

## **2019/2020 REMUNERATION REPORT INCLUDING THE REMUNERATION POLICIES OF EUROCOMMERCIAL PROPERTIES N.V.**

### **Introduction**

The European Shareholder Rights Directive (SRD II) regarding the encouragement of long-term shareholder engagement, specifies in article 9d the information to be provided in the remuneration report. This article has been implemented in Dutch law in article 2:135b of the Dutch Civil Code, which came into force on 1 December 2019. Article 2:135b requires the Company to draw up a clear and understandable remuneration report, providing amongst others a comprehensive overview of all remunerations, awarded or due during the 18 months financial reporting period to individual members of the Board of Management and containing the information as specified in article 2:135b, paragraph 3 of the Dutch Civil Code under sections a up to and including k. For ease of reference the headings of the section of this remuneration report, in which this information is provided, follow the order and wording of article 2:135b, paragraph 3, from a up to and including k, of the Dutch Civil Code and are printed in **blue**.

This report has been prepared by the Board of Supervisory Directors of Eurocommercial Properties N.V. (the “Company”) and is available on the website of the Company. It addresses the current remuneration policy of the Company and the remuneration for the members of the Board of Management and the Board of Supervisory Directors for the 18 months financial reporting period ended 31 December 2020.

This report also includes the remuneration for the members of the Board of Management and the Board of Supervisory Directors for the financial year 2021, which will be proposed to the Annual General Meeting of Shareholders to be held on 8 June 2021. This report will also address the way in which the remuneration policy will be pursued for the financial year 2021 and onwards.

### **COVID-19 pandemic**

In March 2020 the business of the Company was hit by the COVID-19 pandemic and due to lock downs in three of the Company’s countries many stores in the Company’s shopping centres were closed. This resulted in considerable rent concessions granted by the Company in the 18 months financial reporting period ended 31 December 2020. Part of the Company’s costs saving plan was to cancel all variable remuneration (both short-term and long-term incentives) related to the aforesaid period both for members of the Board of Management and all staff of the Company. In addition, the Board of Management decided to reduce their base salaries for the three months June, July and August 2020 by 20%.

Due to the COVID-19 pandemic the Company also proposed to its shareholders and holders of depositary receipts to extend its financial year to 31 December 2020, which extension was approved in the Extraordinary General Meeting of Shareholders held on 18 June 2020. Therefore, the remuneration policy was also extended with another six months until 31 December 2020 and all references in this remuneration report to 30 June have been changed into 31 December.

## **Existing remuneration policy for the Board of Management and Board of Supervisory Directors**

The current remuneration policy was adopted in the Annual General Meeting held on 3 November 2019. The remuneration for the members of the Board of Management and the Board of Supervisory Directors during the 18 months financial reporting period ended 31 December 2020 was also adopted in that general meeting.

In the tables below the remuneration policy and its application during the 18 months financial reporting period ended 31 December 2020 are explained in more detail. Also the other information as required by the Dutch Civil Code and the Dutch Corporate Governance Code is provided in the text to follow.

### **Information as referred to in article 2:135 b, paragraph 1 of the Dutch Civil Code**

- a. Total remuneration split out by component and;
- b. The relative proportion of fixed and variable remuneration.

### **Remuneration of the Board of Management in the 18 months financial reporting period 2019/2020**

In the 18 months financial reporting period, the Company's remuneration policy resulted in the following rewards to the Board of Management set out in Table 1a below. It should be noted that the base salaries during this 18 months financial period remained unchanged (with the exception of the 20% reduction for three months) and were the same base salaries as set out in Table 2 below in respect of the financial year 2019/2020.

Table 1a.

Amounts in €'000	J.P. Lewis	E.J. van Garderen	R. Fraticelli	J.P.C. Mills
Base salary	989	689	736	655
Housing allowance	0	0	126	20
Variable bonus	0	0	0	0
Pension/compensation	0	62	144	114
Vesting 2016 performance shares	203	142	153	146
	<b>1,192</b>	<b>893</b>	<b>1,159</b>	<b>935</b>
Social security charges	135	15	15	112
	<b>135</b>	<b>15</b>	<b>15</b>	<b>112</b>
<b>Total</b>	<b>1,327</b>	<b>908</b>	<b>1,174</b>	<b>1,047</b>

For comparison purposes we also included Table 1b which provides the rewards for the Board of Management during the calendar year 2020, so for the twelfth months period ending 31 December 2020.

Table 1b.

Amounts in €'000	J.P. Lewis	E.J. van Garderen	R. Fraticelli	J.P.C. Mills
Base salary	649	451	482	428
Housing allowance	0	0	84	13
Variable bonus	0	0	0	0
Pension/compensation	0	41	96	76
No performance shares vested	0	0	0	0
	<b>649</b>	<b>492</b>	<b>662</b>	<b>517</b>
Social security charges	88	10	15	70
	<b>88</b>	<b>10</b>	<b>15</b>	<b>70</b>
<b>Total</b>	<b>737</b>	<b>502</b>	<b>677</b>	<b>587</b>

Mr Lewis retired on 1 November 2020.

At the Annual General Meeting of 6 November 2018 Mr Fraticelli and Mr Mills were appointed as members of the Board of Management, which implied that the base salaries and pension premiums/compensations and social security charges were accounted for pro rata temporis. In the previous financial year 2018/2019 the remuneration of the Board of Management was as follows:

Table 2

Amounts in €'000	J.P. Lewis	E.J. van Garderen	R. Fraticelli	J.P.C. Mills
Bases salary	723	475	339	302
Housing allowance	0	0	55	9
Variable bonus	60	40	42	37
Pension/compensation	0	53	62	48
Vesting 2015 performance shares	188	126	84	78
	<b>971</b>	<b>694</b>	<b>582</b>	<b>474</b>
Social security charges	110	10	7	36
	<b>110</b>	<b>10</b>	<b>7</b>	<b>36</b>
<b>Total</b>	<b>1,081</b>	<b>704</b>	<b>589</b>	<b>510</b>

### ***Long-term incentive – Performance Shares***

The movements in Performance Shares (PS) granted under the Performance Shares Plan are highlighted in the table below:

Table 3

	J.P. Lewis	E.J. van Gardenen	R. Fratlicelli	J.P.C. Mills	Total
Number of performance shares as at 30/06/2019					
2012	989	654	301	659	2,603
2013	1,686	1,290	575	1,305	5,038
2014	2,564	1,656	838	1,792	6,850
2015	4,814	2,893	1,497	3,468	12,672
2016	8,730	6,095	6,585	6,289	27,699
2017	6,062	3,959	4,135	3,712	17,868
2018	4,179	2,746	2,934	2,609	12,468
	<b>29,206</b>	<b>19,293</b>	<b>16,865</b>	<b>19,834</b>	<b>85,198</b>
Not vested during 2019/2020					
2016	(1,264)	(882)	(953)	(911)	(4,010)
2017	(6,062)	(3,959)	(4,135)	(3,712)	(17,868)
	<b>(7,326)</b>	<b>(4,841)</b>	<b>(5,088)</b>	<b>(4,623)</b>	<b>(21,878)</b>
Sold	0	0	0	0	0
Granted in 2019	1,101	724	773	680	3,278
Forfeited	(5,280)	0	0	0	(5,280)
Due to retirement excluded from performance share plan	(17,701)	0	0	0	(17,701)
<b>Number of performance shares as at 31/12/2020</b>	<b>0</b>	<b>15,176</b>	<b>12,550</b>	<b>15,891</b>	<b>43,617</b>

The outstanding 43,617 Performance Shares held by the Board of Management represent 0.01% of the current issued share capital of the Company.

