its former CEO, Joaquín Rivero.

On December 2, 2019, Gecina signed with La Française on behalf of the ERAFP and SCPI a reciprocal promise to sell

the “Park Azur” property for €185 million excluding duties. This office asset, which covers nearly 24,000 sq.m, is fully leased to the Centre National pour la Recherche Nucléaire (EDF Group) with a lease of 8 years. The sale was finalized on December 18, 2019.

On December 10, 2019, Gecina launched the subsidiarization of its residential portfolio. This subsidiarization is an opportunity for Gecina to develop its rental housing units property portfolio in the most central areas of Grand Paris, as well as in the major French metropolises. In due course, it will allow the capital of this subsidiary, the control of which will be retained by Gecina, to be opened up, enabling future investors to benefit from the Group’s experience. Through this

proposed subsidiarization, the Group expects to be able to continue and strengthen the operational and financial performance momentum present for over two years in its residential portfolio, by positioning itself to be able to seize potential growth and value creation opportunities. Gecina intends to retain control of its subsidiary and maintain the distribution of the Group’s property portfolio at around 80% office assets and 20% residential assets. Having consulted the Economic and Social Committee, the Group’s Board of Directors has approved the implementation of this proposed subsidiarization, the actual implementation of which will remain subject to shareholder approval at the extraordinary general meeting to be held in April 2020.

5.5.2 General principles of consolidation

5.5.2.1 REPORTING STANDARDS

The consolidated financial statements of Gecina and its subsidiaries (“the Group”) are prepared in accordance with IFRS as adopted by the European Union on the balance sheet date.

Official standards and interpretations applicable since January 1, 2019, in particular IFRS 16 “Leases” have been applied to the financial statements (see Note 5.5.3.9).

The preparation of financial statements, in accordance with IFRS, requires the adoption of certain decisive accounting estimates. The Group is also required to exercise its judgment in the application of accounting principles. The areas with the most important issues in terms of judgment or complexity or those for which the

assumptions and estimates are material in relation to the consolidated financial statements are presented in Note 5.5.3.17.

Gecina applies the Code of Ethics for Listed Real Estate Investment Companies (SIIC) as established by the Fédération des Sociétés Immobilières et Foncières.

5.5.2.2 CONSOLIDATION METHODS

All companies, in which the Group holds direct or indirect exclusive control and companies in which Gecina exercises a notable influence or joint control, are included in the scope of consolidation. The first group of companies are fully consolidated and the second group are consolidated using the equity method.

5.5.2.3 SCOPE OF CONSOLIDATION

At December 31, 2019, the scope of consolidation included the companies listed below:

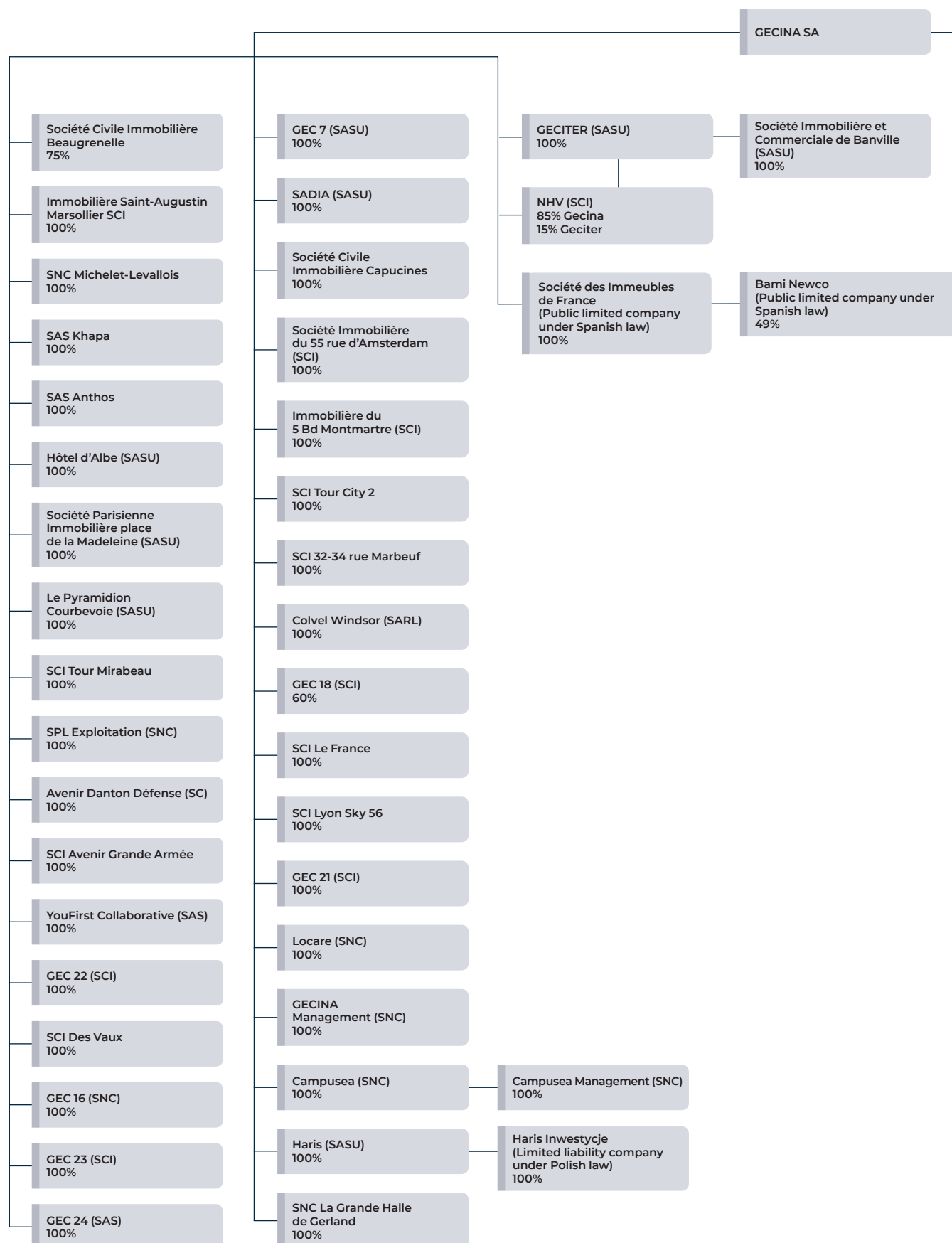
Companies	SIREN	12/31/2019 % interest	Consolidation method	12/31/2018 % interest
Gecina	592 014 476	100.00%	Parent company	100.00%
5, rue Montmartre	380 045 773	100.00%	FC	100.00%
55, rue d'Amsterdam	382 482 065	100.00%	FC	100.00%
Anthos	444 465 298	100.00%	FC	100.00%
Beaugrenelle	307 961 490	75.00%	FC	75.00%
Campuséa	501 705 909	100.00%	FC	100.00%
Campuséa Management	808 685 291	100.00%	FC	100.00%
Capucines	332 867 001	100.00%	FC	100.00%
Colvel Windsor	477 893 366	100.00%	FC	100.00%
GEC 16	751 103 961	100.00%	FC	100.00%
GEC 18	799 089 982	60.00%	FC	60.00%
GEC 21	810 066 126	100.00%	FC	100.00%
GEC 22	812 746 188	100.00%	FC	100.00%
GEC 23	819 358 201	100.00%	FC	100.00%
GEC 7	423 101 674	100.00%	FC	100.00%
Gecina Management	432 028 868	100.00%	FC	100.00%
Geciter	399 311 331	100.00%	FC	100.00%
Grande Halle de Gerland	538 796 772	100.00%	FC	100.00%
Haris	428 583 611	100.00%	FC	100.00%
Haris Investycje (Poland)		100.00%	FC	100.00%
Khapa	444 465 017	100.00%	FC	100.00%
Le Pyramidion Courbevoie	479 765 874	100.00%	FC	100.00%
Locare	328 921 432	100.00%	FC	100.00%
Marbeuf	751 139 163	100.00%	FC	100.00%
Michelet-Levallois	419 355 854	100.00%	FC	100.00%
Sadia	572 085 736	100.00%	FC	100.00%
Saint Augustin Marsollier	382 515 211	100.00%	FC	100.00%
SCI Le France	792 846 123	100.00%	FC	100.00%
SCI Avenir Danton Défense	431 957 356	100.00%	FC	100.00%
SCI Avenir Grande Armée	751 037 631	100.00%	FC	100.00%
SCI Lyon Sky 56	809 671 035	100.00%	FC	100.00%
Société des Immeubles de France (Spain)		100.00%	FC	100.00%
Société Hôtel d'Albe	542 091 806	100.00%	FC	100.00%
Société Immobilière et Commerciale de Banville	572 055 796	100.00%	FC	100.00%
SPIPM	572 098 465	100.00%	FC	100.00%
SPL Exploitation	751 103 961	100.00%	FC	100.00%
Tour City 2	803 982 750	100.00%	FC	100.00%
Tour Mirabeau	751 102 773	100.00%	FC	100.00%
Youfirst Collaborative	823 741 939	100.00%	FC	100.00%
SCI Des Vaux	449 228 816	100.00%	FC	100.00%
SAS Eurosic	307 178 871	100.00%	FC	100.00%
SAS Eurosic Malakoff	453 385 601	100.00%	FC	100.00%
Faubourg Saint Martin	430 046 607	100.00%	FC	100.00%

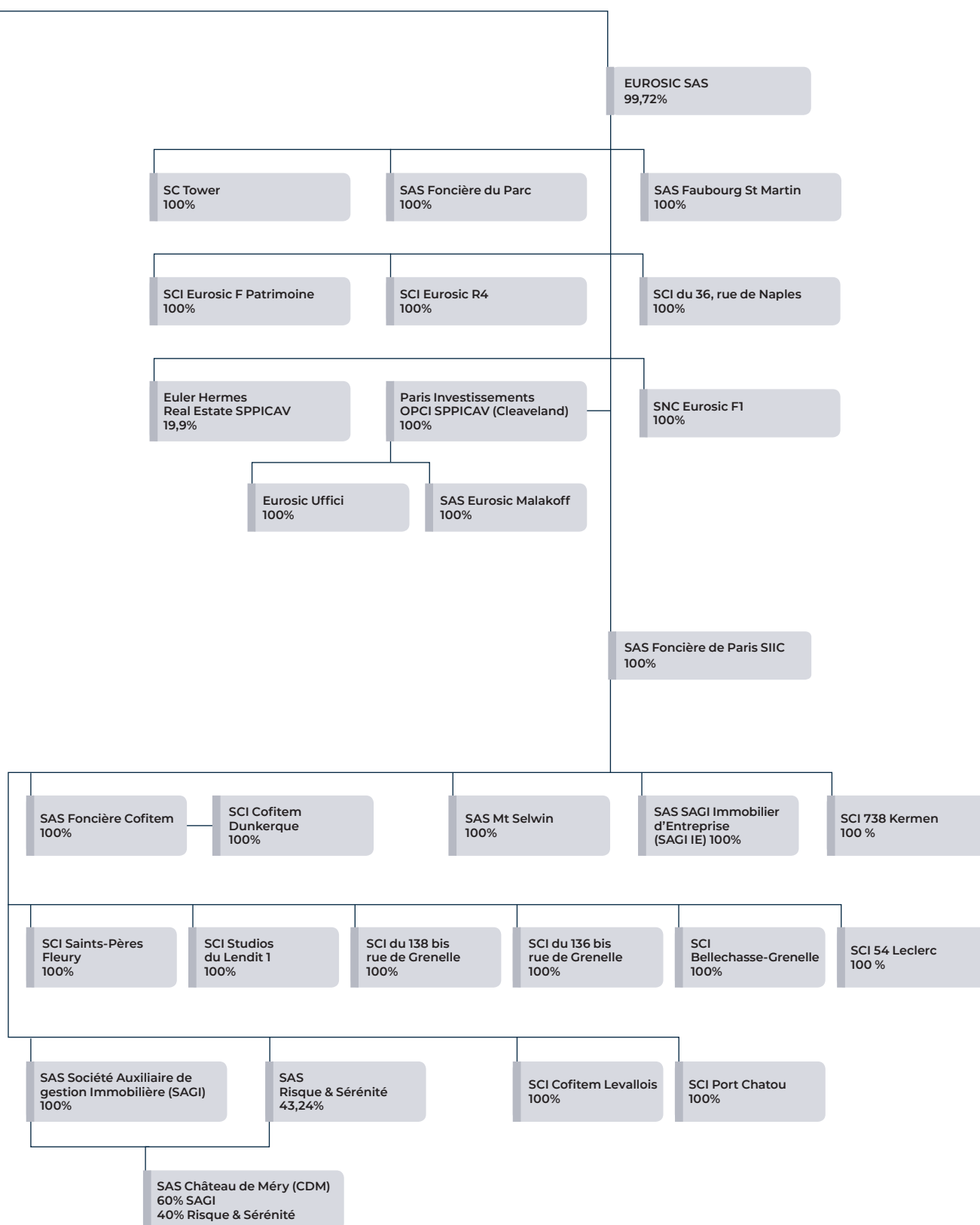
Companies	SIREN	12/31/2019 % interest	Consolidation method	12/31/2018 % interest
Foncière du Parc	445 394 851	100.00%	FC	100.00%
Tower	433 566 932	100.00%	FC	100.00%
SCI du 36 rue de Naples	479 871 659	100.00%	FC	100.00%
SCI Eurosic F Patrimoine	811 932 714	100.00%	FC	100.00%
SCI Eurosic R4	505 215 251	100.00%	FC	100.00%
SNC Eurosic F1	810 028 506	100.00%	FC	100.00%
Euler Hermes Real Estate	538 610 825	19.90%	EM	19.90%
Paris investissements OPCI	793 904 640	100.00%	FC	100.00%
Foncière de Paris SIIC	331 250 472	100.00%	FC	100.00%
Foncière Cofitem	411 846 033	100.00%	FC	100.00%
MT Selwin	418 089 280	100.00%	FC	100.00%
Risque & Sérénité	419 403 449	43.24%	EM	43.24%
Société Auxiliaire de Gestion Immobilière	508 928 926	100.00%	FC	100.00%
SAGI Immobilière d'entreprise	528 047 129	100.00%	FC	100.00%
Château de Mery	479 916 298	77.20%	FC	77.20%
SCI Saints Pères Fleury	509 110 151	100.00%	FC	100.00%
SCI 54 Leclerc	381 619 535	100.00%	FC	100.00%
SCI 738 Kermen	349 816 116	100.00%	FC	100.00%
SCI du 136 bis rue de Grenelle	493 293 823	100.00%	FC	100.00%
SCI du 138 bis rue de Grenelle	493 293 633	100.00%	FC	100.00%
SCI Bellechasse-Grenelle	802 446 195	100.00%	FC	100.00%
SCI Cofitem Dunkerque	528 344 039	100.00%	FC	100.00%
SCI Cofitem Levallois	494 346 570	100.00%	FC	100.00%
SCI du Port Chatou	491 025 441	100.00%	FC	100.00%
SCI Studios du Lendit 1	508 475 662	100.00%	FC	100.00%
Eurosic UFFICI (Italy)		100.00%	FC	100.00%
Joined consolidation 2019				
GEC 24	851 756 502	100.00%	FC	
SCI Neuilly Hôtel de Ville	785 420 746	100.00%	FC	
Left consolidation 2019				
Doret Antares	535 309 884	Merged	FC	100.00%
SCI Eurosic Cours Michelet	811 963 438	Merged	FC	100.00%
SNC Provence Logements	752 811 265	Merged	FC	100.00%
SCI Eurosic Développement 5	824 082 192	Merged	FC	100.00%
Hôtelière de Bellechasse-Grenelle	809 441 553	Merged	FC	100.00%
Société Civile Vendôme Casanova	389 486 093	Merged	FC	100.00%
GEC 10	529 783 649	Merged	FC	100.00%
Gecina Gestion	752 603 548	Merged	FC	100.00%
SAS Eurosic N2 Batignolles	820 809 945	Merged	FC	100.00%
SCI Breizh Champs Blancs	792 857 377	Merged	FC	60.00%
Hôtelière de la Villette	479 469 405	Sold	FC	100.00%
SNC N2 Promotion	821 147 519	Sold	EM	30.00%
Holding Saint Dominique	534 629 993	Sold	FC	100.00%
Amelot Roissy Hôtel	381 505 411	Sold	FC	100.00%
Hôtelière de Boulogne	505 104 190	Sold	FC	100.00%

Companies	SIREN	12/31/2019 % interest	Consolidation method	12/31/2018 % interest
Hôtelière de la rue Danton	511 122 590	Sold	FC	100.00%
Société d'exploitation de l'hôtel du Parc de Bougival	310 728 563	Sold	FC	100.00%
Groupeement Européen de l'Immobilier	328 680 087	Sold	FC	100.00%
SCI Cofitem Boulogne	494 341 845	Sold	FC	100.00%
SCI du 4 rue Danton	488 449 190	Sold	FC	100.00%
Left consolidation 2018				
SCI 19 Leblanc	384 760 385		FC	Merged
Saulnier Square	530 843 663		FC	Merged
SAS Eurosic Palmer	534 984 968		FC	Sold
SAS Eurosic R3	504 444 118		FC	Sold
SCI Eurosic R1	498 859 156		FC	Sold
SCI Eurosic R2	502 733 249		FC	Sold
SCI Eurosic R5	518 632 278		FC	Sold
SCI Eurosic R6	529 151 060		FC	Sold
Multimedia	438 023 095		FC	Sold
SCI du 62 rue Louis Delos	441 907 037		FC	Sold
Eurosic Toulouse Holding	814 115 861		FC	Sold
Eurosic Basso Cambo	814 255 915		FC	Sold
Eurosic Blagnac A1	814 256 079		FC	Sold
Eurosic Blagnac C1-C2	814 256 244		FC	Sold
Eurosic Sophia Holding	814 116 083		FC	Sold
Eurosic Sophia Millenium	814 256 954		FC	Sold
Eurosic Sophia Alba	814 257 200		FC	Sold
Eurosic Sophia Emerald	814 257 671		FC	Sold

FC: full consolidation.
EM: accounted for under the equity method.

5.5.2.3.1 Legal organization chart





5.5.2.4 CONSOLIDATION ADJUSTMENTS AND ELIMINATIONS

5.5.2.4.1 Restatements to homogenize individual financial statements

The rules and methods applied by companies in the scope of consolidation are restated to make them consistent with those of the Group.

All companies closed their accounts (or prepared a position of accounts) on December 31, 2019.

5.5.2.4.2 Intercompany transactions

Intercompany transactions and any profits on disposal resulting from transactions between consolidated companies are eliminated.

5.5.2.4.3 Business combinations (IFRS 3)

To determine if a transaction is a business combination placed under IFRS 3, the Group determines whether an integrated set of activities is acquired in addition to the real estate. The selected criteria may be the number of real estate assets held, the scope of the processes acquired or the autonomy of the target. In this case, acquisition cost corresponds to the fair value on the date of exchange of the contributed assets and liabilities and the equity instruments issued in exchange for the

acquired entity. Goodwill is recognized as an asset in respect of the surplus of the acquisition cost over the buyer's share of the fair value of the assets and liabilities acquired net of deferred tax recognized if necessary while an amount for negative goodwill is posted to the income statement. Costs directly attributable to the acquisition process are recognized under expenses.

Revised IFRS 3 specifies a period of 12 months starting from the acquisition date to finalize the accounting of the acquisition. Corrections and valuations made must be linked to events and circumstances existing at the date of acquisition. Goodwill is subject to an impairment test at least once a year or whenever there is an indication of loss of value.

For acquisitions that are not part of a business combination, IAS 40 applies (investment properties).

5.5.2.5 FOREIGN CURRENCY TRANSLATION

The Group's operating currency is the euro. Transactions conducted by subsidiaries located outside the Eurozone are translated at the closing exchange rate for balance sheet items and at the average exchange rate over the period of the income statement. Exchange differentials recognized in the balance sheet at the beginning of the period and on earnings for the year are recorded on a separate line under shareholders' equity.

5.5.3 Accounting methods

5.5.3.1 PROPERTY PORTFOLIO

5.5.3.1.1 Investment properties (IAS 40)

Properties held for the long term and intended to be leased under operating leases, and/or held for capital appreciation, are considered investment properties.

On acquisition, investment properties are recorded on the balance sheet at acquisition cost, inclusive of duties and taxes.

The time spent by operational teams, directly attributable to disposals, rentals and development projects is monitored and priced, and then, as appropriate:

- (i) reported under fixed assets for the portion spent on development projects, studies or marketing actions;
- (ii) recognized under gains or losses on disposals if related to pre-sale activities.

The financial costs linked to construction operations as well as eviction allowances, paid in connection with property reconstructions, are capitalized.

Gecina has opted for the valuation of its investment properties at fair value as defined by IFRS 13 (cf. Note 5.5.3.1.2). The company has elected, by

convention, to retain the block value of properties as the fair value of investment properties in the consolidated financial statements. This block value is understood as excluding transfer duties and is determined by independent experts (as at December 31, 2019: CBRE Valuation, Cushman & Wakefield, Crédit Foncier Expertise, BNPP Real Estate, Catella Valuation Advisors, Christie & Co. and Euroflemming Expertise) who value the property portfolio of the Group from the point of view of a sustainable holding at June 30 and December 31 of each financial year and take into account the capitalized works. Valuations are conducted in accordance with industry practices using fair value valuation methods to establish market value for each asset, pursuant to the professional real estate valuation charter. All Gecina assets are now appraised by independent appraisers.

The change in fair value of investment properties is recorded on the income statement. These properties are not therefore subject to depreciation or impairment. The income statement records the change in fair value of each property over the year determined as follows:

- current market value – (prior year market value + cost of construction work and other changes capitalized in the current year).

Investment properties in the course of renovation are recognized at fair value.

Properties under construction or acquired with the intention of redevelopment or which are in the process of being redeveloped are recognized at fair value where that value can be reliably measured. In cases where fair value cannot be reliably determined, the property is recognized at its last known value plus any costs capitalized during the period. At each balance sheet date, an impairment test is conducted to certify that the booked value does not require impairment. Impact is recognized at variation of fair value.

The fair value is determined by appraisers based on an evaluation of the exit price of the property less all direct and indirect future development costs.

The Group considers that a property in the process of construction can be reliably appraised at fair value when construction begins and when its marketing is at an advanced stage. Whatever the case, the fair value appraisal will be performed when the asset is protected from the rain.

Nevertheless, when the asset is already leased and the signature of works contracts has sufficiently progressed to allow a reliable estimate of the construction cost, the asset under development may then be recognized at fair value.

Valuation methodology

Each property asset is valued separately by an independent appraiser. However, the appraisers use the same valuation methods, described below. When appraising a property, real estate appraisers exclude transfer duties, taxes and fees. They thus comply with the position taken by Afrexim, the French professional body of property appraisers, and use the following rates:

- 1.8% of legal fees for properties in VAT;
- 6.9% to 7.5% of registration fees and expenses for other properties.

The property is assessed at fair value, which corresponds to the price at which it could be sold between informed consenting parties operating under normal market conditions without reference to the financing conditions as at the valuation date. The value used in the consolidated financial statements is the value excluding transfer duties.

a) Office properties

The fair value of each asset is based on the results of the following three methods: the comparison method, the capitalization of net income and the discounting of future flows (Discounted Cash Flow). The simple arithmetic mean of these three methods is used. In the event of a considerable difference between the results of the three methods, the appraiser has the option of determining the more relevant valuation.

- Direct comparison method: this method consists of comparing the asset that is the object of the appraisal to transactions made on assets equivalent in type and location, on dates close to the date of appraisal.

- Net income capitalization method: this method consists of capitalizing recorded or potential income on the basis of a yield expected by an investor for a similar type of asset. The income base is generally constituted either of net annual rent excluding taxes and rental expenses or the market rental value. For occupied premises, the appraiser conducts an analysis of the legal and financial conditions of each lease and of the rental market. For vacant premises, the market rent value is used as a reference, taking account of re-letting delays, renovation work and other miscellaneous expenditure.
- Discounted Cash Flow method: the value of the asset is equal to the discounted sum of the financial flows expected by the investor, including the assumed resale at the end of a 10-year holding period. The sale price at the end of the period is determined on the basis of the net cash flow in year 11 capitalized at yield. Discounted cash flow is determined on the basis of a risk-free interest rate (10-year government bond equivalent) plus an appropriate risk premium for the property determined in comparison with standard discounted rates on cash flow generated by similar assets.

b) Residential property

The block fair value of each asset is based on the results of the following two methods: direct comparison and income capitalization. The simple arithmetic mean is used for the comparison and income capitalization methods. In the event of a considerable difference between the results of the two methods, the appraiser has the option of determining the more relevant valuation.

- Direct comparison method: identical to the method used for office property.
- Net income capitalization method: identical to the method used for office property applied to gross income, pursuant to the recommendations of Afrexim⁽¹⁾.

c) Unit valuation for residential and mixed buildings

Unit valuation is used for buildings on sale by apartments (see Note 5.5.3.1.3).

The unit value is determined from unit prices per square meter recorded on the market for vacant premises. The appraisal includes discounts to reflect marketing periods, costs and the margin earned on the sale of all the units. These discounts are differentiated according to the size of the property and number of units included. The various lots of offices, as well as the commercial premises located on the ground floor of the buildings are then added together for their estimated values on the basis of two methods: direct comparison and income capitalization.

For properties where the unit-by-unit sale process has been started, the valuation follows the same method, adjusting the allowances applied to the property's actual marketing situation.

(1) Association française des sociétés d'expertise immobilière.

5.5.3.1.2 Determination of fair value (IFRS 13)

The Group applies IFRS 13, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard establishes a fair value hierarchy that categorizes into three levels the data used for measurements:

- level 1: price (not adjusted) on an active market for identical assets/liabilities available on the valuation date;
- level 2: valuation model using inputs directly or indirectly observable in an active market;
- level 3: valuation model using inputs not observable in an active market.

The fair value hierarchy is therefore established by reference to the levels of inputs to valuation techniques. When using a valuation technique based on inputs of several levels, the fair value level is then constrained by the lowest level.

Investment properties

The fair value measurement must consider the highest and best use of the asset. Gecina has not identified any highest and best use different from the current use.

The fair value measurement of investment properties implies using different valuation methods based on unobservable or observable inputs that have been subject to certain adjustments. Accordingly, the Group's property portfolio is considered, in its entirety, as categorized in level 3 with respect to the fair value hierarchy established by IFRS 13, notwithstanding the recognition of certain level 2 observable inputs.

Financial instruments

IFRS 13 requires the recognition of counterparty credit risk (i.e. the risk that a counterparty may breach any of its obligations) in measuring the fair value of financial assets and liabilities.

IFRS 13 retains the disclosure obligations on the 3-level fair value hierarchy of IFRS 7, which requires an entity to establish a difference between the fair values of financial assets and financial liabilities as a function of the observable nature of the inputs used to measure fair value.

As at December 31, 2019, IFRS 13 application by the Group does not challenge the fair value hierarchy of financial instruments, until then categorized as level 2 according to IFRS 7 (valuation model based on observable market inputs) to the extent that the adjustment for credit risk is considered as an observable input.

5.5.3.1.3 Assets held for sale (IFRS 5)

IFRS 5, "Non-current assets held for sale and discontinued operations", states that a non-current asset should be

classified as held for sale as long as it is a major line of activity and if its book value will be recovered principally through a sales transaction rather than through continuing use. In such cases, the sale should be highly probable.

The sale of an asset is thus highly probable if the following three conditions are met:

- a plan to sell the asset has been initiated by an appropriate level of management;
- the asset is being actively marketed at a reasonable price in relation to its current fair value;
- it is probable that the sale will be concluded within one year, barring special circumstances.

When the sale pertains to an asset or group of assets only, the assets for sale are reported separately in the balance sheet under "Properties for sale" and measured at the lower of their book value and their fair value, less selling costs and outstanding receivables from the straight-line recognition of commercial benefits under IFRS 16.

Buildings recorded in this category are valued as follows:

- properties in block sales: sale value recorded in the preliminary sales agreement or the purchase offer, subject to the deduction of selling expenses/fees and outstanding receivables from the straight-line recognition of commercial benefits under IFRS 16;
- properties sold unit-by-unit: appraisal value in units (see Note 5.5.3.1.1). If more than 60% (in value) of the property is sold, the asset is recognized at the fair value of the last recorded transactions for unsold units, after taking account of allowances linked to the achievement of all lots and at the sale value recorded in the preliminary agreement subject to the deduction of expenses and fees for units covered by a preliminary agreement.

When a sale concerns a complete business line, the consolidated assets and liabilities, booked as appropriate under subsidiaries held for sale, are presented separately on the asset side of the balance sheet (Assets held for sale) and on the liabilities side of the balance sheet (Liabilities held for sale). The corresponding net gain or loss is isolated in the income statement on the line "Net gain or loss from discontinued operations".

5.5.3.1.4 Operating properties and other tangible fixed assets (IAS 16)

The head office property at 16, rue des Capucines, Paris is valued at cost. It has been depreciated according to the component method, each component being depreciated on a straight-line basis over its useful life (10 to 60 years).

Hotel operating properties are valued at historical cost less accumulated depreciation and any impairment losses. They are amortized using a component approach; each component being amortized using the straight-line method over its useful life (9 to 90 years).

For each type of asset, the gross values of the buildings have been divided by component, determined on the basis of technical data at the time of the acquisition, using

the current estimated cost of new reconstruction.

In addition to the land, six components have been identified:

Type of assets	Depreciation period
Land	Not depreciable
Framework structure	30 to 90 years depending on the type of building
Walls and roofing	15 to 45 years depending on the type of building
Technical installations	15 to 25 years depending on the type of building
Parking works	20 years
Restoration	15 years
Fixtures and fittings	9 to 10 years

The depreciation period of each component is calculated based on the date of start of service of the building in the property portfolio, except in the case of the replacement of a component (at the time of renovation, for example); in which case the date of the last replacement of the component is applied. No residual value was retained for any of the components identified.

Other tangible fixed assets are recorded at acquisition cost and depreciated under the straight-line method for periods of three to ten years. They are primarily composed of computer hardware and furniture.

In the event of a sign of impairment, the book value of an asset is immediately written down to its recoverable value, which is determined by an independent appraisal conducted under the methods described in 5.5.3.1.1.

5.5.3.1.5 Intangible assets (IAS 38)

The costs to purchase software licenses are recorded as an asset based on the costs incurred in acquiring and commissioning the software concerned. These costs are amortized over the estimated useful life of the software (three to five years).

5.5.3.2 EQUITY INTERESTS

5.5.3.2.1 Equity-accounted investments

Equity interests in companies in which the Group exercises joint control or significant influence are recorded on the balance sheet at the Group share of their net assets restated at the reporting date using the Group's accounting principles. Adjustments are related to the harmonization of methods.

In the event that the Group's share in the negative equity of a company accounted for under the equity method were to exceed the book value of its investment, the Group considers its share to be nil and it ceases to recognize its share in upcoming losses, unless the Group is obliged or intends to financially support such investment.

5.5.3.2.2 Non-consolidated interests

Non-consolidated interests are valued at fair value pursuant to IAS 39. The changes in fair value are stated as

equity until the date of disposal. For long-term impairment, underlying capital losses recognized in shareholders' equity are recorded as expenses.

5.5.3.2.3 Other financial fixed assets

Loans, receivables and other financial instruments are booked according to the amortized cost method on the basis of the effective interest rate. When there is non-recoverability or default risk, this is recognized in the profit and loss statement.

5.5.3.3 INVENTORIES

Buildings relating to real estate development operations or acquired under the tax system governing properties held for rapid resale by real estate traders, legally designated as *marchands de biens*, are booked under inventories at their acquisition cost. An impairment test is carried out as soon as any indication of impairment is detected. In the event of such an indication and when the estimated recoverable amount is lower than the carrying amount, an impairment loss is recognized based on the difference between those two amounts.

5.5.3.4 OPERATING RECEIVABLES

Receivables are recorded for the initial amount of the invoice, after deduction for impairment valued on the basis of the risk of non-recoverability. The cost of non-recoverability risk is posted under property expenses.

These receivables are valued using the amortized cost method.

Impairment is valued using the optional simplified approach under IFRS 9. Expected credit losses are calculated over their lifetime, based on the Group's historical loss data.

Rent receivables are systematically written down according to the age of the receivables and situation of the tenants.

An impairment rate is applied to the amount excluding tax of the receivable minus the security deposit:

- tenant has left the property: 100%;
- tenant in the property:
 - receivable between 3 and 6 months: 25%;
 - receivable between 6 and 9 months: 50%;

- receivable between 9 and 12 months: 75%,
- over 12 months: 100%.

Impairment thus determined is adjusted to take account of particular situations.

