

Convening notice to the Annual General Meeting of shareholders FY 2019

Vastned Retail N.V. ('Vastned' or the 'Company') invites its shareholders to attend the Annual General Meeting for the 2019 financial year held on Thursday 25 June 2020 at 10 am (CET) at the office of the Company (De Boelelaan 7, Amsterdam). In view of the situation and the government measures in relation to COVID-19 it will not be possible for shareholders to attend this meeting in person.

The meeting will be broadcast live by means of an audio webcast that can be joined on www.vastned.com. The Annual General Meeting will be held in the Dutch language.

The audio webcast is open to anyone and therefore registration to attend the meeting will not be necessary.

If you as a shareholder wish to ask questions on agenda items you may send these by email to remco.vergeer@vastned.com no later than 11 am (CET) on Tuesday 23 June 2020.

In addition, shareholders who have submitted questions in the way described above are given the opportunity to ask additional questions during the meeting (by sending an email to the above email address during the meeting).

Vastned will endeavour to answer all of the duly submitted shareholders' questions during the meeting.

The only persons physically present during the meeting will be the CEO and the chairman of the Supervisory Board, assisted by the Company Secretary. Furthermore, NFGD Zoetermeer B.V., as an independent third party and authorised party, will send a representative who will ensure the proper organisation of the meeting and the voting.

Shareholders are given the opportunity to issue a proxy containing a voting instruction prior to the meeting. The procedure for this is explained below.

This document is a translation of the Dutch original and is provided as a courtesy only. In the event of any disparity the Dutch version shall prevail. No rights can be derived from the translated document.

Agenda

1. Opening and announcements

Review of 2019

2. Report of the Executive Board on the 2019 financial year and discussion of the main points of the corporate governance structure and compliance with the Corporate Governance Code
3. Remuneration report for the 2019 financial year **(resolution)**

Financial statements and dividend for the 2019 financial year

4. Proposal to adopt the financial statements for the 2019 financial year **(resolution)**
5. Comments on the reservation and dividend policy
6. Dividend declaration proposal for the 2019 financial year **(resolution)**

Discharge

7. Proposal to grant discharge to the members of the Executive Board for the 2019 financial year **(resolution)**
8. Proposal to grant discharge to the members of the Supervisory Board for the 2019 financial year **(resolution)**

Company law matters

9. Proposal to amend the Remuneration Policy of the members of the Executive Board **(resolution)**
10. Proposal to adopt the Remuneration Policy of the members of the Supervisory Board **(resolution)**
11. Proposal to authorise the Executive Board to purchase the Company's own shares **(resolution)**
12. Proposal to reappoint Ernst & Young Accountants LLP as Vastned's external auditor for a term of four financial years **(resolution)**

Other

13. Any other business
14. Close

Shareholders are given the opportunity to submit written questions on the agenda items. If you as a shareholder wish to ask questions on agenda items you may send these by email to remco.vergeer@vastned.com no later than 11 am (CET) on Tuesday 23 June 2020. In addition, shareholders who have timely submitted questions in the way described above may ask additional questions during the meeting (by sending an email to the above email address during the meeting).

Vastned will endeavour to answer all shareholders' questions during the meeting.

Written questions from a shareholder will be accepted only if the shareholder has duly and timely complied with the registration procedure.

Availability of meeting documents

The agenda with notes, including the 2019 annual report, which contains the 2019 financial statements, the 2019 remuneration report and the information as meant in Section 2:392(1) of the Dutch Civil Code, may be inspected on www.vastned.com. These documents may also be obtained free of charge from ABN AMRO Bank N.V., email: ava@nl.abnamro.com and (by appointment) from the office of the Company.

Registration date

Pursuant to the provisions in Section 2:119 of the Dutch Civil Code, voting rights in the Annual General Meeting of shareholders of Thursday 25 June 2020 accrue to those persons listed on Thursday 28 May 2020 at the close of trading (5:30 pm (CET) on Euronext Amsterdam (the 'Registration Date') as shareholders of the Company ('Shareholders') in the records of intermediaries within the meaning of the Securities (Bank Giro Transactions) Act ('Intermediaries') or otherwise as being entitled to vote at the Annual General Meeting of the Company.

Registration

Shareholders are entitled to cast votes for the shares they hold on the Registration Date, provided they have registered for the meeting in time and in the way as described below. Shareholders wishing to be represented at the meeting are requested to register on www.abnamro.com/evoting or through the Intermediaries who administrate their shares, no later than 5:00 pm (CET) on Monday 22 June 2020 with ABN AMRO Bank N.V. ('ABN AMRO'). The Intermediaries must provide a statement to ABN AMRO on www.abnamro.com/intermediary no later than 11:00 am (CET) on Tuesday 23 June 2020, listing the number of shares held by the respective Shareholder on the Registration Date that are being submitted for registration. The Intermediaries are further requested to provide the relevant ultimate shareholder's full address details in the statement to allow for efficient checking of shareholdership on the Registration Date. The abovementioned requirements apply by analogy to other persons entitled to vote at the Annual General Meeting of the Company as at the Registration Date.

Proxies/Internet voting

Without prejudice to the registration requirements set out above, attendance and voting rights may be exercised by a person holding a written proxy. The written proxy must be received no later than 5:00 pm (CET) on Monday 22 June 2020. Shareholders wishing to exercise their voting right through a digital proxy may submit their voting instructions on www.abnamro.com/evoting until 5:00 pm (CET) on Monday 22 June 2020.

Issued capital and voting rights

On the convening date the Company had an issued capital of 19,036,646 ordinary shares, 1,884,670 of which were held by the Company as treasury shares at the start of trading on Euronext Amsterdam. No votes may be cast in the Annual General Meeting on the shares repurchased by the Company.

Other matters

For further information, please go to: www.vastned.com/investor_relations or contact Vastned's Investor Relations department by telephone on +31 20 242 4368.

The Supervisory Board

The Executive Board

Amsterdam, 6 May 2020

Appendices

Appendix 1

Agenda of the Annual General Meeting of Vastned Retail N.V.

Appendix 2

Notes to the agenda of the Annual General Meeting of Vastned Retail N.V.

Appendix 3

Remuneration report 2019 of Vastned Retail N.V.

Appendix 4

Proposed amendments to the Remuneration Policy for the Executive Board of Vastned Retail N.V.

Appendix 5

Remuneration Policy for the Supervisory Board of Vastned Retail N.V.

Appendix 6

Proxy/Voting instruction

Vastned Retail N.V. Agenda

Agenda

1. Opening and announcements

Review of 2019

2. Report of the Executive Board on the 2019 financial year and discussion of the main points of the corporate governance structure and compliance with the Corporate Governance Code
3. Remuneration report for the 2019 financial year **(resolution)**

Financial statements and dividend for the 2019 financial year

4. Proposal to adopt the financial statements for the 2019 financial year **(resolution)**
5. Comments on the reservation and dividend policy
6. Dividend declaration proposal for the 2019 financial year **(resolution)**

Discharge

7. Proposal to grant discharge to the members of the Executive Board for the 2019 financial year **(resolution)**
8. Proposal to grant discharge to the members of the Supervisory Board for the 2019 financial year **(resolution)**

Company law matters

9. Proposal to amend the Remuneration Policy for the members of the Executive Board **(resolution)**
10. Proposal to adopt the Remuneration Policy for the members of the Supervisory Board **(resolution)**
11. Proposal to authorise the Executive Board to purchase the Company's own shares **(resolution)**
12. Proposal to reappoint Ernst & Young Accountants LLP as Vastned's external auditor for a term of four financial years **(resolution)**

Other

13. Any other business
14. Close

Shareholders are given the opportunity to submit written questions on the agenda items. If you as a shareholder wish to ask questions on agenda items you may send these by email to remco.vergeer@vastned.com no later than 11 am (CET) on Tuesday 23 June 2020. In addition, shareholders who have timely submitted questions in the way described above may ask additional questions during the meeting (by sending an email to the above email address during the meeting).