The 3,278 Performance Shares were granted on 11 November 2019 and will become unconditional on 11 November 2024, provided the prevailing conditions are met. At the date of granting of these Performance Shares the fair value per Performance Share was € 21.87.

The amount included in the profit and loss account for the 3,278 Performance Shares granted in November 2019, the 12,468 Performance Shares granted in November 2018, the 17,868 Performance Shares granted in November 2017, the 27,699 Performance Shares granted in November 2016 was (€ 356,545) for the 18 months financial reporting period ended 31 December 2020.

As at 31 December 2020 other employees of the Group hold 84,283 Performance Shares representing 0.17% of the current issued share capital of the Company.

The scenario analyses as referred to in best practice provision 3.2.1 of the Dutch Corporate Governance Code have been carried out.

#### **Other arrangements**

All members of the Board of Management are appointed for a maximum period of four years (Mr Fraticelli and Mr Mills were appointed on 6 November 2018 and Mr van Garderen was re-appointed on 27 October 2020) and may subsequently be reappointed for a term of not more than four years at a time. The amount of compensation which they may receive on termination of their membership of the Board of Management may not exceed one year's base salary. There are no loans granted by the Company to the members of the Board of Management and there are no guarantees issued by the Company for the members of the Board of Management.

### ***Shareholdings***

As per 31 December 2020 E.J. van Garderen holds 29,207 depositary receipts, which includes 11,704 vested Performance Shares, in total representing 0.0585% of the issued share capital of the Company. R. Fraticelli holds 18,500 depositary receipts, which includes 8,843 vested Performance Shares, in total representing 0.0371% of the issued share capital of the Company. J.P.C. Mills holds 34,258 depositary receipts, which includes 12,602 vested Performance Shares, in total representing 0.0686% of the issued share capital of the Company.

As at 31 December 2020 employees, excluding the Board of Management, held in total 103,247 depositary receipts, representing in total 0.208% of the issued share capital in the Company.

**Remuneration of the Board of Supervisory Directors in the 18 months financial reporting period 2019/2020**

In the 18 months financial reporting period, the total remuneration of the Board of Supervisory Directors amounted to € 420,500 and is specified below. It should be noted that the Supervisory Directors fees during this 18 months period remained unchanged and were the same as set out in the table below in respect of the financial year 2018/2019.

**Specification of the remuneration of the Board of Supervisory Directors for the recent years to 2019/2020**

**Table 4**

(Amounts in € '000)	2019/2020* <i>18 months</i>	2018/2019	2017/2018	2016/2017	2015/2016
Previous board members	-	-	-	42	42
E.R.G.M. Attout	70	31	-	-	-
C. Croff	70	47	46	45	42
B.M. Carrière <sup>1</sup>	63	47	46	45	42
R.R. Foulkes	-	16	46	45	42
K. Laglas <sup>2</sup>	55	-	-	-	-
J.Å. Persson	70	47	46	45	42
B.T.M. Steins Bisschop	92	61	60	59	55
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Total	420	249	244	284	265

\*members of the Supervisory Board € 47,000 per annum

\*Chairman of the Supervisory Board € 61,000 per annum

<sup>1</sup> Mrs. Carrière resigned as per 1 November 2020

<sup>2</sup> Mrs. Laglas was appointed as per 5 November 2019

Members of the Board of Supervisory Directors do not receive options on (or compensation in) depositary receipts in the Company, nor will personal loans or guarantees be granted to them by the Company.

As at 31 December 2020 members of the Board of Supervisory Directors held no depositary receipts in the Company.

**c. How the total remuneration complies with the adopted remuneration policy and contributes to the long-term performance of the Company and;**

**d. How the financial and non-financial performance criteria set by or on account of the Company were applied.**

**Table 5 Remuneration Policy and its application during the 18 months financial reporting period ended 31 December 2020.**

Remuneration policy	Application in 18 months financial reporting period 2019/2020
<p><b>Goal</b></p> <p>The purpose of our remuneration policy is to attract, motivate and retain qualified executives and staff who will contribute to the success of the Company. The remuneration policy aims to reward management and key staff for their contribution to the performance of the Company and its group (the “Group”).</p>	<p><b>Goal</b></p> <p>No executives left the Group. Mr Jeremy Lewis retired as CEO of the Company as his four year term expired in November 2020.</p>
<p><b>Working method</b></p> <p>The Board of Supervisory Directors proposes the general remuneration policy and implementation of that policy to the Annual General Meeting of Shareholders. The Annual General Meeting of Shareholders is therefore invited to approve both the policy and its implementation. In order to implement the policy, the Board of Supervisory Directors reviews and discusses the remuneration of the members of the Board of Management at the end of each financial year. The level of remuneration for the members of the Board of Management reflects the differences in responsibilities of the Board members as well as their individual performance. The benchmark for remuneration of the Board of Management is the remuneration of Directors of international real estate companies with comparable positions, determined by the size and complexity of the organisation and the responsibilities of the Board members. The Board of Supervisory Directors is informed about the level of remuneration for Property Directors. This level is linked to the European market and is comparable with the international (property) companies in the countries where the Company is active. External independent benchmarking of the remuneration for both the Board of Management and Property Directors has taken place from time to time.</p>	<p><b>Working method</b></p> <p>During the financial reporting period no benchmark study was performed due to the COVID-19 crisis which impacted the remuneration of the members of the Board of Management and senior staff as explained further in this report.</p>

## Remuneration policy

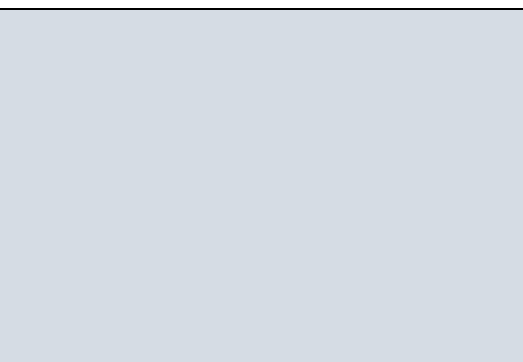
## Application in 18 months financial reporting period 2019/2020

The latest report dated May 2018 has been prepared by Michael Lamb Associates of London and the peer group for benchmarking purposes consisted of 31 listed property companies and property organisations. This peer group included British Land, Hammerson, Intu, Land Securities, Segro, Klépierre, Mercialis, Unibail-Rodamco-Westfield, Deutsche Euroshop, Citycon, NSI, Vastned and Wereldhave, but also covered major real estate investment managers including Amundi, Schroder Group, Janus Henderson Group, Grosvenor, etc. and major real estate investors like CPPIB etc.

### Remuneration package

The Company's remuneration package for employees and members of the Board of Management comprises the following elements:

- base salary – total annual gross fixed income including holiday allowance;
- short-term variable annual performance-related gross cash bonuses;
- long-term incentives through a performance depositary receipts plan;
- pension and other benefits.