Residual receivables relating to the deferral of commercial benefits in accordance with IFRS 16 (see Note 5.5.3.14), and recognized by the difference between the economic rent and the paid rent, result in a specific analysis covering the ability of the tenant to go effectively to the end of the signed lease, in order to validate their basis at each reporting date.

5.5.3.5 CASH AND CASH EQUIVALENTS

Cash and money-market UCITS are recorded on the balance sheet at fair value.

5.5.3.6 TREASURY SHARES (IAS 32)

Treasury shares held by the Group are deducted from consolidated shareholders' equity at acquisition cost.

5.5.3.7 SHARE-BASED PAYMENTS (IFRS 2)

Gecina has instituted an equity-based remuneration plan (stock options and performance shares). The impact of services rendered by employees in exchange for the award of options or the allocation of performance shares is expensed against shareholders' equity. The total amount expensed over the rights vesting period is determined by reference to the fair value of equity instruments granted, the discounted value of future dividends paid over the vesting period and the staff turnover rate.

At each balance sheet date, the number of options or shares that may be exercised or attributed is reviewed. Where applicable, the impact of revising estimates is posted to the income statement with a corresponding adjustment in shareholders' equity. Amounts received when options are exercised are credited to shareholders' equity, net of directly attributable transaction costs.

5.5.3.8 FINANCIAL INSTRUMENTS (IFRS 9)

IFRS 9 defines the principles for the classification and measurement of financial instruments, impairment of credit risk, and hedge accounting other than macro-hedging.

Classification and measurement of financial assets

Financial assets are initially recognized at amortized cost, at fair value through equity, or at fair value through profit or loss, depending on the type of financial instrument (debt or equity), the contractual cash flow characteristics,

and the way in which the instruments are managed (based on the management model).

The classification and measurement criteria depend on the nature of the financial asset, i.e. whether it is categorized as a debt instrument (loan, advance, credit, bond, etc.) or as an equity instrument (shares).

With regard to debt instruments (loans and fixed-yield or determinable-income securities), for the classification and measurement of financial assets, IFRS 9 is based on the management model and on the analysis of contractual cash flow characteristics. As for equity instruments, they are generally measured at fair value through profit or loss, except for those which the entity has irrevocably elected to measure at fair value through non-transferable equity (provided these instruments are not held for trading).

Impairment

The impairment model requires the measurement of expected credit losses (ECL) on loans and debt instruments measured at amortized cost or at fair value through transferable equity, on loan commitments and financial guarantee contracts not measured at fair value, on receivables from leases and on trade receivables. This new approach aims to measure expected credit losses as early as possible, while under the IAS 39 provision-based model, such losses were contingent upon objective evidence that an impairment loss has been incurred.

Hedge accounting

For hedge accounting (excluding fair value macro-hedging), IFRS 9 provides for limited changes compared with IAS 39. The provisions of the standard apply only to micro-hedging transactions and cash-flow macro-hedging transactions.

IFRS 9 does not modify the conditions under which a financial instrument can be classified as a hedge, with two types of interest-rate hedges:

- hedging of balance sheet items whose fair value fluctuates with interest rates (fair value hedge);
- hedging of the risk of future cash flow changes (cash flow hedge), which consists of setting the future cash flows of a variable-rate financial instrument.

Some derivative instruments attached to specific financing are classified as future cash flow hedges pursuant to accounting regulations. Only the change in fair value of the effective portion of these derivatives, measured by prospective and retrospective effectiveness tests, is taken to shareholders' equity. The change in fair value of the ineffective portion of the hedge is posted to the income statement if material.

To a large extent, Gecina's interest rate hedging is covered by a portfolio of derivatives that are not specifically assigned and do not meet hedge accounting

eligibility criteria. Furthermore, some derivatives cannot be classified as hedging instruments for accounting purposes. These derivative instruments can therefore be recorded at fair value on the balance sheet with recognition of changes in fair value on the income statement. The change in the value of derivatives is recognized for the recurring portion and when this is applicable (amortization of options premiums or periodic premiums) within financial expenses in the same capacity as the interest paid or received for these instruments, and for the non-recurring portion (fair value excluding amortization of premiums or periodic premiums) in the changes in value of the financial instruments. Where applicable, terminations of derivative instruments are considered as non-recurring, such that the gain or loss on disposal or termination is recognized in the income statement within changes in value of financial instruments.

Fair value is determined in accordance with IFRS 13 (see Note 5.5.3.1.2) by an external financial organization using valuation techniques based on the discounted forward cash flow method, as well as the Black & Scholes model for optional products integrating the counterparty risks mentioned by IFRS 13. Estimates of probability of default are obtained by using bond spreads on the secondary market. Valuations are also confirmed by banking counterparties and in-house valuations.

Marketable securities are recorded under this heading as assets at fair value and changes in value are posted to the income statement.

5.5.3.9 LEASES (IFRS 16)

Since January 1, 2019, the Group has applied IFRS 16, applying a modified retrospective method. Leases covered by the standard primarily relate to construction leases, long leases and, to a lesser extent, leases on vehicles and reprographic equipment. Leases for less than 12 months or with a low unit value are not covered by this standard.

On this basis, the Group recognizes in its balance sheet:

- under liabilities, a debt for lease obligations in relation to rents for the balance of the lease term, discounted at the same rate as the cost of the debt that the Group would have incurred over the same term as the rental contracts;
- under assets and within investment properties, where applicable, usage rights amortized in a linear fashion from the implementation of the contracts. As of January 1, 2019, the effect of the retrospective depreciation is recognized under equity.

In the income statement, rents and fees paid are replaced by:

- depreciation of rights of use recorded as a change in the valuation of investment properties where applicable;
- a financial expense, amounting to the interest included in rents paid in addition to the capital repaid to reduce the debt.

5.5.3.10 FINANCIAL LIABILITIES (IAS 32, IFRS 9 AND IFRS 16)

Financial liabilities consist primarily of bonds, bank borrowings, credit lines, commercial papers, and security deposits.

Medium and long-term credit lines can be used by variable-term drawings. Successive drawings are recognized in the financial statements at face value, with the unused portion of the borrowing facility representing an off-balance sheet commitment received.

Long-term bonds under the EMTN (Euro Medium Term Notes) program are presented at amortized cost (net of the transaction cost) using the effective interest rate method.

Security deposits are considered as short-term liabilities and are not subject to any discounting.

5.5.3.11 LONG TERM NON-FINANCIAL PROVISIONS AND LIABILITIES

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognized when the Group has a present obligation (legal or constructive) to a third party as a result of past events, and when it is probable or certain that this obligation will give rise to an outflow of resources to that third party, without at least the equivalent expected in exchange from that third party.

5.5.3.12 EMPLOYEE BENEFIT COMMITMENTS

IAS 19 specifies the accounting rules for employee benefits. This accounting occurs during the rights vesting period. It excludes from its scope share-based payments, which come under IFRS 2.

Short-term benefits

Short-term benefits (i.e. salaries, paid leave, social security contributions, incentives, etc.), which fall due within twelve months of the end of the year during which members of staff provided corresponding services, are recognized as "accrued expenses" under the heading "Current tax and social security liabilities" under balance sheet liabilities.

Long-term benefits

Long-term benefits correspond to benefits payable during the employee's working life (anniversary premiums). They are recognized as non-recurring provisions.

Post-employment benefits

Post-employment benefits, also recognized as non-recurring provisions, correspond to end-of-career payments and supplementary retirement commitments to some employees. The valuation of these retirement commitments assumes the employee's voluntary departure.

These commitments that are related to the defined-benefit plans for supplementary pensions are paid to external organizations.

No post-employment benefits were granted to executives.

The net commitment resulting from the difference between amounts paid and the probable value of the benefits granted, recognized under salaries and benefits, is calculated by an actuary using the method known as "projected unit credit method", the cost of the provision being calculated on the basis of services rendered at the valuation date.

Actuarial variances are booked in equity.

5.5.3.13 TAXES

5.5.3.13.1 IFRIC 21 taxes levied by the public authorities

IFRIC 21 (Levies) details the timing for the recognition of a liability as a tax or levy imposed by a government. These rules cover both the levies recognized in accordance with IAS 37 Provisions, contingent liabilities and contingent assets and those for which the timing and amount are certain.

The levies and taxes in question are defined as net outflows of resources (thus excluding VAT collected on behalf of the Government) levied by governments (as defined by IAS 20 and IAS 24) in application of legal and/or regulatory provisions other than fines or penalties linked to non-compliance with laws or regulations. These include taxes entering into the scope of application of IAS 37 on provisions (excluding those falling under the scope of IAS 12, such as income tax liabilities) as well as taxes with a certain amount and payment date (i.e. liabilities that do not fall within the scope of application of IAS 37).

Pursuant to the IFRIC 21 interpretation, the following taxes are recognized (and their potential reinvoicing at the same time) on a single occasion on the 1st day of the current year:

- property tax;
- tax on offices, commercial premises, storage facilities and parking areas;
- annual tax on parking areas.

5.5.3.13.2 Standard regime

For companies not eligible under the SIIC system, deferred taxes resulting from timing differences on taxation or deductions are calculated under the liability method on all timing differences existing in the individual accounts or deriving from consolidation adjustments or eliminations of internal profits and losses. This happens when the book value of an asset or liability is different

from its tax value. A net deferred tax asset is only recognized on loss carryforwards provided that it is likely that it can be charged against future taxable income. Deferred tax is determined using the principles and tax rates of the finance laws in effect at the balance sheet date that are likely to be applied when the various taxes involved crystallize. The same rule applies for assets held abroad.

5.5.3.13.3 Deferred tax assets and liabilities

Deferred tax arises from temporary differences between the tax valuation of assets or liabilities and their book values. They particularly result from the fair value revaluation of investment buildings held by companies who did not opt for the SIIC regime or from the cost related to the adoption of this regime. Deferred tax assets are recognized in respect of tax loss carry-forwards if their future realization is likely.

5.5.3.13.4 SIIC regime

Opting for the SIIC regime means that an exit tax immediately falls due at the reduced rate of 19% on unrealized capital gains related to properties and investments in entities not subject to income tax.

Profits subject to the SIIC regime tax treatment (tax transparency regime) are free of corporate income tax subject to certain distribution conditions. However, for newly acquired non-SIIC companies, a deferred tax liability is calculated at a rate of 19% corresponding to the amount of exit tax that these companies have to pay when opting for the SIIC regime, this option being included in the acquisition strategy.

The discounting of the exit tax liability due to opting for the SIIC regime is only recognized when considered material.

5.5.3.14 RECOGNITION OF RENTAL INCOME (IFRS 16)

Rent is recorded in the income statement when invoiced. Under IFRS 16, incentives given to service sector tenants (mainly rent-free periods and stepped rents) are spread in a straight line over the probable fixed term of the lease. Straight-line allocation of incentives given to tenants is offset by the recognition of a receivable up to December 31, 2017. From January 1, 2018, and for all leases with remaining rent-free periods and stepped rents, rent is now booked against the fair value adjustment of investment properties.

Consequently, rents shown in the income statement differ from rents paid.

Works carried out on behalf of tenants are capitalized and are not deferred over the probable term of the lease in accordance with IFRS 16.

5.5.3.15 LESSEE LOAN CONTRACTS (IAS 40)

Finance leases are rental financing contracts recognized on the asset side of the balance sheet (in accordance with IAS 40 Investment properties). Corresponding borrowings are recognized as liabilities under financial debts. Accordingly, the fees are eliminated and the interest expense for financing, and the fair value of the asset, are recognized in accordance with the Group accounting principles, as if the Group were the owner.

In the case of the acquisition of a finance lease, if the discrepancy between the fair value of the related debt and its nominal value represents a liability because of more favorable market conditions on the date of the acquisition, it is recorded in the balance sheet as a financial liability. This financial liability is recognized in income over the term of the lease and fully cleared through gain or loss on disposal if the lease is sold.

5.5.3.16 FINANCE LEASES

In a financial lease, the lessor transfers all of the risks and benefits of the asset to the lessee. It is treated as financing granted to the lessee for the purchase of a property.

The current value of payments due under the lease, increased, as necessary, by the residual value, is entered under "Financial receivables on finance leases." The net income of the transaction for the lessor or the lessee corresponds to the amount of interest on the loan. It is recognized in the income statement under "Current operating income on finance lease transactions". The rents received are divided over the duration of the financing lease by recognizing them in capital amortization and interest such that the net income represents a constant rate of return over the residual outstanding. The rate of interest used is the implicit rate of interest in the lease.

5.5.3.17 KEY ACCOUNTING ESTIMATES AND JUDGMENTS

To establish the consolidated financial statements, the Group uses estimates and formulates judgments which are regularly updated and are based on historic data and other factors, especially forecasts of future events considered reasonable in the circumstances.

The significant estimates made by the Group mainly concern:

- the measurement of the fair value of investment properties;

- the measurement of the fair value of financial instruments;
- the measurement of equity interests;
- the measurement of provisions;
- the measurement of employee benefit commitments (pensions and share plans).

Due to the uncertainties inherent in any measurement process, the Group adjusts its estimates using regularly updated information. Estimates that carry a major risk of leading to a material adjustment in the net book value of assets and liabilities during the following period are analyzed below:

- the fair value of the property portfolio, whether it is held for the long term or for sale, is specifically determined based on the valuation of the portfolio by independent experts according to the methods described in sections 5.5.3.1.1 and 5.5.3.1.2. However, given the estimated nature inherent in these valuations, it is possible that the actual sales value of some properties will differ significantly from the valuation, even in the event of disposal within a few months following the balance sheet date;
- the fair value of the financial instruments that are not traded on an organized market (such as over the counter derivatives) is determined using valuation techniques. The Group uses methods and assumptions that it believes are the most appropriate, based on market conditions at the balance sheet date. The realizable value of these instruments may turn out to be significantly different from the fair value used for the accounting statement;
- the value in use and the fair value of equity investment securities are determined on the basis of estimates based on various data available to the Group as at the balance sheet date. New information obtained subsequent to the balance sheet date may have a material influence on this valuation.

The procedures for determining fair value according to IFRS 13 are detailed in section 5.5.3.1.2.

In addition to the use of estimates, the Group's management formulates judgments to define the appropriate accounting treatment for certain activities and transactions where the IFRS standards in force do not specifically deal with the issues concerned. This is especially the case for the analysis of leases, whether operating leases or financial leases.

5.5.4 Management of financial and operational risks

The 2019 Universal Registration Document contains a detailed description of the risk factors to which the Group is exposed (see Integrated Report and chapter 2). No other risks and uncertainties other than those presented in this document are expected.

5.5.4.1 REAL ESTATE MARKET RISK

Holding property assets for rent exposes the Group to the risk of fluctuation of the value of property assets and rents as well as to the risk of vacancy.

However, this exposure is limited given that:

- the assets are essentially held with a long-term perspective and valued in the accounts at fair value, even though fair value is based on estimates described in sections 5.5.3.1.1 to 5.5.3.1.3 above;
- invoiced rents come from rental commitments, the term and spread of which are liable to moderate the impact of fluctuations in the rental market.

With respect to development projects, the search for tenants begins once the investment decision is taken and results in the signing of pre-construction leases (Baux en l'État Futur d'Achèvement – BEFA). These leases contain clauses on the definition of completion, the completion time and late penalties.

Certain aspects of this risk are quantified in Note 5.5.6.8.

5.5.4.2 FINANCIAL MARKET RISK

Holding financial instruments for the long term or for sale exposes the Group to the risk of fluctuation in the value of these assets. The analysis and quantification of the risk on hedging financial instruments are stated under Note 5.5.6.11.

In particular, the Group's exposure to equity risk in case of falling stock market indices gives rise to a problem of valuing hedging assets against pension liabilities. This risk is very limited with respect to the amounts of the hedging assets subject to equity risk.

Furthermore, Gecina may be subject to changes in share prices for its financial investments and for its treasury shares. Gecina has set up a share buyback program and therefore holds a certain number of its own shares. A fall in the price of the Gecina share has no impact on the consolidated financial statements, only on the individual company financial statements.

5.5.4.3 COUNTERPARTY RISK

With a portfolio of clients of around 800 corporate tenants, from a wide variety of sectors, and around 8,400 individual tenants, the Group is not exposed to significant concentration risks. In the course of its development, the Group aims to acquire assets for which the rental portfolio

is closely based on tenant selection criteria and the security provided by them. When a property is rented out, a detailed application is submitted by the tenant and an analysis of the tenant financial soundness is conducted. Tenant selection and rent collection procedures help to maintain a satisfactory rate of losses on receivables.

Financial transactions, especially hedging the interest rate risk, are carried out with a broad selection of leading financial institutions. Competitive tenders are conducted for all major financial transactions and the maintenance of a satisfactory diversification of sources of funds and counterparties is one of the selection criteria. Gecina has no material exposure to a single bank counterparty on its portfolio of derivatives. Counterparty risk is now an integral part of fair value as determined under IFRS 13 (see Note 5.5.3.1.2). The Group's maximum exposure on all its loans (used and unused) to a single counterparty is 5%.

5.5.4.4 LIQUIDITY RISK

Liquidity risk is managed by constantly monitoring the maturity of financing facilities, maintaining available credit lines and diversifying finance sources. Liquidity is managed in the medium and long term as part of multi-annual financing plans and, in the short term, by using confirmed undrawn credit lines and asset disposal programs. Details of debt maturity dates are provided in Note 5.5.5.12.1 as well as a description of the various limits that might affect interest conditions or early repayment, as stipulated in the credit agreements.

5.5.4.5 INTEREST RATE RISK

Gecina's interest rate risk management policy, which includes the use of hedging instruments, is aimed at limiting the impact of a change in interest rates on the Group's earnings, where a significant portion of the Group's loans is at a floating rate. With respect to the foregoing, a management framework was presented and validated by the company's Audit and Risk Committee. This management framework defines in particular the management horizons, a percentage of coverage required on the time horizons, new hedging targets and the instruments enabling such management (mostly caps, floors and swaps). The interest rate risk is analyzed and quantified in Notes 5.5.5.12.2 and 5.5.6.11, together with an analysis of interest rate sensitivity. Gecina's interest rate hedging policy is primarily implemented on a comprehensive basis for all its loans (i.e. not specifically assigned to certain loans). As a result, it does not meet the accounting qualification of hedging instruments and the fair value change therefore appears in the income statement, according to the procedures described in Note 5.5.3.8.

5.5.4.6 FOREIGN EXCHANGE RISK

The Group conducts the majority of its business in the Eurozone and almost all its revenues, operating expenses, investments, assets and liabilities are denominated in euros.

5.5.4.7 OPERATING RISKS

Gecina is exposed to a wide range of operating risks, the details of which are specified in the Integrated Report and chapter 2 of the 2019 Universal Registration Document.

Until 2009, when Mr. Joaquín Rivero was a corporate officer of Gecina or one of its subsidiaries, Gecina carried out a number of transactions, including the acquisition by SIF Espagne of a 49% equity investment in Bami Newco

in 2009, and also undertook certain commitments, notably the granting of certain guarantees in relation to said transactions, as mentioned in Notes 5.5.5.13 and 5.5.9.3. When said commitments and transactions were revealed, impairment and provisions were recorded against some of them pursuant to applicable regulations. Some of the guarantees were also granted outside Gecina's internal control framework, despite the specific procedures implemented.

Gecina cannot totally rule out that non-compliance with internal control and risk management procedures, the deterioration in the economic environment in Spain or fraud attempts will not result in further financial, legal or regulatory risks which have not been identified to date. Occurrence of such risks may impact the Group's results or financial situation.

5.5.5 Notes to the consolidated statement of financial position

5.5.5.1 PROPERTY PORTFOLIO

5.5.5.1.1 Statement of changes in property holdings

Gross value

<i>In thousand euros</i>	12/31/2018	Acquisitions	Asset disposal or exercise of options	Change in fair value	Change in scope	Transfers between items	12/31/2019
Investment properties	16,604,020	403,717	0	882,904	74,017	(302,351)	17,662,308
Buildings under reconstruction	1,508,051	131,777	0	100,328	11,822	(696,830)	1,055,147
Operating properties	83,962	2,824	(3,672)	0	6,103	17,661	106,879
Financial receivables on finance leases	328,011	0	(77,477)	0	(3,655)	0	246,879
Intangible assets	13,358	2,493	(1,102)	0	0	0	14,749
Other tangible fixed assets	27,885	3,028	(1,459)	0	312	0	29,766
Properties for sale	707,787	5,915	(788,818)	21,039	1,616	981,212	928,751
Inventories	50,330	1,161	(13,733)	0	45	0	37,804
GROSS VALUE	19,323,405	550,917	(886,261)	1,004,271	90,260	(309)	20,082,284

Depreciation and impairment

<i>In thousand euros</i>	12/31/2018	Allocations	Disposals/ Write backs	Change in fair value	Change in scope	Transfers between items	12/31/2019
Operating properties	17,096	4,630	(3,672)	0	1,260	1,587	20,901
Financial receivables on finance leases	152,870	11,899	(39,531)	0	0	0	125,237
Intangible assets	6,726	2,417	(1,102)	0	0	(309)	7,732
Other tangible fixed assets	11,697	4,604	(1,189)	0	24	0	15,137
Properties for sale	57,941	3,714	(60,068)	0	0	(1,587)	0
Inventories	1,229	2,148	(1,257)	0	0	0	2,121
Depreciation and impairment	247,561	29,413	(106,819)	0	1,284	(309)	171,129
NET FIXED ASSETS	19,075,844	521,504	(779,442)	1,004,271	88,976	0	19,911,154

Pursuant to the accounting principles defined in Note 5.3.1.1, 7 assets under restructuring are recognized at their historical cost for a total amount of €26 million.

The other changes concern:

- the effect of sales representatives' benefits (64.3 million), marketing costs (2.6 million), internal costs (5.1 million) and eviction allowances (€2.5 million) on the valuation of buildings;
- loan repayments associated with the exercise of financial lease options (–€3.7 million);
- the recognition of rights of use amounting to €18.2 million net for first-time adoption of IFRS 16 (see Note 5.5.3.9).

5.5.5.1.2 Analysis of acquisitions (including duties and costs)

Acquisitions concern the following:

<i>In thousand euros</i>	12/31/2019
Carreau de Neuilly – 92200 Neuilly-sur-Seine	327,370
Tour Gamma (unit) – 75012 Paris	4,469
Property acquisitions	331,839
Construction and redevelopment work	119,791
Renovation work	82,188
Works	201,979
Operating properties	2,824
Capitalized financial expenses	7,591
Total property acquisitions	544,234
Tangible fixed assets	3,028
Intangible assets	2,493
Inventories	1,161
TOTAL ACQUISITIONS	550,917

5.5.5.1.3 Detail of income from disposals

Disposals are detailed in Note 5.5.6.7.

5.5.5.1.4 Goodwill

The goodwill results from the acquisition of Eurosic in August 2017 and is allocated to the cash-generating unit (CGU) Offices. It changes from €208 million on December 31, 2018 to €196 million on December 31, 2019 as a result of disposals of office assets during the financial year.

According to IAS 36, an impairment test is performed when there is an indication that the goodwill may be impaired and at least once a year.

The valuation of the CGU was performed at December 31, 2019 incrementally using the fair value of the assets, as accounted for in the Group's financial statements, plus the valuation of the cash flows not taken into account in the financial statements.

No indication of an impairment loss has been raised at the end of the year.

5.5.5.2 FINANCIAL FIXED ASSETS

<i>In thousand euros</i>	12/31/2019	12/31/2018
Non-consolidated investments	131,950	132,634
Advances on property acquisitions	65,519	66,028
Deposits and guarantees	1,177	1,517
Other financial investments	2,046	1,964
TOTAL GROSS	200,693	202,143
Impairment	(174,905)	(174,907)
TOTAL NET	25,788	27,236

Impairment in the amount of €174.9 million is mainly related to the 49% equity interest in the Spanish company Bami Newco, which has been fully written down (€109.3 million) and the advance on property acquisitions granted to the Spanish company Bamolo, written down for €65 million (in order to reduce it to the land's latest appraisal value given as a guarantee of €0.5 million).

5.5.5.3 EQUITY-ACCOUNTED INVESTMENTS

This item reflects the share held by the Group in the companies in which the Group exercises significant influence.

The elements of the financial situation of the main companies with investments that do not afford control are presented below:

<i>In thousand euros</i>	Euler Hermes SPPICAV	Risque et sérénité	N2 Promotion SNC⁽¹⁾	Total
Property holdings	271,000	0	0	271,000
Other assets	10,070	5,172	0	15,242
Total assets	281,070	5,172	0	286,242
Shareholders' equity	247,285	5,161	0	252,446
External loans and debts with partners	32,107	0	0	32,107
Other liabilities	1,678	11	0	1,689
Total liabilities	281,070	5,172	0	286,242
Rental income	8,996	0	0	8,996
Net income	23,268	42	(6)	23,304
% held	19,90%	43,24%	30,00%	
Share of net income	4,630	18	(2)	4,647
Shareholders' equity	247,285	5,161	0	252,446
Securities of companies accounted for under the equity method	49,210	2,232	0	51,441

(1) Sold on the period.

5.5.5.4 DEFERRED TAX ASSETS AND LIABILITIES

At December 31, 2019, net deferred taxes represented an asset of €0.2 million. They mainly include the effect of capital gains on assets in the taxable sector and the activation of tax loss carryforwards.

<i>In thousand euros</i>	12/31/2018	Change in profit/loss	12/31/2019
Activation of tax losses	1,900	0	1,900
Total deferred tax assets	1,900	0	1,900
Gains on financial leases and inventory	(5,109)	3,792	(1,317)
Change in scope	(675)	338	(337)
Total deferred tax liabilities	(5,784)	4,130	(1,654)
TOTAL NET DEFERRED TAXES	(3,884)	4,130	247

5.5.5.5 PROPERTIES FOR SALE

Movements on properties for sale are included in the statement of changes in property holdings (see Note 5.5.5.1.1).

Properties held for sale breaks down as follows:

<i>In thousand euros</i>	12/31/2019	12/31/2018
Properties for sale (block basis)	609,691	290,686
Properties for sale (unit basis)	319,060	359,160
TOTAL	928,751	649,846

5.5.5.6 INVENTORIES

These are office assets located in the Paris region and acquired under the real estate trader regime. These assets are entered at their cost price (acquisition cost, expenses and works).

5.5.5.7 TRADE RECEIVABLES

The breakdown of net receivables by sector is indicated in Note 5.5.8.

<i>In thousand euros</i>	12/31/2019	12/31/2018
Billed clients	39,491	46,283
Unbilled expenses payable	11,289	7,926
Balance of rent-free periods and stepped rents	44,252	73,565
TRADE RECEIVABLES (GROSS)	95,032	127,774
Impairment of receivables	(17,647)	(17,051)
TRADE RECEIVABLES (NET)	77,385	110,723

5.5.5.8 OTHER RECEIVABLES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Value added tax	52,677	73,901
Corporate income tax	1,553	5,806
Bami Newco cash advances and guaranties (fully impaired)	32,763	32,763
Receivables on asset disposal	692	3,603
Other ⁽¹⁾	59,669	95,077
GROSS AMOUNTS	147,355	211,150
Impairment	(36,150)	(36,150)
NET VALUES	111,205	175,000

(1) Includes project advances for € 32 million as at December 31, 2019 and indemnities on litigation for €59 million at December 31, 2018 (see Note 5.5.6.4).

5.5.5.9 PREPAID EXPENSES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Loan application costs ⁽¹⁾	11,591	11,063
10-year warranty insurance	3,143	2,565
Other	4,464	9,487
NET VALUES	19,198	23,115

(1) Primarily including arrangement fees and mortgage costs.

5.5.5.10 CASH AND CASH EQUIVALENTS

<i>In thousand euros</i>	12/31/2019	12/31/2018
Money-market UCITS	1	1
Current bank accounts	37,845	31,689
CASH AND CASH EQUIVALENTS (GROSS)	37,846	31,690
Bank overdrafts	0	0
CASH AND CASH EQUIVALENTS (NET)	37,846	31,690

5.5.5.11 CONSOLIDATED SHAREHOLDERS' EQUITY

See the accounting statement preceding this note in section 5.3 "Statement of changes in consolidated equity".

5.5.5.12 BORROWINGS, FINANCIAL DEBT AND FINANCIAL INSTRUMENTS

5.5.5.12.1 Borrowings and financial debt

Outstanding debt

<i>In thousand euros</i>	Outstanding 12/31/2019	Repayments < 1 year	Outstanding 12/31/2020	Repayments 1 to 5 years	Outstanding 12/31/2024	Repayments more than 5 years
Fixed-rate debt	5,021,398	(121,352)	4,900,046	(1,095,346)	3,804,700	(3,804,700)
Fixed-rate bonds	4,857,747	(50,000)	4,807,747	(1,062,668)	3,745,079	(3,745,079)
Fixed-rate borrowings	49,748	(2,161)	47,587	(9,068)	38,518	(38,518)
Other fixed-rate liabilities	55,633	(10,921)	44,712	(23,609)	21,103	(21,103)
Accrued interest provisioned	58,270	(58,270)	0	0	0	0
Floating rate debt	2,262,086	(1,763,500)	498,586	(498,586)	0	0
Commercial paper	1,663,500	(1,663,500)	0	0	0	0
Floating-rate bonds	498,586	0	498,586	(498,586)	0	0
Floating-rate short-term bonds	100,000	(100,000)	0	0	0	0
Floating-rate borrowings	0	0	0	0	0	0
GROSS DEBT	7,283,484	(1,884,852)	5,398,632	(1,593,932)	3,804,700	(3,804,700)
Cash (floating rate)						
Open-end investment funds (SICAV), investments and income receivable	1	(1)	0	0	0	0
Liquidities	37,845	(37,845)	0	0	0	0
TOTAL CASH	37,846	(37,846)	0	0	0	0
Net debt						
Fixed rate	5,021,398	(121,352)	4,900,046	(1,095,346)	3,804,700	(3,804,700)
Floating rate	2,224,240	(1,725,654)	498,586	(498,586)	0	0
TOTAL NET DEBT	7,245,638	(1,847,006)	5,398,632	(1,593,932)	3,804,700	(3,804,700)
Available credit lines	4,505,000	0	4,505,000	(2,325,000)	2,180,000	(2,180,000)
Future cash flows on debt	0	(98,335)	0	(335,468)	0	(273,024)

The interest that will be paid up to maturity of the entire debt, and which is estimated on the basis of the rate curve at December 31, 2019 amounts to €707 million.

The breakdown of the repayment of gross debt within less than one year is as follows:

	1st quarter 2020	2nd quarter 2020	3rd quarter 2020	4th quarter 2020	Total
<i>In thousand euros</i>	1,238,495	586,353	55,983	4,022	1,884,852

The fair value of the gross debt used in calculating the NAV was €7,564 million at December 31, 2019, of which €281 million corresponding to the fair value adjustment of fixed rate debt.

Details of bonds issued

Bonds	Issuer	Issue date	Issue amount (in million euros)	Outstanding amount (in million euros)	Issue price	Redemption price	Nominal rate	Maturity date
Bond 05/2023	Gecina	05/30/13	300	200.2	€98,646	€100,000	2.875%	05/30/23
Bond 07/2020	Gecina	07/13/14	50	50	€100,000	€100,000	2.99%	07/13/20
Bond 07/2021	Gecina	07/13/14	50	50	€100,000	€100,000	3.30%	07/13/21
Bond 07/2021	Gecina	07/30/14	500	166.6	€99,317	€100,000	1.75%	07/30/21
Bond 01/2023	Gecina	12/15/14	125	125	€100,000	€100,000	3.051%	01/16/23
Bond 01/2025	Gecina	01/20/15	500	500	€99,256	€100,000	1.50%	01/20/25
Bond 06/2024	Gecina	06/17/15	500	377.8	€97,800	€100,000	2.00%	06/17/24
Bond 11/2022	Gecina	11/06/15	50	50	€100,000	€100,000	2.75%	11/06/22
Bond 11/2023	Gecina	11/06/15	100	100	€100,000	€100,000	3.00%	11/06/23
Bond 06/2026	Gecina	12/01/15	100	100	€100,000	€100,000	3.00%	06/01/26
Bond 01/2029	Gecina	09/30/16	500	500	€99,105	€100,000	1.00%	01/30/29
Bond 06/2032	Gecina	06/30/17	500	500	€98,535	€100,000	2.00%	06/30/32
Bond 06/2022	Gecina	06/30/17	500	500	€100,000	€100,000	Euribor 3 months +0.38%	06/30/22
Bond 06/2027	Gecina	06/30/17	500	500	€99,067	€100,000	1.375%	06/30/27
Bond 01/2028	Gecina	09/26/17	700	700	€98,710	€100,000	1.375%	01/26/28
Bond 03/2030	Gecina	03/14/18	500	500	€97,325	€100,000	1.625%	03/14/30
Bond 05/2020	Gecina	05/04/18	100	100	€100,362	€100,000	Euribor 3 months 0.30%	05/04/20
Bond 05/2034	Gecina	05/29/19	500	500	€98,597	€100,000	1.625%	05/29/34

Covenants

The company's main credit facilities are accompanied by contractual clauses relating to compliance with certain financial ratios, determining interest rates charged and early repayment clauses, the most restrictive of which are summarized below:

	Benchmark standard	Balance at 12/31/2019	Balance at 12/31/2018
Net financial debt/revalued block value of property holding (excluding duties)	Maximum 55%/60%	36.0%	38.4%
EBITDA/net financial expenses	Minimum 2.0x	5.3x	5.7x
Outstanding secured debt/revalued block value of property holding (excluding duties)	Maximum 25%	0.2%	1.0%
Revalued block value of property holding (excluding duties) in €billion	Minimum 6.0/8.0	20.1	19.3

Change of control clauses

For bonds issued by Gecina, a change of control leading to the downgrading of its credit rating to "Non-Investment Grade" and not raised to "Investment Grade" within 120 days, could lead to the early repayment of the loan.