Vastned will endeavour to answer all shareholders' questions during the meeting.

Written questions from a shareholder will be accepted only if the shareholder has duly and timely complied with the registration procedure.

Notes to the agenda of the Annual General Meeting of Vastned Retail N.V. FY 2019

- Item 2** Report of the Executive Board on the 2019 financial year and discussion of the main points of the corporate governance structure and compliance with the Corporate Governance Code

The Executive Board will present the results of the company in 2019. The chairman will then invite the meeting to discuss the results, which are described in more detail in the Annual Report on the 2019 financial year. At this agenda item, questions may also be raised on the Annual Report for 2019, including the report of the Supervisory Board. Furthermore, the Executive Board will explain the main points of the corporate governance structure and Vastned's compliance with the Dutch Corporate Governance Code (the 'Code'). For a detailed explanation of the corporate governance structure, please refer to the chapter Corporate Governance in the Report of the Executive Board in the Annual Report.

- Item 3** Remuneration report for the 2019 financial year **(resolution)**

The remuneration report for the 2019 financial year contains an overview of the remuneration that was awarded to the members of the Executive Board and the Supervisory Board in 2019. The remuneration report is set out in Appendix 3 and is put to the meeting for an advisory vote in accordance with Section 2:135(b) (2) of the Dutch Civil Code.

- Item 4** Proposal to adopt the financial statements for the 2019 financial year **(resolution)**

It is proposed to the Annual General Meeting to adopt Vastned's financial statements for the 2019 financial year. At this item, the shareholders will have the opportunity to question the external auditor on its audit activities and its audit opinion of the financial statements.

- Item 5** Comments on the reservation and dividend policy

The Annual General Meeting of 19 April 2013 adopted the present dividend policy, which provides for a dividend distribution of at least 75% of the direct result per share. In principle, stock dividend will not be distributed, but this is dependent on any dilution of the result and net asset value per share, the Company's capital position and the financing market. The dividend policy prevents share dilution caused by the distribution of stock dividend. In order to support as much as possible the Company's cash position as a consequence of the COVID-19 situation, there will be no distribution of an interim dividend of 60% of the direct result per share for the first six months of 2020.

- Item 6** Dividend declaration proposal for the 2019 financial year **(resolution)**

It is proposed to the Annual General Meeting to declare a total dividend for the 2019 financial year of € 1.43 per share. After deduction of the interim dividend in cash of € 0.58 per share, the final dividend will be € 0.85 per share in cash. After adoption, the final dividend for the 2019 financial year will be made payable on 13 July 2020.

Item 7 Proposal to grant discharge to the members of the Executive Board for the 2019 financial year **(resolution)**

It is proposed to the Annual General Meeting to grant the members of the Executive Board full and final discharge for the performance of its duties in the 2019 financial year, to the extent this performance is evident from the financial statements or from information otherwise disclosed to the Annual General Meeting prior to the adoption of the financial statements on the 2019 financial year.

Item 8 Proposal to grant discharge to the members of the Supervisory Board for the 2019 financial year **(resolution)**

It is proposed to the Annual General Meeting to grant the members of the Supervisory Board full and final discharge for the performance of its duties in the 2019 financial year, to the extent this performance is evident from the financial statements or from information otherwise disclosed to the Annual General Meeting prior to the adoption of the financial statements on the 2019 financial year.

After the close of the Annual General Meeting Ms Marieke Bax will resign from the Supervisory Board due to reaching her maximum term of office. The Supervisory Board has resolved not to fill the vacancy thus created for the time being, so that after the Annual General Meeting the Supervisory Board will be composed of three members. Mr Blokhuis will take up the position of chairman of the remuneration and nomination committee after Ms Bax resignation.

Item 9 Proposal to amend the Remuneration Policy for the Executive Board **(resolution)**

It is proposed to the Annual General Meeting to amend and readopt the existing Remuneration Policy for the Executive Board (with retroactive effect) as of 1 January 2020. This amendment of the Remuneration Policy for the Executive Board is proposed by the Supervisory Board in order to bring the policy in line with the new, detailed provisions for the remuneration policy that were recently introduced in Dutch company law in order to implement the recast shareholders' rights directive (EU) 2017/828 (the 'Shareholders' Rights Directive').

The present Remuneration Policy for the Executive Board was amended and readopted by the Annual General Meeting most recently on 19 April 2018.

The proposed changes are presented and explained in the triptych in Appendix 4 to the agenda.

Item 10 Proposal to adopt the Remuneration Policy for the Supervisory Board **(resolution)**

It is proposed to the Annual General Meeting to adopt the Remuneration Policy for the Executive Board (with retroactive effect) as of 1 January 2020. The proposal is being put forward to fulfil the new requirements regarding the remuneration policy for supervisory directors that were recently introduced in Dutch company law in order to implement the Shareholders' Rights Directive. The proposal entails among other things a simplification of the remuneration structure of the members of the Supervisory Board. This will take into account the more concise structure and composition of this Board (three members rather than four), while the total remuneration per individual will remain unchanged. The proposed text of the Remuneration Policy for the Supervisory Board is attached in Appendix 5.

Item 11 Proposal to authorise the Executive Board to buy back the Company's own shares **(resolution)**

A proposal is put to the Annual General Meeting to appoint the Executive Board for a period of eighteen months from the date of this Annual General Meeting, i.e. up to and including 25 December 2021, as the body authorised to acquire shares in the capital of the Company, subject to approval from the Supervisory Board. The purpose of this proposal is to give the Executive Board the power to buy back the Company's own shares in order to reduce the capital and/or fulfil obligations based on share schemes or for other purposes that are in the interests of the Company. The proposal is made in accordance with Section 2:98 of Book 4 of the Dutch Civil Code. Shares may be acquired on the stock exchange or otherwise, for a price between nominal value and 110% of the average closing price of the shares on the Euronext Amsterdam N.V. stock exchange, calculated over five trading days preceding the day on which the purchase is agreed or on which the purchase order is given. Shares may be acquired up to a maximum of 10% of the share capital in issue on 25 June 2020. If the requested authorisation is granted by the Annual General Meeting, the existing authorisation will lapse, that is to say it will not be used anymore.

Item 12 Proposal to reappoint Ernst & Young Accountants LLP as Vastned's external auditor for a term of four financial years **(resolution)**

It is proposed to the Annual General Meeting to reappoint Ernst & Young Accountants LLP ('EY') (with retrospective effect) as of 1 January 2020 as the external auditor of Vastned for a term of four financial years. The proposal is put forward based on a recommendation of the audit and compliance committee in accordance with Article 1.5 of its regulations. The audit and compliance committee has made this recommendation based on EY's performance over the past four financial years. The audit and compliance committee has taken account of the observations of the Executive Board and the Management Team in this process.

Item 13 Any other business

Questions that have not been dealt with under the preceding agenda items may be asked at this time.

Remuneration report 2019

This remuneration report 2019 is comprised of two parts. The first part contains information on the remuneration awarded to the members of the Executive Board in 2019. The second part contains information on the remuneration awarded to the members of the Supervisory Board in 2019.