### Remuneration package

The current remuneration policy was adopted in the annual general meeting held on 3 November 2019. The remuneration for the members of the Board of Management and the Board of Supervisory Directors during the financial reporting period ended 31 December 2020 was also adopted in that general meeting.

### Base Salary

The level of remuneration for the members of the Board of Management reflects the difference in responsibilities of the Board members as well as their individual performance. The benchmark for remuneration of the Board of Management is the remuneration of Directors of international real estate companies with comparable positions, determined by the size and complexity of the organisation and the responsibilities of the Board members

The total gross fixed income is determined each year and takes effect as from 1 January each year.

### Base Salary

former CEO Mr Jeremy Lewis €723,000  
CEO Mr Evert Jan van Garderen €475,000  
CFO Mr Roberto Fraticelli €507,000  
CIO Mr Peter Mills GBP400,000

The Annual General Meeting of 5 November 2019 approved to maintain the base salaries of the members of the Board of Management at the above amounts and due to the impact of COVID-19 the members of the Board of Management decided to reduce their base salaries for the three months June, July and August 2020 by 20%.

### Short Term Variable Cash Bonus

Variable cash bonuses may be granted each year in addition to the base salary. Variable cash bonuses for members of the Board of Management and senior staff are entirely and directly linked to the annual growth in the Company's net asset value per share and dividend per share as well as the annual relative

### Short Term Variable Cash Bonus

There was no growth of the dividend per share, no growth of the net asset value per share and the total shareholder return for the period ending 31 December 2020 was negative.



performance as per 30 June of the listed depositary receipts, representing ten shares each, in the capital of the Company compared to a peer group of ten listed retail property companies active in European and UK markets. This structure is in line with the Company's strategy of producing stable to rising dividends and adding long-term value to its property portfolio, all within a defensive risk profile, but also aligning itself further with its shareholders by linking bonuses to the relative outperformance of total shareholder return (return composed of dividend and increase in stock price) to its peer group. The ten listed retail property companies are Carmila, Citycon, Deutsche Euroshop, Hammerson, INTU, Klépierre, Mercialis, Unibail-Rodamco-Westfield, Vastned and Wereldhave.

These bonuses are calculated on the basis of (i) the published audited annual results of the Company for the financial year to which the bonuses relate and can therefore be verified directly using the published audited figures and (ii) the share performance report of Global Property Research, the Dutch specialist and producer of many indices for listed real estate companies, so that the data used to calculate the relative outperformance are provided by an independent external source.

The gross variable cash bonus is equal to the sum of the growth of the dividend per share, the growth of the net asset value per share and the relative outperformance of the total shareholder return for the year ending 31 December of the listed depositary receipts, representing ten ordinary shares each, in the capital of the Company compared to the aforesaid peer group of ten listed retail property companies of the Company, which sum is multiplied by six times the base salary of the year in which the bonus is paid out. Negative growth of either the dividend per share or the net asset value per share or relative underperformance of total shareholder return will not be taken into account when applying the aforesaid formula. Also, if total shareholder return outperforms the peer group but is still negative in absolute terms, it cannot contribute to a variable cash bonus.

For information purposes, the following example is included:

- assumptions: annual base salary: € 300,000, dividend per share growth 2%, net asset value per share growth 1%;
- relative outperformance of total shareholder return: 3%

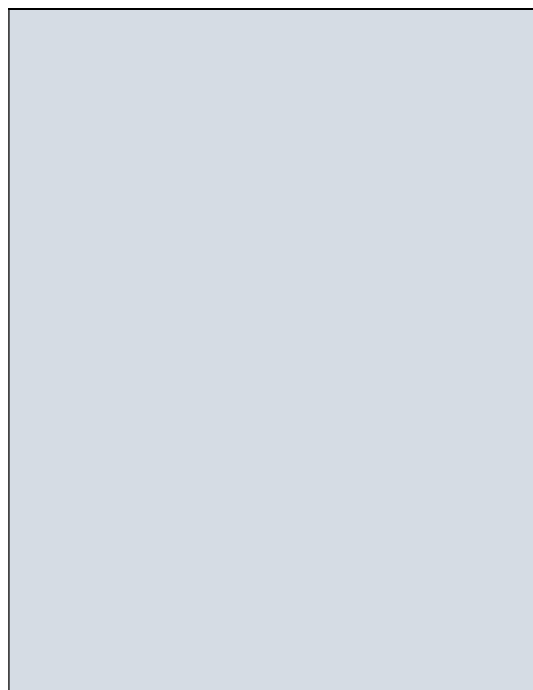
Due to the impact of COVID-19 it was also decided to award no variable cash bonuses even in the case the formula to calculate variable cash bonuses would have produced a bonus amount, which it did not.:

No provision has been made that is specified in table 4 under section k below together with the other provisions that have been made for amounts that have to be paid in the future (2021) in the meaning of article 2:383c paragraph 1, letter b, Dutch Civil Code.

- gross variable cash bonus is: € 300,000 x 6 x {2% + 1% + 3% = 6%} = € 108,000

There is no minimum guaranteed variable cash bonus for members of the Board of Management. The variable cash bonus for members of the Board of Management is capped at one year's base salary and the relative outperformance can only produce such bonus up to a maximum of half of one year's base salary, which implies that the relative outperformance up to a maximum of 8.33% will be taken into account to avoid extreme results. Any variable cash bonus awarded on the basis of incorrect financial or other data may be recovered by the Company from members of the Board of Management (claw back clause). During the last ten years, variable cash bonuses ranged between 0% and 100% of base salaries.

Variable bonuses are usually paid in the first quarter in which the annual results of the Company are published.



**Long-term incentive – Performance Share Plan**

In 2012 the annual grant of free long-term Performance Shares (depository receipts) was introduced for the members of the Board of Management and employees. These Performance Shares are conditional upon the meeting of Company performance targets and that the member or employee remains with the Company for more than three years from the grant of the Performance Shares and holds them from that vesting date for a further two years. The details of the scheme are as follows:-

**Entitlement**

All permanent employees and directors of the Company.

**Date of annual grant**

If the Annual General Meeting of Shareholders of the Company has approved the remuneration report the Performance Shares will be granted immediately after the last day of the blackout period after the publication of the Company's first quarter results or after the ex-dividend date, if that date is later than the publication date.

**Conditions of grant**

**Long-term incentive – Performance Share Plan**

There was no growth of the dividend per share, no growth of the net asset value per share and the total shareholder return for the period ending 31 December 2020 was negative. Therefore, no Performance Shares could be granted for the financial reporting period ended 31 December 2020.

Due to the impact of COVID-19 it was also decided to award no Performance Shares even in the case the formula to calculate the number of Performance Shares to be granted would have produced a certain number of Performance Shares to be granted, which it did not.

No provision has been made that is specified in table 4 under section k below together with the other provisions that have been made for amounts that have to be paid in the future (2021) in the meaning of article 2:383c paragraph 1, letter b, Dutch Civil Code.

The director or employee will be granted Performance Shares that vest after three years on condition that the director or employee remains employed by the Company and retains them for a further two years after the vesting date. The Performance Shares will be formally blocked by the Company to ensure compliance, but a concession can be made to allow the sales of sufficient Performance Shares to enable the payment of any relevant national income tax and social security charges.

Holders of blocked Performance Shares will nevertheless be entitled to full dividend and other shareholders' rights after the vesting date.