5.5.5.12.2 Financial instruments

The financial instruments (Level 2 instruments as defined by IFRS 7 and IFRS 13) held by the Group are hedging instruments. The financial instruments held by the Group are traded on the over-the-counter market and valued on the basis of valuation models using observable inputs.

Portfolio of derivatives

<i>In thousand euros</i>	Outstanding 12/31/2019	Maturity or effective date < 1 year	Outstanding 12/31/2020	Maturity or effective date 1 to 5 years	Outstanding 12/31/2024	Maturity or effective date more than 5 years
Portfolio of outstanding derivatives at December 31, 2019						
Fixed-rate receiver swaps	59,000	0	59,000	(59,000)	0	0
Fixed-rate payer swaps	500,000	(400,000)	100,000	0	100,000	(100,000)
Selling of puts and calls on fixed rate payer swaps	0	0	0	0	0	0
Purchasing of puts and calls on fixed-rate receiver swaps	0	0	0	0	0	0
Cap purchases	1,200,000	(200,000)	1,000,000	(1,000,000)	0	0
Cap sales	0	0	0	0	0	0
Floors sales	0	0	0	0	0	0
TOTAL	1,759,000	(600,000)	1,159,000	(1,059,000)	100,000	(100,000)
Portfolio of derivatives with deferred impact at December 31, 2019						
Fixed-rate receiver swaps	0	200,200	200,200	(200,200)	0	0
Fixed-rate payer swaps	0	300,000	300,000	0	300,000	(300,000)
Selling of puts and calls on fixed rate payer swaps	0	0	0	0	0	0
Purchasing of puts and calls on fixed-rate receiver swaps	0	0	0	0	0	0
Cap purchases	0	300,000	300,000	0	300,000	(300,000)
Cap sales	0	0	0	0	0	0
Floors sales	0	0	0	0	0	0
TOTAL	0	800,200	800,200	(200,200)	600,000	(600,000)
Total portfolio of derivatives at December 31, 2019						
Fixed-rate receiver swaps	59,000	200,200	259,200	(259,200)	0	0
Fixed-rate payer swaps	500,000	(100,000)	400,000	0	400,000	(400,000)
Selling of puts and calls on fixed rate payer swaps	0	0	0	0	0	0
Purchasing of puts and calls on fixed-rate receiver swaps	0	0	0	0	0	0
Cap purchases	1,200,000	100,000	1,300,000	(1,000,000)	300,000	(300,000)
Cap sales	0	0	0	0	0	0
Floors sales	0	0	0	0	0	0
TOTAL	1,759,000	200,200	1,959,200	(1,259,200)	700,000	(700,000)
Future interest cash flows on derivatives	0	2,238	0	6,106	0	10,326

Gross debt hedging

<i>In thousand euros</i>	12/31/2019
Gross fixed-rate debt	5,021,398
Fixed-rate debt converted to floating rate	(59,000)
Residual fixed-rate debt	4,962,398
Gross floating-rate debt	2,262,086
Fixed-rate debt converted to floating rate	59,000
Gross floating-rate debt after conversion of debt to floating rate	2,321,086
Fixed-rate payer swaps and activated caps/floors	(500,000)
Unhedged gross floating-rate debt	1,821,086
Caps purchases	(1,200,000)
Caps sales	0
FLOATING RATE DEBT	621,086

The fair value of hedging instruments, as recorded on the balance sheet, breaks down as follows:

<i>In thousand euros</i>	12/31/2018	Acquisitions /sales	Transfer between items	Change in value	12/31/2019
Non-current assets	7,409	17,101	0	(1,750)	22,760
Current assets	0	0	0	0	0
Non-current liabilities	(3,835)	27,042	1,285	(25,760)	(1,268)
Current liabilities	(709)	0	(1,285)	1,439	(555)
TOTAL	2,865	44,143	0	(26,071)	20,937

The fair value of the financial instruments has increase by €18 million. This increase is explained by the effect of payments, change in interest rates during 2019 and the time effect.

5.5.5.13 PROVISIONS

<i>In thousand euros</i>	12/31/2018	Change in scope	Allocations	Write backs	Utilizations	12/31/2019
Tax reassessments	7,002	0	0	0	0	7,002
Employee benefit commitments	14,095	0	1,348	(157)	0	15,286
Other disputes	11,994	45	1,792	(199)	(249)	13,383
TOTAL	33,091	45	3,140	(356)	(249)	35,671

Some companies within the consolidation have been the subject of tax audits leading to notifications of tax reassessments, the majority of which are contested. At December 31, 2019, the total amount accrued as a provision for the fiscal risk is €7 million, based on the assessments of the company and its advisers.

Furthermore, the company has several ongoing litigations with the French tax administration, which, at present could result in the reimbursement of a maximum amount of nearly €10 million. This amount is related to the corporate income tax paid in 2003 when several Group companies opted for the SIIC tax regime. These amounts, which could be recovered at various dates in light of the ongoing proceedings, were expensed at the time of payment and therefore no longer appear on the company's balance sheet.

The Group has also, directly or indirectly, been the subject of liability actions and court proceedings instigated by third parties. Based on the assessments of the company

and its advisers, all risks that would be likely to significantly impact the company's earnings or financial situation have been provisioned.

Employee benefit commitments (€15.3 million) concern supplementary pensions, lump-sum retirement benefits, and anniversary premiums. They are valued by independent experts.

Commitments provisioned in Spain (€4.8 million) primarily concern guarantees granted by SIF Espagne, then represented by Mr. Joaquín Rivero, on November 13, 2009, concerning Bami Newco's repayment of credit facilities granted to it until November 13, 2019 by Banco Popular for amounts of €3.3 million and €1.5 million in principal, respectively. As at December 31, 2019, provisions had been fully accrued for the full amount of these guarantees, i.e. €4.8 million.

The resulting contingent receivable was reported under the bankruptcy proceedings of Bami Newco. In June 2014, Banco Popular called in one of its two guarantees and

claimed the payment of €3 million from SIF Espagne. In June 2016, MHB Bank claimed the payment of this guarantee in its capacity as the assignee of the guarantee. The company studied and analyzed this claim and believes that it is not required as of this date to make the payment.

Bami Newco was the subject of insolvency proceedings commenced in June 2013. Gecina and SIF Espagne reported their receivables in the context of these bankruptcy proceedings.

The liquidation plan sent to the parties in November 2015 is still in execution by the court-ordered liquidator. This plan shows a liability significantly higher than the remaining assets of Bami Newco, thereby confirming that it is unlikely for Gecina and SIF Espagne to recover their receivables, considered as subordinated debt. On January 22, 2016, Gecina and SIF Espagne filed pleadings seeking a classification of fraudulent bankruptcy and liability of the de facto and de jure directors of Bami Newco and they continue to assert their rights and defend their interests in this proceeding.

On July 16, 2012, the company was informed by Banco de Valencia of the existence of four promissory notes issued in 2007 and 2009 in the total amount of €140 million. Three of them were issued in the name of "Gecina SA Succursal en España" and one in the name of Gecina SA, in favor of Arlette Dome SL, a Spanish company. Arlette Dome SL has transferred the above-mentioned promissory notes to Banco de Valencia to guarantee loans granted by that bank.

After verification, the company realized that it had no information about these alleged promissory notes or about any business relationship with Arlette Dome SL which could have justified their issue. After also observing the existence of evidence pointing to the fraudulent nature of their issuance if the issue were to be confirmed, the company has filed a criminal complaint in this respect

with the competent Spanish authorities. Following a series of decisions and appeals, Gecina was recognized as party to the proceedings on April 19, 2016 before the National Court. In a judgment dated January 20, 2020, the National Court confirmed, inter alia, the fraudulent nature of the promissory notes and the non-existence of business relations with the company Arlette Dome SL. No provision was recognized for this purpose.

Spanish bank Abanca, after seeking the payment by Gecina of €63 million (of which €48.7 million in principal) pursuant to the guarantee letters of engagement allegedly signed in 2008 and 2009 by Mr. Joaquín Rivero, former Gecina officer, summoned Gecina to appear before the Court of First Instance of Madrid in order to obtain the payment of the claimed amounts.

Gecina is challenging Abanca's claims, asserting its rights and defending its interests in these proceedings. On June 10, 2016, the Court of First Instance of Madrid declared that it had no jurisdiction to hear the dispute. On July 14, 2016, Abanca appealed this decision. On July 4, 2017, the Appeal Court of Madrid declared that the Spanish Courts do have jurisdiction. In its ruling of May 21, 2019, the Madrid Court of First Instance ordered Gecina to pay €48.7 million, plus late payment interest, to Abanca. Gecina considers this ruling to be without grounds since the Court omitted to consider both the fraud committed by Abanca and the mandatory application of French law which was applicable to it on a decisive point in the case, and has therefore decided to appeal. The judgment of May 21, 2019 is provisionally enforceable. Based on an assessment of the risk by the company and its counsels, no provision has been recognized.

Gecina filed a criminal complaint in France against Mr. Rivero and any other party involved, for misuse of authority under letters of endorsement raised by Abanca. Insofar as Mr. Joaquín Rivero was not the only person involved in this complaint, this procedure is still ongoing.

5.5.5.14 PENSIONS AND OTHER EMPLOYEE BENEFITS

The amounts reported in the balance sheet as at December 31, 2019 are as follows:

<i>In thousand euros</i>	12/31/2019	12/31/2018
Present value of the liability	18,232	17,079
Fair value of hedging assets	(2,946)	(2,984)
Net present value of the liability	15,286	14,095
Non-recognized profits (losses)	0	0
Non-recognized costs of past services	0	0
NET LIABILITY ON THE BALANCE SHEET	15,286	14,095

The net commitment recorded as non-recurring provisions amounted to €15.3 million after taking into account hedging assets estimated at €2.9 million at December 31, 2019.

The actuarial difference for the period amounted to €2.5 million for the most part recorded in shareholders' equity.

Change in bond

<i>In thousand euros</i>	12/31/2019	12/31/2018
Net present value of the liability at beginning of period	14,095	15,155
Cost of services rendered during the year	967	880
Net interest	199	197
Actuarial losses and gains	25	147
Expense recognized under payroll expense	1,192	1,224
Effects of any change or liquidation of the plan	0	(308)
Benefits paid (net)	(794)	(632)
Contributions paid	(1,714)	(2,731)
Actuarial losses and gains not written to profit or loss	2,508	1,387
NET PRESENT VALUE OF THE LIABILITY AT END OF PERIOD	15,286	14,095

The main actuarial assumptions used to calculate Group commitments are as follows:

	12/31/2019	12/31/2018
Expected yield rate of hedging assets	3.00%	3.00%
Wage increase rate (net of inflation)	0.25%	0.25%
Discount rate	0.00%-1.00%	0.00%-1.50%
Inflation rate	1.75%	1.75%

5.5.5.15 TRADE PAYABLES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Trade payables on goods and services	47,600	49,605
Fixed asset trade payables	105,406	157,679
TRADE PAYABLES	153,006	207,284

5.5.5.16 TAX AND SOCIAL SECURITY LIABILITIES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Social security liabilities	29,383	32,072
Value added tax	18,000	37,117
Other tax liabilities	1,600	3,461
TAX AND SOCIAL SECURITY LIABILITIES	48,983	72,650
<i>of which non-current liabilities</i>	0	0
<i>of which current liabilities</i>	48,983	72,650

5.5.5.17 OTHER CURRENT LIABILITIES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Customer credit balance	54,373	55,155
Other payables	11,069	8,506
Deferred income	7,147	3,141
OTHER CURRENT LIABILITIES	72,589	66,802

5.5.5.18 OFF BALANCE SHEET COMMITMENTS

<i>In thousand euros</i>	12/31/2019	12/31/2018
Off balance sheet commitments given-Operating activities		
Asset-backed liabilities	49,758	189,424
Works amount to be invested (including off-plan property sales)	416,034	315,293
Preliminary property sale agreements	309,716	131,369
Other ⁽¹⁾	34,403	41,452
TOTAL COMMITMENTS GIVEN	809,909	677,538
Off balance sheet commitments received-Financing		
Unused lines of credit	4,505,000	4,255,000
Off balance sheet commitments received-Operating activities		
Preliminary property sale agreements	304,000	120,390
Mortgage-backed receivables	480	480
Financial guarantees for management and transaction activities	660	1,025
Other ⁽²⁾	1,279,033	1,258,921
TOTAL COMMITMENTS RECEIVED	6,089,173	5,635,816

(1) Of which €33 million in liability guarantees granted as part of the sale of shares (€16 million for Gecimed, €14 million for previous Eurosic subsidiaries and €3 million for Hôtelière de la Villette).

(2) Of which a €1,240 million guarantee received as part of the acquisition of Avenir Danton Défense and Avenir Grande Armée equities.

During the course of its normal business operations, Gecina made certain commitments to be fulfilled within a maximum of ten years, and which do not appear in the table of commitments given because their cost is not yet known. Based on the assessments of the Group and its advisers, there are currently no commitments likely to be called and which would materially impact Gecina's earnings or financial position.

The outstanding amounts for future development costs (including off-plan property sales) correspond to reciprocal guarantees with the developer who undertakes to complete the works.

5.5.5.19 RECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

<i>In thousand euros</i>	Assets/ liabilities valued at fair value through the income statement	Assets/ liabilities held to maturity ⁽¹⁾	Loans and receivables	Liabilities at amortized cost	Historic cost ⁽¹⁾	Fair value through shareholders' equity	Total	Fair value
Financial fixed assets	0	3,344	480	0	0	21,964	25,788	25,788
Equity-accounted investments	0	0	0	0	51,441	0	51,441	51,441
Cash and cash equivalents	37,846	0	0	0	0	0	37,846	37,846
Financial instruments ⁽²⁾	22,760	0	0	0	0	0	22,760	22,760
Other assets	0	0	0	0	188,590	0	188,590	188,590
TOTAL FINANCIAL ASSETS	60,606	3,344	480	0	240,031	21,964	326,425	326,425
Financial debt ⁽³⁾	0	1,927,151	0	5,356,333	0	0	7,283,484	7,564,184
Financial instruments ⁽²⁾	1,823	0	0	0	0	0	1,823	1,823
Other liabilities	0	0	0	0	347,978	0	347,978	347,978
TOTAL FINANCIAL LIABILITIES	1,823	1,927,151	0	5,356,333	347,978	0	7,633,285	7,913,985

(1) Due to the short-term nature of these receivables and debts, the book value represents a good estimate of fair value, as the discount effect is immaterial.

(2) According to IFRS 7 and IFRS 13, the fair value of the financial instruments is level 2, which means that the valuation is based on observable market data.

(3) See Note 5.5.5.12.1.

5.5.6 Notes to the consolidated statement of comprehensive income

5.5.6.1 GROSS RENTAL INCOME

The revenue analysis by segment is detailed in Note 5.5.8.

Minimum future rents receivable until the next possible termination date under the operating leases of commercial properties are as follows:

<i>In thousand euros</i>	12/31/2019	12/31/2018
Less than 1 year	480,041	424,578
1 to 5 years	1,138,639	1,094,892
Over 5 years	434,070	518,374
TOTAL	2,052,749	2,037,844

5.5.6.2 DIRECT OPERATING EXPENSES

These are composed of:

- rental expenses that are payable by the owner, expenses related to construction work, costs of disputes, if any, and property management fees;
- the portion of rechargeable rental expenses by nature, which remain the Group's expense, mainly on vacant premises;
- the rental risk consisting of net impairments plus the amount of losses and profits on unrecoverable debts for the period.

The cost of rental risk is €0.8 million, for the period ended December 31, 2019 (compared with €0.4 million at December 31, 2018).

Recharges to tenants consist of rental income from recharging tenants for costs payable by them. For 2019, they include fees for rental and technical management invoiced, i.e. €6.8 million (compared with €5.2 million at December 31, 2018).

<i>In thousand euros</i>	12/31/2019	12/31/2018
Other external expenses	(106,121)	(108,100)
Taxes and other payables	(72,942)	(78,861)
Payroll costs	(4,747)	(5,000)
Other expenses	(905)	(1,098)
Property expenses	(184,714)	(193,059)
Rental expenses to be regularized	7,967	5,183
Vacant premises' expenses	(10,546)	(5,838)
Miscellaneous recovery	50,144	54,735
Provisions on costs	82,430	84,198
Recharges to tenants	129,995	138,278
NET DIRECT OPERATING EXPENSES	(54,719)	(54,781)

5.5.6.3 OPERATING INCOME FROM FINANCE LEASES AND HOTEL ACTIVITIES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Financial fees and other income on finance lease transactions	61,963	41,835
Operating expenses	(56,552)	(32,593)
CURRENT OPERATING INCOME ON FINANCE LEASE TRANSACTIONS	5,411	9,242
Hotel operating income	36,416	47,478
Hotel operating expenses	(27,909)	(38,085)
Depreciation of the hotel activity	(4,318)	(5,982)
CURRENT OPERATING INCOME ON THE HOTEL ACTIVITY	4,190	3,410

5.5.6.4 SERVICES AND OTHER INCOME (NET)

These largely comprise the following items:

<i>In thousand euros</i>	12/31/2019	12/31/2018
Income from service activities	463	823
Reversals of investment subsidies	228	223
Other income	33,892	61,408
SERVICES AND OTHER INCOME (NET)	34,584	62,454

As at December 31, 2019, the other income includes damages related to the dispute with Gecina's former CEO, Joaquín Rivero, and arising from the agreement concluded with CaixaBank for an amount of €30 million. As at December 31, 2018, the other income included €59 million for damages and interest to be received related to the dispute with Joaquín Rivero.

5.5.6.5 OVERHEADS

Overheads break down as follows:

<i>In thousand euros</i>	12/31/2019	12/31/2018
Payroll costs	(65,623)	(63,674)
Internal costs	6,245	6,479
Share-based payments (IFRS 2)	(2,773)	(2,781)
Net management costs	(30,817)	(26,940)
TOTAL	(92,968)	(86,916)

Salaries and fringe benefits relate to the company's administrative staff, since the salaries of building staff are included in expenses not billed to tenants.

Depending on their nature, certain salaries and fringe benefits and management fees are reclassified in a total amount of €6.2 million as at December 31, 2019 ("Internal costs"). Expenses attributable to disposals are recorded under gains or losses on disposal. Those attributable to projects under development and marketing actions are

recognized as fixed assets. Lastly, fees attributable to ongoing studies are booked as prepaid expenses.

Share-based payments concern stock options for new or existing shares and performance shares (see Note 5.5.9.5) and are booked in accordance with IFRS 2 (see Note 5.5.3.7).

Management costs primarily include fees paid by the company and head office operating costs (computer maintenance, insurance, advertising, etc.).

5.5.6.6 REAL ESTATE MARGIN

<i>In thousand euros</i>	12/31/2019	12/31/2018
Transfer of inventories	15,100	98,015
Net book value of inventories	(13,733)	(106,534)
Transfer cost of inventories	(980)	(958)
REAL ESTATE MARGIN	388	(9,477)

Two assets held as real-estate traders were sold during the financial year.

5.5.6.7 GAINS OR LOSSES ON DISPOSALS

Disposals represented:

<i>In thousand euros</i>	12/31/2019	12/31/2018
Block sales	816,483	1,148,439
Unit sales	61,244	83,922
Proceeds from disposals	877,727	1,232,361
Block sales	(679,277)	(1,155,465)
Unit sales	(49,797)	(67,614)
Net book value	(729,074)	(1,223,079)
Block sales	(31,265)	(16,999)
Unit sales	(3,537)	(3,742)
Cost of sales	(34,802)	(20,740)
Related goodwill	(11,561)	0
NET GAINS OR LOSSES ON DISPOSALS	102,289	(11,459)

Salaries and fringe benefits and net management costs reclassified as a result of disposal to internal costs are €2.7 million in 2019, compared to €2.2 million in 2018.

5.5.6.8 CHANGE IN VALUE OF PROPERTIES

Changes in the fair value of property holdings break down as follows:

<i>In thousand euros</i>	12/31/2018	12/31/2019	Change
Investment properties	16,604,020	17,662,308	
Change in scope	(1,297,112)	(1,301,100)	
Investment properties on a like for like basis	15,306,908	16,361,208	1,054,300
Capitalized works on investment properties			(76,357)
Capitalized salaries and fringe benefits on investment properties			(2,338)
First application of IFRS 16 on investment properties			(13,161)
Linearization of rent incentives			(53,849)
Other costs capitalized on investment properties			(4,178)
Change in value of investment properties on a like for like basis			904,418
Change in value of buildings under redevelopment or acquired			78,815
Change in value of properties for sale			21,040
CHANGE IN VALUE OF PROPERTIES RECORDED IN INCOME STATEMENT			1,004,271

Pursuant to IFRS 13 (see Note 5.5.3.1.2), the tables below break down, by activity sector, the ranges of the main unobservable inputs (level 3) used by property appraisers:

Commercial sector	Yield rate	DCF discount rate	VLM (market rental value) in €/sq.m
Paris CBD	2.30%-3.90%	3.25%-5.00%	€360-820/sq.m
Paris non-CBD	2.60%-8.00%	3.00%-6.00%	€150-880/sq.m
Paris	2.30%-8.00%	3.00%-6.00%	€150-880/sq.m
Inner Rim	3.40%-6.35%	4.00%-6.75%	€90-570/sq.m
Outer Rim	6.40%-8.30%	6.25%-10.15%	€100-160/sq.m
Paris region	3.40%-8.30%	4.00%-10.15%	€90-570/sq.m
Rest of France	3.60%-7.25%	3.75%-7.00%	€50-290/sq.m
COMMERCIAL	2.30%-8.30%	3.00%-10.15%	€50-880/sq.m

Residential	Yield rate	Unit sale price in €/sq.m
Paris	2.60%-3.35%	€7,130-13,330/sq.m
Inner Rim	3.25%-4.10%	€4,960-7,550/sq.m
RESIDENTIAL	2.60%-4.10%	€4,960-13,330/sq.m

An unfavorable situation on the real estate market could have a negative impact on the valuation of Gecina's property portfolio and its operating income. For example, a downturn in the real estate market, resulting in an increase of 50 basis points (0.5%) in capitalization rates, could result in a decrease of approximately 9.8% in the appraised value of Gecina's property portfolio (on the

assumption that such a downturn would affect all the different segments of Gecina's real estate business) representing around €1,947 million based on the block valuation of the assets at December 31, 2019, and would also have an unfavorable impact on Gecina's consolidated earnings.

Sensitivity to changes in the capitalization rate

	Change in capitalization rate	Valuation of assets (in € million)	Change in assets (in %)	Impact on consolidated income (in € million)
All sectors⁽¹⁾	0.50%	17,984	(9.8%)	(1,947)
Offices	0.50%	14,932	(9.4%)	(1,555)
Residential	0.50%	3,039	(11.4%)	(391)
Hotels	0.50%	12	(11.7%)	(2)

(1) Except financial leases.

5.5.6.9 IMPACTS OF BUSINESS COMBINATIONS

This account exclusively represents the residual costs of the acquisition of Eurosic in the 2018 financial year, i.e. €0.7 million.

5.5.6.10 NET FINANCIAL EXPENSES

Net financial expenses specifically include (i) interest, coupons or dividends, received or paid, to be received or to be paid, on financial assets and liabilities including hedge financial instruments; (ii) net gains and losses on assets held for trading (UCITS and other shares held for the short term) and (iii) periodic premiums on option; (iv) straight-line amortization of the cost of arranging these loans and credit lines.

In thousand euros	12/31/2019	12/31/2018
Interests and expenses on loans	(104,995)	(109,929)
Interests on finance leases	0	(35)
Interest expenses on hedge instruments	(3,136)	(7,408)
Other financial costs	(34)	(75)
Foreign exchange losses	(75)	0
Capitalized interests on projects under development	7,661	18,131
Interest on lease obligations	(1,518)	0
Financial expenses	(102,098)	(99,317)
Interest income on hedging instruments	0	5,124
Other financial income	82	394
Foreign exchange gains	0	97
Financial income	82	5,615
NET FINANCIAL EXPENSES	(102,016)	(93,702)

The average cost of the drawn debt amounted to 1.0% in 2019.

5.5.6.11 CHANGE IN VALUE OF FINANCIAL INSTRUMENTS AND DEBT

Based on the existing hedge portfolio and taking into account contractual conditions at December 31, 2019, and the anticipated debt in 2020, a 0.5% increase in the interest rate would generate an additional expense of €7 million in 2020. An interest rate decrease of 0.5% would lead to a drop in financial expenses in 2020 of €5 million.

Net financial instruments increased by €18 million over the financial year.

Based on the portfolio at December 31, 2019, the change in fair value of the derivatives portfolio, as a result of a 0.5% increase in the interest rate would be +€23 million recognized in income. A 0.5% interest rate cut would lead to a fair value decrease of –€19 million in net income.

The Group holds all financial instruments to hedge its debt. None of them is held for speculative purposes.

5.5.6.12 TAXES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Additional contribution to corporate income tax	0	620
CVAE	(6,586)	(5,726)
Tax credits	0	111
Recurrent tax	(6,586)	(4,996)
Corporate income tax	(1,685)	(1,238)
Deferred taxes	4,130	543
Non-recurrent tax	2,445	(695)
TOTAL	(4,141)	(5,691)

The business real estate tax (Cotisation foncière des entreprises – CFE), which mainly pertains to the corporate head office, is recognized under overheads.

The tax on wealth generated by businesses (Cotisation sur la valeur ajoutée des entreprises – CVAE) is considered as income tax.

<i>In thousand euros</i>	12/31/2019	12/31/2018
Consolidated net income	1,516,890	1,006,965
Tax (incl. CVAE)	4,141	5,691
Consolidated net income, before tax	1,521,031	1,012,656
Theoretical tax in %	32.00%	34.43%
Theoretical tax in value	486,730	348,658
Impact of tax rate differences between France and other countries	(188)	(163)
Impact of permanent and timing differences	571	4,315
Companies accounted for under the equity method	(1,487)	(182)
Impact of the SIIC regime	(488,071)	(352,663)
CVAE	6,586	5,726
TOTAL	(482,589)	(342,966)
Effective tax expense per income statement	4,141	5,691
EFFECTIVE TAX RATE	0.27%	0.56%

The 2018 Finance Act, published in France's *Journal officiel* on December 30, 2017, maintained the social contribution rate at 3.3%, but instituted a progressive reduction in income tax from 33.33% to 25% by 2022.

The theoretical tax rate of 32.0% thus corresponds to the ordinary tax rate of 31% (28% for profits up to €0.5 million) and to the corporate income tax social contribution of 3.3%.

The effective tax rate presented covers corporate income tax and the CVAE, excluding all other taxes, local taxes and royalties.

5.5.6.13 EARNINGS PER SHARE

Earnings per share are calculated by dividing net income attributable to shareholders by the weighted average number of ordinary shares in circulation during the year.

Diluted earnings per share are calculated by dividing net income for the year attributable to shareholders by the weighted average number of ordinary shares outstanding during the year, adjusted for the impact of equity instruments to be issued when the issue conditions are

met and the dilutive effect of the benefits granted to employees through the allocation of stock options and performance shares.

In accordance with IAS 33 "Earnings per share", the amounts per share for the previous financial period were restated retroactively, where applicable, to take the new shares created over the financial period into account.

	12/31/2019	12/31/2018
Earnings attributable to owners of the parent company <i>(in thousand euros)</i>	1,515,287	1,004,985
Weighted average number of shares before dilution	73,644,338	73,709,602
Undiluted earnings per share attributable to owners of the parent company <i>(in euros)</i>	20.58	13.63
Earnings attributable to owners of the parent company, after the effect of dilutive securities <i>(in thousand euros)</i>	1,515,310	1,005,040
Weighted average number of shares after dilution	73,849,455	73,958,702
DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY <i>(IN EUROS)</i>	20.52	13.59

	12/31/2019	12/31/2018
Earnings attributable to owners of the parent company before dilution <i>(in thousand euros)</i>	1,515,287	1,004,985
Impact of dilution on earnings	23	55
Diluted earnings attributable to owners of the parent company <i>(in thousand euros)</i>	1,515,310	1,005,040
Weighted average number of shares before dilution	73,644,338	73,709,602
Impact of dilution on average number of shares	205,117	249,100
WEIGHTED AVERAGE NUMBER OF SHARES AFTER DILUTION	73,849,455	73,958,702

5.5.7 Notes to the consolidated statement of cash flows

5.5.7.1 CHANGE IN VALUE AND BOND REDEMPTION COSTS

<i>In thousand euros</i>	Note	12/31/2019	12/31/2018
Change in value of properties	5.5.6.8	(1,004,271)	(565,781)
Change in value of financial instruments	5.2	26,071	14,590
Premium and bond redemption costs	5.2	15,933	0
CHANGE IN VALUE AND BOND REDEMPTION COSTS		(962,267)	(551,191)

5.5.7.2 CHANGE IN OPERATING WORKING CAPITAL REQUIREMENTS

<i>In thousand euros</i>	12/31/2019	12/31/2018
Clients change	(3,236)	(1,333)
Change in other receivables ⁽¹⁾	(87,596)	80,479
Change of prepaid expenses	(3,647)	858
Total balance sheet assets	(94,480)	80,004
Change in tenants' security deposits	(2,133)	(470)
Change in trade payables	2,988	16,131
Change in tax and social security liabilities	(18,981)	24,240
Change in other debts	777	22,030
Change of prepaid expenses	4,006	(2,935)
Total balance sheet liabilities	(13,343)	58,995
TOTAL CHANGE IN OPERATING CAPITAL	81,136	(21,008)
(1) VAT	(21,121)	35,164
Taxes	(3,133)	(235)
Compensation receivable for disputes	(59,002)	59,002

5.5.7.3 PROCEEDS FROM DISPOSALS OF TANGIBLE AND INTANGIBLE FIXED ASSETS

<i>In thousand euros</i>	12/31/2019	12/31/2018
Block sales	831,583	1,246,454
Unit sales	61,244	83,922
Proceeds from disposals	892,827	1,330,376
Block sales	(13,176)	(17,957)
Unit sales	(3,537)	(3,741)
Cost of sales	(16,712)	(21,698)
CASH IN-FLOW LINKED TO DISPOSALS⁽¹⁾	876,114	1,308,678

(1) Including disposals of properties held as the real-estate traders booked in the real estate margin.

5.5.7.4 CHANGE IN WORKING CAPITAL REQUIREMENTS FROM INVESTING ACTIVITIES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Change in other receivables (fixed asset buyers)	(29,743)	(2,601)
Change in fixed asset payables	(48,540)	(83,559)
Effects of the assets and liabilities of companies sold	(433)	(38,254)
CHANGE IN WORKING CAPITAL FROM INVESTING ACTIVITIES	(78,716)	(124,413)

5.5.7.5 DIVIDENDS PAID TO SHAREHOLDERS OF THE PARENT COMPANY

After paying an interim dividend of €2.75 per share on March 6, 2019, the General Meeting of April 17, 2019 approved the payment of a dividend of €5.50 per share for the 2018 financial year. The balance of €2.75 per share still owing was paid out on July 3, 2019.

For the 2017 financial year, the Group distributed a dividend per share of €5.30 for a total of €388 million, €280 million of which was paid in cash, the balance being paid in shares.

5.5.7.6 NEW LOANS AND REPAYMENTS OF LOANS

<i>In thousand euros</i>	12/31/2019	12/31/2018
New loans ⁽¹⁾	4,448,919	3,822,992
Repayments of loans ⁽¹⁾	(4,651,706)	(4,889,092)
CHANGE IN LOANS	(202,787)	(1,066,100)

(1) Including commercial paper renewals throughout the year.