1. Remuneration of the Executive Board in 2019

Executive Board Remuneration Policy

Vastned's current Executive Board Remuneration Policy was adopted by the Annual General Meeting of shareholders on 19 April 2018 and took retrospective effect as of 1 January 2018. The full text of the Remuneration Policy is available on Vastned's website:

www.vastned.com/remuneration_policy

In formulating the Remuneration Policy and its execution the objectives of the strategy to realise long-term value creation were taken into account (see also the chapter Long-term value creation in the 2019 annual report).

The Remuneration Policy further took account of Vastned's identity, mission and values and public support, by shaping the policy and its implementation in such a way that the members of the Executive Board receive remuneration that is in line with Vastned's identity as a European listed property company whose main focus is to create long-term value for all stakeholders in the company. In this, special attention has been given to the social context and the society that Vastned is part of, taking account of the business' necessary competitiveness. The principle for this is that the total remuneration of the Executive Board, also in view of the weight of the position and the responsibilities associated with a listed property company, must at all times be in reasonable proportion to the salaries and employment conditions of Vastned's employees and must be in line with the pay ratios that are in effect within the company. The reasonableness of the pay ratios within Vastned is continuously monitored based on benchmarks and reports, both internal and external.

The total remuneration of Vastned's Executive Board was compared at year-end 2019 by independent consultancy Willis Towers Watson with the Employment Market Reference Group as described in the Remuneration Policy. The findings of this comparison were then compared by way of a double reasonableness test with all the companies in the AScX index. For the determination of the total remuneration of the Executive Board, the pay ratios within Vastned and the views of the members of the Executive Board on their own remuneration and the Remuneration Policy were also weighed.

A proposal for a (new) Remuneration Policy for both the Executive Board and the Supervisory Board will be put to the Annual General Meeting on 25 June 2020, in order to comply with the implementation legislation of the Shareholders' Rights Directive that took effect on 1 December 2019, which contains provisions regarding the remuneration of both the Executive Board and the Supervisory Board. After its adoption, the remuneration policy will then again be put to the Annual General Meeting for adoption at least every four years.

Employment agreements of the Executive Board

Duration of the agreement

The Annual General Meeting of 18 April 2019 appointed Mr Taco de Groot (CEO) for a four-year term. Reinier Walta (CFO) was appointed by the Annual General Meeting of 19 April 2018 for a four-year term. For members of the Executive Board, Vastned must observe a notice period of six months, the members themselves three months.

Dismissal payments

Dismissal payments are limited to twelve months' fixed remuneration. Mr De Groot's and Mr Walta's employment agreements comply with the Code.

Share ownership guidelines

Based on the share ownership guidelines in the Remuneration Policy the members of the Executive Board must build up a position in Vastned shares equal to 300% of the most recently adopted fixed remuneration for the CEO and 150% for the CFO, whereby the Executive Board should strive to build up the minimum shareholding within five calendar years.

Position at year-end 2019

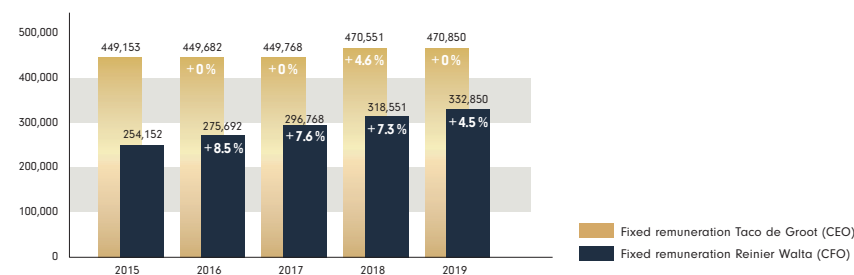
As at year-end 2019, at a closing price of € 26.70, the CEO met the minimum Vastned shareholding requirement of at least 300% of the CEO's fixed remuneration, with 73,076 shares purchased from his own means, or 424%.

At year-end 2019, Reinier Walta had built up a Vastned shareholding of 2,000 shares, of which 1,000 were purchased from his own means and 1,000 from the LTI paid out in 2018. At a closing price of € 26.70, this is 17% of his fixed remuneration as at 31 December 2019. Thus, the CFO has not yet met the requirement of the minimum shareholding of at least 150% of the fixed remuneration of the CFO.

Fixed remuneration 2019

The fixed remuneration of Taco de Groot (CEO) in 2019 was € 460,000 and the fixed remuneration of Reinier Walta (CFO) was € 322,000.

The following diagram presents the fixed remuneration (including social insurance contributions) of the members of the Executive Board in the period 2015-2019, including the annual relative changes:



As stated above, at year-end 2019 the remuneration levels of the Executive Board were assessed. Based on this benchmark both the basic salary and the total remuneration of the members of the Executive Board were between the 25th percentile and the median of the Labour Market Reference Group.

Remuneration and operating results

	2019	2018	2017	2016	2015
Operating result					
Turnover (x € 1,000)	69,288	77,060	77,480	89,469	95,174
Direct result (x € 1,000)	35,041	40,354	41,134	46,115	49,189
Average remuneration (full-time basis) ¹⁾					
Managing directors (x € 1,000)	628	736	654	523	533
• CEO	734	879	789	649	673
• CFO	521	593	519	396	392
Employees (x € 1,000)	106	110	129	112	108
Pay ratio ²⁾	5.9	6.7	5.1	4.7	4.9

¹⁾ Including social insurance contributions and pension, excluding other benefits.

²⁾ The STI relates to 2019 and the LTI to the performance period that ended in the 2019 financial year.

²⁾ Pay ratio is the ratio between the average remuneration of the directors and the average remuneration of Vastned employees.

Total remuneration 2019

Total remuneration awarded to the Executive Board for 2019

The table below presents the remuneration awarded to the Executive Board in 2019 (€):

	Fixed remuneration	Social insurance contributions	Pension ¹⁾	Other benefits ²⁾	STI ³⁾	LTI ³⁾	Total
Taco T.J. de Groot	460,000	10,850	84,775	37,611	70,840	107,640	771,716
Reinier Walta	322,000	10,850	59,913	25,933	52,808	75,348	546,852
Totals	782,000	21,700	144,688	63,544	123,648	182,988	1,318,568

¹⁾ Including WIA top-up premiums.

²⁾ Concerns expenses relating to company car.

³⁾ The STI relates to 2019 and LTI to the performance period that ended in the 2019 financial year.

The table below presents an overview in percentages of the remuneration awarded to the Executive Board in 2019 (%):

Remuneration composition (%)	Fixed remuneration	Pension	Other benefits	STI	LTI	Total
Taco T.J. de Groot (CEO)	61	11	5	9	14	100
Reinier Walta (CFO)	61	11	5	9	14	100

Pay ratios within Vastned

In accordance with the best-practice provisions in the Code, Vastned reports on the pay ratios of the Executive Board compared to those of a 'representative reference group' identified by the Company. Vastned has elected to compare the remuneration of the CEO with that of the average employee. The total financial remuneration (i.e. excluding non-financial remuneration elements such as travel expenses, but including pension charges) of all Vastned employees (excluding the remuneration of the CEO) for the relevant tax year was used as the reference point. To calculate the ratio, the salaries of employees who as at 31 December 2019 had not yet been employed for a full year were annualised as if the relevant employee had been employed throughout the year. Using this method the ratio between the CEO's remuneration as presented in the diagram on page 3 and that of an average employee for the 2019 tax year was 6.30: 1 (2018: 7.22: 1). This decrease was due to the lower variable remuneration of the directors of the company.

Variable remuneration in 2019

The remuneration policy provides that the total variable remuneration is limited to 100% of the fixed remuneration. The variable remuneration is comprised of 40% short-term variable remuneration and 60% long-term variable remuneration.