Calculation of award of long-term Performance Shares

The number of Performance Shares to be granted will be calculated as follows:

1. The base salary of the director or employee will be multiplied by three and a percentage taken of this figure as follows: -
2. The percentage increase in the audited net asset value per share of the Company will be added to the percentage increase of the dividend per share of the Company and the sum of these percentages will be added to the annual relative performance as per 31 December of the listed depositary receipts, representing ten shares each, in the capital of the Company compared to the aforesaid peer group of ten listed retail property companies. The resulting total percentage will be applied to the grossed up salary as defined under 1) above.
3. The basic formula will be subject to the condition that, at the end of the three year vesting period, the growth of each of the Company's net asset value per share and dividend per share must have risen at least 6% each over the three year vesting period. This implies that half of the Performance Shares are conditional upon the growth of the dividend per share of at least 6% over the three year vesting period and the other half of the Performance Shares are conditional upon the growth of the net asset value per share of at least 6% over the three year vesting period. In case of a lower growth rate, a proportionally lower percentage of the number of Performance Shares granted will vest.
4. The result of multiplying three times the employee's base salary by the percentage

There were no Performance Shares which vested during the financial reporting period as the conditions for vesting were not met. There was no growth of the dividend per share over the three year vesting period and there was no growth of the net asset value per share over the three year vesting period. These Performance Shares granted in 2017 did not vest and were deleted from the number of granted Performance Shares. In this respect reference is made to the Performance Shares table above, which table includes all movements during the financial reporting period.

arrived at under 2) above will be divided by the market price of a Performance Share (depository receipt) at close of trading on the day of the grant, thus arriving at a number of Performance Shares to be granted. The calculation can be demonstrated by the following example:

Annual Salary € 100,000  
 X3 € 300,000

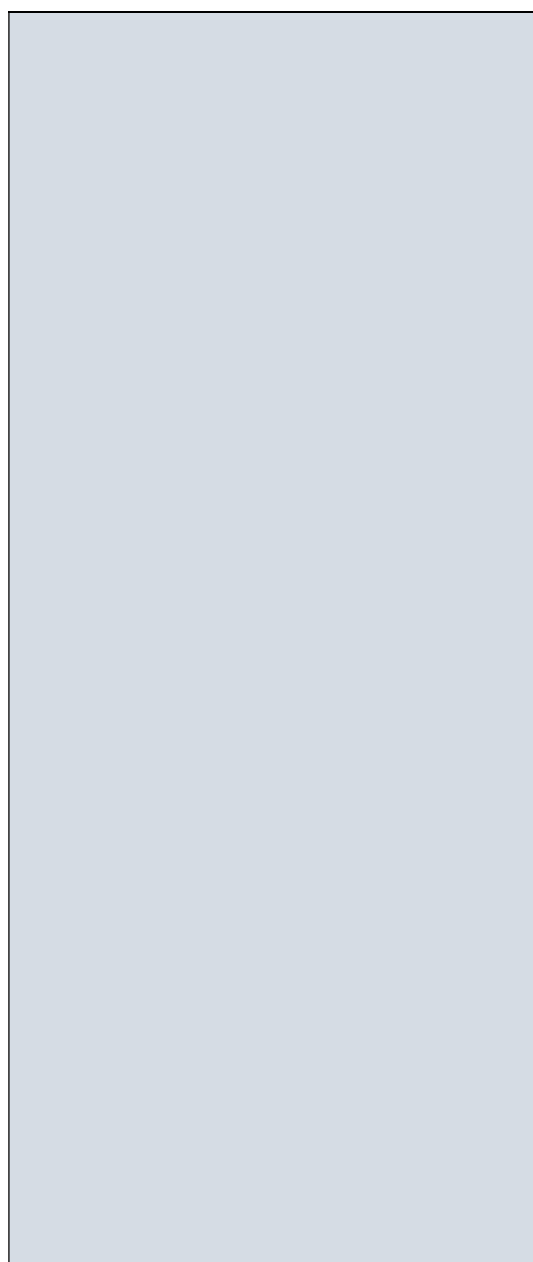
Dividend Growth 2%  
 Net Asset Growth 1%  
 Relative performance 3%

Total Growth 6%  
 X € 300,000 = € 18,000

Divided by share price

- Say € 20 = 900 Performance Shares

Cap on number of Performance Shares to be granted  
 The amount to be divided by the price of depository receipts on the day of granting cannot exceed 50% of one year's base salary and the relative outperformance of total shareholders return can only produce such amount up to a maximum of 10% of one year's base salary, which implies that the relative outperformance up to a maximum of 3.33% will be taken into account to avoid extreme results. Also, if total shareholder return outperforms the peer group but is still negative in absolute terms, it cannot contribute to the granting of Performance Shares. Performance Shares are granted under the condition that the number of Performance Shares could be adjusted at the vesting date, if such number would be unfair due to extraordinary circumstances. Any Performance Shares granted to members of the Board of Management on the basis of incorrect financial or other data may be recovered by the Company from these members (claw back clause)



**Additional pay programs**  
 The Supervisory Board is not authorised to grant additional pay programs.

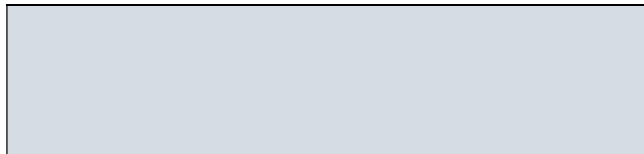
**Additional pay programs**  
 No additional pay programs were introduced during 2019/2020.

**Shareholding requirement**  
 There is no shareholding requirement.

**Shareholding per 31 December 2020 (closing price €15.38)**  
 • Mr Fraticelli 18,500 depository receipts; 56% of gross base salary

## Remuneration policy

## Application in 18 months financial reporting period 2019/2020



- Mr van Garderen 29,207 depositary receipts; 95% of gross base salary
- Mr Mills 34,258 depositary receipts; 116% of gross base salary

### Pension and other benefits

The Company has a competitive package of benefits. Members of the Board of Management and (some) Group employees receive allowances and benefits in accordance with the general Group rules. These benefits include, in some cases, usage of a company car or a travel or housing allowance, health insurance and travel and accident insurance. Pension plans differ from country to country. All offices of the Company have their own pension plans or follow the local (state) pension practice. For The Netherlands, the pension scheme is based on a defined contribution plan. For the United Kingdom pensions are mostly based on defined benefits plans with capped pensionable salaries. Three members of the Board of Management have joined a pension scheme. This scheme is a defined contribution scheme for Mr Fraticelli and Mr Van Garderen with current annual premiums being capped using a maximum pensionable salary of € 110,111 (applicable in 2020), which is now the compulsory maximum cap in The Netherlands (in previous years the maximum was € 170,000). The Company makes an annual gross-up compensation payment of 23.3% of the difference between the old and the new maximum pensionable salary. Mr Mills is a deferred member of the defined benefit scheme and receives an annual gross-up compensation payment of 40% of the UK earnings cap, as he opted out of the pension scheme.

### Pension and other benefits

There were no changes made to the pension and other benefits.

### **Remuneration policy in the financial year 2021 and proposed changes**

In the 18 months financial reporting period 2019/2020, the remuneration policy as stated above was pursued. It is the intention that the current policy will be continued in the financial year 2021 with the exception of the following items.