<i>In thousand euros</i>	12/31/2019	12/31/2018
Debts at year closing	7,283,484	7,486,579
Debts at year opening	(7,486,579)	(8,534,696)
Accrued interests at year closing	(58,270)	(70,721)
Accrued interests at year opening	70,721	60,338
Impact of bond issues	(11,836)	(7,600)
Other changes	(307)	0
CHANGE IN LOANS	(202,787)	(1,066,100)

5.5.7.7 CLOSING CASH AND CASH EQUIVALENTS

<i>In thousand euros</i>	12/31/2019	12/31/2018
Marketable securities	1	1
Current bank accounts	37,845	31,689
CLOSING CASH AND CASH EQUIVALENTS	37,846	31,690

5.5.8 Segment reporting

The Group operates in France (except for minimal operations in other European countries). It is structured into various business sectors, as follows:

INCOME STATEMENT FOR BUSINESS SECTORS AT DECEMBER 31, 2019

<i>In thousand euros</i>	Commercial	Residential	Student residences	Other sectors ⁽¹⁾	Segments total
Operating income⁽²⁾					
Rent on commercial properties	531,413	9,395	0	11,232	552,040
Rent on residential properties	5,532	96,262	0	0	101,793
Rent on student residences	0	0	19,653	0	19,653
Revenue: rental income	536,944	105,657	19,653	11,232	673,487
Expenses not billed to tenants	(31,017)	(18,020)	(5,163)	(519)	(54,719)
Rental margin	505,927	87,637	14,490	10,713	618,768
Margin on rents	94.2%	82.9%	73.7%	95.4%	91.9%
Current operating income on finance lease transactions				5,411	5,411
Current operating income on the hotel activity				4,190	4,190
Services and other net income ⁽²⁾	3,360	501	962	625	34,584
Payroll costs					(62,151)
Net management costs					(30,817)
EBITDA					569,984
Real estate margin	388				388
Gains or losses on disposals	50,226	(3,282)	0	55,345	102,289
Change in value of properties	868,966	139,856	8,554	(13,105)	1,004,271
Depreciation and amortization					(13,399)
Net impairments					(3,129)
Impacts of the business combination					0
Operating income					1,660,404
Net financial expenses					(102,016)
Financial depreciation and provisions					0
Change in value of financial instruments					(26,071)
Premium and bond redemption costs					(15,933)
Net income from equity-accounted investments					4,647
Consolidated net income, before tax					1,521,031
Taxes					(4,141)
Consolidated net income attributable to non-controlling interests					(1,603)
Consolidated net income attributable to owners of the parent company					1,515,287
Assets and liabilities by segment as at December 31, 2019					
Gross property holdings (except headquarters)	16,098,751	3,075,154	355,532	425,112	19,954,549
Of which acquisitions	331,839	0	0	0	331,839
Of which properties for sale	600,951	319,060	0	8,740	928,751
Amounts due from tenants	68,131	7,694	1,001	18,206	95,032
Provisions for tenant receivables	(4,785)	(6,346)	(592)	(5,924)	(17,647)
Security deposits received from tenants	65,947	9,558	2,710	2,329	80,545

(1) The other business segments include finance leasing and hotel company operations.

(2) Rents are presented by type of lease agreement, while the segment analysis is based on the Group's internal management organization.

(3) Other income includes damages related to the dispute with Gecina's former CEO Joaquin Rivero for €30 million (outside business sectors).

INCOME STATEMENT FOR BUSINESS SECTORS AS AT DECEMBER 31, 2018

<i>In thousand euros</i>	Commercial	Residential	Student residences	Other sectors ⁽¹⁾	Segments total
Operating income⁽²⁾					
Rent on commercial properties	519,079	9,052	0	15,424	543,555
Rent on residential properties	4,833	96,484	0	0	101,316
Rent on student residences	0	0	16,844	0	16,844
Revenue: rental income	523,912	105,536	16,844	15,424	661,716
Expenses not billed to tenants	(30,135)	(19,127)	(4,211)	(1,309)	(54,781)
Rental margin	493,777	86,409	12,633	14,115	606,935
Margin on rents	94.2%	81.9%	75.0%	91.5%	91.7%
Current operating income on finance lease transactions				9,242	9,242
Current operating income on the hotel activity				3,410	3,410
Services and other net income ⁽³⁾	2,014	1,326	42	71	62,454
Payroll costs					(59,976)
Net management costs					(26,940)
EBITDA					595,125
Real estate margin	(9,477)				(9,477)
Gains or losses on disposals	(17,617)	12,305	0	(6,147)	(11,459)
Change in value of properties	375,202	182,195	15,893	(7,509)	565,781
Depreciation and amortization					(13,577)
Net impairments					(5,300)
Impacts of the business combination					(696)
Operating income					1,120,397
Net financial expenses					(93,702)
Financial depreciation and provisions					21
Change in value of derivatives and borrowings					(14,590)
Net income from equity-accounted investments					529
Consolidated net income, before tax					1,012,656
Taxes					(5,691)
Consolidated net income attributable to non-controlling interests					(1,980)
Consolidated net income attributable to owners of the parent company					1,004,985
Assets and liabilities by segment as at December 31, 2018					
Gross property holdings (except headquarters)	15,107,915	2,991,444	330,590	768,250	19,198,199
Of which acquisitions	33,061	2,638	0	0	35,699
Of which properties for sale	85,310	339,618	0	282,859	707,787
Amounts due from tenants	102,350	8,561	1,199	15,665	127,775
Provisions for tenant receivables	(4,672)	(6,359)	(561)	(5,460)	(17,052)
Security deposits received from tenants	64,579	9,707	2,271	4,431	80,988

(1) The other business segments include finance leasing, merchants of property and hotel company operations.

(2) Rents are presented by type of lease agreement, while the segment analysis is based on the Group's internal management organization.

(3) Other income includes damages related to the dispute with Gecina's former CEO Joaquín Rivero for €59 million (outside business sectors).

5.5.9 Other information

5.5.9.1 SHAREHOLDING STRUCTURE OF THE GROUP

Gecina's shareholding is structured as follows:

Breakdown of share capital and voting rights as at December 31, 2019

Shareholders	Number of shares	% of share capital	% of theoretical voting rights ⁽¹⁾	% of exercisable voting rights ⁽²⁾
Ivanhoé Cambridge	11,575,623	15.15%	15.15%	15.76%
Crédit Agricole Assurances – Predica	10,507,864	13.75%	13.75%	14.31%
Norges Bank	7,111,607	9.31%	9.31%	9.68%
Other resident shareholders	4,950,790	6.48%	6.48%	6.74%
Individual shareholders	2,842,943	3.72%	3.72%	3.87%
Non-resident shareholders	36,462,395	47.72%	47.72%	49.64%
Treasury shares	2,959,038	3.87%	3.87%	
TOTAL	76,410,260	100.00%	100.00%	100.00%

(1) The calculation of percentages of voting rights takes into account all shares entitled to voting rights, including shares with restricted voting rights (treasury shares).

(2) The calculation of percentages does not include the treasury shares held by the company which have restricted voting rights.

Change in the breakdown of share capital over the last three years

	12/31/2019			12/31/2018			12/31/2017		
	% of share capital	% of theoretical voting rights ⁽¹⁾	% of exercisable voting rights ⁽²⁾	% of share capital	% of theoretical voting rights ⁽¹⁾	% of exercisable voting rights ⁽²⁾	% of share capital	% of theoretical voting rights ⁽¹⁾	% of exercisable voting rights ⁽²⁾
Ivanhoé Cambridge	15.15%	15.15%	15.76%	15.18%	15.18%	15.62%	19.64%	19.64%	20.23%
Crédit Agricole Assurances – Predica	13.75%	13.75%	14.31%	13.29%	13.29%	13.67%	13.19%	13.19%	13.58%
Norges Bank	9.31%	9.31%	9.68%	9.12%	9.12%	9.39%	9.06%	9.06%	9.32%
Other resident shareholders	6.48%	6.48%	6.74%	6.17%	6.17%	6.35%	7.78%	7.78%	8.01%
Individual shareholders	3.72%	3.72%	3.87%	3.73%	3.73%	3.83%	3.84%	3.84%	3.96%
Non-resident shareholders	47.72%	47.72%	49.64%	49.70%	49.70%	51.14%	43.61%	43.61%	44.91%
Treasury shares	3.87%	3.87%		2.81%	2.81%		2.88%	2.88%	
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

(1) The calculation of percentages of voting rights takes into account all shares entitled to voting rights, including shares with restricted voting rights (treasury shares).

(2) The calculation of percentages does not include the treasury shares held by the company which have restricted voting rights.

At December 31, 2019, the percentages of share capital and voting rights held by the members of the administrative and governance bodies were 28.3% and 29.4% respectively.

At December 31, 2019, Group employees held 962,729 Gecina shares directly and 69,039 Gecina shares indirectly via the Gecina employee shareholding fund

("FCPE Gecina actionnariat"), representing a total of 1.4% of share capital.

During the 2019 financial year, Omaha Investments Sarl, Juno Investments Sarl and Utah Investments Sarl, companies related to Ivanhoe Cambridge Inc., informed the AMF and Gecina of the pledge of their shares. Details below:

Companies related to Ivanhoé Cambridge Inc.	Number of shares	%
Omaha Investments Sarl	4,686,649	6.1
Juno Investments Sarl	4,223,919	5.5
Utah Investments Sarl	2,649,109	3.5
TOTAL	11,559,677	15.1

During the financial year 2019, Gecina also became aware of a notice from the company BlackRock Inc. that it had crossed the lower threshold; the threshold was crossed as a result of a sale of Gecina shares outside of and on the market and a return of Gecina shares held as collateral. BlackRock Inc. stated that it crossed below the threshold of 5% of capital and voting rights on September 6, 2019.

To the company's knowledge, no other shareholder owns more than 5% of the share capital or voting rights at December 31, 2019.

The company has no pledges on its treasury shares.

Company transactions on treasury shares

The General Meeting of shareholders of April 17, 2019 renewed the authorization given to the company to purchase treasury shares on the stock market for a period of eighteen months. The maximum purchase price was set at €170. The number of shares purchased by the company during the duration of the buyback program cannot exceed, at any time whatsoever, 10% of the shares comprising the company's share capital, and 5% in the event of share buybacks aimed at external growth projects at the time of the transaction. The maximum

number of shares that can be held, at any time whatsoever, is set at 10% of shares comprising the share capital. Given that the General Meeting of shareholders of April 17, 2019 granted authorization for a period of eighteen months, a motion was submitted for its renewal, which will be submitted to the approval of the General Meeting convened to approve the financial statements for 2019.

During the 2019 financial year, Gecina used the authorization granted to the Board of Directors by the General Meeting of shareholders of April 18, 2018 and of April 17, 2019 to buy back its own shares. On February 19, 2019 as decided by the Board of Directors, Gecina appointed an independent investment service provider to buy back Gecina shares on its behalf, depending on market conditions, for up to a maximum of €150 million from February 20, 2019 to June 30, 2019. The 818,612 shares purchased were allocated for tenders or exchanges of shares on potential external growth operations for up to 5% of the share capital.

A total of 2,959,038 treasury shares were held as at December 31, 2019, i.e. 3.87% of the share capital. The treasury shares represent a total investment of €348.4 million, at an average price per share of €117.75.

Aggregate information 2019	% of share capital	
Number of shares comprising the issuer's share capital at December 31, 2019	76,410,260	
Number of treasury shares at December 31, 2018	2,140,426	2.81%
Options exercised in the year	none	
Share buyback	818,612	1.07%
Average price of share buybacks including transaction fees	€131.69	
Liquidity contract	none	
Number of shares purchased		
Number of shares sold		
Average purchase price		
Average sale price		
Number of treasury shares at December 31, 2019	2,959,038	3.87%

5.5.9.2 DIVIDENDS DISTRIBUTED

Pursuant to the provisions concerning the regime of French listed real estate investment trusts (SIIC), the system selected by Gecina, a proposal was made at the General Meeting for the distribution, in 2020, of a dividend of €5.60 per share for the 2019 financial year.

Pursuant to article 158 of the French General Tax Code and article L. 221-31 of the French Monetary and Financial Code, the dividends distributed by listed real estate investment trusts (SIIC) to individual investors resident in France do not qualify for the 40% rebate. In addition, the 20% withholding tax was introduced under Article 208C-II ter of the French General Tax Code.

Consequently, a proposal will be put to the General Meeting to appropriate 2019 earnings for the year as follows, and to decide, after taking into account:

- profit amounting to €619,596,175.29 for the financial year;
- retained earnings of €146,209,436.22;
- representing distributable earnings of €765,805,611.51;
- to distribute a dividend per share of €5.60 under the SIIC tax regime, representing a maximum overall amount of €427,897,456.00;
- to allocate €337,908,155.51 to retained earnings.

The total amount of the distribution above is calculated on the basis of the number of shares granting rights to a dividend as of December 31, 2019, i.e. 76,410,260 shares.

This may change if the number of shares granting rights to a dividend changes between January 1, 2020 and the ex-date of the dividend based, in particular, on the number of treasury shares, the final allocation of bonus shares and the exercise of options (if the beneficiary is

The dividends distributed in the previous five financial years are set out below:

Dividends in the last five years

	2015	2016	2017	2018	2019
Distribution	€316,303,100	€329,860,128	€399,426,253	€419,467,125	€427,897,456
Number of shares	63,260,620	63,434,640	75,363,444	76,266,750	76,410,260
Dividend under the SIIC system	€5.00	€5.20	€5.30	€5.50	€5.60 ⁽¹⁾

(1) Proposal submitted for approval by the General Meeting called to approve the financial statements for 2019.

Dividends not claimed at the end of a period of five years are time-barred and paid to the French tax authorities.

5.5.9.3 RELATED PARTIES

Directors' compensation appears in Note 4.2.2.1.2.

A co-exclusive sale mandate for a building located in Neuilly-sur-Seine (Hauts-de-Seine) was concluded in May 2011, between Locare, a subsidiary of Gecina, and Resico, a subsidiary of Predica, shareholder and Director of the company. Locare has not invoiced fees to Resico during 2019.

Bami Newco was the subject of insolvency proceedings commenced in June 2013. Gecina and SIF Espagne reported their receivables in the context of these bankruptcy proceedings.

Bami Newco is neither consolidated nor booked under the equity method by Gecina since the Group has no control or significant influence over this entity.

The liquidation plan sent to the parties in November 2015 is still in execution by the court-ordered liquidator. This plan shows a liability significantly higher than the remaining assets of Bami Newco, thereby confirming that it is unlikely for Gecina and SIF Espagne to recover their receivables, considered as subordinated debt, and which amount to a total of €38 million, fully impaired. On January 22, 2016, Gecina and SIF Espagne filed pleadings seeking a classification of fraudulent bankruptcy and liability of the de facto and de jure directors of Bami Newco and they continue to assert their rights and defend their interests in this proceeding.

5.5.9.4 GROUP EMPLOYEES

Average headcount ⁽¹⁾	12/31/2019	12/31/2018	12/31/2017
Managers	262	260	220
Employees and supervisors	183	177	167
Building staff	59	65	70
TOTAL	504	502	457

(1) Average headcount including fixed-term contracts.

5.5.9.5 STOCK OPTIONS AND PERFORMANCE SHARES

Stock options

Grant date	Start date of exercise of options	Number of options granted	Subscription or purchase price	Balance remaining to be exercised at 12/31/2018	Options exercised in 2019	Options canceled, expired or transferred in 2019	Balance remaining to be exercised at 12/31/2019	Residual term (in years)
04/16/2010	04/16/2012	252,123	€76.52	14,818	14,397		421	0.3
12/27/2010	12/27/2012	210,650	€81.88	34,391	14,861		19,530	1.0

Performance shares

Grant date	Vesting date	Number of shares granted	Stock price when granted	Balance at 12/31/2018	Shares acquired in 2019	Shares canceled in 2019	Balance at 12/31/2019
04/21/2016	04/23/2019	60,990	€125.00	49,409	48,709	700	–
07/21/2016	04/23/2019	3,000	€128.65	3,000	3,000		–
07/17/2017	07/20/2020	53,810	€136.08	45,877		3,623	42,254
02/21/2018	02/22/2021	57,920	€153.70	53,320		3,393	49,927
02/19/2019	02/20/2022	49,010	€127.60			3,736	45,274

The 138,440 Eurosic bonus shares (in acquisition or holding period) that could not or had not been contributed to the Offer were subject to a liquidity mechanism.

5.5.9.6 COMPENSATION FOR ADMINISTRATIVE AND GOVERNANCE BODIES

Compensation for management bodies concerns Gecina's corporate officers.

In thousand euros	31/12/2019	31/12/2018
Short-term benefits	1,915	1,636
Post-employment benefits	N.A.	N.A.
Long-term benefits	N.A.	N.A.
End-of-contract benefits (ceiling for 100% of criteria)	N.A.	N.A.
Share-based payment	N.A.	921

5.5.9.7 AUDITORS' FEES

The fees of the Independent Auditors recognized in the income statement for 2019 for the audit and certification of the individual and consolidated financial statements and for audit-related missions amounted to:

	PricewaterhouseCoopers Audit				Mazars				Total			
	Amount (net of tax) ⁽¹⁾		%		Amount (net of tax) ⁽¹⁾		%		Amount (net of tax) ⁽¹⁾		%	
In thousand euros	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Audit												
Statutory Auditor certification, review of individual and consolidated accounts	1,018	885	96%	89%	676	894	97%	96%	1,693	1,779	96%	93%
Services other than the certification of accounts	41	109	4%	11%	21	33	3%	4%	62	142	4%	7%
TOTAL	1,059	994	100%	100%	697	927	100%	100%	1,757	1,921	100%	100%

(1) Including share of non-refundable VAT.

Services other than certification of accounts mainly comprise, for 2019, various certificates and work related to bonds. Fees paid to other firms totaled €135 thousand in 2019 and are not included in the table above.

5.5.9.8 POST-BALANCE SHEET EVENTS

None.



6.

Annual financial statements

6.1. Balance sheet at December 31, 2019	250
Assets	250
Equity and liabilities	251
6.2. Income statement at December 31, 2019	252
6.3. Notes to the annual financial statements at December 31, 2019	253
6.3.1. Highlights	254
6.3.2. Accounting rules and principles	255
6.3.3. Valuation methods	255
6.3.4. Notes on the balance sheet items	257
6.3.5. Notes on the income statement	263
6.3.6. Other information	265



6.1 Balance sheet at December 31, 2019

Assets

		12/31/2019		12/31/2018	
<i>In thousand euros</i>	Note	Gross	Depreciations	Net	Net
Fixed assets					
Intangible assets		10,947	6,048	4,899	4,751
Concessions, patents, licenses		10,947	6,048	4,899	4,751
Tangible fixed assets		3,771,421	606,770	3,164,651	3,441,033
Land		1,955,453	8,638	1,946,814	2,050,747
Buildings		1,515,650	579,578	936,072	1,080,893
Buildings on third party land		25,374	13,359	12,015	12,469
Other		13,462	5,195	8,267	7,151
Merger losses on land		217,233		217,233	251,345
Construction in progress		44,248		44,248	38,428
Financial fixed assets		10,292,951	339,939	9,953,012	10,087,927
Equity investments and related receivables		8,678,318	96,430	8,581,888	8,823,558
Other financial investments		1,261,124	753	1,260,371	1,153,710
Loans		178,986	177,564	1,422	1,305
Other financial investments		12,231	153	12,078	12,102
Merger losses on securities		96,773		96,773	96,773
Advances on property acquisitions		65,519	65,039	480	480
TOTAL I	6.3.4.1	14,075,319	952,757	13,122,562	13,533,711
Current assets					
Advances and deposits		865		865	1,634
Receivables					
Rent due	6.3.4.2	12,759	8,034	4,725	4,944
Other	6.3.4.2	144,714	27,453	117,262	282,782
Investment securities	6.3.4.3	16,977		16,977	1
Liquidities		30,436		30,436	11,163
Asset accruals					
Prepaid expenses	6.3.4.10	29,562		29,562	28,831
TOTAL II		235,313	35,487	199,826	329,355
Bond redemption premiums	6.3.4.5	45,242		45,242	45,324
Translation adjustment – assets		140		140	168
TOTAL III		45,381		45,381	45,492
GRAND TOTAL (I + II + III)		14,356,014	988,244	13,367,770	13,908,557

Equity and liabilities

		Before income appropriation	
In thousand euros	Note	12/31/2019	12/31/2018
Share capital			
Capital		573,077	572,001
Issue, merger and contribution premiums		3,290,115	3,281,528
Revaluation gain/loss		371,855	378,084
Legal reserve		56,012	55,904
Legal reserve from long-term capital gains		1,296	1,296
Regulatory reserves		24,220	24,220
Distributable reserves		737,551	731,749
Retained earnings		146,209	83,315
Net income for the year		619,596	467,994
Investment subsidies		917	1,117
TOTAL I	6.3.4.6	5,820,849	5,597,207
Provisions			
Provisions for liabilities		11,458	10,614
Provisions for expenses		20,506	19,298
TOTAL II	6.3.4.7	31,964	29,912
Payables and debt			
Bonds	6.3.4.8	5,576,407	5,987,710
Borrowings and financial debt	6.3.4.8	1,789,165	2,140,858
Security deposits	6.3.4.11	24,853	24,647
Advances and deposits received		18,605	14,912
Trade payables		28,122	25,149
Tax and social security liabilities		34,174	36,693
Fixed asset payables		38,151	46,179
Other payables		4,224	4,845
Accruals			
Prepaid income	6.3.4.10	1,255	446
TOTAL III		7,514,957	8,281,438
GRAND TOTAL (I + II + III)		13,367,770	13,908,557

6.2 Income statement at December 31, 2019

<i>In thousand euros</i>	Note	12/31/2019	12/31/2018
Operating income			
Rental income	6.3.5.1	236,869	250,792
Write-backs on impairment and provisions	6.3.5.3	1,458	4,915
Recharges to tenants		45,479	49,895
Other transferred expenses		325	(526)
Other income		57,660	50,256
TOTAL		341,791	355,332
Operating expenses			
Purchases		(9,345)	(10,280)
Other external expenses		(98,560)	(100,670)
Taxes and other payables		(48,964)	(32,310)
Payroll costs		(51,638)	(46,282)
Depreciation	6.3.5.3	(59,764)	(61,177)
Impairment on current assets	6.3.5.3	(1,091)	(1,203)
Provisions	6.3.5.3	(1,806)	(1,997)
Other expenses		(2,861)	(1,492)
TOTAL	6.3.5.2	(274,030)	(255,410)
Operating income		67,762	99,922
Financial income			
Interest and related income		65,629	64,642
Write-backs on impairment and provisions, transferred expenses	6.3.5.3	4,223	10,260
Income from securities and receivables		310,155	217,373
Income from equity investments		64,574	41,222
TOTAL		444,581	333,497
Financial costs			
Interest and related expenses		(134,566)	(130,024)
Impairment and provisions	6.3.5.3	(9,631)	(11,945)
TOTAL		(144,197)	(141,969)
Net financial items	6.3.5.4	300,384	191,527
Income before tax and exceptional items		368,146	291,449
Exceptional items			
Net gains on disposals of properties		224,283	119,888
Net gains on sale of securities			
Provisions for property impairments	6.3.5.3	13,817	(1,236)
Subsidies		206	205
Non-recurring income and expenses		16,330	58,273
Exceptional items	6.3.5.5	254,636	177,130
Consolidated net income, before tax		622,782	468,580
Employee profit-sharing		(3,227)	(763)
Corporate income tax		42	177
INCOME		619,596	467,994

6.3 Notes to the annual financial statements at December 31, 2019

6.3.1 HIGHLIGHTS	254
6.3.2 ACCOUNTING RULES AND PRINCIPLES	255
6.3.3 VALUATION METHODS	255
6.3.3.1 Fixed assets	255
6.3.3.2 Financial fixed assets	256
6.3.3.3 Operating receivables	256
6.3.3.4 Investment securities	256
6.3.3.5 Accrued assets and related amounts	256
6.3.3.6 Bonds	256
6.3.3.7 Hedging instruments	256
6.3.3.8 Employee benefit commitments	257
6.3.4 NOTES ON THE BALANCE SHEET ITEMS	257
6.3.4.1 Fixed assets	257
6.3.4.2 Operating receivables	259
6.3.4.3 Investment securities	259
6.3.4.4 Changes in treasury shares	259
6.3.4.5 Bond redemption premiums	259
6.3.4.6 Change in share capital and shareholders' equity	260
6.3.4.7 Provisions	260
6.3.4.8 Borrowings and financial debt	261
6.3.4.9 Exposure to interest rate risks	261
6.3.4.10 Expenses payable, income receivables and prepaid charges and accrued income	262
6.3.4.11 Deposits and guarantees received	262
6.3.4.12 Other liabilities	263
6.3.4.13 Off balance sheet commitments	263
6.3.5 NOTES ON THE INCOME STATEMENT	263
6.3.5.1 Operating income	263
6.3.5.2 Operating expenses	263
6.3.5.3 Depreciation and impairment allocations and write-backs	264
6.3.5.4 Net financial items	264
6.3.5.5 Exceptional items	264
6.3.5.6 Transactions with related companies	265
6.3.6 OTHER INFORMATION	265
6.3.6.1 Exceptional events and disputes	265
6.3.6.2 Change in share capital and results over the last five years	266
6.3.6.3 Workforce	267
6.3.6.4 Compensation for administrative and governance bodies	267
6.3.6.5 Consolidating company	267
6.3.6.6 Stock options and performance share plans	268
6.3.6.7 Post balance sheet events	268
6.3.6.8 Table of subsidiaries and equity investment	269

6.3.1 Highlights

2019 FINANCIAL YEAR

On February 19, 2019, in connection with the implementation of its share buyback program, as decided by the Board of Directors, Gecina appointed an independent investment service provider to buy back Gecina shares on its behalf, depending on market conditions, for up to a maximum of €150 million from February 20, 2019 to June 30, 2019. The shares purchased have been allocated for tenders or exchanges of shares on potential external growth operations. This operation is in line with the authorizations given by the Combined General Meeting of April 18, 2018, which authorized a share buyback program for up to 10% of the capital and a maximum price per share of €180. On June 30, 2019, 818,612 shares were acquired at an average price of €131.2 per share, i.e. a total amount excluding cost of €107.4 million.

On May 22, 2019, Gecina successfully placed a €500-million bond issue with a 15-year maturity (maturing in May 2034) and a coupon of 1.625%. Alongside this, Gecina launched a Tender Offer on three of its outstanding series of notes. On June 4, 2019, Gecina finalized the bond tender offer launched on May 22, 2019 and covering three of its outstanding series of notes, redeeming a nominal total of €151.5 million (average residual maturity of 4.6 years and average coupon of 2.0%).

On July 15, 2019, following a call for tenders issued by the CRPN (Caisse de retraite du personnel navigant professionnel de l'aéronautique civile), France's flight crew pension fund, the Group entered into exclusive negotiations to acquire 100% of office units held by the CRPN in the "Carreau de Neuilly" real estate complex on avenue Charles-de-Gaulle in Neuilly-sur-Seine. This transaction, which was finalized on November 7, 2019, took the form of an exchange of assets. Consequently, the Group signed an asset exchange contract with the Caisse de retraite du personnel navigant (CRPN) allowing it to acquire the "Carreau de Neuilly" property for the sum of €306 million excluding duties. This office property, 90% occupied, contains a floor surface area of around 34,000 sq.m. In return, the Group transferred two mature office buildings, fully leased, in Neuilly and Paris, for a total amount of €238 million excluding duties. The price difference gave rise to a balancing payment due. Gecina thus proceeded to dispose of a building of 17,500 sq.m located at 12-16, boulevard du General-Leclerc in Neuilly-sur-Seine and its subsidiary Geciter disposed of a building located at 22, rue du Général-Foy in the 8th arrondissement of Paris, with a surface area of close to 3,200 sq.m.

On September 11, 2019 and for the second consecutive year, Gecina received the overall rating of 92/100 in the GRESB (Global Real Estate Sustainability Benchmark) classification, which evaluates the performance and CSR policy of companies in the real estate sector every year. This rating took into account for the first time the office buildings from the property portfolio of Eurosic, a company acquired by Gecina in August 2017.

On September 12, 2019, Gecina indicated the finalization of three new responsible credit contracts with BNP Paribas, Natixis and Société Générale for an amount of €660 million, taking the form of either new banking lines of credit or conversion of traditional banking lines of credit into responsible lines of credit. Combined with the lines set up in 2018 with ING France and Crédit Agricole Corporate & Investment Bank, the volume of Responsible Credit Contracts now amounts to €910 million, i.e. more than 20% of the Group's portfolio of banking lines of credit. The financial terms of these credit agreements will be indexed to the Group's performance in terms of corporate social responsibility (CSR), illustrating once again its strong convictions with regard to CSR by putting its social and environmental concerns on an equal footing with its financial objectives. CSR performance is assessed on the basis of changes in the key indicators used by Gecina, which attests to their relevance to financial players and to the quality of its approach.

On October 16, 2019, Gecina finalized the sale of the Pointe Metro 2 building at Gennevilliers to a joint venture held by PGGM and Foncière Atland, Paris Office Partnership for a sum of €58.2 million excluding duties. This building of nearly 15,000 sq.m, of which 13,000 sq.m is office surface area, is mainly occupied by a subsidiary of the PSA Peugeot Citroën Group.

On November 25, 2019, Gecina entered into a transactional agreement with CaixaBank (subrogated in the rights of Banco de Valencia) as part of the discussion regarding the realization of a collateral pledge for a credit transaction on Gecina shares, the validity of which was disputed by Gecina. Under the terms of this agreement, Gecina received an amount of €30 million. This transactional agreement is part of the recovery actions carried out by Gecina following the Judgment of March 11, 2015 by the Correctional Court (Tribunal correctionnel), which was confirmed by the Court of Appeal on December 5, 2018 and which acknowledged the damage done to Gecina through the unlawful actions of its former CEO, Joaquín Rivero.

On December 2, 2019, Gecina signed with La Française on behalf of the ERAFP and SCPI a reciprocal promise to sell the "Park Azur" property for €185 million excluding duties. This office asset, which covers nearly 24,000 sq.m, is fully leased to the Centre national pour la recherche nucléaire (EDF Group) with a lease of eight years. The sale was finalized on December 18, 2019.

On December 10, 2019, Gecina launched the subsidiarization of its residential portfolio. This subsidiarization is an opportunity for Gecina to develop its rental housing units property portfolio in the most central areas of Grand Paris, as well as in the major French metropolises. In due course, it will allow the capital of this subsidiary, the control of which will be retained by Gecina, to be opened up, enabling future investors to benefit from the Group's experience. Through this proposed subsidiarization, the Group expects to be able to continue and strengthen the operational and financial performance momentum present for over two years in its

residential portfolio, by positioning itself to be able to seize potential growth and value creation opportunities. Gecina intends to retain control of its subsidiary and maintain the distribution of the Group's property portfolio at around 80% office assets and 20% residential assets. Having consulted the Economic and Social Committee,

the Group's Board of Directors has approved the implementation of this proposed subsidiarization, the actual implementation of which will remain subject to shareholder approval at the extraordinary general meeting to be held in April 2020.

6.3.2 Accounting rules and principles

The annual financial statements at December 31, 2019 were prepared in accordance with the provisions laid down in the French Commercial Code, with ANC regulation no. 2014-03 and with the following regulations in force.

6.3.3 Valuation methods

The method used for valuing items recorded in the financial statements is the historical cost method.

Note that the balance sheet was subjected to a voluntary revaluation at January 1, 2003, after Gecina opted for the French listed real estate investment trust (SIIC) tax regime.

6.3.3.1 FIXED ASSETS

6.3.3.1.1 Intangible assets

Intangible assets are measured at cost and amortized under the straight-line method according to the planned term of the asset.

6.3.3.1.2 Gross value of tangible fixed assets and depreciation

Gecina has been using a component approach since January 1, 2005. The table below gives the straight-line depreciation periods for each of the components:

	Proportion of component		Depreciation period (in years)	
	Residential	Commercial	Residential	Commercial
Framework structure	60%	50%	80	60
Roofing and walls	20%	20%	40	30
Technical components	15%	25%	25	20
Fixtures and fittings	5%	5%	15	10

The new assets are stated at their acquisition cost made up of the purchase price and all direct costs including transfer duties, fees and commissions linked to the acquisition, or at cost for buildings.

In accordance with ANC regulation 2015-6, the technical merger losses for the unrealized capital gains recognized are recorded in the assets in question.