Short-Term Incentives (STI) for 2019

Every financial year, members of the Executive Board are eligible for a short-term variable remuneration (Short-Term Incentive or 'STI'). The STI ranges from 0% to a maximum of 40% of the fixed remuneration.

Vastned's strategy has a clear focus on stable and predictable results. In support of this strategy and in accordance with the provisions in the Remuneration Policy, the STI is determined based on four challenging targets (each with a weight of 25%) aimed at creating long-term value for the stakeholders of the company (issues such as the strategy and other long-term interests, including the occupancy rate of the portfolio, like-for-like gross rental growth and sustainability).

These targets encourage the Executive Board to focus on Vastned's strategy, long-term interests and sustainability, and as such contribute to them.

The STI targets are set annually in advance by the Supervisory Board based on the operational and strategic ambitions of the company as laid down in the business plan. The targets for the three financial STI objectives have a threshold (i.e. a minimum level that must be met for the STI to be awarded; in which case a weight of 15% of the total STI applies) and a 'maximum' award (weight of 25% of the total STI). Between the threshold and the maximum, the STI is awarded pro rata.

The first shared quantitative STI target in 2019 was related to the total occupancy rate of the portfolio at year-end 2019. The threshold for an award based on this target was a total occupancy rate of the portfolio at year-end 2019 of at least 98.5% (in which case a 15% award) and the maximum of this target was at least 98.9% (in which case a 25% award). The occupancy rate at year-end 2019 was 98.0, so this part of the STI was not awarded.

The second shared quantitative STI target was the ratio of strategic assets (formerly referred to as core city assets) in the total property portfolio. At least 82% of the total property portfolio had to comprise strategic assets for a 15% award and at least 84% for the maximum 25% award. The ratio of strategic assets at year-end 2019 was 82.7%, so 18.50% award was realised based on this STI target.

The third shared quantitative STI target concerned the like-for-like gross rental growth. At year-end 2019 a like-for-like rental growth for the strategic asset (formerly: 'core city assets') had to have been realised of at least 0.5% (in which case an award of 15%), whereby the upper limit for the maximum 25% award was set at at least 1.5%. The like-for-like gross rental growth was 3.0% negative, so this part of the STI was not awarded.

The qualitative STI target is determined individually for each member of the Executive Board, and its achievement is evaluated by the Supervisory Board. The maximum award based on the qualitative STI targets for the members of the Executive Board comprises 25% of the total STI.

In 2019, the objective of the qualitative STI target for the CEO focused on creating long-term value in the setting of the strategy of the company. In 2019, 50% of the STI target for the CFO was comprised of this same objective. In addition, the implementation of a new property management system in the foreign branches of the organisation in 2019 comprised 50% of the qualitative STI target for the CFO. At year-end 2019, the CEO had realised 80% of his qualitative STI targets (20% of the STI) and the CFO 90% (22.50% of the STI).

This brings the CEO's total STI to: 38.50% (being 0% + 18.50% + 0% + 20% realisation of the STI targets) * 40% (weight of STI in total calculation) * annual salary (€ 460,000) = € 70,840. The CFO's total STI comes to: 41% (being 0% + 18.50% + 0% + 22.50% realisation of the STI targets) * 40% (weight of STI in total calculation) * annual salary (€ 322,000) = € 52,808.

Long-Term Incentives (LTI) for 2019

The LTI may range from 0% up to a maximum of 60% of the fixed remuneration, and in each case covers a three-year period. The LTI scheme has the following three elements:

- A Relative Total Shareholder Return ('RTSR') test (40%);
- An Absolute Total Shareholder Return ('ATSR') test (30%);
- A Business Health Test (30%).

The maximum achievable LTI in 2019 for Taco de Groot was 60% of € 460,000 and for Reinier Walta 60% of € 322,000.

RTSR-test

The RTSR test sets 40% of the total LTI. For a description of the test and the peer group we refer to paragraph 4.3.2.2 of the Remuneration Policy for the Executive Board, which can be inspected on the Vastned website. In the defined peer group Vastned came sixth based on the figures at year-end 2019, so 30% is awarded based on the RTSR test. As a result, 30% * 40% = 12% of the RTSR-based LTI is payable (equal to 12% (based on the RTSR test) * 60% (weight of LTI in total calculation) = 7.2% of the annual salary).

ATSR-test

The ATSR test sets 30% of the total LTI. For a description of the test we refer to paragraph 4.3.2.3 of the Remuneration Policy for the Executive Board, which can be inspected on the Vastned website. The threshold for the realisation of the ATSR is 10% ATSR and realisation above 25% ATSR results in the maximum award. On 31 December 2019, the total shareholder return for the period 1 January 2017 up to and including 31 December 2019 was -7.21%. Since at the reference date, the ATSR for the period 1 January 2017 up to and including 31 December 2019 was not above 10% at year-end 2019, 0% LTI is payable based on the ATSR test.

Business Health Test

The Business Health test determines 30% of the total LTI. The purpose of this test is to promote a long-term vision in the determination of the strategy and the policy conducted. As the principle in the assessment of this test, initially the impact of the annual STI targets is measured over a three-year period. But it also takes account of other, non-financial performance indicators. The Supervisory Board evaluates the Executive Board's strategic leadership, tone at the top (also important in the context of risk management), employee satisfaction, the implementation of the strategy and last but not least the objectives for corporate social responsibility that the Executive Board has set for itself. The remuneration and nomination committee has also taken these aspects into account in its deliberations and weighed them during an extensive 360-degree evaluation of the members of the Executive Board, for which several discussions were held with staff, members of the Management Team and various country managers. In subsequent discussions with the members of the Executive Board the remuneration and nomination committee took note of their views on the level and structure of their own remuneration, whereby attention was given to Vastned's remuneration system and the level of the fixed and variable remuneration components, the performance criteria used, the scenario analyses performed and the pay ratios within Vastned and the business associated with it.

The 360-degree review resulted in a positive evaluation of both the CEO and the CFO, whereby especially the tone at the top and the objectives realised in terms of corporate social responsibility were positive features.

The Business Health Test was realised at 90% in 2019. The calculation of the Business Health Test-based LTI is as follows: 90% * 30% (weight of Business Health Test in LTI) * 60% (weight of LTI in total calculation) * annual salary = 16.2% * annual salary.

The 2019 reporting year is the third year in the three-year period (2017-2019) over which the LTI is determined. Based on the foregoing, the LTI for the period 2017 - 2019 comes to: € 107,640 for the CEO (€ 33,120 (RTSR) + € 74,520 (Business Health Test) and € 75,348 for the CFO (€ 23,184 (RTSR) + € 52,164 (Business Health Test)).

The Supervisory Board has not availed itself of its right to adjust or claw back the incentives awarded to the Executive Board on the 2019 reporting year or earlier.

Pension 2019

The members of the Executive Board do not pay own contributions to their pension schemes; these contributions are paid by Vastned. Reinier Walta's pension was based on a career average scheme during 2019 and Taco de Groot's is a defined-contribution scheme. As at 1 January 2019 Mr Walta's pension will be based on a defined benefit scheme.

Based on the provisional Pension Agreement 2019 Mr De Groot's expected pension age is 67 years and three months and Mr Walta's is 68 years and three months.

2. Remuneration of the Supervisory Board

The remuneration system for the Supervisory Board adopted by the Annual General Meeting of shareholders on 20 April 2017 remained unchanged in 2019.

The total remuneration of Vastned's Supervisory Board was compared at year-end 2019 by independent consultancy Willis Towers Watson with the Labour Market Reference Group as described in the Remuneration Policy. The findings of this comparison were then compared by way of a double reasonableness test with all the companies in the AScX index. The benchmark survey showed that the remuneration of the chairman and the members of the Supervisory Board as well as the supplements for the chairman and the members of the various committees were between the 25th percentile and the median of those of comparable companies.