It is proposed that with respect to the base salaries of the members of the Board of Management and senior staff for the financial year 2021 these base salaries will remain unchanged.

No Performance Shares granted in 2017 vested in the 18 months financial reporting period and it is proposed that under the existing Performance Shares Plan no Performance Shares will be granted to permanent employees and directors of the Company related to the financial reporting period ended 31 December 2020.

It is proposed to apply the existing Performance Shares Plan in the financial year 2021 and that permanent employees and directors may be granted Performance Shares in respect of the financial year 2021.

It is also proposed that for the financial year 2021 the remuneration for the Board of Supervisory Directors will remain unchanged.

The following changes are proposed for the remuneration policy. The changes proposed are in table 6 in *italics*.

Table 6

Current text remuneration policy	Proposed changes	Explanation
<p><b>Goal</b></p> <p>The purpose of our remuneration policy is to attract, motivate and retain qualified executives and staff who will contribute to the success of the Company. The remuneration policy aims to reward management and key staff for their contribution to the performance of the Company and its group (the “Group”).</p>	<p><b>Goal</b></p> <p>The purpose of our remuneration policy is to attract, motivate and retain qualified executives and staff who will contribute to the success of the Company. The remuneration policy aims to reward management and key staff for their contribution to the performance of the Company and its group (the “Group”).</p>	
<p><b>Working method</b></p> <p>The Board of Supervisory Directors proposes the general remuneration policy and implementation of that policy to the Annual General Meeting of Shareholders. The Annual General Meeting of Shareholders is therefore invited to approve both the policy and its implementation.</p> <p>In order to implement the policy, the Board of Supervisory Directors reviews and discusses the remuneration of the members of the Board of Management at the end of each financial year. The level of remuneration for the members of the Board of Management reflects the differences in responsibilities of the Board members as well as their individual performance. The benchmark for remuneration of the Board of Management is the remuneration of Directors of international real estate companies with comparable positions, determined by the size and complexity of the organisation and the responsibilities of the Board members.</p> <p>The Board of Supervisory Directors is informed about the level of remuneration for Property Directors. This level is linked to the European market and is comparable with the international (property) companies in the countries where the Company is active. External independent benchmarking of the</p>	<p><b>Working method</b></p> <p>The Board of Supervisory Directors proposes the general remuneration policy and implementation of that policy to the Annual General Meeting of Shareholders. The Annual General Meeting of Shareholders is therefore invited to approve both the policy and its implementation.</p> <p>In order to implement the policy, the Board of Supervisory Directors reviews and discusses the remuneration of the members of the Board of Management at the end of each financial year. The level of remuneration for the members of the Board of Management reflects the differences in responsibilities of the Board members as well as their individual performance. The benchmark for remuneration of the Board of Management is the remuneration of Directors of international real estate companies with comparable positions, determined by the size and complexity of the organisation and the responsibilities of the Board members.</p> <p>The Board of Supervisory Directors is informed about the level of remuneration for Property Directors. This level is linked to the European market and is comparable with the international (property) companies in the countries where the Company is active. External independent benchmarking of the</p>	

Current text remuneration policy	Proposed changes	Explanation
<p>remuneration for both the Board of Management and Property Directors has taken place from time to time. The latest report dated May 2018 has been prepared by Michael Lamb Associates of London and the peer group for benchmarking purposes consisted of 31 listed property companies and property organisations. This peer group included British Land, Hammerson, Intu, Land Securities, Segro, Klépierre, Mercialis, Unibail-Rodamco-Westfield, Deutsche Euroshop, Citycon, NSI, Vastned and Wereldhave, but also covered major real estate investment managers including Amundi, Schroder Group, Janus Henderson Group, Grosvenor, etc. and major real estate investors like CPPIB etc.</p>	<p>remuneration for both the Board of Management and Property Directors has taken place from time to time. The latest report dated May 2018 has been prepared by Michael Lamb Associates of London and the peer group for benchmarking purposes consisted of 31 listed property companies and property organisations. This peer group included British Land, Hammerson, Intu, Land Securities, Segro, Klépierre, Mercialis, Unibail-Rodamco-Westfield, Deutsche Euroshop, Citycon, NSI, Vastned and Wereldhave, but also covered major real estate investment managers including Amundi, Schroder Group, Janus Henderson Group, Grosvenor, etc. and major real estate investors like CPPIB etc.</p>	
<p><b>Remuneration package</b></p> <p>The Company's remuneration package for employees and members of the Board of Management comprises the following elements:</p> <ul style="list-style-type: none"> <li>• base salary – total annual gross fixed income including holiday allowance;</li> <li>• short-term variable annual performance-related gross cash bonuses;</li> <li>• long-term incentives through a performance depositary receipts plan;</li> <li>• pension and other benefits.</li> </ul> <p>The current remuneration policy was adopted in the annual general meeting held on 3 November 2019. The remuneration for the members of the Board of Management and the Board of Supervisory Directors during the financial reporting period ended 31 December 2020 was also adopted in that general meeting.</p>	<p><b>Remuneration package</b></p> <p>The Company's remuneration package for employees and members of the Board of Management comprises the following elements:</p> <ul style="list-style-type: none"> <li>• base salary – total annual gross fixed income including holiday allowance;</li> <li>• short-term variable annual performance-related gross cash bonuses;</li> <li>• long-term incentives through a performance depositary receipts plan;</li> <li>• pension and other benefits.</li> </ul> <p>The current remuneration policy was adopted in the annual general meeting held on 3 November 2019. The remuneration for the members of the Board of Management and the Board of Supervisory Directors during the financial reporting period ended 31 December 2020 was also adopted in that general meeting.</p>	



Current text remuneration policy	Proposed changes	Explanation
<p><b>Base Salary</b></p> <p>The level of remuneration for the members of the Board of Management reflects the difference in responsibilities of the Board members as well as their individual performance. The benchmark for remuneration of the Board of Management is the remuneration of Directors of international real estate companies with comparable positions, determined by the size and complexity of the organisation and the responsibilities of the Board members.</p> <p>The total gross fixed income is determined each year and takes effect as from 1 January each year.</p>	<p><b>Base Salary</b></p> <p>The level of remuneration for the members of the Board of Management reflects the difference in responsibilities of the Board members as well as their individual performance. The benchmark for remuneration of the Board of Management is the remuneration of Directors of international real estate companies with comparable positions, determined by the size and complexity of the organisation and the responsibilities of the Board members.</p> <p>The total gross fixed income is determined each year and takes effect as from 1 January each year.</p>	
<p><b>Short Term Variable Cash Bonus</b></p> <p>Variable cash bonuses may be granted each year in addition to the base salary.</p> <p>Variable cash bonuses for members of the Board of Management and senior staff are entirely and directly linked to the annual growth in the Company's net asset value per share and dividend per share as well as the annual relative performance as per 30 June of the listed depositary receipts, representing ten shares each, in the capital of the Company compared to a peer group of ten listed retail property companies active in European and UK markets. This structure is in line with the Company's strategy of producing stable to rising dividends and adding long-term value to its property portfolio, all within a defensive risk profile, but also aligning itself further with its shareholders by linking bonuses to the relative outperformance of total shareholder return (return composed of dividend and increase in stock price) to its peer group. The ten listed retail property companies are Carmila, Citycon, Deutsche</p>	<p><b>Short Term Variable Cash Bonus</b></p> <p>Variable cash bonuses may be granted each year in addition to the base salary.</p> <p>Variable cash bonuses for members of the Board of Management and senior staff are entirely and directly linked to the annual growth in the Company's net asset value per share and dividend per share as well as the annual relative performance as per 30 June of the listed depositary receipts, representing ten shares each, in the capital of the Company compared to a peer group of ten listed retail property companies active in European and UK markets. This structure is in line with the Company's strategy of producing stable to rising dividends and adding long-term value to its property portfolio, all within a defensive risk profile, but also aligning itself further with its shareholders by linking bonuses to the relative outperformance of total shareholder return (return composed of dividend and increase in stock price) to its peer group. The ten listed retail property companies are Carmila, Citycon, Deutsche</p>	<p>In the peer group of ten listed property companies INTU has been replaced by the Belgian property company Retail Estates, as INTU is no longer listed.</p>