6.3.3.1.3 Property impairment and value adjustments

Any impairment charge following a reduction in value of properties is determined as follows:

Long-term property holdings

An impairment is recognized on a line-by-line basis if there is any indication of loss of value, especially if the block appraisal value of the property valued by one of the

independent appraisers (at December 31, 2019: CBRE Valuation, Cushman & Wakefield and Crédit Foncier Expertise), is more than 15% below the building's net book value. In this case, the impairment amount recorded is then calculated in relation to the appraisal amount excluding transfer taxes. In the event of an unrealized capital loss of the total property holding, impairment is recognized for each property as an unrealized capital loss. This impairment is primarily assigned to non-depreciated assets and adjusted each year based on subsequent appraisals.

Property for sale or to be sold in the short term

Properties for sale or due to be sold in the short term are valued in relation to their independent block valuation or their realizable market value, and an impairment is recognized if this value is lower than the book value.

Valuations are conducted in accordance with industry practices using valuation methods to establish market value for each asset, pursuant to the professional real estate valuation charter. These valuation methods are described in detail in the notes to the consolidated financial statements.

The impairment allocation of a tangible asset is booked under extraordinary items, just as any impairment write-back due to appreciation in the asset's value.

6.3.3.2 FINANCIAL FIXED ASSETS

Equity investments are stated on the balance sheet at subscription or acquisition cost, except for those held at January 1, 2003 that were revalued.

The acquisition costs of investments are recorded under expenses and not included in the acquisition cost of financial fixed assets.

This line primarily includes Gecina's equity investment in companies with rental property holdings (including equity interests and non-capitalized advances).

Treasury shares held by the company are recorded in "Other financial investments", except for those specifically assigned to cover stock options or performance shares granted to employees and corporate officers, which are recorded under "Investment securities".

Subordinated bonds redeemable in shares (OSRA), are also recorded under "Other financial investments".

Where there is a sign of long-term impairment of financial fixed assets, impairment, which is determined on the basis of several criteria (revalued Net Asset Value, profitability and strategic value, in particular) is recorded under income. The Net Asset Value of real estate companies includes the fair market value of the properties based on the property appraisals.

6.3.3.3 OPERATING RECEIVABLES

Receivables are recognized at par value. Rent receivables are always written down based on the receivables' aging and the situation of the tenants.

An impairment rate is applied to the amount of the receivable, excluding tax, minus the security deposit:

- tenant has left the property: 100%;
- tenant in the property:
 - receivable between 3 and 6 months: 25%,
 - receivable between 6 and 9 months: 50%,
 - receivable between 9 and 12 months: 75%,
 - over 12 months: 100%.

Impairment thus determined is adjusted to take account of particular situations.

6.3.3.4 INVESTMENT SECURITIES

Investment securities are stated on the balance sheet at cost. An impairment charge is recorded when realizable value is lower than net book value.

Treasury shares specifically allocated to cover stock options awarded to employees and corporate officers are included in this item. Where applicable, they are written down to the lower of the exercise price of the options or the average stock market price in the last month of the year.

6.3.3.5 ACCRUED ASSETS AND RELATED AMOUNTS

This item mainly includes the following prepaid expenses:

- renovation and disposal costs of properties up for sale. They are recognized in income when disposals have been carried out;
- the issue cost of loans which are amortized over the term of the loans using the straight-line method.

6.3.3.6 BONDS

Bonds issued by the company are recorded at their redemption value. The potential redemption premium is recorded on the asset side of the balance sheet and amortized using the straight-line method over the term of the bonds.

6.3.3.7 HEDGING INSTRUMENTS

The company uses interest rate swaps, caps, swaptions and floors to hedge lines of credit and borrowings.

The corresponding interest expenses and income are posted on an accruals basis to the income statement.

Premiums on derivatives are amortized over the term of the instruments, with the exception of swaptions, for which the premiums are amortized on a straight-line basis over the term of the option.

The recognition of the financial instruments is a reflection of management and is based on of the intent with which the transactions are carried out.

In the case of hedging transactions, the unrealized and realized income from the hedging instruments is recorded in income over the residual life of the hedged item, symmetrically with the recognition method used for the item's income and expenses. Changes in the value of the instruments are not recognized on the balance sheet unless they enable symmetrical handling of the hedged item.

In the case of isolated open positions, changes in value are recognized in the balance sheet and unrealized losses are consistently entered as a provision for contingencies.

6.3.3.8 EMPLOYEE BENEFIT COMMITMENTS

Retirement benefit commitments

Retirement benefit commitments resulting from the application of national and company-level collective agreements are valued by independent experts under the actuarial method and taking account of mortality tables. They are covered by an insurance policy or are accrued for any portion not covered by the insurance fund in case the funds paid are insufficient.

Supplementary retirement commitments to certain employees

Supplementary retirement commitments to certain employees are valued under actuarial methods factoring

in mortality tables. They are managed by external organizations and payments are made to these organizations. Additional provisions are constituted in the event that the insurance fund is underfunded for the liabilities. The valuation of these retirement commitments assumes the employee's voluntary departure.

Long-service awards

Commitments for long-service awards (anniversary premiums paid to personnel) are accrued on the basis of an independent estimate made at each year end.

6.3.4 Notes on the balance sheet items

6.3.4.1 FIXED ASSETS

Gross value of assets

<i>In thousand euros</i>	Gross brought forward	Mergers	Transfers between items	Acquisitions	Decreases	Gross carried forward
Intangible assets	8,795			2,152		10,947
Concessions, licenses	8,795			2,152		10,947
Tangible fixed assets	4,064,373			42,166	344,215	3,771,421
Land	2,068,124			322	112,993	1,955,453
Buildings	1,671,307		15,159	26,177	196,993	1,515,650
Buildings on third party land	25,421				47	25,374
Other tangible assets	9,748			3,786	71	13,462
Merger losses on land	251,345				34,111	217,233
Fixed assets in progress	38,428	9,099	(15,159)	11,880		44,248
Financial fixed assets	10,429,965	(60)		873,370	1,010,324	10,292,951
Equity investments	4,785,939	(60)		258,820	25,000	5,019,699
Receivables related to equity investments	4,136,901			506,963	985,245	3,658,619
Other financial investments	1,153,710			107,414		1,261,124
Loans	178,868			153	36	178,986
Other financial investments	12,255			20	43	12,231
Merger losses on securities	96,773					96,773
Advances on property acquisitions	65,519					65,519
TOTAL	14,503,132	9,039		917,688	1,354,539	14,075,319

Receivables related to equity investments mainly involve long-term financing set up by Gecina with its subsidiaries, in the form of long-term shareholder loans.

The largest loans are for:

- Foncière de Paris for €465 million;
- Eurosic for €225 million;
- Avenir Danton Défense for €298 million;
- Avenir Grande Armée for €232 million;
- Bellechasse Grenelle for €214 million;
- Tour City 2 for €162 million;
- GEC 22 for €162 million;
- GEC 7 for €121 million;

- Lyon Sky 56 for €137 million;
- Michelet Levallois for €159 million;
- Immobilière et Commerciale de Banville for €110 million;
- SCI Le France for €98 million.

Other financial investments consist mainly of:

- subordinated bonds convertible in shares (OSRA) for €890 million;
- treasury shares in the amount of €349 million (see Note 6.3.4.4).

Loans include a participating loan arranged in 2010 with the Spanish subsidiary SIF Espagne for €178 million. This loan has been fully impaired.

GEC10 was merged with Gecina on 12/31/2019 by way of total transfer of assets (transmission universelle du patrimoine).

Depreciation and amortization

<i>In thousand euros</i>	Balance brought forward	Allocations	Write-backs	Balance carried forward
Intangible assets	4,044	2,004		6,048
Concessions, licenses	4,044	2,004		6,048
Tangible fixed assets	600,885	57,760	68,671	589,974
Buildings	585,336	54,637	68,553	571,420
Buildings on third party land	12,952	453	47	13,359
Other tangible assets	2,597	2,669	71	5,196
TOTAL	604,929	59,764	68,671	596,022

Impairment

<i>In thousand euros</i>	Balance brought forward	Mergers	Allocations	Write-backs	Balance carried forward
Tangible fixed assets	22,455	8,158	188	14,005	16,796
Land	17,377		188	8,927	8,638
Buildings	5,078	8,158		5,078	8,158
Financial fixed assets	342,037	(12)	2,136	4,223	339,938
Equity investments and related receivables and Group loans	276,845	(12)	1,383	4,223	273,994
Other financial investments	153		753		906
Advances on property acquisitions	65,039				65,039
TOTAL	364,492	8,146	2,312	18,228	356,734

Tangible fixed asset impairment concerns portfolio properties where there is a sign of a loss in value (see Note 6.3.3.1.3 on impairment method).

Impairment of investments and related receivables mainly concern SIF Espagne for €211 million.

The impairment of advances on property acquisitions is related to the advance granted to the Spanish company Bamolo, written down for €65 million (in order to reduce it to the land's latest appraisal value given as a guarantee of €0.5 million).

6.3.4.2 OPERATING RECEIVABLES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Rent due	12,759	12,713
Impairment of rent due	(8,034)	(7,769)
Total rent due and related receivables	4,725	4,944
Group receivables	129,225	216,846
Miscellaneous income due	249	61,204
French state – income tax receivables	6,886	7,059
French state – VAT	5,759	4,667
Management agencies, co-ownerships and external managers	4	1,275
Other receivables	2,490	19,663
Other receivables impairment	(27,453)	(27,933)
TOTAL OTHER RECEIVABLES	117,262	282,782

Group receivables mainly comprise receivables derived from the centralized cash management and from Bami Newco, SIF Espagne's subsidiary, for an amount of €20 million, which was fully written down.

This receivable of €20 million corresponds to Gecina's guarantee (issued in 2010), counter-guaranteeing the SIF Espagne subsidiary's €20 million guarantee in connection with the restructuring of financing facilities for Bami Newco which was called and paid by Gecina in

November 2013 as ordered by the courts. The receivership proceedings for Bami Newco are ongoing.

At 12/31/2018, accrued income included damages relating to the dispute with former CEO of Gecina, Joaquín Rivero, for €59 million.

At 12/31/2018, other receivables also included a guarantee paid in relation to a property acquisition in the amount of €16 million.

Operating receivables generally have a maturity of less than one year.

6.3.4.3 INVESTMENT SECURITIES

<i>In thousand euros</i>	12/31/2019	12/31/2018
Other investment securities	16,977	1
TOTAL INVESTMENT SECURITIES	16,977	1

The sums recorded in this line relate to the balancing amounts and premiums paid at the time of subscribing to swaps and caps contracts.

6.3.4.4 CHANGES IN TREASURY SHARES

	Number of shares	In € 000
Balance at 01/01/2019	2,140,426	241,232
Redemptions of treasury shares	818,612	107,415
BALANCE AT 12/31/2019⁽¹⁾	2,959,038	348,647

(1) These shares are recorded in "Other financial investments".

6.3.4.5 BOND REDEMPTION PREMIUMS

This line records premiums related to all non-convertible bonds, which are amortized on a straight-line basis over the term of the debt (€7.1 million amortized in 2019). The balance at December 31, 2019 amounts €45 million after amortization of €7 million on the 2019 fiscal year.

6.3.4.6 CHANGE IN SHARE CAPITAL AND SHAREHOLDERS' EQUITY

<i>In thousand euros</i>	Capital	Issue, merger and conversion premiums	Revaluation gain/loss	Reserves	Retained earnings	Net shareholders equity excluding earnings for the year and subsidies	Income	Subsidies	Share capital	Distribution of dividends
12/31/2017	565,226	3,175,315	418,295	763,772	146,955	5,069,564	333,385	1,280	5,404,230	
Capital increases	5,996	101,250		600		107,845			107,845	
Capital increase (employees)	779	4,963		(360)		5,382			5,382	
Account transfers			(40,212)	40,212						
Change in scope								(164)	(164)	
2017 Income appropriation				8,947	(63,640)	(54,693)	(333,385)		(388,079)	388,079
2018 net income							467,994		467,994	
12/31/2018	572,001	3,281,528	378,084	813,169	83,315	5,128,097	467,994	1,117	5,597,207	
Capital increases										
Capital increase (employees)	1,076	8,587		(319)		9,344			9,344	
Account transfers			(6,229)	6,229						
Change in scope								(199)	(199)	
2018 Income appropriation					62,894	62,894	(467,994)		(405,100)	405,100
2019 net income							619,596		619,596	
12/31/2019	573,077	3,290,115	371,855	819,079	146,209	5,200,335	619,596	918	5,820,849	

At year-end 2019, the capital was composed of 76,410,260 shares with a par value of €7.50 each.

6.3.4.7 PROVISIONS

<i>In thousand euros</i>	12/31/2018	Allocations	Write-backs	12/31/2019
Provisions for tax audits	7,000			7,000
Provisions for employee benefits	12,298	1,310	102	13,506
Provisions for losses in subsidiaries	4,869	273		5,142
Other provisions	5,745	621	50	6,316
TOTAL	29,912	2,204	152	31,964

The company has been the subject of tax audits that have resulted in notifications of tax reassessments, the majority of which are contested. At December 31, 2019, the total amount accrued as a provision for the fiscal risk is €7 million, based on the assessments of the company and its advisers. Furthermore, the company has several ongoing litigations with the French tax administration, which could result today in the reimbursement of a maximum amount of nearly €10 million. This amount is related to the corporate income tax paid in 2003 when

the company opted for the SIIC tax regime. This amount was expensed at the time of payment and therefore no longer appears on the company's balance sheet.

Gecina has also, directly or indirectly, been the subject of liability actions and court proceedings instigated by third parties. Based on the assessments of the company and its advisers, there is no risk that is not accrued which would be likely to significantly impact the company's earnings or financial situation.

The €13.5 million provision for employee benefits covers the company's commitments for the portion of employee benefits not covered by insurance funds.

The allowance for losses on subsidiaries corresponds to the share of unrealized losses not covered by the impairment of securities, loans and receivables.

Other provisions relate to disputes arising from building operation.

6.3.4.8 BORROWINGS AND FINANCIAL DEBT

Remaining maturities

<i>In thousand euros</i>	Less than 1 year	1 to 5 years	Over 5 years	Total 12/31/2019	Total 12/31/2018
Non-convertible bonds	206,807	1,569,600	3,800,000	5,576,407	5,987,710
Loans and debt (excluding Group)	1,667,811			1,667,811	1,300,700
Group debt	121,354			121,354	840,158
TOTAL	1,995,972	1,569,600	3,800,000	7,365,572	8,128,568

The non-convertible bonds include short-term private placements issued under the EMTN program in the amount of €100 million.

It also carried out a partial redemption of three tap bonds at a nominal amount of €152 million, and the redemption of €749 million of matured bonds.

During the financial year, the company issued a new bond loan of €500 million, maturing in May 2034.

Bank "covenants"

The company's main credit facilities are accompanied by contractual clauses relating to compliance with certain financial ratios (calculated on consolidated figures), determining interest rates charged and early repayment clauses, the most restrictive of which are summarized below:

	Benchmark standard	Balance at 12/31/2019	Balance at 12/31/2018
Net financial debt / revalued block value of property holding (excluding duties)	Maximum 55%	36.0%	38.4%
EBITDA / net financial expenses	Minimum 2.0 x	5.3 X	5.7 x
Outstanding secured debt/revalued block value of property holding (excluding duties)	Maximum 25%	0.2%	1.0%
Revalued block value of property holding (excluding duties) (in € billion)	Minimum 6,000/8,000	20.1	19.3

Change of control clauses

For all bonds, a change of control leading to the downgrading of its credit rating to "Non-Investment Grade" and not raised to "Investment Grade" within 120 days, could lead to the early repayment of the loan.

6.3.4.9 EXPOSURE TO INTEREST RATE RISKS

<i>In thousand euros</i>	Debt before hedging at 12/31/2019	Effect of hedging at 12/31/2019	Debt after hedging at 12/31/2019	Debt after hedging at 12/31/2018
Floating rate financial debt	2,263,500	(800,000)	1,463,500	1,371,500
Fixed rate financial debt	4,919,600	800,000	5,719,600	5,845,200
INTEREST-BEARING FINANCIAL DEBT⁽¹⁾	7,183,100		7,183,100	7,216,700

(1) Gross debt excluding accrued interest, bank overdrafts and Group debts.

Derivative portfolio

<i>In thousand euros</i>	12/31/2019	12/31/2018
Derivatives in effect at year-end		
Fixed rate swaps	100,000	300,000
Cap purchases	700,000	525,000
Subtotal	800,000	825,000
Derivatives with deferred effects⁽¹⁾		
Fixed rate swaps	300,000	
Caps (purchases)	300,000	
Fixed rate receiver swaps	200,200	
Subtotal	800,200	0
TOTAL	1,600,200	825,000

(1) Including variations in the nominal on derivatives in the portfolio at the end of the year.

All financial instruments are interest rate risk hedging instruments and no transactions are isolated open positions. The fair value of the derivatives portfolio at December 31, 2019 shows an unrealized termination profit of €20 million.

6.3.4.10 EXPENSES PAYABLE, INCOME RECEIVABLES AND PREPAID CHARGES AND ACCRUED INCOME

These elements are included in the following balance sheet items:

<i>In thousand euros</i>	12/31/2019	12/31/2018
Bonds	56,807	67,510
Financial debts	779	1,703
Suppliers	18,637	20,030
Tax and social security liabilities	23,980	24,174
Fixed asset payables	15,900	21,456
Miscellaneous	641	595
Total accrued expenses	116,745	135,467
Prepaid income	1,255	446
TOTAL LIABILITIES	118,000	135,913
Financial fixed assets	17,992	17,992
Trade receivables	1,359	1,440
Other receivables	295	61,204
Total accrued income	19,645	80,636
Prepaid expenses	29,562	28,831
TOTAL ASSETS	49,208	109,467

Prepaid expenses mainly concern loan issuance costs for €28 million.

In 2018, accrued income recognized under "Other receivables" included €59 million of damages relating to the dispute with former CEO of Gecina, Joaquín Rivero.

6.3.4.11 DEPOSITS AND GUARANTEES RECEIVED

This item, for a total of €25 million, primarily represents deposits paid by lessees to guarantee their rent payments

6.3.4.12 OTHER LIABILITIES

Fixed asset payables include €19 million of the capital not yet called by various investment funds.

All other liabilities are due in less than one year.

6.3.4.13 OFF BALANCE SHEET COMMITMENTS

<i>In thousand euros</i>	12/31/2019	12/31/2018
Commitments received		
Swaps	600,200	300,000
Caps	1,000,000	525,000
Unused lines of credit	4,505,000	4,255,000
Preliminary property sale agreements	221,216	64,964
Mortgage-backed receivable	480	480
Other ⁽²⁾	1,243,416	1,244,000
TOTAL	7,570,312	6,389,444
Commitments given		
Guarantees granted ⁽¹⁾	167,841	426,346
Swaps	600,200	300,000
Caps	1,000,000	525,000
Asset-backed liabilities	0	189,424
Preliminary property sale agreements	215,500	97,098
Works amount to be invested (including off-plan property sales)	43,265	3,828
Other	16,000	26,000
TOTAL	2,042,806	1,567,697

(1) Including guarantees granted at December 31, 2019 by Gecina to Group companies for €167 million.

(2) Of which a €1,240 million guarantee received as part of the acquisition of SCI Avenir Grande Armée and SCI Avenir Danton Défense equities.

During the course of its normal business operations, Gecina made certain commitments to be fulfilled within a maximum of ten years, which do not appear in the table of commitments given because their cost is not yet known. Based on the assessments of the Group and its advisers, there is no commitment which could be called,

and which would be likely to significantly impact the company's earnings or financial situation.

The outstanding amounts for future development costs (including sales of property for future completion) correspond to reciprocal guarantees with the developer who undertakes to complete the works.

6.3.5 Notes on the income statement

6.3.5.1 OPERATING INCOME

<i>In thousand euros</i>	12/31/2019	12/31/2018
Rental revenues on residential properties	99,266	98,799
Rental revenues on offices	137,604	151,993
TOTAL RENTAL REVENUES	236,869	250,792

6.3.5.2 OPERATING EXPENSES

Operating expenses (excluding depreciation and provisions) mainly include property rental expenses to recharge to tenants for €49 million.

In 2018, salaries and fringe benefits included the competitiveness and employment tax credit (CICE) for an amount of €107,000. This tax credit has been used for various investments.

6.3.5.3 DEPRECIATION AND IMPAIRMENT ALLOCATIONS AND WRITE-BACKS

In thousand euros	12/31/2019		12/31/2018	
	Allocations	Write-backs	Allocations	Write-backs
Fixed assets depreciation ⁽¹⁾	59,764		61,177	
Tangible fixed assets impairment ⁽¹⁾	188	14,005	2,886	1,649
Impairment of financial investments and investment securities ⁽¹⁾	2,136	4,223	6,196	10,101
Receivables impairment ⁽²⁾	1,091	1,306	1,203	1,489
Provisions for risks and charges ⁽³⁾	2,204	152	2,429	3,585
Provisions for financial risks	125			
Amortization of bond redemption premiums ⁽⁴⁾	7,097		5,318	
TOTAL	72,481	19,686	79,208	16,825
Of which:				
■ operating	62,662	1,458	64,377	4,915
■ financial	9,631	4,223	11,945	10,260
■ non-recurring and tax	188	14,005	2,886	1,649

(1) See Note 6.3.4.1.

(2) See Note 6.3.4.2.

(3) See Note 6.3.4.7.

(4) See Note 6.3.4.5.

6.3.5.4 NET FINANCIAL ITEMS

In thousand euros	12/31/2019		12/31/2018	
	Expenses	Income	Expenses	Income
Interest and related expenses or income	134,566	65,629	130,024	64,642
Dividends of subsidiaries and income from equity investments		342,905		228,934
Interest income		31,824		29,661
Depreciation, impairment and provision charges and write-backs:				
■ amortization of bond redemption premiums	7,097		5,318	
■ impairments of investment in subsidiaries, related receivables or treasury shares	2,136	4,223	6,196	10,101
■ provisions for losses in subsidiaries	273		432	159
■ provisions for financial risks	125			
TOTAL	144,197	444,581	141,969	333,497

6.3.5.5 EXCEPTIONAL ITEMS

In thousand euros	12/31/2019	12/31/2018
Net gains on sale of properties	224,283	119,888
Impairment of fixed assets	13,817	(1,236)
Losses on purchase of bonds and treasury shares	(13,673)	(761)
Other non-recurring income and expenses	30,209	59,239
EXCEPTIONAL ITEMS	254,636	177,130

Unit-by-unit sales generated a gain of €31 million, the balance of €193 million having been generated by block disposals. Partial redemption of tap bonds generated a deficit of €13.7 million in 2019.

In 2018, non-recurring income included damages relating to the dispute with former CEO of Gecina, Joaquín Rivero, for €59 million.

Also in respect of recovery actions carried out by Gecina, the company signed a protocol with CaixaBank (subrogated to the rights of Banco de Valencia) pursuant to which Gecina received €30 million in the last quarter of 2019.

6.3.5.6 TRANSACTIONS WITH RELATED COMPANIES

<i>In thousand euros</i>	Assets (gross values)	Equity and liabilities	Net financial items
Financial fixed assets	9,738,094	Financial debts	113,125
Trade receivables	27	Suppliers	2,276
Other receivables	120,996	Other payables	
			Financial income
			444,505
Guarantees granted by Gecina on behalf of related companies			167,841

Transactions with companies in which Gecina has a significant equity interest are limited to billing for services rendered and operating resources (€57 million in 2019) as well as loans governed by specific agreements.

6.3.6 Other information

6.3.6.1 EXCEPTIONAL EVENTS AND DISPUTES

On July 16, 2012, the company was informed by Banco de Valencia of the existence of four promissory notes issued in 2007 and 2009 in the total amount of €140 million. Three of them were issued in the name of "Gecina SA Succursal en España" and one in the name of Gecina SA, in favor of Arlette Dome SL, a Spanish company. Arlette Dome SL has transferred the above-mentioned promissory notes to Banco de Valencia to guarantee loans granted by that bank.

After verification, the company realized that it had no information about these alleged promissory notes or about any business relationship with Arlette Dome SL which could have justified their issue. After also observing the existence of evidence pointing to the fraudulent nature of their issuance if the issue were to be confirmed, the company has filed a criminal complaint in this respect with the competent Spanish authorities. Following a series of decisions and appeals, Gecina was recognized as party to the proceedings on April 19, 2016 before the National Court. In a judgment dated January 20, 2020, the National Court confirmed, inter alia, the fraudulent nature of the promissory notes and the non-existence of business relations with the company Arlette Dome SL. No provision was recognized for this purpose.

Spanish bank Abanca, after seeking the payment by Gecina of €63 million (of which €48.7 million in principal)

pursuant to the guarantee letters of engagement allegedly signed in 2008 and 2009 by Mr. Joaquín Rivero, former Gecina officer, summoned Gecina to appear before the Court of First Instance of Madrid in order to obtain the payment of the claimed amounts.

Gecina is challenging Abanca's claims, asserting its rights and defending its interests in these proceedings. On June 10, 2016, the Court of First Instance of Madrid declared that it had no jurisdiction to hear the dispute. On July 14, 2016, Abanca appealed this decision. On July 4, 2017, the Appeal Court of Madrid declared that the Spanish Courts do have jurisdiction. In its ruling of May 21, 2019, the Madrid Court of First Instance ordered Gecina to pay €48.7 million, plus late payment interest, to Abanca. Gecina considers this ruling to be without grounds since the Court omitted to consider both the fraud committed by Abanca and the mandatory application of French law which was applicable to it on a decisive point in the case and has therefore decided to appeal. The judgment of May 21, 2019 is provisionally enforceable. Based on an assessment of the risk by the company and its counsels, no provision has been recognized.

Gecina filed a criminal complaint in France against Mr. Rivero and any other party involved, for misuse of authority under letters of endorsement raised by Abanca. Insofar as Mr. Joaquín Rivero was not the only person involved in this complaint, this procedure is still ongoing.

6.3.6.2 CHANGE IN SHARE CAPITAL AND RESULTS OVER THE LAST FIVE YEARS

Year	Transactions	Number of shares	Capital (in euros)	Share issue or merger premium (in euros)
2015	Balance at January 1, 2015	63,104,820	473,286,150.00	
	Exercise of stock options	39,529	296,467.50	2,917,491
	Subscription under the company's savings plan	39,219	294,142.50	3,403,817
	Shares issued under the performance share award plan – December 2012 bis	9,550	71,625.00	
	Shares issued under the performance share award plan – December 2013	59,162	443,715.00	
	Shares issued under the performance share award plan – December 2013 bis	8,340	62,550.00	
	Balance at December 31, 2015	63,260,620	474,454,650.00	
2016	Balance at January 1, 2016	63,260,620	474,454,650.00	
	Exercise of stock options	140,509	1,053,817.50	10,285,062
	Subscription under the company's savings plan	33,511	251,332.50	3,338,031
	Balance at December 31, 2016	63,434,640	475,759,800.00	
2017	Balance at January 1, 2017	63,434,640	475,759,800.00	
	Shares issued as part of the capital increase with pre-emptive subscription rights	9,062,091	67,965,682.50	913,920,850
	Shares issued as part of the public exchange offer with Eurosic	2,723,890	20,429,175.00	330,544,052
	Exercise of stock options	84,536	634,020.00	6,048,105
	Subscription under the company's savings plan	58,287	437,152.50	5,886,404
	Balance at December 31, 2017	75,363,444	565,225,830.00	
2018	Balance at January 1, 2018	75,363,444	565,225,830.00	
	Shares issued for the payment of the dividend in shares	799,457	5,995,927.50	101,249,689
	Exercise of stock options	16,850	126,375.00	1,232,674
	Subscription under the company's savings plan	33,557	251,677.50	3,686,908
	Shares issued under the performance share award plan – February 2015	53,114	398,355.00	
	Shares issued under the performance share award plan – Eurosic 2014	328	2,460.00	43,542
	Balance at December 31, 2018	76,266,750	572,000,625.00	
2019	Balance at January 1, 2019	76,266,750	572,000,625.00	
	Exercise of stock options	29,258	219,435.00	2,077,099
	Subscription under the company's savings plan	61,942	464,565.00	6,438,251
	Shares issued under the performance share award plan – April 2016	51,709	387,817.50	
	Shares issued under the performance share award plan – Eurosic 2015	601	4,507.50	71,780
	Balance at December 31, 2019	76,410,260	573,076,950.00	

The company's results over the last five financial years

	2015	2016	2017	2018	2019
I – Closing share capital					
Share capital (<i>in thousand euros</i>)	474,455	475,760	565,226	572,001	573,077
Number of ordinary shares outstanding	63,260,620	63,434,640	75,363,444	76,266,750	76,410,260
Maximum number of future shares to be issued by converting bonds, awarding performance shares and exercising stock options	344,334	266,480	231,548	249,100	205,117
II – Operations and earnings for the year (<i>in thousand euros</i>)					
Net revenue	264,269	251,461	249,953	250,792	236,869
Income before tax, depreciation, impairment and provisions	315,661	546,992	356,699	530,199	672,349
Income tax	(683)	78	(332)	177	42
Earnings after tax, depreciation, impairment and provisions	284,497	469,119	333,385	467,994	619,596
Distributed profits	316,303	329,860	399,426	419,467	427,897 ⁽¹⁾
III – Earnings per share (<i>in euros</i>)					
Earnings after tax but before depreciation and impairments	4.98	8.62	4.73	6.95	8.80
Earnings after tax, depreciation, impairments and provisions	4.50	7.40	4.42	6.14	8.11
Total net dividend per share	5.00	5.20	5.30	5.50	5.60 ⁽¹⁾
IV – Workforce					
Average headcount during the year	361	354	340	351	388
Annual payroll (<i>in thousand euros</i>)	26,863	26,783	31,909	32,165	32,031
Annual employee benefits including social security and other social charges (<i>in thousand euros</i>)	13,909	14,754	15,491	14,116	19,585

(1) Subject to approval by the General Meeting of shareholders.

6.3.6.3 WORKFORCE

Average headcount ⁽¹⁾	2019	2018
Managers	216	173
Employees	118	119
Workers and building staff	54	59
TOTAL	388	351

(1) Average headcount including short-term contracts.

6.3.6.4 COMPENSATION FOR ADMINISTRATIVE AND GOVERNANCE BODIES

Director's compensation allocated to members of Gecina's Board of Directors for 2019 amounted to €322,000. No loans or guarantees were granted or arranged for members of the administrative and governance bodies.

6.3.6.5 CONSOLIDATING COMPANY

None.

6.3.6.6 STOCK OPTIONS AND PERFORMANCE SHARE PLANS

Performance share plans

	Performance shares ⁽¹⁾	Performance shares ⁽¹⁾	Performance shares ⁽¹⁾	Performance shares ⁽¹⁾	Performance shares ⁽¹⁾
Date of Shareholder Meeting	04/21/2016	04/21/2016	04/21/2016	04/21/2016	04/18/2018
Date of Board Meeting	04/21/2016	07/21/2016	07/17/2017	02/21/2018	02/19/2019
Effective allocation date	04/21/2016	07/21/2016	07/17/2017	02/21/2018	02/19/2019
Vesting date	04/23/2019	04/23/2019	07/20/2020	02/22/2021	02/20/2022
Number of rights	60,990	3,000	53,810	57,920	49,010
Rights cancelled				3,110	
Withdrawal of rights	12,281		11,556	4,883	3,736
Stock price when granted	€125.00	€128.65	€136.08	€153.70	€127.60
Shares acquired	48,709	3,000			
Number of shares that may be awarded	0	0	42,254	49,927	45,274
Performance conditions	yes	yes	yes	yes	yes
Internal	Total Return progression	Total Return progression	Total Return progression	Total Return progression	Total Return progression
External	Gecina share performance/ Euronext IEIF SIIC France index – dividends reinvested	Gecina share performance/ Euronext IEIF SIIC France index – dividends reinvested	Gecina share performance/ Euronext IEIF SIIC France index – dividends reinvested	Gecina share performance/ Euronext IEIF SIIC France index – dividends reinvested	Gecina share performance/ Euronext IEIF SIIC France index – dividends reinvested

(1) Shares to be issued.

Stock option plans

	Options to subscribe ⁽¹⁾	Options to subscribe ⁽¹⁾
Date of Shareholder Meeting	06/15/2009	06/15/2009
Date of Board Meeting	03/22/2010	12/09/2010
Effective allocation date	04/16/2010	12/27/2010
Start date for exercise of options	04/16/2012	12/27/2012
Expiry date	04/17/2020	12/28/2020
Number of rights	253,537	212,888
Number of rights (after adjustment)	254,773	214,703
Withdrawal of rights	1,779	786
Subscription or purchase price (after adjustment)	€76.52	€81.88
Number of shares bought or subscribed (after adjustment)	252,573	194,387
Number of options to be exercised	421	19,530
Performance conditions	yes	yes
Internal	no	no
External	Gecina share performance/ Euronext IEIF SIIC France Index	Gecina share performance/ Euronext IEIF SIIC France Index

(1) Shares to be issued.

6.3.6.7 POST BALANCE SHEET EVENTS

None.