Pension compensation CFO

Reinier Walta participates in Vastned's pension scheme. As of 1 January 2015, the tax relief on pension accrual was adjusted based on new tax legislation, and now only the maximum pensionable salary in any year¹⁾ is pensionable. It has been agreed with Reinier Walta that he will be compensated for this adjustment up to the level of the pension contribution which Vastned no longer has to pay in. The same scheme has been agreed with other Vastned employees.

The pension contribution for Reinier Walta in 2019 was € 21,743 for the part up to the maximum pensionable salary in that year. For the part above the maximum pensionable salary Reinier Walta received a compensation of € 32,997 in 2019. This pension compensation does not qualify as part of the fixed remuneration. The total compensation was € 54,740 (17% * € 322,000 (fixed remuneration)). Based on tax legislation, the partner pension under the pension scheme that is in effect in Vastned is also limited. The Vastned pension scheme in which the CFO participates also includes an invalidity pension.

Loans 2019

Vastned did not provide any loans or guarantees to members of the Executive Board in 2019.

¹⁾ As at 1 January 2019: € 107,593

A proposal to adopt a Remuneration Policy for the Supervisory Board will be put to the Annual General Meeting on 25 June 2020, in order to comply with the implementation legislation of the Shareholders' Rights Directive that took effect on 1 December 2019, which contains provisions regarding the remuneration of both the Executive Board and the Supervisory Board. This proposal comprises also a simplification of the remuneration structure, in which the total remuneration for each of the members of the Supervisory Board will not be changed at this time.

After the adoption of the Remuneration Policy for the Supervisory Board, the remuneration policy will then again be put to the Annual General Meeting for adoption at least every four years. A competitive compensation is awarded to the members of the Supervisory Board without performance-based elements. Thus, the remuneration contributes to safeguarding independent expert supervision in the interest of the company and its long-term performance.

The remuneration of the Supervisory Board as at 31 December 2019 was as follows:

Chairman	€ 48,000
Member (not chairman)	€ 36,000
• Supplement chairman of audit and compliance committee	€ 7,750
• Supplement member (not chairman) of audit and compliance committee	€ 5,500
• Supplement chairman of remuneration and nomination committee	€ 6,750
• Supplement member (not chairman) of remuneration and nomination committee	€ 4,750

All members also received a fixed expense allowance for travel and accommodation of € 1,250 per year, excluding turnover tax.

Overview of the remuneration granted to the Supervisory Board in 2019

The table below presents the remuneration awarded to the Executive Board in 2019 (€):

Name	Supervisory Board	A&C committee	R&N committee	Expense allowance	Total
Marc C. van Gelder ^{v)}	48,000		4,750	1,250	54,000
Charlotte M. Insinger	36,000	7,750		1,250	45,000
Marieke Bax	36,000		6,750	1,250	44,000
Jaap G. Blokhuis*	25,529	3,873		880	30,281
Jeroen B.J.M. Hunfeld**	10,652	1,627		370	12,649
Total	156,181	13,250	11,500	5,000	185,930

^{v)} Chair.

* appointed as of 18 April 2019.

** retired in accordance with retirement roster on 18 April 2019.

Overview of the remuneration granted to the Supervisory Board 2015-2019

The table below presents the remuneration awarded to the Supervisory Board in 2015-2019 (x 1,000)¹⁾:

	2019	2018	2017	2016	2015
M.C. van Gelder	53	53	53	43	24
M. Bax	43	43	43	34	34
J.B.J.M. Hunfeld	12	41	41	34	34
C.M. Insinger	44	44	44	34	23
J.G. Blokhuis	29	-	-	-	-
W.J. Kolff	-	-	-	12	42
P.M. Verboom	-	-	-	-	12
Total	€ 181	€ 181	€ 181	€ 157	€ 169

¹⁾ Excluding expense allowance

APPENDIX 4

Proposed amendments to the Remuneration Policy for the Executive Board of Vastned Retail N.V.

GENERAL REMARKS

In line with recent law changes to implement the Directive 2017/828/EU of the European Parliament and Council of May 17, 2017 to amend Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (the "Shareholders Rights Directive") it is proposed to change and renew the remuneration policy for the Executive Board of Vastned Retail N.V. The proposed changes are predominantly legal technicalities and will be explained below.

CURRENT TEXT REMUNERATION POLICY	PROPOSED CHANGES	EXPLANATION
<p>1. Introduction</p> <p>The current remuneration policy for the Executive board of Vastned Retail N.V. ('Vastned') was adopted in 2011 by the General Meeting of Shareholders and was ever since changed in 2015 and adopted in its current form in 2018 (with retroactive effect to 1 January 2018).</p> <p>The Supervisory Board will evaluate annually whether all aspects of the policy are still in line with Vastned's strategy. In case of future structural changes of the remuneration policy, these changes will be presented to the Annual General Meeting for adoption.</p> <p>2. Objectives Vastned Remuneration policy</p> <p>The remuneration policy is based on the following principles:</p> <ul style="list-style-type: none">• the establishment of a clear and transparent remuneration policy, which complies with the most recent (also international) corporate governance standards. Vastned also aspires to compete in this area with the European "best in class" companies;• alignment of the remuneration policy with the Vastned strategy, aimed on the stimulation of predictable and stable results;• the further strengthening of the relationship between the Executive Board performance and remuneration;• the alignment of interests of the Executive Board with shareholder interests by further stimulating long-term shareholding;• the ability to attract, motivate and retain executives of the highest level.	<p>1. Introduction</p> <p>The current remuneration policy for the statutory management board (the 'Executive Board' or 'members of the Executive Board') of Vastned Retail N.V. ('Vastned' or the 'Company') was adopted in 2011 by the Annual General Meeting and was amended most recently on 25 June 2020 (with retroactive effect to 1 January 2020).</p> <p>The Supervisory Board of Vastned (the 'Supervisory Board') will evaluate annually whether all aspects of the policy are still in line with Vastned's strategy. In case of future changes of the remuneration policy, these changes will be presented to the Annual General Meeting for adoption. The remuneration policy is put to the Annual General Meeting for adoption at least every four years.</p> <p>2. Objectives Vastned Remuneration policy</p> <p>The remuneration policy contributes to the Company's strategy, long-term interests and sustainability through:</p> <ul style="list-style-type: none">• the establishment of a clear and transparent remuneration policy, which complies with the most recent (also international) corporate governance standards. Vastned also aspires to compete in this area with the European "best in class" companies;• alignment of the remuneration policy with the Vastned strategy, aimed on the stimulation of predictable and stable results;• the further strengthening of the relationship between the Executive Board performance and remuneration;• the alignment of interests of the Executive Board with shareholder interests by further stimulating long-term shareholding;• the ability to attract, motivate and retain executives of the highest level.	<p>The Shareholders Rights Directive prescribes the remuneration policy to be put to the Annual General Meeting for adoption at least every four years.</p>

CURRENT TEXT REMUNERATION POLICY

PROPOSED CHANGES

EXPLANATION

3. Components total remuneration

The total remuneration for the Executive Board comprises the following five components:

1. fixed remuneration;
2. short-term variable remuneration;
3. long-term variable remuneration;
4. pension plan;
5. other benefits.