Current text remuneration policy	Proposed changes	Explanation
<p>Euroshop, Hammerson, INTU, Klépierre, Mercialys, Unibail-Rodamco-Westfield, Vastned and Wereldhave.</p> <p>These bonuses are calculated on the basis of (i) the published audited annual results of the Company for the financial year to which the bonuses relate and can therefore be verified directly using the published audited figures and (ii) the share performance report of Global Property Research, the Dutch specialist and producer of many indices for listed real estate companies, so that the data used to calculate the relative outperformance are provided by an independent external source.</p> <p>The gross variable cash bonus is equal to the sum of the growth of the dividend per share, the growth of the net asset value per share and the relative outperformance of the total shareholder return for the year ending 31 December of the listed depositary receipts, representing ten ordinary shares each, in the capital of the Company compared to the aforesaid peer group of ten listed retail property companies of the Company, which sum is multiplied by six times the base salary of the year in which the bonus is paid out.</p> <p>Negative growth of either the dividend per share or the net asset value per share or relative underperformance of total shareholder return will not be taken into account when applying the aforesaid formula. Also, if total shareholder return outperforms the peer group but is still negative in absolute terms, it cannot contribute to a variable cash bonus. For information purposes, the following example is included:</p>	<p>Euroshop, Hammerson, <i>Retail Estates</i>, Klépierre, Mercialys, Unibail-Rodamco-Westfield, Vastned and Wereldhave.</p> <p>These bonuses are calculated on the basis of (i) the published audited annual results of the Company for the financial year to which the bonuses relate and can therefore be verified directly using the published audited figures and (ii) the share performance report of Global Property Research, the Dutch specialist and producer of many indices for listed real estate companies, so that the data used to calculate the relative outperformance are provided by an independent external source.</p> <p>The gross variable cash bonus is equal to the sum of the growth of the dividend per share, the growth of the net asset value per share and the relative outperformance of the total shareholder return for the year ending 31 December of the listed depositary receipts, representing ten ordinary shares each, in the capital of the Company compared to the aforesaid peer group of ten listed retail property companies of the Company, which sum is multiplied by six times the base salary of the year in which the bonus is paid out.</p> <p>Negative growth of either the dividend per share or the net asset value per share or relative underperformance of total shareholder return will not be taken into account when applying the aforesaid formula. Also, if total shareholder return outperforms the peer group but is still negative in absolute terms, it cannot contribute to a variable cash bonus. For information purposes, the following example is included:</p>	

Current text remuneration policy	Proposed changes	Explanation
<p>- assumptions: annual base salary: € 300,000, dividend per share growth 2%, net asset value per share growth 1%;</p> <p>- relative outperformance of total shareholder return: 3%</p> <p>- gross variable cash bonus is: € 300,000 x 6 x {2% + 1% + 3% = 6%} = € 108,000</p> <p>The variable cash bonus for members of the Board of Management is capped at one year's base salary and the relative outperformance can only produce such bonus up to a maximum of half of one year's base salary, which implies that the relative outperformance up to a maximum of 8.33% will be taken into account to avoid extreme results. Any variable cash bonus awarded on the basis of incorrect financial or other data may be recovered by the Company from members of the Board of Management (claw back clause). During the last ten years, variable cash bonuses ranged between 0% and 100% of base salaries. Variable bonuses are usually paid in the first quarter in which the annual results of the Company are published.</p>	<p>- assumptions: annual base salary: € 300,000, dividend per share growth 2%, net asset value per share growth 1%;</p> <p>- relative outperformance of total shareholder return: 3%</p> <p>- gross variable cash bonus is: € 300,000 x 6 x {2% + 1% + 3% = 6%} = € 108,000</p> <p>The variable cash bonus for members of the Board of Management is capped at one year's base salary and the relative outperformance can only produce such bonus up to a maximum of half of one year's base salary, which implies that the relative outperformance up to a maximum of 8.33% will be taken into account to avoid extreme results. Any variable cash bonus awarded on the basis of incorrect financial or other data may be recovered by the Company from members of the Board of Management (claw back clause). During the last ten years, variable cash bonuses ranged between 0% and 100% of base salaries. Variable bonuses are usually paid in the first quarter in which the annual results of the Company are published.</p>	
<p><b>Long-term incentive – Performance Share Plan</b></p> <p>In 2012 the annual grant of free long-term Performance Shares (depository receipts) was introduced for the members of the Board of Management and employees. These Performance Shares are conditional upon the meeting of Company performance targets and that the member or employee remains with the Company for more than three years from the grant of the Performance Shares and holds them from that vesting date for a further two years. The details of the scheme are as follows:-</p> <p>Entitlement</p>	<p><b>Long-term incentive – Performance Share Plan</b></p> <p>In 2012 the annual grant of free long-term Performance Shares (depository receipts) was introduced for the members of the Board of Management and employees.</p> <p><i>These Performance Shares aim to align the interests of members of the Board of Management with the long-term interests of shareholders/holders of depository receipts and also with the Company's strategy, long-term interests and sustainability targets.</i></p> <p>These Performance Shares are conditional upon the meeting of Company performance targets and that</p>	<p>In order to achieve that the long-term incentive contributes to the long-term performance of the Company ESG (Environmental Social and Governance) targets for the Company are also introduced as an alternative</p>