6.3.6.8 TABLE OF SUBSIDIARIES AND EQUITY INVESTMENTS

Financial information (in thousand euros)	Capital	Reserves and retained earnings before allocation of income	Equity interest (%)	Book value of shares held		Outstanding loans and advances granted by the company and not yet reimbursed	Guarantees and sureties given by the company	Net revenue for most recent year ended	Earnings (profit or loss for most recent year ended)	Dividends recorded by the company during the year	Others
				Gross	Net						
Subsidiaries and equity interests											
A – Detailed information on subsidiaries and equity											
1 – Subsidiaries											
SAS GECITER	17,476	851,167	100.00%	782,018	782,018	132,279		52,881	57,485	33,403	
SAS HÔTEL D'ALBE	2,261	63,786	100.00%	216,096	216,096	101,560		22,561	16,031	15,609	69,873 ⁽¹⁾
SCI CAPUCINES	14,273	2,207	100.00%	26,188	26,188	32,678		4,380	2,206		4,702 ⁽¹⁾
SNC MICHELET LEVALLOIS	75,000	(8,017)	100.00%	95,965	95,965	160,152		14	(8,545)		
SAS KHAPA	30,037	36,671	100.00%	66,659	66,659	59,000		8,544	4,009	2,936	
SCI 55 RUE D'AMSTERDAM	18,015	2,765	100.00%	36,420	36,420	48,536		7,164	2,765		4,255 ⁽¹⁾
SAS GEC 7	81,032	44,263	100.00%	119,553	119,553	122,527	43,320	14,526	5,070	2,877	
SIF ESPAGNE	60	(183,272)	100.00%	33,161					207		183,212 ⁽²⁾
SARL COLVEL WINDSOR	7,000	1,077	100.00%	33,016	8,077			(2)	4,211		
SAS SPIPM	1,226	20,724	100.00%	26,890	26,890	393		2,687	(1,310)	1,654	4,075 ⁽¹⁾
SAS SADIA	90	20,467	100.00%	24,928	24,928	11,500		2,842	1,888	1,800	5,870 ⁽¹⁾
SCI ST AUGUSTIN MARSOLLIER	10,515	1,906	100.00%	23,204	23,204	9,116		3,125	1,906		4,537 ⁽¹⁾
SAS LE PYRAMIDION COURBEVOIE	37	25,826	100.00%	22,363	22,363	27,449		5,286	2,826	2,948	
SCI AVENIR DANTON DÉFENSE	1	24,379	99.99%	476,458	476,458	298,587		46,951	24,379		
SCI 5 BD MONTMARTRE	10,515	6,491	100.00%	18,697	18,697	18,845		3,870	2,456	2,124	3,462 ⁽¹⁾
SAS ANTHOS	30,037	2,729	100.00%	50,953	50,953	13,122		5,246	2,531	1,441	
SCI BEAUGRENELLE	22	3,955	75.00%	30,287	2,983	3,794			15		
SNC GECINA MANAGEMENT	3,558	5,844	100.00%	12,215	6,649	4,385		11,572	2,753		
SCI DU 32-34 RUE MARBEUF	50,002	2,743	100.00%	50,002	50,002	57,250		6,720	2,743		
SCI TOUR MIRABEAU	120,002	5,271	100.00%	120,002	120,002	40,177		15,136	5,271		
SCI LE FRANCE	60,002	4,367	100.00%	60,002	60,002	102,804		9,647	4,367		
SCI AVENIR GRANDE ARMÉE	100	(23,534)	100.00%	108,526	108,526	232,000			(4,929)		
SAS EUROSIC	758,008	812,672	99.70%	2,374,715	2,374,715	225,000		24,351	35,902	213,539	
SCI DES VAUX	0	2,587	100.00%	38,176	38,176	28,993		4,721	2,586		
SCI NEUILLY HÔTEL DE VILLE	3,170	19,548	84.63%	258,736	258,736			1,519	1,016		
B – General information on other subsidiaries or equity investments with gross value not exceeding 1% of gecina's share capital											
a. French subsidiaries (total)	5,011	5,353		11,165	9,613	680,433	124,521	51,220	(11,669)		3,908 ⁽²⁾
b. Foreign subsidiaries (total)											
c. Equity investments in French companies (total)	2	412						2,183	412		
d. Equity investments in foreign companies (total)											

(1) Amount of technical losses on merger assigned to shares contributed by SIF and GECI 1 and GECI 2 (unrealized capital gains).

(2) Amount of additional provisions for impairment of securities.

A photograph of a city street scene. In the foreground, a tram is blurred as it moves across the frame. Below it, a white car is also blurred. The background features several buildings: a modern glass-fronted building, a multi-story concrete building with many windows, and a lower building with a sign that says 'Café'. A street lamp is visible on the left. The sky is clear and blue.

7.

List of property holdings

7.1. Offices	272
7.2. Residential	278
7.3. Student residences	282
7.4. Hotels	283
7.5. Summary of surface areas	284



7.1 Offices

Dept	Address	Cons- truction year	Year of last restruc- turation	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other business surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
Assets in operation										
75	Paris 1st arrondissement									
	10/12, place Vendôme	1750	1750		80	7,821	1,002		689	9,592
	1, boulevard de la Madeleine	1890	1996	6	542	1,488	716		196	2,942
	2, place Maurice-Quentin	1981				9,188	819			10,007
	25/27, rue des Pyramides	1850	2019			2,119				2,119
	Paris 2nd arrondissement									
	35, avenue de l'Opéra 6, rue Danielle-Casanova	1878	1878	5	593	1,003	591		342	2,529
	26/28, rue Danielle Casanova	1800/1830	1800/1830	2	145	1,117	283		117	1,662
	Central Office – 120/122, rue Réaumur 7/9, rue Saint-Joseph	1880	2008			4,642			216	4,858
	16, rue des Capucines	1970	2005			7,241			2,531	9,772
	Le Building – 37, rue du Louvre 25, rue d'Aboukir	1935	2009			6,586	654		787	8,027
	64, rue Tiquetonne 48, rue Montmartre	1850	1987	52	4,717	2,963	1,923		1,546	11,150
	31/35, boulevard des Capucines	1700	1989			4,542	1,465		280	6,287
	5, boulevard Montmartre	1850/1900	1996	18	1,401	4,134	2,592		431	8,558
	29/31, rue Saint-Augustin	1900	1996	6	447	4,744	259		421	5,870
	3, place de l'Opéra	1908	1908			4,587	837		81	5,504
	8/10, rue Saint-Fiacre	1800	2012			2,842				2,842
	Paris 6th arrondissement									
	83, boulevard du Montparnasse	1973	1996			1,883				1,883
	Paris 7th arrondissement									
	37-39, rue de Bellechasse		2019			2,367				2,367
	3, avenue Octave Gréard 15 to 19, avenue de Suffren	1910	2009			8,820				8,820
	Penthemont – 104, rue de Grenelle		2018			8,958				8,958
	136 bis, rue de Grenelle	1822	2009			2,110				2,110
	138 bis, rue de Grenelle	1822	2009			912				912
	Saint-Dominique business center 24/26, 41-51, rue Saint-Dominique 18, rue de Bourgogne	1950/1969	2008/2012	21	1,960	24,173				26,133
	26/28, rue des Saints-Pères	1926	2003			10,188				10,188
	24, rue de l'Université	1800	2013			2,275				2,275
	127/129, rue de l'Université	1958				2,963				2,963
	209, rue de l'Université	1990	2017			1,298				1,298
	Paris 8th arrondissement									
	26, rue de Berri	1971	1971			2,046	921		57	3,023
	151, boulevard Haussmann	1880	1880	13	645	3,012			87	3,744
	153, boulevard Haussmann	1880	1880	15	802	4,194			401	5,397
	155, boulevard Haussmann	1880	1880	9	745	3,655			86	4,485
	43, avenue de Friedland rue Arsène-Houssaye	1867	2019			1,459	227		100	1,785

Dept	Address	Cons- truction year	Year of last restruc- ture	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other business surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
	38, avenue George-V 53, rue François-1 ^{er}	1961	1961			272	704		15	990
	41, avenue Montaigne 2, rue de Marignan	1924	1924	2	133	1,557	568		145	2,404
	162, rue du Faubourg-Saint-Honoré	1953	1953			1,812	125		134	2,070
	169, boulevard Haussmann	1880	1880	8	735	746	268		233	1,981
	Magistère – 64, rue de Lisbonne rue Murillo	1884/1960	2012			7,405			449	7,854
	32/34, rue Marbeuf	1930/ 2005/2007 1950/1970				9,633	2,331		72	12,036
	44, avenue des Champs-Élysées	1925	1925			2,498	2,324		1	4,823
	66, avenue Marceau	1997	2007			4,858			185	5,043
	30, place de la Madeleine	1900	1900	2	338	816	983		181	2,317
	9/15, avenue Matignon	1890	1997	35	2,684	5,269	3,810		700	12,463
	24, rue Royale	1880	1996			1,897	1,240		14	3,152
	18/20, place de la Madeleine	1930	1930			2,902	648		231	3,780
	101, avenue des Champs-Élysées	1931	2006			4,300	3,885		1,206	9,391
	55, rue d'Amsterdam	1929/1996	2017			11,322			1,336	12,658
	Boétie – 8, avenue Delcassé	1988	2007			9,316	510		76	9,902
	17, rue du Docteur-Lancereaux	1972	2002			5,428			1,733	7,161
	20, rue de la Ville-l'Évêque	1967	2018			5,575			954	6,530
	27, rue de la Ville-l'Évêque	1962	1962			3,156			70	3,226
	5, rue Royale	1850	1850	1	130	2,234	158		97	2,619
	141, boulevard Haussmann	1864	2017			1,780				1,780
	142, boulevard Haussmann	1864	2002			2,095				2,095
	36, rue de Liège	1920	2013			1,588				1,588
	47, rue de Monceau	1957				3,676				3,676
	36, rue de Naples	1890	2016			2,303				2,303
	124/126, rue de Provence	1913	1994			2,403				2,403
	39, avenue Pierre-1 ^{er} -de-Serbie	1970				2,401	87			2,488
	1 to 5, rue Euler ⁽¹⁾	1958	2015			11,371			1,135	12,506
	18/20, rue Treilhard	1970				4,095			1 376	5,471
Paris 9th arrondissement										
	21, rue Auber – 24, rue des Mathurins	1866	1866		10	1,588	422		79	2,098
	Mercy-Argenteau 16, boulevard Montmartre	1778	2012	22	1,422	2,459	412		202	4,494
	1/3, rue de Caumartin	1780	1780	4	284	1,749	1,041		98	3,172
	32, boulevard Haussmann	1850	2002			2,385	287		351	3,022
	3, rue Moncey	1910	2012			1,921				1,921
	52, rue de Dunkerque	1898	2017			1,621				1,621
Paris 10th arrondissement										
	5, rue de Dunkerque	1926	2013						6,440	6,440
	210, quai de Jemmapes	1993				10,012				10,012
	8, cité Paradis	1850	1982			2,200				2,200
	27, rue des Petites-Écuries	1930	1992			3,330	311		169	3,810

(1) Assets held at 19.90%.

7 List of property holdings Offices

Dept	Address	Cons- truction year	Year of last restruc- turation	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other business surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
	Paris 11th arrondissement									
	21/23, rue Jules-Ferry	1900	2000			1,883				1,883
	Paris 12th arrondissement									
	Parking spaces 58/62, quai de la Rapée	1990	1990							
	Tour Gamma – 193, rue de Bercy	1972	1972			15,961	1,888		1,816	19,665
	Tour Ibox – 5-9, rue Van-Gogh	1974	2019			16,334	1,855		990	19,179
	Paris 13th arrondissement									
	Le France – 190-198, avenue de France	2001	2018			17,860	248		2,112	20,220
	Biopark – 8, rue de la Croix-Jarry 5/7 and 11/13, rue Watt	1988	2006			30,462				30,462
	Paris 14th arrondissement									
	37/39, rue Dareau	1988	1988			4,724			557	5,280
	Paris 15th arrondissement									
	Tour Mirabeau – 39, quai André-Citroën	1972	1972			32,680			2,769	35,449
	Le Jade – 85, quai André-Citroën	1991	2018			22,032				22,032
	23, rue Linois	1978	2015			5,525				5,525
	82/84, rue de la Procession	1999				940				940
	Paris 16th arrondissement									
	58/60, avenue Kléber	1875/1913	1992			4,431	543		199	5,172
	91, boulevard Exelmans	1970				1,149				1,149
	MAP – 37, boulevard de Montmorency		2019			13,800				13,800
	Paris 17th arrondissement									
	63, avenue de Villiers	1880	1880	8	415	2,964	98		385	3,861
	32, rue Guersant	1970/1992	2018			13,230			1,447	14,677
	129, boulevard Malesherbes	1877	2010			1,175				1,175
	163, boulevard Malesherbes	1979	2015			1,270			42	1,312
	111, rue Cardinet	1930				1,997				1,997
	31, rue Pouchet	1970				890				890
	Paris 18th arrondissement									
	139, boulevard Ney	2004						3,891	106	3,998
	16, rue des Fillettes							1,809		1,809
	Paris 19th arrondissement									
	La Rotonde de Ledoux 6/8, place de la Bataille-de-Stalingrad		2008						1,699	1,699
	28, avenue des Flandres 4, rue des Saisons	1990	1993			15,686				15,686
	216/218, avenue Jean-Jaurès					5,751			625	6,376
	Paris 20th arrondissement									
	Le Valmy – 4/16, avenue Léon-Gaumont	2006	2006			27,325			2,123	29,448
	TOTAL ASSETS IN OPERATION IN PARIS			229	18,227	523,369	37,034	12,140	34,478	625,247
78	78140 Vélizy-Villacoublay									
	14, rue des Frères-Caudron					3,647				3,647
	78240 Chambourcy									
	5, rue Camille-Blanc								287	287

Dept	Address	Cons- truction year	Year of last restruc- turation	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other business surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
	78350 Jouy-en-Josas									
	96/100, rue Albert-Calmette	1988				3,333				3,333
91	91100 Corbeil-Essonnes									
	52, rue Maréchal-de-Lattre-de-Tassigny							938		938
	281/283, boulevard John-Kennedy					3,898				3,898
92	92000 Nanterre									
	21, rue du Port	1991	2000					3,800		3,800
	92100 Boulogne-Billancourt									
	Khapa – 65, quai Georges-Gorse	2008	2008			17,889	427		1,324	19,639
	Anthos – 63/67, rue Marcel-Bontemps 26/30, cours Émile-Zola	2010	2010			8,919	230		577	9,725
	Tour Horizons Rue du Vieux-Pont-de-Sèvres	2011	2011			32,381	1,005		3,079	36,465
	City 2 204, rond-point du Pont-de-Sèvres	2016	2016			24,134			4,222	28,355
	Le Cristallin 122, avenue du Général-Leclerc	1968	2016			18,235	2,986		4,521	25,742
	3, rue des 4-Cheminées	1989				1,805	192			1,997
	96, avenue du Général-Leclerc	1989				2,019	450			2,469
	54/56, avenue du Général-Leclerc	1991				3,726	78			3,804
	44/46, rue de Sèvres					2,058				2,058
	738, rue Yves-Kermen	1991				3,942			100	4,042
	92120 Montrouge									
	19, rue Barbès	2010				6,352			124	6,476
	92130 Issy-les-Moulineaux									
	Be Issy – 16, boulevard Garibaldi	2018	2018			24,783	321			25,104
	92160 Antony									
	5 to 10, rue de la Renaissance	1990				9,835				9,835
	3, rue de la Renaissance	1989				2,552				2,552
	92200 Neuilly-sur-Seine									
	159, avenue Charles-de-Gaulle	1970	2005			3,695	243		32	3,970
	96/104, avenue Charles-de-Gaulle	1964	2012			9,154			1,406	10,560
	8, rue des Gravières	1963	2005			4,899				4,899
	Carreau de Neuilly 106-116, avenue du Général-de-Gaulle 8, rue de l'Hôtel-de-Ville	1973	1988			24,121	912		4,575	29,608
	92240 Malakoff									
	76, avenue Brossolette	1992				3,783			50	3,833
	166/180, boulevard Gabriel-Péri	1930	2009			19,922				19,922
	92300 Levallois-Perret									
	Octant-Sextant 2/4, quai Charles-Pasqua	1996	2018			34,900			4,103	39,003
	55, rue Deguingand	1974	2007			4,682			432	5,114
	41/43, rue Louise-Michel	2012				2,514	582			3,096
	92400 Courbevoie (La Défense)									
	Tour TI & Bât. B – Tour Engie Place Samuel-Champlain	2008	2008			80,470			7,558	88,028
	Parking spaces Cartier – Tour Engie Place Samuel-Champlain	2008	2008							
	Adamas – 2 to 14, rue Berthelot 47-49, bd de la Mission-Marchand 38, avenue Léonard-de-Vinci 1, rue Alexis Séon	2010	2010			9,292	786		444	10,522

7 List of property holdings Offices

Dept	Address	Cons- truction year	Year of last restruc- turation	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other business surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
	92500 Rueil-Malmaison									
	250, route de l'Empereur								2,607	2,607
	92700 Colombes									
	Portes de La Défense 15/55, boulevard Charles-de-Gaulle 307, rue d'Estienne-d'Orves	2001	2001			42,872			484	43,356
	Défense Ouest 420/426, rue d'Estienne-d'Orves	2006	2006			51,768			6,249	58,018
	92800 Puteaux									
	33, quai de Dion-Bouton	2009				22,071			482	22,553
	92800 Puteaux (La Défense)									
	Carré Michelet – 12, cours Michelet		2019			37,360				37,360
93	93100 Montreuil									
	278/290, rue de Rosny							3,199		3,199
	Tour Orion – 10/14, rue de Vincennes	1976				11,482				11,482
	93200 Saint-Denis									
	12 to 16, rue André Campra	2008				3,436		12,932		16,368
	93400 Saint-Ouen									
	29, rue Émile Cordon		2003			270		2,486		2,756
	100 to 106, rue du Landy		2003					2,366		2,366
	93500 Pantin									
	140, avenue Jean-Lolive					6,346				6,346
94	94110 Arcueil									
	13, rue Nelson-Mandela – Bât. A – B – C	2006	2006			42,175	714		1,833	44,722
	94300 Vincennes									
	5/7, avenue de Paris	1988	1988			3,507			125	3,633
	9, avenue de Paris	1971	2003			1,969			166	2,135
	94340 Joinville-le-Pont									
	3, allée Edmée-Lheureux	1989				2,246			58	2,304
95	95863 Cergy-Pontoise									
	10, avenue de l'Entreprise	1988/2015				69,445		910	5,347	75,702
	TOTAL ASSETS IN OPERATION IN THE PARIS REGION					661,886	8,925	26,631	50,185	747,627
	TOTAL ASSETS IN OPERATION IN PARIS AND ITS REGION			229	18,227	1,185,255	45,959	38,771	84,663	1,372,875
26	26300 Valence									
	Quartier de la Gare	2010				5,366			259	5,625
41	41200 Romorantin-Lanthenay									
	Avenue de Villefranche, Bât. B	1996					1,689			1,689
69	Lyon 3rd arrondissement									
	Sky 56 – Avenue Félix-Faure	2018	2018			27,889	1,473		1,026	30,388
	Le Velum – 106, boulevard Vivier-Merle	2013	2013			13,032			946	13,978
	Lyon 7th arrondissement									
	Septen – Grande Halle – ZAC Gerland ⁽¹⁾	2017	2017			19,132			987	20,118
	TOTAL ASSETS IN OPERATION IN OTHER REGIONS					65,419	3,162		3,218	71,798

(1) Assets held at 60%.

Dept	Address	Cons- truction year	Year of last restruc- turation	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other business surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
Other countries										
	Milan – Italy									
	Via Antonini 26					1,570	3,610			5,180
	San Donato Milanese – Italy									
	Via Agadir 38					6,035				6,035
	Turin – Italy									
	Via Magenta					4,373				4,373
	TOTAL ASSETS IN OPERATION IN OTHER COUNTRIES					11,978	3,610			15,588
	Total assets in operation			229	18,227	1,262,652	52,730	38,771	87,881	1,460,261
Assets under development										
75	Paris 8th arrondissement									
	7, rue de Madrid		in progress	in progress		9,972				9,972
	Paris 16th arrondissement									
	Live – 69-81, avenue de la Grande-Armée	1973	in progress			27,536	734		5,240	33,510
	Paris 17th arrondissement									
	Bancelles – 145-153, rue de Courcelles	1994	in progress			23,966	1,138		1,547	26,650
92	92120 Montrouge									
	21 to 27, rue Barbès – Porte Sud	1975	in progress			9,651			1,539	11,190
	92200 Neuilly-sur-Seine									
	157, avenue Charles-de-Gaulle	1959	in progress			10,046	232		620	10,898
	92400 Courbevoie (La Défense)									
	Sunside – Pyramidion – ZAC Danton 16, 16 bis, 18 to 28, avenue de l'Arche 34, avenue Léonard-de-Vinci	2007	in progress			8,728			683	9,411
	Being – 16, rue du Capitaine-Guynemer	2003	in progress			12,008				12,008
	Total assets under development					101,907	2,104		9,628	113,639
Land reserves										
78	78140 Vélizy-Villacoublay									
	Square – Colvel Windsor 8/10, avenue Morane-Saulnier		in progress	in progress						
69	Lyon 7th arrondissement									
	ZAC Gerland		in progress	in progress						
	ZAC des Girondins		in progress	in progress						
	Total land reserves									
	GRAND TOTAL OFFICES			229	18,227	1,364,559	54,834	38,771	97,509	1,573,900

7.2 Residential

Dept	Address	Construction year	Year of last restructuring	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
Assets in operation									
75	Paris 3rd arrondissement								
	7/7 bis, rue Saint-Gilles	1987	1987	42	2,732		133		2,865
	Paris 11th arrondissement								
	8, rue du Chemin-Vert	1969	1969	42	2,238		685		2,923
	Paris 12th arrondissement								
	18/20 bis, rue Sibuet	1992	1992	63	4,497	69			4,566
	9/11, avenue Ledru-Rollin	1997	1997	62	3,121		177	30	3,328
	25, avenue de Saint-Mandé	1964	1964	82	3,670		130		3,800
	220, rue du Faubourg-Saint-Antoine	1969	1969	125	6,535		1,019	2	7,556
	24/26, rue Sibuet	1970	1970	158	9,760	85		1	9,846
	Paris 13th arrondissement								
	20, rue du Champ-de-l'Alouette	1965	1965	53	3,997	564	453	250	5,263
	49/53, rue Auguste-Lançon 26, rue de Rungis – 55/57, rue Brillat-Savarin	1971	1971	40	3,443			110	3,553
	2/12, rue Charbonnel – 53, rue de l'Amiral-Mouchez – 65/67, rue Brillat-Savarin	1966	1966	181	12,063		517	201	12,781
	Paris 14th arrondissement								
	3, villa Brune	1970	1970	108	4,745				4,745
	Paris 15th arrondissement								
	18/20, rue Tiphaine	1972	1972	80	4,932	1,897	173	103	7,105
	37/39, rue des Morillons	1966	1966	37	2,295	220	287	33	2,835
	6, rue de Vouillé	1969	1969	588	28,391	768	1,147	670	30,976
	199, rue Saint-Charles	1967	1967	58	3,284			10	3,294
	159/169, rue Blomet 334/342, rue de Vaugirard	1971	1971	320	21,631		7,651	38	29,320
	76/82, rue Lecourbe – Rue François Bonvin (Bonvin-Lecourbe)	1971	1971	247	13,926	216	425	358	14,925
	10, rue du Docteur-Roux 189/191, rue de Vaugirard	1967	1967	222	13,085	3,052		11	16,148
	74, rue Lecourbe	1971	1971	93	8,102	186	3,910	9	12,207
	89, rue de Lourmel	1988	1988	23	1,555		239		1,794
	168/170, rue de Javel	1962	1962	85	5,894	135		76	6,105
	148, rue de Lourmel 74/86, rue des Cévennes 49, rue Lacordaire	1965	1965	316	22,172	190	620	2	22,984
	85/89, boulevard Pasteur	1965	1965	260	16,510			11	16,521
	Paris 16th arrondissement								
	6/14, rue de Rémusat – Square Henri-Paté	1962	1962	185	16,146		1,838	14	17,999
	46 bis, rue Saint-Didier	1969	1969	42	2,117		649	150	2,916
	Paris 18th arrondissement								
	56, boulevard Rochechouart		2002	15	1,072		2,158		3,230
	Paris 20th arrondissement								
	59/61, rue de Bagnolet	1979	1979	57	3,305		99	1	3,405

Dept	Address	Construction year	Year of last restructuration	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
	44/57, rue de Bagnolet	1992	1992	30	1,926		292	54	2,272
	42/52 and 58/60, rue de la Py 15/21, rue des Montibœufs	1967	1967	142	8,084	486		85	8,655
	TOTAL ASSETS IN OPERATION IN PARIS			3,756	231,227	7,867	22,604	2,220	263,918
92	92100 Boulogne-Billancourt								
	94/98, rue de Bellevue	1974	1974	63	4,534				4,534
	108, rue de Bellevue – 99, rue de Sèvres	1968	1968	322	24,969			350	25,319
	92350 Le Plessis-Robinson								
	25, rue Paul-Rivet	1997	1997	132	11,265	284			11,549
	92400 Courbevoie								
	4/6/8, rue Victor-Hugo 8/12, rue de l'Abreuvoir – 11, rue de L'Industrie	1966	1966	202	14,040	104	2,213	259	16,616
	43, rue Jules-Ferry – 25, rue Cayla	1996	1996	58	3,639			16	3,655
	92410 Ville-d'Avray								
	14/18, rue de la Ronce	1963	1963	159	15,977			19	15,996
	1 to 33, avenue des Cèdres 3/5, allée Forestière 1, rue du Belvédère de la Ronce	1966	1966	550	40,352		1,113	38	41,503
94	94410 Saint-Maurice								
	1/5, allée des Bateaux-Lavois 4, promenade du Canal	1994	1994	87	6,382			89	6,471
	TOTAL ASSETS IN OPERATION IN THE PARIS REGION			1,573	121,157	388	3,326	771	125,643
	Total assets in operation			5,329	352,385	8,255	25,930	2,991	389,561
	Assets on unit-by-unit sale								
75	Paris 2nd arrondissement								
	6 bis, rue Bachaumont	1905	1905	4	336			51	387
	Paris 6th arrondissement								
	1, place Michel-Debré	1876	1876	8	511			47	558
	Paris 7th arrondissement								
	262, boulevard Saint-Germain	1880	1880	1	81			6	87
	266, boulevard Saint-Germain	1880	1880	1	194				194
	9/11, cité Vaneau							3	3
	Paris 8th arrondissement								
	165, boulevard Haussmann	1866	1866	1	140				140
	Paris 9th arrondissement								
	13/17, cité de Trévis	1998	1998	14	914			30	944
	Paris 12th arrondissement								
	25/27, rue de Fécamp – 45, rue de Fécamp	1988	1988	13	1,210			28	1,238
	Paris 13th arrondissement								
	22/24, rue Wurtz	1988	1988	41	2,792			84	2,876
	82, boulevard Massena (Tour Ancone)	1972	1972				14		14
	84, boulevard Massena (Tour Bologne)	1972	1972				30		30
	Paris 14th arrondissement								
	83/85, rue de l'Ouest	1978	1978	3	182			4	186

7 List of property holdings Residential

Dept	Address	Construction year	Year of last restructuring	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
Paris 15th arrondissement									
	12, rue de Chambéry	1968	1968	7	203				203
	191, rue Saint-Charles – 17, rue Varet	1960	1960	26	2,061			169	2,230
	22/24, rue Edgar-Faure	1996	1996	41	3,616			88	3,704
	39, rue de Vouillé	1999	1999	34	2,529			34	2,563
	3, rue Jobbé-Duval	1900	1900	2	80			4	84
	27, rue Balard	1995	1995	36	3,195			72	3,267
Paris 17th arrondissement									
	169/183, boulevard Pereire 7/21, rue Faraday – 49, rue Laugier	1882	1882	3	246				246
	10, rue Nicolas-Chuquet	1995	1995	21	1,113			22	1,135
	28, avenue Carnot	1882	1882	4	415			7	422
	30, avenue Carnot	1882	1882	1	24				24
	32, avenue Carnot	1882	1882	1	97			6	103
	169/183, boulevard Pereire 7/21, rue Faraday – 49, rue Laugier	1882	1882	6	577			70	647
Paris 18th arrondissement									
	40, rue des Abbesses	1907	1907	11	738			64	802
Paris 19th arrondissement									
	25/29, rue des Lilas	1970	1970					1	1
	104/106, rue Petit – 16, allée de Fontainebleau	1977	1977	1	66			7	73
Paris 20th arrondissement									
	162, rue de Bagnolet	1992	1992	11	833			22	855
	19/21, rue d'Annam	1981	1981	34	1,726			68	1,794
TOTAL ASSETS ON UNIT-BY-UNIT SALE IN PARIS				325	23,878		44	887	24,809
77	77350 Le Mée								
	349, rue Libération	-	-					3	3
78	78000 Versailles								
	Petite place – 7/9, rue Sainte-Anne 6, rue Madame – 20, rue du Peintre-Le Brun	1968	1968	75	5,561			166	5,727
	78390 Bois-d'Arcy								
	2, rue Toulouse-Lautrec	1966	1966					6	6
91	91300 Massy								
	Bon Puits – 1 to 7, allée de Finlande 2 to 8, avenue de Pologne							2	2
	91380 Chilly-Mazarin								
	5, rue des Dahlias	1972	1972	1	94			1	95
92	92100 Boulogne-Billancourt								
	Rue Marcel-Bontemps, Îlot B3 lot B3abc ZAC Séguin Rives de Seine	2011	2011	15	1,004				1,004
	59 bis/59 ter, rue des Peupliers 35 bis, rue Marcel-Dassault	1993	1993	12	1,002				1,002
	92200 Neuilly-sur-Seine								
	47/49, rue Perronet	1976	1976	2	169			21	190

Dept	Address	Construc- tion year	Year of last restruc- turation	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
	92300 Levallois-Perret								
	136/140, rue Aristide-Briand	1992	1992	7	448			7	455
	92400 Courbevoie								
	8/12, rue Pierre-Lhomme	1996	1996	31	1,647			25	1,672
	3, place Charras	1985	1985	32	2,167			64	2,231
	92600 Asnières								
	46, rue de la Sablière	1994	1994	5	266			18	284
95	95100 Argenteuil								
	Tour Sannois – 5, esplanade de l'Europe							25	25
	Wallon			1	25				25
	Alessandria – 1 to 13, place Alessandria							15	15
	TOTAL ASSETS ON UNIT-BY-UNIT SALE IN THE PARIS REGION			181	12,382			354	12,736
01	01280 Preveessin – Moens								
	La Bretonnière – Route de Mategnin Le Cottage – Mail du Neutrino	2010	2010	56	4,434				4,434
13	Marseille 8 th arrondissement								
	116, avenue Cantini – Quartier Le Rouet	2010	2010	2	175				175
	Marseille 13 th arrondissement								
	Avenue Merlaud-Ponty	1961	1961					62	62
59	59000 Lille								
	Parc Saint-Maur – Avenue de Mormal							13	13
	59170 Croix								
	Flandres Appts 1 to 21, rue Isaac-Holden-Crothers							4	4
69	Lyon 2 nd arrondissement								
	1/3 and 12/22, cours Bayard – 44, rue Quivogne	1895	1895	1	51				51
	TOTAL ASSETS ON UNIT-BY-UNIT SALE IN OTHER REGIONS			59	4,660			79	4,739
	Total assets on unit-by-unit sale			565	40,921		44	1,320	42,284
	Assets under development								
75	Paris 12 th arrondissement								
	25, avenue de Saint-Mandé	in progress	in progress	13	667				667
	Paris 13 th arrondissement								
	53, rue de la Glacière	1970	1970	53	646		82	81	809
92	92410 Ville-d'Avray								
	Éco-quartier – 20, rue de la Ronce	in progress	in progress	125	7,906		2,228		10,134
	Total assets under development			191	9,219		2,310	81	11,611
	GRAND TOTAL TRADITIONAL RESIDENTIAL			6,085	402,524	8,255	28,284	4,392	443,455