4. Total remuneration

4.1 Introduction

In determining the total remuneration, a labor market reference group is defined in line with the strategic focus, complexity and ambition of Vastned. This group of companies comprises the following fourteen European listed property companies (the '**Labour market reference group**')

ANF Immobilier SA	IGD SIIQ SpA
Atrium European Real Estate Ltd	Klepierre SA
CapCo Properties PLC	Mercialys SA
Citycon Oyj	NSI NV
Deutsche Euroshop AG	Shaftesbury PLC
Eurocommercial Properties NV	Sponda Oyj
Hammerson PLC	Wereldhave NV

The total remuneration of the Executive Board is compared against this Labour market reference group. In addition, a double fairness test is performed on the remuneration policy based on all AScX-funds and a group of fourteen Dutch companies (also non-listed) of comparable complexity and size. In establishing the total remuneration of the Executive Board, its impact on the remuneration proportions within Vastned is taken into consideration.

3. Components total remuneration

The total remuneration for the Executive Board comprises the following five components:

1. fixed remuneration;
2. short-term variable remuneration;
3. long-term variable remuneration;
4. pension plan;
5. other benefits.

4. Total remuneration

4.1 Introduction

In determining the total remuneration for the Executive Board, a labor market reference group is defined in line with the strategic focus, complexity and ambition of Vastned. This group of companies comprises the following twelve European listed property companies (the '**Labour market reference group**')

Atrium European Real Estate Ltd	IGD SIIQ SpA
CapCo Properties PLC	Klépierre SA
Citycon Oyj	Mercialys SA
Deutsche Euroshop AG	NSI NV
Eurocommercial Properties NV	Shaftesbury PLC
Hammerson PLC	Wereldhave NV

The total remuneration of the Executive Board is compared against this Labour market reference group. In addition, a double fairness test is performed on the remuneration policy based on all AScX-funds.

In the present policy and in establishing the total remuneration of the Executive Board, its impact on the remuneration ratios within Vastned is taken into consideration. The principle for this is that the total remuneration of the Executive Board, also in view of the weight of the position and the responsibilities associated with a listed property company must at all times be reasonably proportionate to the salaries and employment conditions of Vastned's employees and must be in line with the remuneration ratios that are in effect within the company.

Following recent changes (such as the delisting of Sponda Oyj) ANF Immobilier SA and Sponda Oyj do no longer fit within the Labour market reference group and will therefore be removed from the group.

CURRENT TEXT REMUNERATION POLICY

PROPOSED CHANGES

EXPLANATION

Based on the comparison against the Labour market reference group and the double fairness test, the remuneration levels of the Executive Board are adapted.

In view of the above, the fixed remuneration will be positioned in line with the median of the Labour market reference group and around the lowest 25th percentile for the total remuneration. Based on the remuneration levels per the end of 2016 the fixed remuneration was positioned between the lowest 25th percentile and the median of the Labour market reference group

The reasonableness of the remuneration ratios within Vastned is continuously monitored based on benchmarks and reports, both internal and external.

In its remuneration report the Company annually reports on the remuneration of the Chief Executive Officer ("CEO") in comparison to that of an average employee. The reference point used is the total financial remuneration of all Vastned employees (excluding the remuneration of the CEO) in the relevant tax year.

In its remuneration report the Company also annually reports on the remuneration of both the CEO and the Chief Financial Officer ("CFO") respectively in comparison to that of all employees. The reference point used is the total financial remuneration of all Vastned employees (excluding the remuneration of the CEO and the CFO) in the relevant tax year.

The present remuneration policy further took account of Vastned's identity, mission and values and public support, by shaping the policy and its implementation in such a way that the members of the Executive Board receive remuneration that is in line with Vastned's identity as a European listed property company whose main focus is to create long-term value for all stakeholders involved with the company. In this, special attention has been paid to the social context and the society that Vastned is part of, taking account of the business' necessary competitiveness.

The remuneration levels are determined based on the comparison with the Labour market reference group and the abovementioned double fairness test, and taking account of the pay ratios, Vastned's identity, mission and values and public support.

In view of the above, the fixed remuneration will be positioned in line with the median of the Labour market reference group and around the lowest 25th percentile for the total remuneration. Based on the remuneration levels per the end of 2019 both the fixed and total remuneration were positioned between the lowest 25th percentile and the median of the Labour market reference group.

CURRENT TEXT REMUNERATION POLICY

and below the lowest 25th percentile for the total remuneration. The Supervisory Board has, in the event of developments within the Labour market reference group, powers to adjust this group to keep it relevant within the framework of this remuneration policy.

4.2 Fixed remuneration

The fixed remuneration for the Executive Board is tested annually against the previously mentioned Labour market reference group, and is set in principle for twelve months. In setting an appropriate fixed remuneration for a member of the Executive Board, the following factors are taken into account:

- individual skill level, experience and scope of responsibilities;
- business performance, shortage of talent, economic climate and market conditions;
- salary adjustments in the Labour market reference group.

The Supervisory Board has powers to adjust the fixed remuneration based on the abovementioned principles. Based on the comparison with the Labour market reference group the fixed remuneration for the Chief Executive Officer ('CEO') was adjusted as per 1 January 2018. For the Chief Financial Officer ('CFO') the fixed remuneration can grow to 70% of the fixed remuneration of the CEO.

The fixed remuneration includes 8% holiday pay and is paid monthly in cash. The fixed remuneration is pensionable up to € 100,000, any variable remuneration is not pensionable. Please refer to section 4.4 for additional information on pension.

4.3 Variable remuneration

The total variable remuneration shall not exceed 100% of the fixed remuneration. Of this variable remuneration 40% is intended as variable remuneration in the short term and 60% long-term variable remuneration.

PROPOSED CHANGES

The Supervisory Board has, in the event of developments within the Labour market reference group, powers to adjust this group to keep it relevant within the framework of this remuneration policy.

4.2 Fixed remuneration

The fixed remuneration for the Executive Board is tested annually against the previously mentioned Labour market reference group, and is set in principle for twelve months. In setting an appropriate fixed remuneration for a member of the Executive Board, the following factors are taken into account:

- individual skill level, experience and scope of responsibilities;
- business performance, shortage of talent, the economic climate and market conditions;
- salary adjustments in the Labour market reference group.

The Supervisory Board has discretionary powers to adjust the fixed remuneration based on the abovementioned principles.

The maximum fixed remuneration of the CFO is 70% of the level of the fixed remuneration of the CEO.

The fixed remuneration includes 8% holiday pay and is paid monthly in cash. The fixed remuneration is pensionable up to the in the respective year applicable maximum, any variable remuneration is not pensionable. Please refer to section 4.4 for additional information on pension.

4.3 Variable remuneration

The total variable remuneration shall not exceed 100% of the fixed remuneration. Of this variable remuneration 40% is intended as variable remuneration in the short term and 60% as long-term variable remuneration.

EXPLANATION

CURRENT TEXT REMUNERATION POLICY

PROPOSED CHANGES

EXPLANATION

4.3.1. Short-term variable remuneration

Every financial year, members of the Executive Board are eligible for a short-term variable remuneration ('**Short Term Incentive**' or '**STI**'). The STI ranges from 0% to a maximum of 40% of the fixed remuneration.

Vastned's strategy has a clear focus on stable and predictable results. In support of this strategy, the STI is determined based on four challenging targets of equal weight, three of which are financial and objectively measurable, and one of which is of a qualitative nature. The three financial STI-targets have a 'threshold', 'target' and 'maximum' award. The qualitative target with 25% weight is defined for each member of the Executive Board individually and realisation will be assessed qualitatively by the Supervisory Board.

The targets for the STI are set annually in advance by the Supervisory Board based on the operational and strategic ambitions of the company as described in the business plan. In view of the market-sensitive character of the STI targets, Vastned does not disclose the actual STI targets in advance. After the conclusion of the relevant financial year, the STI targets and realisation are described in the corresponding remuneration report.