Current text remuneration policy	Proposed changes	Explanation
<p>All permanent employees and directors of the Company. Date of annual grant If the Annual General Meeting of Shareholders of the Company has approved the remuneration report the Performance Shares will be granted immediately after the last day of the blackout period after the publication of the Company's first quarter results or after the ex-dividend date, if that date is later than the publication date.</p> <p>Conditions of grant The director or employee will be granted Performance Shares that vest after three years on condition that the director or employee remains employed by the Company and retains them for a further two years after the vesting date. The Performance Shares will be formally blocked by the Company to ensure compliance, but a concession can be made to allow the sales of sufficient Performance Shares to enable the payment of any relevant national income tax and social security charges. Holders of blocked Performance Shares will nevertheless be entitled to full dividend and other shareholders' rights after the vesting date.</p> <p>Calculation of award of long-term Performance Shares The number of Performance Shares to be granted will be calculated as follows: 1. The base salary of the director or employee will be multiplied by three and a percentage taken of this figure as follows: - 2. The percentage increase in the audited net asset value per share of the Company will be added to the percentage increase of the dividend per share of the Company and the sum of these percentages will be</p>	<p>the member or employee remains with the Company for more than three years from the grant of the Performance Shares and holds them from that vesting date for a further two years. The details of the scheme are as follows:- Entitlement All permanent employees and directors of the Company. Date of annual grant If the Annual General Meeting of Shareholders of the Company has approved the remuneration report the Performance Shares will be granted immediately after the last day of the blackout period after the publication of the Company's first quarter results or after the ex-dividend date, if that date is later than the publication date.</p> <p>Conditions of grant The director or employee will be granted Performance Shares that vest after three years on condition that the director or employee remains employed by the Company and retains them for a further two years after the vesting date. The Performance Shares will be formally blocked by the Company to ensure compliance, but a concession can be made to allow the sales of sufficient Performance Shares to enable the payment of any relevant national income tax and social security charges. Holders of blocked Performance Shares will nevertheless be entitled to full dividend and other shareholders' rights after the vesting date.</p> <p>Calculation of award of long-term Performance Shares The number of Performance Shares to be granted will be calculated as follows:</p>	<p>condition for the vesting of Performance Shares to be determined at the discretion of the Supervisory Board .</p>

## Current text remuneration policy

added to the annual relative performance as per 31 December of the listed depositary receipts, representing ten shares each, in the capital of the Company compared to the aforesaid peer group of ten listed retail property companies. The resulting total percentage will be applied to the grossed up salary as defined under 1) above.

3. The basic formula will be subject to the condition that, at the end of the three year vesting period, the growth of each of the Company's net asset value per share and dividend per share must have risen at least 6% each over the three year vesting period. This implies that half of the Performance Shares are conditional upon the growth of the dividend per share of at least 6% over the three year vesting period and the other half of the Performance Shares are conditional upon the growth of the net asset value per share of at least 6% over the three year vesting period. In case of a lower growth rate, a proportionally lower percentage of the number of Performance Shares granted will vest.

4. The result of multiplying three times the employee's base salary by the percentage arrived at under 2) above will be divided by the market price of a Performance Share (depositary receipt) at close of trading on the day of the grant, thus arriving at a number of Performance Shares to be granted. The calculation can be demonstrated by the following example:

Annual Salary € 100,000  
X3 € 300,000

Dividend Growth	2%
Net Asset Growth	1%
Relative performance	3%

Total Growth 6%

## Proposed changes

1. The base salary of the director or employee will be multiplied by three and a percentage taken of this figure as follows: -

2. The percentage increase in the audited net asset value per share of the Company will be added to the percentage increase of the dividend per share of the Company and the sum of these percentages will be added to the annual relative performance as per 31 December of the listed depositary receipts, representing ten shares each, in the capital of the Company compared to the aforesaid peer group of ten listed retail property companies. The resulting total percentage will be applied to the grossed up salary as defined under 1) above.

3. The basic formula will be subject to the condition that, at the end of the three year vesting period, the growth of each of the Company's net asset value per share and dividend per share must have risen at least 6% each over the three year vesting period. This implies that half of the Performance Shares are conditional upon the growth of the dividend per share of at least 6% over the three year vesting period and the other half of the Performance Shares are conditional upon the growth of the net asset value per share of at least 6% over the three year vesting period. In case of a lower growth rate, a proportionally lower percentage of the number of Performance Shares granted will vest. *These growth conditions can be replaced by ESG (Environmental Social and Governance) targets of the Company, which targets should be achieved during the vesting period, to be determined at the discretion of the Supervisory Board*

4. The result of multiplying three times the employee's base salary by the percentage arrived at under 2) above will be divided by the market price of a Performance Share (depositary receipt) at close of trading on the day of the grant, thus arriving at a

## Explanation

Current text remuneration policy

Proposed changes

Explanation

X € 300,000 = € 18,000

Divided by share price  
 - Say € 20 = 900 Performance Shares  
 Cap on number of Performance Shares to be granted  
 The amount to be divided by the price of depositary receipts on the day of granting cannot exceed 50% of one year's base salary and the relative outperformance of total shareholders return can only produce such amount up to a maximum of 10% of one year's base salary, which implies that the relative outperformance up to a maximum of 3.33% will be taken into account to avoid extreme results. Also, if total shareholder return outperforms the peer group but is still negative in absolute terms, it cannot contribute to the granting of Performance Shares. Performance Shares are granted under the condition that the number of Performance Shares could be adjusted at the vesting date, if such number would be unfair due to extraordinary circumstances. Any Performance Shares granted to members of the Board of Management on the basis of incorrect financial or other data may be recovered by the Company from these members (claw back clause).

number of Performance Shares to be granted. The calculation can be demonstrated by the following example:

Annual Salary € 100,000  
 X3 € 300,000

Dividend Growth 2%  
 Net Asset Growth 1%  
 Relative performance 3%

Total Growth 6%  
 X € 300,000 = € 18,000

Divided by share price  
 - Say € 20 = 900 Performance Shares  
 Cap on number of Performance Shares to be granted  
 The amount to be divided by the price of depositary receipts on the day of granting cannot exceed 50% of one year's base salary and the relative outperformance of total shareholders return can only produce such amount up to a maximum of 10% of one year's base salary, which implies that the relative outperformance up to a maximum of 3.33% will be taken into account to avoid extreme results. Also, if total shareholder return outperforms the peer group but is still negative in absolute terms, it cannot contribute to the granting of Performance Shares. Performance Shares are granted under the condition that the number of Performance Shares could be adjusted at the vesting date, if such number would be unfair due to extraordinary circumstances. Any Performance Shares granted to members of the Board of Management on the basis of incorrect financial or other data may be recovered by the Company from these members (claw back clause).

Current text remuneration policy	Proposed changes	Explanation
<p><b>Additional pay programs</b> The Supervisory Board is not authorised to grant additional pay programs.</p>	<p><b>Additional pay programs</b> The Supervisory Board is not authorised to grant additional pay programs.</p>	
<p><b>Shareholding requirement</b> There is no shareholding requirement.</p>	<p><b>Shareholding requirement</b> <i>Members of the Board of Management: 75% of gross base salary. In case this requirement is not met the members of the Board of Management will endeavour to build up the minimum requirement in the next three years.</i></p>	<p>In order to have alignment between the interest of the shareholders and holders of depositary receipts and the interest of members of the Board of Management this shareholding requirement is introduced.</p>
<p><b>Pension and other benefits</b> The Company has a competitive package of benefits. Members of the Board of Management and (some) Group employees receive allowances and benefits in accordance with the general Group rules. These benefits include, in some cases, usage of a company car or a travel or housing allowance, health insurance and travel and accident insurance. Pension plans differ from country to country. All offices of the Company have their own pension plans or follow the local (state) pension practice. For The Netherlands, the pension scheme is based on a defined contribution plan. For the United Kingdom pensions are mostly based on defined benefits plans with capped pensionable salaries. Three members of the Board of Management have joined a pension scheme. This scheme is a defined contribution scheme for Mr Fraticelli and Mr Van Garderen with</p>	<p><b>Pension and other benefits</b> The Company has a competitive package of benefits. Members of the Board of Management and (some) Group employees receive allowances and benefits in accordance with the general Group rules. These benefits include, in some cases, usage of a company car or a travel or housing allowance, health insurance and travel and accident insurance. Pension plans differ from country to country. All offices of the Company have their own pension plans or follow the local (state) pension practice. For The Netherlands, the pension scheme is based on a defined contribution plan. For the United Kingdom pensions are mostly based on defined benefits plans with capped pensionable salaries. Three members of the Board of Management have joined a pension scheme. This scheme is a defined contribution scheme for Mr Fraticelli and Mr Van Garderen with</p>	<p>The updated applicable pensionable salary is included.</p>