7.3 Student residences

Dept	Address	Cons- truction year	Year of last restructu- ration	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
Assets in operation									
75	Paris 13th arrondissement								
	75, rue du Château-des-Rentiers	2011	2011	183	4,149				4,149
	Rue Auguste-Lançon	2015	2015	60	1,368			147	1,515
	Paris 15th arrondissement								
	76/82, rue Lecourbe – Rue François-Bonvin	1971	2014	103	2,674				2,674
	TOTAL ASSETS IN OPERATION IN PARIS			346	8,191			147	8,338
77	77420 Champs-sur-Marne								
	6, boulevard Copernic	2010	2010	135	2,671				2,671
91	91120 Palaiseau								
	Plateau de Saclay	2015	2015	145	3,052			158	3,210
92	92800 Puteaux								
	Rose de Cherbourg 34, avenue du Général-de-Gaulle, lot B	2018	2018	355	6,926				6,926
	La Grande Arche – Castle Light – Terrasse Valmy	2017	2017	168	4,074				4,074
93	93170 Bagnolet								
	16-18, rue Sadi-Carnot – 2-4, avenue Henriette	2015	2015	163	3,735		478	46	4,259
	93200 Saint-Denis								
	Cité Cinéma – Saint-Denis Pleyel Rue Anatole-France	2014	2014	183	4,357		259		4,616
	93350 Le Bourget								
	5, rue Rigaud	2008	2008	238	4,710				4,710
	TOTAL ASSETS IN OPERATION IN THE PARIS REGION			1,387	29,524		737	204	30,465
	TOTAL ASSETS IN OPERATION IN PARIS AND ITS REGION			1,733	37,715		737	351	38,803
13	Marseille 2nd arrondissement								
	1, rue Mazenod	2017	2017	179	3,844				3,844
33	33000 Bordeaux								
	26/32, rue des Belles-Îles	1994	1994	99	2,092				2,092
	Rue Blanqui – Rue de New York	2015	2015	159	3,800				3,800
	33400 Talence								
	11, avenue du Maréchal-de-Tassigny	2000	2000	150	3,527		887		4,414
	36, rue Marc-Sangnier	1994	1994	132	2,766				2,766
	33600 Pessac								
	80, avenue du Docteur-Schweitzer	1995	1995	92	1,728				1,728
59	59000 Lille								
	Tour V Euraille – Avenue Willy-Brandt	2009	2009	190	4,754				4,754
69	Lyon 7th arrondissement								
	7, rue Simon-Fryd	2010	2010	152	3,334				3,334
	TOTAL ASSETS IN OPERATION IN OTHER REGIONS			1,153	25,845		887		26,732
	Total assets in operation			2,886	63,560		1,624	351	65,535

Dept	Address	Cons- truction year	Year of last restructu- ration	Nb of housing units	Residential surface area (sq.m)	Office surface area (sq.m)	Retail surface area (sq.m)	Other surface area (sq.m)	Total (sq.m)
Assets under development									
75	Paris 15th arrondissement								
	Résidence Brancion		in progress						
	Résidence Lourmel		in progress						
92	92800 Puteaux								
	Rose de Cherbourg – lot F		in progress						
94	94200 Ivry-sur-Seine								
	8, rue René-Villars		in progress	367	7,232				7,232
Total assets under development				367	7,232				7,232
Land reserves									
75	Paris 13th arrondissement								
	2-12, rue Charbonnel		in progress						
92	92100 Boulogne-Billancourt								
	Résidence La Traverse		in progress						
Total land reserves									
GRAND TOTAL STUDENT RESIDENCES				3,253	70,792		1,624	351	72,767

7.4 Hotels

Dept	Address	Construction year	Year of last restructuration	Hotel surface area (sq.m)	Total (sq.m)
Assets in operation					
95	95540 Méry-sur-Oise				
	Chateau de Méry 3, avenue Marcel-Perrin	2010	2010	6,564	6,564
TOTAL ASSETS IN OPERATION IN THE PARIS REGION				6,564	6,564
Total assets in operation				6,564	6,564
GRAND TOTAL HOTELS				6,564	6,564

7.5 Summary of surface areas

Summary of the commercial property portfolio

	Office surface area (sq.m)	Retail surface area (sq.m)
Paris	531,236	59,637
Commercial portion of predominantly residential assets	7,867	22,604
Commercial portion of predominantly commercial assets	523,369	37,034
Paris Region	662,274	12,988
Commercial portion of predominantly residential assets	388	4,063
Commercial portion of predominantly commercial assets	661,886	8,925
Rest of France	65,419	4,049
Commercial portion of predominantly residential assets		887
Commercial portion of predominantly commercial assets	65,419	3,162
Other countries	11,978	3,610
Commercial portion of predominantly residential assets		
Commercial portion of predominantly commercial assets	11,978	3,610
Commercial portfolio in operation as at December 31, 2019	1,270,907	80,284
Unit-by-unit sale programs		44
Commercial portion of predominantly residential assets		44
Commercial portion of predominantly commercial assets		
Programs under development and land reserves	101,907	4,414
Commercial portion of predominantly residential assets		2,310
Commercial portion of predominantly commercial assets	101,907	2,104
TOTAL COMMERCIAL PROPERTY HOLDINGS AS AT DECEMBER 31, 2019	1,372,814	84,742
Commercial portion of predominantly residential assets	8,255	29,908
Commercial portion of predominantly commercial assets	1,364,559	54,834

Summary of the residential property portfolio

	Number of housing units	Residential surface area (sq.m)
Paris	4,331	257,645
Residential portion of predominantly residential assets	4,102	239,418
Residential portion of predominantly commercial assets	229	18,227
Paris Region	2,960	150,681
Residential portion of predominantly residential assets	2,960	150,681
Residential portion of predominantly commercial assets		
Rest of France	1,153	25,845
Residential portion of predominantly residential assets	1,153	25,845
Residential portion of predominantly commercial assets		
Residential portfolio in operation as at December 31, 2019	8,444	434,172
Unit-by-unit sale programs	565	40,921
Residential portion of predominantly residential assets	565	40,921
Residential portion of predominantly commercial assets		
Programs under development and land reserves	558	16,451
Residential portion of predominantly residential assets	558	16,451
Residential portion of predominantly commercial assets		
TOTAL RESIDENTIAL PROPERTY HOLDINGS AS AT DECEMBER 31, 2019	9,567	491,543
Residential portion of predominantly residential assets	9,338	473,317
Residential portion of predominantly commercial assets	229	18,227

A man with a beard and glasses, wearing a maroon blazer, is sitting at a desk and pointing at a laptop screen. A woman with long brown hair, wearing a blue patterned sweater, is sitting next to him, looking at the screen and smiling. They are in an office environment with a white wall in the background that has several papers and photos pinned to it. On the desk, there is a large white monitor, a laptop, a white mug, and some papers. A pair of headphones is hanging on the side of the monitor.

8.

Additional information

8.1. Universal Registration Document including the annual financial report	288
8.1.1. Documents available to the public	288
8.1.2. Historical financial information	288
8.1.3. Statement by the person responsible for the Universal Registration Document containing an annual financial report	288
8.1.4. Correspondence table for the Universal Registration Document	289
8.1.5. Correspondence table containing the information required in the annual financial report	291
8.1.6. Cross-reference table with the information required in the non-financial performance statement	292
8.2. Statutory Auditors	293
8.2.1. Parties responsible for auditing the financial statements	293
8.2.2. Statutory Auditors' reports	293
8.3. Legal information	302
8.3.1. Head office, legal form and applicable legislation	302
8.3.2. Bylaws	302
8.3.3. Research and patents	308
8.4. Glossary	309



8.1 Universal Registration Document including the annual financial report

8.1.1 Documents available to the public

This Universal Registration Document is available free of charge upon request from Gecina's Financial Communication Department at the following address: 16, rue des Capucines – 75002 Paris – France, by telephone at 0 800 800 976, or by e-mail at actionnaire@gecina.fr. It is also available on Gecina's website (www.gecina.fr).

Other documents accessible at Gecina's head office or on its website include:

- the company's bylaws;
- the historic financial reports of the company and its subsidiaries for the two financial years preceding the publication of the annual financial report.

Person responsible for the Universal Registration Document

Méka Brunel, CEO of Gecina (hereinafter the "company" or "Gecina").

Persons responsible for Financial Communications

Nicolas Dutreuil, Deputy CEO in charge of Finance

Samuel Henry-Diesbach, Head of Financial Communications

Laurent Le Goff: +33 (0)1 40 40 62 69

Virginie Sterling: +33 (0)1 40 40 62 48

Financial Communications, institutional investor, financial analyst and press relations

ir@gecina.fr

Private shareholder relations

Toll-free number (only available in France): 0 800 800 976

actionnaire@gecina.fr

8.1.2 Historical financial information

In accordance with Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019, this Universal Registration Document incorporates by reference the following information, to which readers are invited to refer:

- for the financial year ended December 31, 2017: the consolidated financial statements and the related Statutory Auditors' report, included in the Registration Document filed with the French Financial Markets Authority (Autorité des marchés financiers – AMF) on February 23, 2018 under reference D. 18-0069, on pages 55 to 106 and 305.

- for the financial year ended December 31, 2018: the consolidated financial statements and the related Statutory Auditors' report, included in the Registration Document filed with the AMF on February 25, 2019 under reference D. 19-0074, on pages 69 to 122 and 271 to 274.

These documents are available on the AMF and Gecina websites:

www.gecina.fr

www.amf-france.org

8.1.3 Statement by the person responsible for the Universal Registration Document containing an annual financial report

"I certify that, having taken all reasonable measures to this effect, the information contained in this Universal Registration Document is, to the best of my knowledge, fair and accurate, and free from any omission that could alter its substance.

I certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with the applicable accounting standards and faithfully reflect the assets, liabilities, financial situation and earnings of the company and all the companies included in its consolidation group, and that the information from the management report listed in the correspondence table in section 8.1.5 of this Universal Registration Document

presents an accurate picture of the development of the business, earnings and financial situation of the company and all the companies included in the consolidation group, as well as a description of the main risks and uncertainties facing them.

I have received a completion letter from the Statutory Auditors in which they indicate that they have verified the information relating to the financial situation and financial statements given in this document and that they have reviewed the entire document."

Méka Brunel
Chief Executive Officer

8.1.4 Correspondence table for the Universal Registration Document

This correspondence table contains the headings set out in Annexes 1 and 2 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 and refers to the pages of this Universal Registration Document, where the information relating to each of these headings is cited.

HEADINGS CITED IN ANNEXES 1 AND 2 OF DELEGATED REGULATION (EU) 2019/980 OF MARCH 14, 2019

		Pages
1	Persons responsible, third party information, experts' reports and competent authority approval	
1.1	Identity of the persons responsible	288
1.2	Declaration by the persons responsible	288
1.3	Declaration or report by expert	
1.4	Information from third parties	69-70; 137-141
1.5	Declaration without prior approval by the competent authority	1
2	Statutory Auditors	
2.1	Identity of Statutory Auditors	293
2.2	Any changes	N.A.
3	Risk factors	38-39; 82-99
4	Information about the issuer	
4.1	Legal and commercial name of the issuer	302
4.2	Place of registration of the issuer, its registration number and LEI	302
4.3	Date of incorporation and length of life of the issuer	302
4.4	Domicile, legal form of the issuer and applicable legislation, address and telephone number of its registered office, website with a disclaimer	302
5	Business overview	
5.1	Principal activities	16-25
5.2	Principal markets	8-15
5.3	Important events in the development of the issuer's business	205-206
5.4	Strategy and objectives	8-29; 76
5.5	Issuer's dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	308
5.6	Competitive position	4-5; 10-13
5.7	Investments	22-25; 55-58
6	Organizational structure	
6.1	Brief description of the Group	207-211
6.2	List of significant subsidiaries	71-74
7	Operating and financial review	
7.1	Financial condition	48-80; 196-247
7.2	Operating results	44; 54; 200; 242
8	Capital resources	
8.1	Capital resources information	45; 201; 244-245; 266-267
8.2	Cash flows	202
8.3	Borrowing requirements and funding structure	59-63
8.4	Restrictions on the use of capital resources	63; 227; 261
8.5	Expected sources of funds	59-63
9	Regulatory environment	88-89; 302
10	Trend information	10-19; 28-29
11	Profit forecasts or estimates	76

HEADINGS CITED IN ANNEXES 1 AND 2 OF DELEGATED REGULATION (EU) 2019/980 OF MARCH 14, 2019

	Pages
12 Administrative, management and supervisory bodies and senior management	
12.1 Board of Directors and the Executive Management team	142-171
12.2 Conflicts of interest	168-169
13 Remuneration and benefits	
13.1 Remuneration paid and benefits in kind	172-193; 247
13.2 Amounts set aside or accrued to provide for pensions, retirement or similar benefits	229; 231
14 Board practices	
14.1 Dates of expiration of terms of office	34-35; 147-156
14.2 Service contracts with the issuer binding members of the executive and management bodies	168-170
14.3 Information on the Audit Committee and the Remuneration Committee	36; 164-167
14.4 Statement of compliance with the applicable corporate governance regime	144
14.5 Potential material impacts on the corporate governance	145-146
15 Employees	
15.1 Number of employees and breakdown of staff	32-33; 121-123; 134; 246; 267
15.2 Shareholdings and stock options	27; 123; 246-247; 268
15.3 Agreements for employee share ownership	171
16 Major shareholders	
16.1 Shareholders holding more than 5% of the capital on the date of the Registration Document	244
16.2 Existence of different voting rights	194; 303-304
16.3 Control	194
16.4 Arrangements, the operation of which may result in a change in control	194
17 Related party transactions	246
18 Financial information concerning the issuer's assets and liabilities, financial position and profits and losses	
18.1 Historical financial information	288
18.2 Interim and other financial information	N.A.
18.3 Auditing of historical annual financial information	293-301
18.4 Pro forma financial information	n.a.
18.5 Dividend policy	40-41; 245-246
18.6 Legal and arbitration proceedings	89-91; 229-230
18.7 Significant change in the issuer's financial position	N.A.
19 Additional information	
19.1 Share capital	303
19.1.1 Issued capital and number of shares	42; 266-267
19.1.2 Shares not representing capital	N.A.
19.1.3 Treasury shares	244-245
19.1.4 Marketable securities that are convertible, exchangeable or that have warrants attached	258
19.1.5 Acquisition rights and/or obligations attached to authorized but unissued capital	170-171
19.1.6 Information about any capital of any member of the Group which is under option or agreed to be put under option	N.A.
19.1.7 History of share capital	266-267
19.2 Articles of association and bylaws	302-308
19.2.1 Register and corporate objects and purposes	302
19.2.2 Rights, preferences and restrictions attached to each share class	303-304
19.2.3 Statutory or other provisions that would have the effect of delaying, deferring or preventing a change of control	N.A.
20 Material contracts	52; 56; 77
21 Documents available	288

8.1.5 Correspondence table containing the information required in the annual financial report

Since this Universal Registration Document also contains the annual financial report, the statement by the person responsible makes reference to information from the management report. In the document's current form, this information can be found in various sections.

Annual financial report

ELEMENTS REQUIRED BY ARTICLES L. 451-1-2 OF THE FRENCH MONETARY AND FINANCIAL CODE AND 222-3 OF THE AMF'S GENERAL REGULATIONS

	Pages
Consolidated financial statements	196-247
Annual financial statements	248-269
Statement of the responsible person	288
Management report	see below
Auditors' report on the Consolidated financial statements	293-296
Auditors' report on the Annual financial statements	297-300
Auditors' fees	247

Management report

	Pages
Analysis of changes in the company and the Group's business, earnings and financial situation, the company and the Group's situation during the past year (L. 225-100, L. 225-100-2, L. 232-1 and L. 233-26 of the French Commercial Code)	3-80
Predictable changes (L. 232-1 and L. 233-26 of the French Commercial Code)	76-77
Material items that occurred between the end of the financial year and the date on which the management report was prepared (L. 232-1 of the French Commercial Code)	77
Research and development activities (L. 232-1 and L. 233-26 of the French Commercial Code)	128-131
Information on environmental issues and the environmental consequences of business operations (L. 225-100 and L. 225-102-1 of the French Commercial Code)	3-29; 100-120; 132
Information on employee issues and the social consequences of business operations (L. 225-100 and L. 225-102-1 of the French Commercial Code)	32-33; 121-133
Description of the major risks and uncertainties (L. 225-100 and L. 225-100-2 of the French Commercial Code)	38-39; 82-99
Information about the capital structure and organization: authorizations for capital increases (L. 225-100 of the French Commercial Code), information on the buying of treasury shares (L. 225-211 of the French Commercial Code), identity of shareholders with more than 5%; treasury stocks (L. 233-13 of the French Commercial Code), employee shareholding as the last day of the financial year (L. 225-102 of the French Commercial Code)	160; 170-171; 244-245
Activity of the Company's subsidiaries and significant shareholdings in companies headquartered in France (L. 233-6 and L. 247-1 of the French Commercial Code)	71-74; 207-211
Information about terms of payment for suppliers (L. 441-14 of the French Commercial Code)	73
Factors likely to have an impact in the event of a public offer (L. 225-100-3 of the French Commercial Code)	194
Amount of dividends distributed during three last financial years (243 bis of the French General Tax Code)	244
Transactions carried out by officers and corporate officers concerning the Company's securities (L. 621-18-2 of the French Commercial Code)	160
Total compensation and fringe benefits paid to each corporate officer, offices and positions held in any company by each of the corporate officers during the financial year (L. 225-102-1 of the French Commercial Code)	178-193

8.1.6 Cross-reference table with the information required in the non-financial performance statement

Cross-reference table between the information published in the Universal Registration Document and the information required in the non-financial performance statement

THEME	Pages	Cross-reference with the Universal Registration Document
Overview of the business model	16-19	Integrated Report Our strategy in the service of sustainable performance Building the living spaces of tomorrow dedicated to our clients
Description of the main non-financial risks related to the Company's activity	89 106-107	2.1.2 Summary of the principal risk factors Eco-designed and eco-operation risk 3.1.3 Priority CSR risks and opportunities for Gecina
Description of policies designed to prevent, identify and mitigate the occurrence of non-financial risks and the outcomes of these policies, including key indicators	109-113 113-11 115-117 121-123 124-126	With reference to the mapping of CSR risks, cross-referencing with the five priority risks: 3.2.2 Low carbon buildings (risks Nos.1 and 2) 3.2.3 Circular economy (risk No. 1) 3.2.4 Comfort and well-being of occupants (risk No. 4) 3.3.1 Our human resources (risk No. 3) 3.3.3.1 Responsible purchasing (risk No. 5)
Respect for human rights		<i>Operating exclusively in France, Gecina is not directly concerned by human rights issues.</i>
Anti-corruption	96-99	2.2.3 Further information regarding the Risk and Compliance Department
Climate change (contribution and adaptation)	109-113	3.2.2 Low carbon buildings
Circular economy	113-115	3.2.3 Circular economy
Food waste, fight against food insecurity, respect for animal welfare, responsible, fair and sustainable food		<i>Gecina's business is not affected by this risk</i>
Collective agreements and impacts	121-123	3.3.1 Our human resources
Fight against discrimination and promotion of diversity	121-123	3.3.1 Our human resources
Societal commitments	124-126	3.3.3.1 Responsible purchasing
Fight against fraud	96-99	2.2.3 Further information regarding the Risk and Compliance Department

8.2 Statutory Auditors

8.2.1 Parties responsible for auditing the financial statements

INCUMBENT STATUTORY AUDITORS

Mazars

Member of the Compagnie Régionale de Versailles

Represented by Baptiste Kalasz

61, rue Henri-Regnault

92075 Paris-La Défense Cedex

Mazars was appointed at the Combined General Meeting on June 2, 2004 for a six-year term. The firm's appointment was renewed by the Ordinary General Meeting held on May 10, 2010 and by the Combined General Meeting held on April 21, 2016. His term of office will expire at the end of the Ordinary General Meeting called to approve the annual financial statements for the year ending December 31, 2021.

PricewaterhouseCoopers Audit

Member of the Compagnie Régionale de Versailles

Represented by Jean-Baptiste Deschryver

63, rue de Villiers

92208 Neuilly-sur-Seine Cedex

PricewaterhouseCoopers Audit was appointed at the Combined General Meeting on June 2, 2004 for a six-year term. The firm's appointment was renewed by the Ordinary General Meeting held on May 10, 2010 and by the Combined General Meeting held on April 21, 2016.

His term of office will expire at the end of the Ordinary General Meeting called to approve the annual financial statements for the year ending December 31, 2021.

DEPUTY STATUTORY AUDITORS

Gilles Rainaut

Member of the Compagnie Régionale de Versailles

61, rue Henri-Regnault

92075 Paris La Défense Cedex

Mr. Gilles Rainaut was appointed by the Combined General Meeting held on April 21, 2016 for a six-year term. His term of office will expire at the end of the Ordinary General Meeting called to approve the annual financial statements for the year ending December 31, 2021.

Jean-Christophe Georghiou

Member of the Compagnie Régionale de Versailles

63, rue de Villiers

92208 Neuilly-sur-Seine Cedex

Mr. Jean-Christophe Georghiou was appointed by the Combined General Meeting of April 21, 2016 for a six-year term. His term of office will expire at the end of the Ordinary General Meeting called to approve the annual financial statements for the year ending December 31, 2021.

8.2.2 Statutory Auditors' reports

8.2.2.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(For the year ended December 31, 2019)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Gecina SA

14-16, rue des Capucines

75084 Paris Cedex 02, France

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your General Meetings, we have audited the accompanying consolidated financial statements of Gecina SA for the year ended December 31, 2019.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the

financial position of the Group at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the “Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements” section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2019 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No 537/2014 or the French Code of Ethics (*Code de déontologie*) for Statutory Auditors.

Emphasis of matter

Without qualifying our opinion, we draw your attention to Note 5.5.3.9 to the consolidated financial statements, which describes the first-time adoption of IFRS 16.

Justification of assessments – Key audit matters

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of investment properties

(Notes 5.5.3.1.1., 5.5.3.1.2. and 5.5.6.8. to the consolidated financial statements)

Risk identified

At December 31, 2019, investment properties (including those under reconstruction) amounted to €18,717 million in the consolidated balance sheet, representing 92% of the Group's total assets. Changes in the properties' value had a €1,004.3 million impact on income for the year.

Investment properties are recognized at fair value in Gecina's consolidated financial statements, as provided for in IFRS 13. Any changes in fair value are recognized in income. The fair value is taken into account for determining key indicators of Gecina's performance and financial position, such as Net Asset Value and the Loan-to-Value ratio. With this in mind, management has implemented a procedure for property appraisals, which

are performed by independent appraisers to measure the fair value of the assets.

Measuring the fair value of a property asset is a complex process of estimation, as described in the notes to the consolidated financial statements. It requires judgment in order to determine the appropriate assumptions, yield and discount rates, market rental values, cost estimates for work to be carried out (especially for assets under development), and any advantages (e.g., rent-free periods) to be granted to certain tenants.

Given the amounts in question, the degree of judgment involved in determining the main assumptions used, and the sensitivity of the properties' fair value to these assumptions, we deemed the valuation of investment properties to be a key audit matter.

How our audit addressed this risk

Our work consisted in:

- obtaining the engagement letters of the property appraisers and assessing their competency and independence with respect to the Group;
- familiarizing ourselves with the procedure implemented by management for working with property appraisers;
- obtaining the property appraisal reports and critically assessing the appraisal methods used, the market inputs applied (yield rate, discount rate, market rental values) and the asset-specific assumptions, in particular the cost estimates for work to be carried out on assets under development;
- testing, on a sample basis, the data used (reconciliation of appraiser data with construction budgets and rental situations);
- conducting interviews with management and the property appraisers to discuss the reasons behind their appraisal of the overall property portfolio and the appraised values of the assets;
- reconciling the appraised values with the consolidated financial statements;
- assessing the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

Accounting treatment of certain transactions and/or commitments in Spain

(Notes 5.5.4.7., 5.5.5.13. and 5.5.9.3. to the consolidated financial statements)

Risk identified

A number of liability claims and lawsuits have been filed against Gecina, directly and indirectly, by third parties. Notes 5.5.4.7., 5.5.5.13. and 5.5.9.3. to the consolidated financial statements describe, in particular, (i) certain transactions and/or commitments in Spain, and (ii) the alleged issue of four promissory notes and letters of guarantee by Gecina SA in favor of a Spanish company named Arlette Dome SL. These notes provide details of the legal proceedings relating to these transactions and the accounting treatment applied.

We deemed the accounting treatment of these transactions and/or commitments to be a key audit matter given the amounts at stake and the inherent uncertainty involved due to the complexity of pending or potential legal proceedings.

How our audit addressed this risk

Our work consisted in:

- examining the accounting methods and controls implemented by management to report on these transactions;
- obtaining the analyses of Gecina's management and its advisors on the transactions in question, in particular as regards any changes during the year. Where appropriate, we corroborated said analyses with the responses to our requests for external confirmation from their legal counsel;
- conducting interviews with management in order to gain an understanding of Gecina's defense strategy and arguments before the various courts involved;
- assessing the appropriateness of the accounting treatment applied by the Group in light of all these aspects;
- assessing the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the information pertaining to the Group presented in the management report includes the consolidated non-financial information statement required under article L.225-102-1 of the French Commercial Code. However, in accordance with article L.823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Gecina by the General Meetings held in June 1997 for Mazars and on June 2, 2004 for PricewaterhouseCoopers Audit.

At December 31, 2019, Mazars and PricewaterhouseCoopers Audit were in the twenty-third and the sixteenth consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures 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 internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness 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 the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were the most significant in the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risk Committee.

Neuilly-sur-Seine and Paris-La Défense, February 19, 2020

The Statutory Auditors

PricewaterhouseCoopers Audit

Jean-Baptiste Deschryver

MAZARS

Baptiste Kalasz

8.2.2.2 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

(For the year ended December 31, 2019)

(General Meeting for the approval of the financial statements for the year ended December 31, 2019)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Gecina SA

14-16, rue des Capucines
75084 Paris Cedex 02, France

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of Gecina SA for the year ended December 31, 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2019 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No 537/2014 or the French Code of Ethics (*Code de déontologie*) for Statutory Auditors

Justification of assessments – Key audit matters

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

Measurement and risk of impairment of tangible fixed assets

(Note 6.3.3.1.3. to the financial statements)

Risk identified

At December 31, 2019, tangible fixed assets amounted to €3,165 million, or 24% of the Company's assets. They mainly comprise properties, held in order to collect rents and increase the value of the asset.

Property assets are recognized at cost less accumulated depreciation and any impairment losses, the latter of which are calculated based on fair value. With this in mind, management has implemented a procedure for property appraisals, which are performed by independent appraisers to measure the fair value of the assets.

Appraising a property asset requires estimation and judgment from management, in order to determine the appropriate assumptions, yield and discount rates, market rental values, cost estimates for work to be carried out (especially for assets under development), and any advantages (e.g., rent-free periods) to be granted to certain tenants.

Given the significant amount represented by tangible fixed assets in the financial statements, the degree of judgment involved in determining the main assumptions used, and the sensitivity of the assets' fair value to these assumptions, we deemed the measurement and risk of impairment of tangible fixed assets to be a key audit matter.

How our audit addressed this risk

Our work consisted in:

- obtaining the engagement letters of the property appraisers and assessing their competency and independence with respect to the Company;
- familiarizing ourselves with the procedure implemented by management for working with property appraisers;
- obtaining the property appraisal reports and critically assessing the appraisal methods used, the market inputs applied (yield rate, discount rate, market rental values) and the asset-specific assumptions, in particular the cost estimates for work to be carried out on assets under development;
- testing, on a sample basis, the data used (reconciliation of appraiser data with construction budgets and rental situations);

- conducting interviews with management and the property appraisers to discuss the reasons behind their appraisal of the overall property portfolio and the appraised values of the assets;
- reconciling the appraised values with the fair value of the assets;
- verifying the impairment losses recorded, in accordance with accounting policies;
- assessing the appropriateness of the disclosures provided in the notes to the financial statements.

Measurement of financial fixed assets

(Note 6.3.3.2. to the financial statements)

Risk identified

At December 31, 2019, financial fixed assets amounted to €9,953 million, or 74% of the Company's assets. When there is an indication of long-term impairment of securities, loans, receivables and other capitalized assets, an impairment loss is recorded. Impairment is determined on the basis of various criteria, including net asset value, profitability and strategic value. For investments in real estate companies, the criterion used is generally the net asset value, which includes unrealized capital gains on property assets measured at fair value (determined with support from property appraisers).

Estimating impairment requires management to exercise judgment, in order to determine the appropriate assumptions to be used.

Given the amounts in question and the degree of judgment involved in management's determination of the main assumptions used to determine the value in use of the financial fixed assets and the sensitivity of the value in use of the assets to these assumptions, we deemed the measurement of financial fixed assets to be a key audit matter.

How our audit addressed this risk

Our work consisted in:

- verifying the appropriateness of management's measurement methods;
- verifying, on a sample basis, the inputs used to estimate the net asset values, and in particular for the appraisal of real estate companies:
 - verifying that recorded equity can be reconciled with the accounts of the companies subject to the appraisals,
 - verifying that adjustments made to equity in order to calculate the net asset value, mainly by including unrealized capital gains on the property assets, are estimated at their fair value by management, with support from property appraisers;
- verifying the impairment recorded with respect to equity interests and their related receivables, by reconciling the net asset value with the carrying amount;

- assessing the appropriateness of the disclosures provided in the notes to the financial statements.

Accounting treatment of transactions and/or commitments in Spain

(Note 6.3.6.1. to the financial statements)

Risk identified

A number of liability claims and lawsuits have been filed against Gecina, directly and indirectly, by third parties. Note 6.3.6.1. to the financial statements describes (i) certain transactions and/or commitments in Spain and (ii) the alleged issue of four promissory notes and letters of guarantee by Gecina SA in favor of a Spanish company named Arlette Dome SL. It provides details of the legal proceedings relating to these transactions and the accounting treatment applied.

We deemed the accounting treatment of these transactions and/or commitments to be a key audit matter given the amounts at stake and the inherent uncertainty involved due to the complexity of pending or potential legal proceedings.

How our audit addressed this risk

Our work consisted in:

- examining the accounting methods and controls implemented by management to report on these transactions;
- obtaining the analyses of Gecina's management and its advisors on the transactions in question, in particular as regards any changes during the year. Where appropriate, we corroborated said analyses with the responses to our requests for external confirmation from their legal counsel;
- conducting interviews with management in order to gain an understanding of Gecina's defense strategy and arguments before the various courts involved;
- assessing the appropriateness of the accounting treatment applied by the Company in light of all these aspects;
- assessing the appropriateness of the disclosures provided in the notes to the financial statements.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in article D.441-4 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by articles L.225-37-3 and L.225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of article L.225-37-3 of the French Commercial Code relating to remuneration and benefits paid or awarded to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Gecina SA by the General Meetings held in June 1997 for Mazars and on June 2, 2004 for PricewaterhouseCoopers Audit.

At December 31, 2019, Mazars and PricewaterhouseCoopers Audit were in the twenty-third and the sixteenth consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statement

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures 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 internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness 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 the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw

attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;

- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were the most significant in the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risk Committee.

Neuilly-sur-Seine and Paris-La Défense, February 19, 2020

The Statutory Auditor

PricewaterhouseCoopers Audit

Jean-Baptiste Deschryver

MAZARS

Baptiste Kalasz

| 8.2.2.3 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

(General Meeting for the approval of the financial statements for the year ended December 31, 2019)

This is a free translation into English of the Statutory Auditors' special report on related-party agreements issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Gecina SA

14-16, rue des Capucines
75084 Paris Cedex 02, France

To the Shareholders,

In our capacity as Statutory Auditors of Gecina SA, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article

R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information provided to us is consistent with the underlying documents.

Agreements submitted for the approval of the General Meeting

We were not informed of any agreement authorized or entered into during the year to be submitted for approval at the General Meeting pursuant to the provisions of article L.225-38 of the French Commercial Code.

Agreements already approved by the General Meeting

Agreements approved in previous years

In accordance with article R.225-30 of the French Commercial Code, we were informed that the following agreements, approved by the General Meeting in previous years, remained in force during the year. These agreements were re-examined by the Board of Directors at its meeting on February 19, 2019.

Agreement defining the conditions of the severance pay due to Méka Brunel in the event of the termination of her duties as CEO of the Company

Executive concerned: Méka Brunel

At its meeting on January 6, 2017, the Board of Directors defined the conditions of the severance pay due to Méka Brunel in the event of the termination of her duties as CEO of the Company. These conditions can be summarized as follows:

- in the event of forced departure, Méka Brunel will be granted severance pay, the amount of which will be based on her seniority as CEO of the Company. For seniority of more than two years, she will be entitled to severance pay corresponding to a maximum of 200% of the gross total compensation (fixed and variable)

payable for the preceding calendar year with respect to her duties as CEO.

The payment of the indemnity will be subject to the fulfilment of the performance conditions below.

Performance conditions:

The indemnity will only be paid in full if the average of the bonuses for the two financial years preceding the termination of her duties (Y-1 and Y-2) is more than or equal to the target bonus.