4.3.1. Short-term variable remuneration

Every financial year, members of the Executive Board are eligible for a short-term variable remuneration ('**Short Term Incentive**' or '**STI**'). The STI ranges from 0% to a maximum of 40% of the fixed remuneration.

Vastned's strategy has a clear focus on stable and predictable results. In support of this strategy, the STI is determined based on four challenging targets (each with a weight of 25%) aimed at creating long-term value for the stakeholders of the company (issues such as the strategy and other long-term interests, which include the occupancy rate of the portfolio, like-for-like gross rental growth and sustainability). These targets encourage the Executive Board to focus on Vastned's strategy, long-term interests and sustainability, and as such contribute to them. Every year after the end of the relevant financial year an explanation of the contents of these targets will be given in the remuneration report.

The targets for the STI objectives are set annually in advance by the Supervisory Board based on the operational and strategic ambitions of the company as described in the business plan. The targets for the three qualitative STI objectives have a threshold (i.e. a minimum level that must be met for the STI to be awarded; in that case a weight of 15% of the total STI applies) and a 'maximum' award (weight of 25% of the total STI). Between the threshold and the maximum, the STI will be awarded pro rata. The 25% qualitative STI target is determined individually for each member of the Executive Board, and its realisation is evaluated by the Supervisory Board. The qualitative STI target for the CEO is usually focused on creating long-term value for the stakeholders of the company. The qualitative STI target for the CFO is also focused on creating long-term value for the stakeholders of the company, inter alia by improving the process-based aspects of the internal organization.

Prior to the Annual General Meeting of shareholders the Supervisory Board determines to what extent the targets have been realised. The

This concerns a further explanation of the targets, no change in comparison to the current situation

The STI is paid in cash after the Annual General Meeting of shareholders has adopted the annual accounts for the relevant financial year. Members of the Executive Board can use the variable bonus to purchase Vastned shares until and to the extent that they do not meet the share-ownership guidelines (see section 4.3.3).

4.3.2. Long-term variable remuneration

4.3.2.1. Introduction

Members of the Executive Board are eligible for a long-term variable remuneration ('**Long-term Incentive**' or '**LTI**'). The LTI ranges from 0% to a maximum of 60% of the fixed remuneration. The LTI plan consists of the following three components:

1. a Relative Total Shareholder Return (**RTSR**) test (40%);
2. an Absolute Total Shareholder Return (**ATSR**) test (30%);
3. a Business Health Test (30%).

The long-term variable remuneration aims to align the interests of the members of the Executive Board with long-term shareholders' interests.

The members of the Executive Board are obliged, on the basis of a procedure laid down by Vastned, to use the cash payment under the LTI-plan to acquire Vastned shares until the share ownership guidelines are met (see section 4.3.3).

remuneration report will explain the targets and their realisation every year. The report will be discussed during the Annual General Meeting and put to the meeting for an advisory vote.

After its determination the STI will be paid out in cash in the month of May following the Annual General Meeting.

Members of the Executive Board can use the variable bonus to purchase Vastned shares until and to the extent that they do not meet the share-ownership guidelines (see section 4.3.3).

4.3.2. Long-term variable remuneration

4.3.2.1. Introduction

Members of the Executive Board are eligible for a long-term variable remuneration ('**Long-term Incentive**' or '**LTI**'). The LTI ranges from 0% to a maximum of 60% of the fixed remuneration. The LTI plan consists of the following three components:

1. a Relative Total Shareholder Return (**RTSR**) test (40%);
2. an Absolute Total Shareholder Return (**ATSR**) test (30%);
3. a Business Health Test (30%).

The long-term variable remuneration aims to further align the interests of the members of the Executive Board with long-term shareholders' interests and with Vastned's strategy, long-term interests and sustainability. The LTI targets described below promote that the Executive Board focuses on Vastned's strategy, long-term interests and sustainability, and as such contribute to them. The LTI will be paid out in cash in the month of May following the Annual General Meeting.

The members of the Executive Board are obliged, on the basis of a procedure laid down by Vastned, to use the cash payment under the LTI-plan to acquire Vastned shares until the share ownership guidelines are met (see section 4.3.3).

CURRENT TEXT REMUNERATION POLICY

PROPOSED CHANGES

EXPLANATION

4.3.2.2 Relative Total Shareholder Return test

The Relative Total Shareholder Return test determines 40% of the LTI incentive. The RTSR is measured by determining the total shareholder return (value movements plus dividends) of the Vastned share over a period of three financial years. The calculation is based on the basis of the average share price in the three months before the start of the performance period and the three months at the end of the performance period. This total shareholder return is then compared to a reference group of direct competitors. Depending on the positioning on total shareholder return within the reference group of direct competitors, follows a possible reward of an LTI-incentive based on RTSR. The reference group for the RTSR test is largely similar to the Labour market reference group and comprises the following companies, whereby Vastned set its goal to compete with 'best in class' companies in its sector:

Atrium European Real Estate Ltd	Klepierre SA
CapCo Properties PLC	Mercialys SA
Citycon Oyj	Shaftesbury PLC
Deutsche Euroshop AG	Unibail-Rodamco SE
Eurocommercial Properties NV	Vastned Retail NV
Hammerson PLC	Wereldhave NV
IGD SIIQ Sp	

The Supervisory Board has, in the event of developments within this reference group, powers to adjust this group to keep it relevant within the framework of this remuneration policy.

RTSR awarding

The 40% LTI incentive, based on the RTSR-test will be awarded based on Vastned's ranking within the reference group, on the basis of total shareholder return of the Vastned share at the end of the three-year performance period, in accordance with the following scale:

Ranking	1	2	3	4	5	6	7-13
Awarding RTSR	100%	86%	72%	58%	44%	30%	0%

4.3.2.2 Relative Total Shareholder Return test

The Relative Total Shareholder Return test determines 40% of the LTI incentive. The RTSR is measured by determining the total shareholder return (value movements plus dividends) of the Vastned share over a period of three financial years. The calculation is based on the basis of the average share price in the three months before the start of the performance period and the three months at the end of the performance period. This total shareholder return is then compared to a reference group of direct competitors. Depending on the positioning on total shareholder return within the reference group of direct competitors, follows a possible reward of an LTI-incentive based on RTSR. The reference group for the RTSR test is largely similar to the Labour market reference group and comprises, besides Vastned, the following companies, whereby Vastned set its goal to compete with 'best in class' companies in its sector:

Atrium European Real Estate Ltd	IGD SIIQ SpA
CapCo Properties PLC	Klépierre SA
Citycon Oyj	Mercialys SA
Deutsche Euroshop AG	Shaftesbury PLC
Eurocommercial Properties NV	Unibail-Rodamco-Westfield SE
Hammerson PLC	Wereldhave NV

The Supervisory Board has, in the event of developments within this reference group, powers to adjust this group to keep it relevant within the framework of this remuneration policy.

RTSR awarding

The 40% LTI incentive, based on the RTSR-test will be awarded based on Vastned's ranking within the reference group, on the basis of total shareholder return of the Vastned share at the end of the three-year performance period, in accordance with the following scale:

Ranking	1	2	3	4	5	6	7-13
Awarding RTSR	100%	86%	72%	58%	44%	30%	0%

CURRENT TEXT REMUNERATION POLICY

The realisation of these LTI targets will be validated by a third party and audited by the external auditor.

4.3.2.3 Absolute Total Shareholder Return test

The Absolute Total Shareholder Return test determines 30% of the total LTI-reward. The ATSR is measured by determining the total shareholder return on the Vastned share over a period of three years (see 4.3.2.2 Relative Total Shareholder Return test).