**Current text remuneration policy**

**Proposed changes**

**Explanation**

current annual premiums being capped using a maximum pensionable salary of € 110,111 (applicable in 2020), which is now the compulsory maximum cap in The Netherlands (in previous years the maximum was € 170,000). The Company makes an annual gross-up compensation payment of 23.3% of the difference between the old and the new maximum pensionable salary. Mr Mills is a deferred member of the defined benefit scheme and receives an annual gross-up compensation payment of 40% of the UK earnings cap, as he opted out of the pension scheme

current annual premiums being capped using a maximum pensionable salary of € 112,189 (*applicable in 2021*), which is now the compulsory maximum cap *for 2021* in The Netherlands (in previous years the maximum was € 170,000). The Company makes an annual gross-up compensation payment of 23.3% of the difference between the old and the new maximum pensionable salary. Mr Mills is a deferred member of the defined benefit scheme and receives an annual gross-up compensation payment of 40% of the UK earnings cap, as he opted out of the pension scheme



**e. The annual change of remuneration, of the performance of the company, and of average remuneration on a full-time equivalent basis of employees of the company other than directors over at least the five most recent financial years, presented together in a manner which permits comparison**

The Dutch Corporate Governance Code (principle 3.4.1, item iv) recommends to provide an internal pay ratio.

**Table 7**

	2016	2017	2018	2019	2020
<b>Annual change of Directors Remuneration</b>					
Base salary R. Fraticelli (annualised)	N.A.	N.A.	N.A.	508	482
Base salary E.J. van Garderen (annualised)	435	435	450	475	451
Base salary J.P. Lewis (annualised)	689	689	689	723	649
Base salary J.P.C. Mills (annualised)	N.A.	N.A.	N.A.	453	428
Variable cash bonus R. Fraticelli (annualised)	N.A.	N.A.	N.A.	42	0
Variable cash bonus E.J. van Garderen (annualised)	435	281	305	40	0
Variable cash bonus J.P. Lewis (annualised)	623	430	465	60	0
Variable cash bonus J.P.C. Mills (annualised)	N.A.	N.A.	N.A.	37	0
Vested performance shares R. Fraticelli	N.A.	N.A.	N.A.	46	153
Vested performance shares E.J. van Garderen	18	45	59	89	142
Vested performance shares J.P. Lewis	28	65	91	148	203
Vested performance shares J.P.C. Mills	N.A.	N.A.	N.A.	107	149
Pension contribution and compensation R. Fraticelli	N/A	N/A	N/A	62	96
Pension contribution and compensation E. J. van Garderen	49	57	50	53	41
Pension contribution and compensation J.P. Lewis	0	0	0	0	0
Pension contribution and compensation J.P.C. Mills	N/A	N/A	N/A	48	76
<b>Annual change of the performance of the company</b>					
Net property income (in million Euro) €	155.4	163.0	171.8	178.6	164.6
change vs previous reported year in percent	6.8%	4.9%	5.4%	3.9%	-7.8%
Total investment result (in million Euro) €	207.4	260.8	72.1	74.6	42.8
change vs previous reported year in percent	24%	26%	-72%	3%	-43%
Direct investment result per share	2.15	2.23	2.36	2.42	2.21
change vs previous reported year in percent	5.4%	3.7%	5.8%	2.5%	-8.7%
Dividend per share	2.05	2.10	2.15	2.18	1.55
change vs previous reported year in percent	3.54%	2.44%	2.38%	1.40%	-28.9%
IFRS NAV per share	37.34	40.58	39.30	38.49	38.17
change vs previous reported year in percent	6.7%	8.7%	-3.2%	-2.1%	-0.8%
<b>Average remuneration on a full time equivalent basis of Directors</b>					
Average monthly Base salary Directors					41.9
change vs previous reported year in euros					-3.1
change vs previous reported year in percent					-6.9%
<b>Average remuneration on a full time equivalent basis of Employees</b>					
Average monthly Base salary employees					7,9
change vs previous reported year in percent					-0.4
					5.24%
<b>Pay ratio Directors/Employees</b>					
Ratio Base salary Directors/Base Salary employees					5.29
change vs previous reported year					-0.09

**f. Any remuneration from any subsidiary of Eurocommercial Properties N.V. or a company which Eurocommercial Properties N.V. consolidates.**

Mr Fraticelli is seconded by Eurocommercial Properties N.V. to its Italian subsidiary Eurocommercial Properties Italia S.r.l and his remuneration is paid by this subsidiary during the financial reporting period. Mr van Garderen received an amount of € 100,000 as part of his gross base salary from this subsidiary during the financial reporting period.

**g. The number of shares and share options granted or offered, and the main conditions for the exercise of the rights including the exercise price and date and any change thereof.**

No performance shares were granted in 2020 under the Company's Performances Shares Plan or any other shares or share options were granted. In November 2019 3,278 Performance Shares were granted and reference is made to Table 3 above.

**h. Information on the use of the possibility to reclaim variable remuneration.**

No variable remuneration was reclaimed.

**i. Information on any deviations from the decision making process followed for the determination, review and implementation of the remuneration policy.**

There were no deviations from the decision making process followed for the determination, review and implementation of the remuneration policy.

**j. Information on any derogations applied in accordance with article 2:135a paragraph 4 of the Dutch Civil Code including the explanation of the nature of the exceptional circumstances referred to in article 2:135a paragraph 5 of the Dutch Civil Code and the indication of the specific elements derogated from.**

No derogations were applied.

**k. Information as mentioned in article 2:383c, 2:383d and 2:383e of the Dutch Civil Code not already required on the basis of article 135b paragraph 3 of the Dutch Civil Code.**

Article 2:383c of the Dutch Civil Code requires a specification of the remuneration for each Director into periodically paid remuneration, remuneration that has to be paid in future, payments upon termination of employment and profit-sharing and bonus payments.

The periodically paid remuneration and the profit-sharing and bonus payments have been specified in Table 1 above.

There were no payments upon termination of employment.

The provisions for remuneration that has to be paid in future is to be found in table 8 below.

Table 8

	CEO	CFO	CIO	Total
Balance as per 30 June 2019 (accrual for payment of bonuses)	40	43	37	120
Payment of bonuses in September 2019	40	43	37	120
Balance as per 31 December 2020	0	0	0	0
No cost for the period				
Result 31 December 2020	0	0	0	0

**Audit of information provided in this remuneration report**

KPMG Accountants N.V., the statutory auditor of the Company as referred to in article 2:393 paragraph 1 of the Dutch Civil Code, has verified that the information required by article 2:135 b of the Dutch Civil Code has been provided in this remuneration report. Reference for this is made to the independent auditor's report on the financial statements of the Company for the financial reporting period ended 31 December 2020, dated 23 April 2021.

Amsterdam, 8 June 2021