Performance conditions	Severance pay
Average of Y-1 and Y-2 bonuses ≥ target bonus	100%
Average of Y-1 and Y-2 bonuses ≥ 80% of target bonus	80%
Average of Y-1 and Y-2 bonuses ≥ 70 % of target bonus	50%
Average of Y-1 and Y-2 bonuses < 70% of target bonus	No severance pay

It will be the responsibility of the Board of Directors to verify whether the performance criteria are met. Where applicable, the Board of Directors may consider exceptional events that occurred during the year.

The agreement was approved by the General Meeting of April 26, 2017.

Neuilly-sur-Seine and Paris-La Défense, February 19, 2020

The Statutory Auditors

PricewaterhouseCoopers Audit

Jean-Baptiste Deschryver

MAZARS

Baptiste Kalasz

8.3 Legal information

8.3.1 Head office, legal form and applicable legislation

Name	Gecina
Head office	14-16, rue des Capucines, Paris (Ile)
Legal form	French <i>société anonyme</i> (public limited company) governed by Articles L. 225-1 et seq. and R. 210-1 et seq. of the French Commercial Code and all subsequent legislation
Legislation	French legislation
Date of formation and termination of company	The company was found on January 14, 1959 for 99 years. It will expire on January 14, 2058.
Trade and company registry	592 014 476 RCS PARIS
Identification number	SIRET 592 014 476 00150
APE Code	6820A
Place where documents and information regarding the company may be consulted	At head office (telephone: +33 (0)1 40 40 50 50)
Financial year	The financial year starts on January 1 and ends on December 31. It lasts twelve months.
LEI Code	9695003E4MMA10IBTR26
Website	www.gecina.fr

We draw the reader's attention to the fact that, unless otherwise provided in this Universal Registration Document, the information contained on this website is not part of this document.

FRENCH LISTED REAL ESTATE INVESTMENT TRUSTS SYSTEM

The company opted for the tax system introduced by the 2003 Finance law dated December 30, 2002 and applicable from January 1, 2003, which provided for the

creation of listed real estate investment trusts (SIIC). It allows companies opting for this system to claim exemption from the tax imposed on the income and capital gains deriving from their business as a real estate company, contingent on the payment of an exit tax now calculated at a rate of 19% on unrealized capital gains existing on the date of the option, and for which the payment is to be spread over four years. In return for this tax exemption, the SIICs are subject to the mandatory distribution of 95% of their exempt rental income and 60% of their exempt capital gains within two years, and 100% of profits received from subsidiaries.

8.3.2 Bylaws

TITLE I – FORM – PURPOSE – CORPORATE NAME – REGISTERED OFFICE – TERM

Article 1 – Form of the company

The company is incorporated under the form of a *société anonyme* (public limited company) with a Board of Directors.

Article 2 – Corporate name

The corporate name is: Gecina.

Article 3 – Company purpose

The company has the purpose of running buildings or groups of buildings to be rented out located in France or abroad.

In particular for such purpose:

- the acquisition through the purchase, exchange, contribution in kind or other manner, of building plots or equivalent;
- the construction of buildings or groups of buildings;
- the acquisition through the purchase, exchange, contribution in kind or other manner of buildings or groups of buildings, which have already been constructed;
- the financing of the acquisitions and construction operations;
- the rental, administration and the management of all buildings for itself or on behalf of third parties;
- the sale of all real estate rights or property;

- the acquisition of holdings in all Companies or organizations, the activities of which are in relation with the corporate purpose through the contribution, subscription, purchase or exchange of securities or company rights or otherwise, and generally all financial,

and real estate and movable property transactions directly or indirectly relating to this purpose and likely to facilitate the development and the completion thereof.

Article 4 – Head office

The head office is located in Paris (75002) – 14-16, rue des Capucines.

Article 5 – Term of the company

Except in the event of an early winding up or extension decided upon by the Extraordinary General Meeting of shareholders, the term of the company is fixed at ninety-nine years as from the date of its incorporation at the Registry of Trade.

| TITLE II – SHARE CAPITAL – SHARES

Article 6 – Share capital

The share capital is fixed at the amount of €573,076,950 (five hundred and seventy-three million seventy-six thousand nine hundred and fifty euros) and is divided into 76,410,260 shares with a par value of €7.50 (seven euros and fifty cents), all of the same category and fully paid up.

Article 7 – Form of shares

The shares are mandatorily registered shares. They give rise to a registration on account under the conditions and pursuant to the terms provided for by the legislative and regulatory provisions in force.

Article 8 – Transmission and assignment of shares

The shares shall be freely transferable and their assignment shall take place under the legal and regulatory conditions in force.

Article 9 – Exceeding of the thresholds – Information

In addition to the legal obligation to inform the company when certain fractions of the share capital or voting rights are held and to declare the intention consequent thereto, every individual or corporate shareholder, acting alone or in concert, who has acquired or ceases to hold, directly or indirectly, a fraction equal to or higher than 1% of the share capital and voting rights or any multiple of this percentage, must inform the company of the total number of shares and voting rights it holds, of the number of securities it holds giving access in the future to the company's share capital and the associated voting rights, and equivalent securities or financial instruments (as defined by laws and regulations in force), by registered letter with recorded delivery to the company's head office within five trading days of having crossed one of such thresholds.

This disclosure requirement shall apply in every instance that one of the aforementioned thresholds has been crossed, including thresholds over and above the thresholds provided for under French law. To determine whether the threshold has been crossed, shares equivalent to the shares held as defined by the legislative and regulatory provisions of Articles L. 223-7 et seq. of the French Commercial Code shall be taken into account.

In the event of a failure to disclose, under the aforementioned conditions, the shares in excess of the fraction that should have been disclosed will forfeit their voting rights under the conditions provided by French law if one or more shareholders holding at least 5% of the share capital should requests this as recorded in the minutes of the General Meeting. The forfeiture of voting rights applies to all General Meetings held within a period of two years following the date on which the failure to disclose is rectified.

Any shareholder other than a natural person that directly or indirectly comes into possession of 10% of the company's dividend rights will be required to indicate in their declaration on exceeding the threshold limit whether or not they are a Deduction Shareholder as defined in Article 23 of the bylaws. Any shareholder other than a natural person that directly or indirectly comes to hold 10% of the company's dividend rights as at the date this paragraph comes into force is required to indicate within ten (10) business days before distributions are scheduled to be paid out, whether or not they are a Deduction Shareholder as defined in Article 23 of the bylaws. Any shareholder who declares that he or she is not a Deduction Shareholder, will be required to justify this claim whenever requested to do so by the company, and at the company's request provide a legal opinion from an internationally-renowned law firm specialized in tax matters confirming that the shareholder is not a Deduction Shareholder. Any shareholder other than a natural person having disclosed that they have directly or indirectly crossed the 10% threshold for dividend rights or directly or indirectly holding 10% of the company's dividend rights as at the date when this paragraph comes into force, is required to notify the company as promptly as possible or in any event within ten (10) business days before the payouts are to be made, of any change in their tax status that would cause them to acquire or lose their status as a Deduction Shareholder.

Article 10 – Rights and obligations attached to each share

In addition to the voting rights, allocated to it by law, each share gives right to a quota proportional to the number and to the minimal value of the existing shares, of the company assets, the profits or the liquidating dividend.

The shareholders shall only be liable for the company liabilities up to the nominal amount of the shares, which they hold.

The rights and obligations attached to the share shall accompany the security regardless of the person to whom it is transferred.

The ownership of a share entails automatic adhesion to the memorandum and articles of association of the company and to the decisions of the General Meeting.

Article 11 – Paying up of the shares

The amount of the shares issued in respect of an increase in capital and to be paid up in cash shall be payable under the conditions determined by the Board of Directors.

TITLE III – MANAGEMENT OF THE COMPANY AND ADVISORY BOARD

Article 12 – Board of Directors

The company is managed by a Board of Directors made up of at least three (3) members and of a maximum of eighteen (18) members, subject to the derogations provided for by law.

The Directors shall be appointed for a term of four years. By way of exception in order to allow the staggered renewal of the mandates of the Directors, the Ordinary General Meeting may appoint one or several Directors for a period of two or three years. They shall be re-eligible and may be dismissed at any time by the General Meeting.

No person may be appointed as a Director if he or she is over 75 years old. In the event that a Director were to exceed such age, he or she shall be deemed to have resigned his or her office at the end of the General Meeting convened to approve the accounts of the financial year during the course of which he or she has reached the age limit.

During the term of his, her or its mandate each Director shall have to own at least one share.

Article 13 – Executive Committee

The Board of Directors shall elect a Chairman amongst its members, who shall have to be a physical person and as the case may be a Co-Chairman and one or several Vice-Presidents.

In the event that the Board of Directors decides to appoint a Co-Chairman, such title shall also be allocated to the Chairman without for all that such appointment entailing a limitation on the powers devolved by law or these articles of association hereof to the Chairman only.

The Board of Directors shall determine the term of office of the Chairman and as the case may be of the Co-Chairman and the Vice-President or Vice-Presidents, which may not exceed that of their Director's mandate.

The Chairman of the Board of Directors and, as the case may be, the Co-Chairman or the Vice-President or Vice-Presidents may be dismissed at any time by the Board of Directors.

No person may be appointed as Chairman, Co-Chairman or Vice-President if he or she is over 70 years old. In the event that the Chairman, Co-Chairman or a Vice-President were to exceed such age, he or she shall be deemed to have resigned his or her office at the end of the General Meeting convened to approve the accounts of the financial year during the course of which he or she has reached the age limit.

The Meetings of the Board shall be chaired by the Chairman. In the absence of the Chairman, the Meeting shall be chaired by the Co-Chairman or by one of the Vice-Presidents present upon appointment, for each Meeting

by the Board. In the event of the absence of the Chairman, Co-Chairperson and the Vice-Presidents, the Board shall appoint for each Meeting one of the members present who shall chair the Meeting.

The Board shall choose the person who shall carry out the duties of Secretary.

Article 14 – Deliberations of the Board of Directors

The Board of Directors shall meet as often as the interests of the company so require, either at the head office or in any other location including overseas.

The Chairman shall determine the agenda for each Board Meeting and shall convene the Directors by all appropriate means.

The Directors making up at least one third of the members of the Board of Directors may, upon indicating the agenda of the Meeting, convene the Board at any time.

The Managing Director may, as the case may be, also request the Chairman to convene the Board of Directors on a determined agenda.

The Chairman shall be bound by the requests, made to him or her pursuant to the two preceding paragraphs.

The effective presence of at least half of the members of the Board shall be necessary for the validity of the deliberations.

A Director may give a mandate to another Director in order to represent him or her at a Meeting of the Board of Directors in accordance with the legal and regulatory provisions in force.

The provisions of the preceding paragraphs shall be applicable to the permanent representatives of a legal entity Director.

The Board of Directors may meet and deliberate through video-conference or telecommunication means or any other means, provided for by law, in accordance with the terms and conditions determined by its internal regulations.

In this respect, subject to the limitations fixed by law, the internal regulations may provide that the Directors participating to the Meeting of the Board by video-conference or telecommunication means or any other means, the nature and conditions of implementation of which are determined by the regulatory provisions in force, shall be deemed to be present for the calculation of the quorum and the majority.

The decisions shall be taken on a majority of votes of the members present or represented, the Director representing one of his or her colleagues having two votes; in the event of a tied vote, the Chairman of the Meeting shall not have a casting vote.

Article 15 – Powers of the Board of Directors

The Board of Directors shall determine the orientations of the activity of the company and shall ensure their implementation. Subject to the powers expressly allocated to the General Meetings and subject to the limitations of the corporate purpose, all questions relating to the proper running of the company shall be referred to it

and it shall rule on the affairs, which concern it through its deliberations.

In its relations with third parties, the company shall be bound by the actions of the Board of Directors even if they do not enter into the corporate purpose, unless it can prove that the third party knew that the action exceeded such purpose or that he, she or it could not have ignored it given the circumstances, it being excluded that the sole publication of the memorandum and articles of association is sufficient to constitute such proof.

The Board of Directors shall carry out controls and verifications, which it deems to be useful.

The Board of Directors may entrust any special mandate for one or several determined purposes to one or several of its members or to third parties, whether they are shareholders or not.

It may also decide upon the creation of Committees in charge of studying questions, which it or its Chairman shall submit for an opinion pursuant to their review. Such Committees, the composition and allocations of which shall be determined in the internal regulations shall carry out their activity under the responsibility of the Board of Directors.

Article 16 – Powers of the Chairman of the Board of Directors

In accordance with Article L. 225-51 of the French Commercial Code, the Chairman of the Board of Directors shall represent the Board of Directors. Subject to the legal and regulatory provisions, he or she shall organize and manage the works of the latter and shall report thereon to the General Meetings. He or she shall ensure the proper functioning of the bodies of the company and shall in particular ensure that the Directors are capable of carrying out their assignments.

He or she may also, pursuant to the application of Article 17 of these articles of association hereof, ensure the general management of the company.

Article 17 – Management of the company

17.1 The general management of the company shall be assumed by, pursuant to the choice of the Board of Directors, either by the Chairman of the Board of Directors or by another physical person appointed by the Board of Directors and holding the title of Managing Director.

The Board of Directors shall choose between the two methods of exercise of the general management referred to in the preceding paragraph.

The Board of Directors shall exercise such choice upon the majority of the votes of the Directors who are present or represented.

The shareholders and third parties shall be informed of such choice in accordance with the applicable regulatory provisions.

17.2 Where general management is assumed by the Chairman of the Board of Directors, he or she shall hold the position of Chairman and Chief Executive Officer. The Board of Directors shall determine the term of the office of the Chief-Executive Officer,

which may not exceed the term of his or her Director's mandate. The Chief-Executive Officer may be dismissed at any time by the Board of Directors.

17.3 In the event that the general management is not assumed by the Chairman of the Board of Directors, a Managing Director shall be appointed by the Board of Directors.

The term of the office of the Managing Director shall be freely determined by the Board of Directors.

17.4 The Managing Director or, as the case may be, the Chief Executive Officer shall be vested with the widest powers in order to act in all circumstances in the name of the company and in particular to carry out the purchase or sale of any real estate rights or property. They shall exercise their powers subject to the limitations of the corporate purpose and subject to those, which the law expressly allocates to the General Meeting and to the Board of Directors.

They shall represent the company in their relations with third parties. The company is bound by the actions of the Managing Director or, as the case may be, the Chief Executive Officer, which do not fall under the corporate purpose, unless it can prove that the third party knew that the action exceeded such purpose or that he, she or it could not have ignored it given the circumstances, it being excluded that the sole publication of the memorandum and articles of association is sufficient to constitute such proof.

The Board of Directors may limit the powers of the Managing Director or, as the case may be, the Chief Executive Officer in the context of the internal organization of the company, however the restrictions, thereby made to their powers shall not be binding on third parties.

17.5 Pursuant to the proposal of the Managing Director or, as the case may be, of the Chief Executive Officer, the Board of Directors may appoint one or several physical persons to assist the Managing Director or, as the case may be, the Chief Executive, in the role of Assistant Managing Director.

The number of Assistant Managing Directors may not exceed a maximum number of five.

In agreement with the Managing Director or, as the case may be, the Chief Executive Officer, the Board of Directors shall determine the scope and term of the powers entrusted to the Assistant Managing Directors.

Where the Managing Director or, as the case may be, the Chief Executive Officer cease or are prevented from exercising their functions, the Assistant Managing Directors shall retain their functions and powers until the appointment of the new Managing Director or, as the case may be, of the new Chief Executive Officer, unless a decision is made to the contrary by the Board.

The Assistant Managing Directors shall have with regard to third parties, the same powers as the Managing Director or, as the case may be, as the Chief Executive Officer.

17.6 The Managing Director may be dismissed at any time upon just grounds by the Board of Directors. This also holds true for the Assistant Managing Directors, pursuant to a proposal of the Managing Director or, as the case may be, of the Chief Executive Officer.

17.7 No persons over 65 years old may be appointed Managing Director or Assistant Managing Director. In the event that a Managing Director or an Assistant Managing Director in office were to exceed such age, he or she shall be deemed to have resigned his or her office at the end of the General Meeting convened to approve the accounts of the financial year during the course of which he or she has reached the age limit.

Article 18 – Advisory Board

The Annual General Meeting may appoint an Advisory Board within the company chosen amongst the shareholders, subject to their number not exceeding a maximum of three. The Advisory Board may also be appointed by the Board of Directors of the company subject to the ratification of such appointment by the next General Meeting.

No person may be appointed as a member if the Advisory Board if he or she is over 75 years old. In the event that a member of the Advisory Board were to exceed such age, he or she shall be deemed to have resigned his or her office at the end of the General Meeting convened to approve the accounts of the financial year during the course of which he or she has reached the age limit.

The members of the Advisory Board shall be appointed for a term of three years and shall be re-eligible. They shall be convened to the Meetings of the Board of Directors and shall take part in its deliberations with a consultative vote.

The members of the Advisory Board may be entrusted with specific assignments.

Article 19 – Remuneration of the Directors, members of the Advisory Board, the Chairman, the Managing Director and the assistant Managing Directors

19.1 The Directors shall receive, as remuneration for their duties, a fixed annual amount, by way of Director's fees, the amount of which shall be determined by the Ordinary General Meeting.

The Board of Directors shall freely distribute the amount of such Directors' fees amongst its members and Advisory Board members.

It may also allocate exceptional remuneration for effective assignments or mandates entrusted to Directors or Advisory Board members. Such agreements are subject to the legal provisions relating to agreements subject to the prior authorization of the Board of Directors.

19.2 The Board of Directors shall determine the remuneration of the Chairman, the Managing Director and the Assistant Managing Directors.

TITLE IV – GENERAL MEETINGS

Article 20 – Shareholder Meetings

1. Convening

The General Meetings shall be convened and shall deliberate pursuant to the conditions determined by the legal and regulatory provisions.

The Meetings shall either be held in the head office or in any other location specified in the notice of convocation.

2. Right of access

The right to participate in the company's General Meetings shall be based on the registration of shares in an account in the name of the shareholder or the intermediary registered on his or her behalf in the company's records within the time frames and under the conditions provided by law.

3. Bureau – Attendance sheet

The General Meetings shall be chaired by the Chairman of the Board of Directors or in his or her absence by a Vice-President or in the absence of the latter by a Director, specially delegated for this purpose by the Board. Failing this, the General Meeting shall itself elect its Chairman.

The functions of vote-tellers shall be carried out by two members of the Meeting in accordance with the legal and regulatory provisions in force, holding the greatest number of votes.

The bureau of the Meeting shall appoint the secretary, who need not be a shareholder.

4. Voting rights

The voting right attached to the company's shares corresponds to the percentage of capital that it represents, and one company share entitles the holder to one vote. Pursuant to the option offered by subparagraph 3 of Article L. 225-123 of the French Commercial Code, no double voting right shall be conferred to fully paid-up shares for which proof of registration is given for two years in the name of the same shareholder.

The shareholders may vote in the Meetings by sending the voting by correspondence form either in paper format or pursuant to a decision of the Board of Directors by tele-transmission (including by electronic means), in accordance with the procedure determined by the Board of Directors and specified in the notice of the Meeting and/or of the convocation. Where this latter method is used, the electronic signature may take the form of a process meeting the conditions defined in the first sentence

of the second paragraph of Article 1316-4 of the French Civil Code.

The shareholders may also be represented at the Meetings by sending the company a proxy form either in paper format or by tele-transmission in accordance with the procedure determined by the Board of Directors and specified in the notice of the Meeting and/or of the convocation pursuant to the conditions provided for by the applicable legal and regulatory provisions. The electronic signature may take the form of a process meeting the conditions defined in the first sentence of the second

paragraph of Article 1316-4 of the French Civil Code.

The proxy given for a Meeting may be revoked in the same form as that required for the appointment of the representative.

The General and Special Meetings shall deliberate pursuant to the quorum and majority provisions provided for by the legal and regulatory provisions in force.

Pursuant to a decision of the Board of Directors published in the notice of Meeting and/or the notice of convocation, the shareholders participating to the Meetings by way of video-conference or by tele-communication of means allowing for their identification pursuant to the conditions provided for by the regulations in force, shall be deemed to be present or represented for the purposes of the calculation of the quorum and the majority.

The minutes of the Meetings shall be drawn up and their copies certified and delivered in accordance with the law.

TITLE V – FINANCIAL YEAR – AUDITORS OF THE CORPORATE ACCOUNTS – DISTRIBUTION OF PROFITS

Article 21 – Financial year

Each financial year of a period of one year shall start on the January 1 and shall end on the December 31.

Article 22 – Auditors of the Corporate Accounts

One or several Auditors of the Corporate Accounts, both statutory and substitute shall be appointed by the Ordinary General Meeting and shall exercise their auditory assignments in accordance with the legal and regulatory provisions in force.

Article 23 – Distribution of the profits – reserves

The profits for the financial year closed in accordance with the provisions of the legal provisions shall be made available to the General Meeting.

The distributable profits shall be made up of the profits for the financial year as decreased by the losses for the preceding years as well as amounts allocated to reserves pursuant to the application of the law and as increased by amounts carried forward.

Following the approval of the accounts and the noting of the existence of distributable amounts, the General Meeting shall determine the share allocated to the shareholders under the form of a dividend.

The General Meeting deciding on the accounts of the financial year may grant each shareholder, as regards all or part of the dividend or interim dividend distributed, with an option between the payment of the dividend or interim dividend, either in cash or in shares of the company in accordance with the legal and regulatory provisions in force.

Any shareholder, other than a physical person:

- (i) holding at the time of the payment of any distribution of dividends, reserves, bonuses or revenue deemed to be distributed pursuant to the meaning of the French General Tax Code (a "Distribution"), whether directly or

indirectly at least 10% of the dividend rights of the company; and

- (ii) whose own situation or that of its shareholders holding at the time of the payment of any distribution, whether directly or indirectly 10% or more of the dividend rights of such shareholder, renders the company liable to the 20% levy referred to in Article 208 C II ter of the French General Tax Code (the "Levy") (such a shareholder hereinafter referred to as a "Levying shareholder"), shall be a debtor with regard to the company at the time of the payment of any Distribution for a sum, the amount of which shall be determined in such manner as to completely neutralize the cost of the Levy owed by the company in respect of the said Distribution.

In the event that the company were to hold, whether directly or indirectly, 10% or more of one or several SIIC (listed real estate investment companies) referred to in Article 208 C of the French General Tax Code (an "SIIC Subsidiary"), the Levying shareholder shall in addition be a debtor of the company as at the date of payment of any Distribution of the company for an amount (the "SIIC Subsidiary Levy") equal as the case may be:

- either to the amount for which the company has become a debtor with regard to the SIIC Subsidiary, as from the latest Distribution of the company, in respect of the Levy for which the SIIC Subsidiary was liable owing to the holding of the company;
- or, in the absence of any payment to the SIIC Subsidiary by the company, to the Levy for which the SIIC Subsidiary was liable, as from the latest Distribution of the company, owing to a Distribution to the company multiplied by the percentage of dividend rights of the company within the SIIC Subsidiary;

in such manner that the other shareholders do not have to bear any share whatsoever of the Levy paid by any of the SIICs in the chain of holdings owing to the Levying shareholder.

In the event of there being several Levying shareholders, each Levying shareholder shall be the debtor of the company for the share of the Levy and the SIIC Subsidiary Levy for which its direct or indirect holding shall be the cause. The capacity of Levying shareholder shall be assessed as at the date of the payment of the Distribution.

Subject to the information provided in accordance with Article 9 of the Articles of Association, any shareholder other than a physical person holding or coming to hold whether directly or indirectly at least 10% of the dividend rights of the company shall be deemed to be a Levying shareholder.

The amount of any debt owed by the Levying shareholder shall be calculated in such manner that the company is placed, following the payment of the latter and taking into account the taxation, which may be applicable to it, in the same situation as if the Levy had not been payable.

The payment of any Distribution to a Levying shareholder shall be made by registration in the individual current account of such shareholder (without the latter bearing any interest), the repayment of the current account taking place within a period of five working days as from this registration following compensation with any

amounts owed by the Levying shareholder to the company pursuant to the application of the provisions provided for here above. In the event of a Distribution realized other than in cash, the said amounts shall have to be paid by the Levying shareholder prior to the payment of the said Distribution.

In the event that:

- (i) it were to be found, subsequent to a distribution by the company or an SIIC Subsidiary, that a shareholder was a levying shareholder at the time of the payment of the distribution; and where
- (ii) the company or the SIIC Subsidiary should have made the payment of the Levy in respect of the Distribution thereby paid to such shareholder, without the said amounts having been subject to the compensation provided for in the preceding paragraph, such Levying shareholder shall be liable to pay to the company not only the amount, which it owed to the company pursuant to the application of the provisions of this article hereof but also an amount equal to the penalties and interest on arrears, which as the case may be, may be owed by the company or SIIC Subsidiary as a consequence of the late payment of the Levy.

The company shall, as the case may be, have the right to implement a compensation, equivalent to its receivable in this respect and any amounts, which may be paid subsequently in favor of such Levying shareholder.

The Meeting shall decide on the allocation of the balance, which may be carried forward or allocated to one or several reserve accounts.

The time, method and location of the payment of the dividends shall be determined by the Annual General Meeting or, failing this, by the Board of Directors.

| TITLE VI – MISCELLANEOUS

Article 24 – Winding up and liquidation

Upon the winding up of the company, one or several liquidators shall be appointed by the General Meeting of shareholders, pursuant to the conditions of quorum and of majority provided for by the Extraordinary General Meetings. Such appointment shall put an end to the offices of the Directors. The Auditors of the Corporate Accounts shall be maintained in their office with their powers.

The liquidator shall represent the company. He, she or it shall be vested with the widest powers in order to liquidate the assets even on an out of court basis. He, she or it shall be authorized to pay the creditors and distribute any available balance.

The General Meeting of shareholders may authorize him, her or it to continue the business in progress or to undertake new business for the purposes of the liquidation.

The sharing of the net assets remaining following the reimbursement of the nominal amount of the shares shall be allocated to the shareholders in the same proportions as their investments in the capital.

Article 25 – Disputes

Any disputes, which may arise during the term of the company's existence or at the time of its liquidation, either between the company and its shareholders or between the shareholders themselves in relation to the company affairs, shall be subject to the jurisdiction of the competent courts of the head office.

8.3.3 Research and patents

None.

8.4 Glossary

Annualized rental income:

The annualized rental income published by Gecina correspond to the IFRS gross rental profitability that would be generated over one year by the portfolio by considering the rental position observed on the closing date, over a full year.

Available supply:

All vacant surface areas, offered for commercialization on the market.

Block sales:

Sale of an entire building to the same buyer.

Capitalization rate:

Its calculation is determined by the ratio of potential rents over the appraisal value excluding rights. Duties correspond mainly to transfer duties (notary expenses, registration taxes, etc.) applied to the asset sale.

Current basis:

All real estate assets as held over a given period or on a given date.

EPRA (European Real Estate Association):

Gecina has been a member of EPRA, the European Public Real Estate Association, since its creation in 1999. The EPRA publishes recommendations on, in particular, performance indicators to make the financial statements of real estate companies listed in Europe more transparent and more comparable.

Face-value rent:

Face-value rent corresponds to the valuation present on the lease signed by two parties, indexed where appropriate.

ICC:

Index of the cost of construction published by Insee and used for the annual review of certain rents, such as commercial or office leases.

IGH:

High rise building (immeuble de grande hauteur). They are subject to strict safety standards, especially regarding fire protection.

ILAT (Insee Retail Rental Index):

Retail Rental Index (indice des loyers des activités tertiaires) published by Insee and used for the annual review of certain rents, such as office leases.

ILC:

Index of commercial rents (indice des loyers commerciaux) published by Insee and used for the review of certain rents, such as commercial leases.

IRL:

Rent reference index (*indice de référence des loyers*) published by Insee and used for the annual indexation of rental revenues on residential properties.

Like-for-like:

All real estate assets excluding acquisitions, disposals, assets held for sale and all programs intended for redevelopment or under development.

Loan-to-Value (LTV):

The Loan-to-Value ratio is calculated by dividing net consolidated debt by the value of the property portfolio excluding duties (unless otherwise stipulated), as determined by independent experts.

NAV (Net Asset Value):

Diluted Net Asset Value (NAV) per share: its calculation is defined by EPRA. Detailed in Chapter 1, this indicator comprises the company's revalued shareholders' equity, i.e. based on the fair value of consolidated assets and liabilities, including balance sheet items not valued at fair value, such as the head office and most financial debt at fixed rate. This amount, known as the NAV, is calculated in relation to the company's number of shares at the end of the period excluding treasury shares, taking account of any diluting items stemming from the equity instruments to be issued when the issuance conditions are met.

Net recurring income:

Net recurring income (also known as net current cash flow) per share, which Gecina defines as the difference between EBITDA and net financial expenses and recurring income tax. This can be calculated by excluding certain non-recurring elements. This amount is based on the average number of shares comprising share capital, excluding treasury shares.

Pipeline:

The pipeline of Gecina projects refers to all the investments the Group plans to make over a given period, in terms of development or redevelopment. The pipeline breaks down into three categories:

- the committed pipeline, which comprises transactions under development;
- the "certain" controlled pipeline, which concerns the assets held by Gecina that are currently being vacated and for which a redevelopment project aligned with Gecina's investment criteria has been identified. These projects will therefore be launched over the coming half-year or full-year periods;
- the "probable" controlled pipeline, which brings together the projects identified and held by Gecina, for which a redevelopment project aligned with Gecina's investment criteria has been identified, and which might require pre-commercialization (for "greenfield" projects in peripheral locations within the Paris Region) or in respect of which tenant departures are not yet certain in the short term.

Potential rent:

Potential rent = annualized rent at end of period + market rental value of vacant units.

Pre-letting:

Firm commitment of a user prior to the actual availability of a building.

Prime yield:

Lowest ratio between the rent and the sales price excluding tax, obtained for the acquisition of a building of standard size, of excellent quality, offering the best amenities, and in the best location of the market.

Strategic Assets in Operation:

All the Group's assets in operation (excluding asset under development or to be redeveloped), excluding assets sold during the financial year or covered by preliminary agreements.

Take-up:

All transactions, whether leasing or sale, carried out by end users, including turnkey.

TOF (financial occupancy rate, or *taux d'occupation financier*):

The financial occupancy rate is the ratio between the rents billed for a given period and the rents the Group would receive if all of its property holdings were rented (vacant premises are computed at the rent paid by the departing tenant). Properties for which the disposal process is initiated are not taken into account in the calculation of the financial occupancy rate because, as of this stage, the Group ceases to offer these properties for lease.

Turnover rate:

The turnover rate is defined, for a given period, as the number of housing units becoming vacant in the period under consideration divided by the number of Group housing units at the same given period, excluding buildings for which the transfer period has been initiated.

Units sales:

Sale of a building unit by unit, whether said units are empty or occupied, to several buyers. Unit-by-unit sales are mainly used for residential property.

Vacancy rate:

Ratio measuring the relationship between the immediately available supply and the existing stock. It is the share of housing units or vacant premises across all assets offered for lease.

VLM (market rental value, or *valeur locative de marché*):

It is analyzed as the annual financial compensation for the use of a real estate asset in the framework of a lease. It corresponds to the market rent that should be obtained from a real estate asset under the usual terms and conditions of leases for a given property category and region.

Yield on cost:

Ratio between the gross face-value rent expected post-transaction and the overall cost of said transaction, taking into account the land value or, if applicable, the last appraised value before the launch of the program for the projects undertaken (or the latest appraisal available for audited projects), the technical cost, the marketing fees and the capitalized financial expenses.

Yield on cost = gross face-value rent/total cost of investment.

Yield rate:

Its calculation is based on a potential rent relative to the block value of the property assets including duties and costs. Duties correspond mainly to transfer duties (notary expenses, registration taxes, etc.) applied to the asset sale.

PHOTO CREDITS

Arthur Minot, Audoin Desforges, Bechu et associés, Didier Boy De La Tour Photographe, Eric Laignel, Florian Beaupère, Jacques Pineau, Javier Callejas Sevilla, L'autre Image, Luc Perenom, RSI et Dominique Perrault Architecture, Thierry Lewenberg Sturm, Thomas Laisné, Vincent Rackelboom, Gecina Photo Library



The digital version of this document complies with Web content accessibility standards, WCAG 2.0, and is certified ISO 14289-1. Its design enables people with motor disabilities to browse through this PDF using keyboard commands. Accessible for people with visual impairments, it has been tagged in full so that it can be transcribed vocally by screen readers using any computer support. It has also been tested in full and validated by a visually-impaired expert.

E-accessible version **ipedis**
paris

Conception and realisation: **HAVAS PARIS**

16, rue des Capucines
75084 Paris Cedex 02
Tél. : +33 (1) 40 40 50 50
gecina.fr

gec1na