ATSR awarding

The 30% LTI-incentive based on the ATSR test is determined based on a range in which an ATSR of under 10% over the period of three years will not be awarded. An ATSR of 15% over this three year period results in an "at target" realisation of the ATSR test and a 25% ATSR results in the maximum award. The ATSR awarded between the threshold and the maximum will be determined on a pro rata basis. The realisation of this ATSR test will be validated by a third party and audited by the external auditor.

4.3.2.4 Business Health Test

The business health test determines 30% of the total LTI incentive. The purpose of this test is to encourage that shortterm incentives are not predominant in determining the policy and that the Board is encouraged to keep the long-term strategy in mind at all times.

As a starting point in the evaluation of this test, the impact of the annual STI targets over a period of three years will be measured. In addition, other, non-financial performance indicators will be considered. This could for example include strategic leadership, 'tone at the top', employee satisfaction, implementation of the strategy and corporate social responsibility. After the conclusion of the relevant financial year, the realisation of the Business Health test will be described in the corresponding remuneration report.

PROPOSED CHANGES

The realisation of these LTI targets will be validated by a third party and audited by the external auditor.

4.3.2.3 Absolute Total Shareholder Return test

The Absolute Total Shareholder Return test determines 30% of the total LTI-reward. The ATSR is measured by determining the total shareholder return on the Vastned share over a period of three years (see 4.3.2.2 Relative Total Shareholder Return test).

ATSR awarding

The 30% LTI-incentive based on the ATSR test is determined based on a range in which an ATSR of under 10% over the period of three years will not be awarded. An ATSR of 15% over this three year period results in an "at target" realisation of the ATSR test and a 25% ATSR results in the maximum award. The ATSR awarded between the threshold and the maximum will be determined on a pro rata basis. The realisation of this ATSR test will be validated by a third party and audited by the external auditor.

4.3.2.4 Business Health Test

The business health test determines 30% of the total LTI incentive. The purpose of this test is to encourage that shortterm incentives are not predominant in determining the policy and that the Board is encouraged to keep the long-term strategy in mind at all times.

As a starting point in the evaluation of this test, the impact of the annual STI targets over a period of three years will be measured. In addition, other, non-financial performance indicators will be considered. This could for example include strategic leadership, 'tone at the top', employee satisfaction, implementation of the strategy and corporate social responsibility. After the conclusion of the relevant financial year, the realisation of the Business Health test will be described in the corresponding remuneration report.

EXPLANATION

CURRENT TEXT REMUNERATION POLICY

PROPOSED CHANGES

EXPLANATION

4.3.3 Share ownership guidelines

One of the objectives of this remuneration policy is to align long-term shareholder interests with those of the Executive Board by promoting shareholding in Vastned. Accordingly, the Executive Board must build up a position in Vastned shares equal in value to 300% of the most recently defined fixed remuneration in the case of the CEO and 150% in the case of the CFO.

The Executive Board will strive for the minimum shareholding to be built up over a term of five calendar years. The Supervisory Board will on a regular basis examine whether the accrual period is fair and reasonable.

Members of the Executive Board may use the short-term incentive awarded to them to purchase Vastned shares until and to the extent that they do not meet the share ownership guidelines within the term of five calendar years. The long-term variable remuneration must be used to purchase Vastned shares based on a procedure defined by Vastned until the share ownership guidelines are complied with. When the minimum amount of shareholding is reached, the members of the Executive Board must retain the shares for as long as they are employed at Vastned.

At the time of adoption of this remuneration policy Mr Taco T.J. de Groot (CEO) already complies amply with the minimum requirement of a shareholding in Vastned of more than 300% of its lastly adopted fixed remuneration.

4.3.4 Policy in case of takeover

In the event of a takeover of Vastned, the settlement of the variable remuneration will be determined by the Supervisory Board in the spirit of and in compliance with relevant laws and regulations, upon recommendation from the remuneration- and nomination committee.

4.3.3 Share ownership guidelines

One of the objectives of the remuneration policy is to align long-term shareholder interests with those of the Executive Board by promoting shareholding. **The CEO must build up a position in Vastned shares that is equal to 300% of his most recent fixed remuneration, and the CFO must build up a position in Vastned shares that is equal to 150% of his most recent fixed remuneration.**

The Executive Board will endeavour to build up the minimum shareholding within five calendar years. The Supervisory Board regularly checks whether this build-up period is fair and reasonable.

Members of the Executive Board may use the short-term incentive awarded to them to purchase Vastned shares until and to the extent that they do not meet the share ownership guidelines within the term of five calendar years. The long-term variable remuneration must be used to purchase Vastned shares based on a procedure defined by Vastned until the share ownership guidelines are complied with. When the minimum amount of shareholding is reached, the members of the Executive Board must retain the shares for as long as they are employed at Vastned.

The Regulation Private Investment Transactions will also apply to the share ownership of the members of the Executive Board.

At the time of adoption of this remuneration policy Mr Taco T.J. de Groot (CEO) already complies amply with the minimum requirement of a shareholding in Vastned of more than 300% of its lastly adopted fixed remuneration.

4.3.4 Policy in case of takeover

In the event of a takeover of Vastned, the settlement of the variable remuneration will be determined by the Supervisory Board in the spirit of and in compliance with relevant laws and regulations, upon recommendation from the remuneration- and nomination committee.

Textual explanation

4.3.5 Policy for early termination of an employment agreement

In the event of early termination of the employment agreement with a member of the Executive Board, the Supervisory Board will resolve, taking account of the manner and the circumstances in which the termination occurred, whether and if so, to what extent an LTI incentive will be awarded to this member.

4.3.6 Malus en claw-back

There may be special circumstances that prevent awarding a short-term or a long-term variable remuneration (**'malus'**). In such cases, the Supervisory Board may use its power to withhold the variable remuneration. Next to circumstances specific to Vastned, external factors such as new laws and regulations or social developments may provide grounds for such a decision. Lastly laws and regulations state that in case an LTI is awarded wrongly with hindsight on the basis of incorrect information, the amount can be reclaimed (**'claw back'**).

4.4 Pension plan

The members of the Executive Board may choose to participate in Vastned's pension plan or receive a pension compensation in cash. Both the pension compensation in cash and the pension contributions according to the pension plan are not pensionable and not included in determining the level of the short-term or long-term incentives. The main elements of Vastned's pension plan are among others:

- the pension plan is a career average scheme, in which the annual pensionable salary is limited to the in that year applicable maximum on legal grounds;
- the accrual rate is 1.875% per service year;
- the policy includes a next of kin pension of 70% of the lifelong old-age pension.

The annual pension contributions under the pension plan up to the in the respective year applicable maximum annual pensionable salary as well as the pension compensation in cash are paid by Vastned.

4.3.5 Policy for early termination of an employment agreement

In the event of early termination of the employment agreement with a member of the Executive Board, the Supervisory Board will resolve, taking account of the manner and the circumstances in which the termination occurred, whether and if so, to what extent an LTI incentive will be awarded to this member.

4.3.6 Malus en claw-back

There may be special circumstances that prevent awarding a short-term or a long-term variable remuneration (**'malus'**). In such cases, the Supervisory Board may use its power to withhold the variable remuneration. Next to circumstances specific to Vastned, external factors such as new laws and regulations or social developments may provide grounds for such a decision. Lastly laws and regulations state that in case an **STI or LTI** is awarded wrongly with hindsight on the basis of incorrect information, the amount can be reclaimed (**'claw back'**).

4.4 Pension plan

The members of the Executive Board may choose to participate in Vastned's pension plan, or receive a pension compensation in cash. The pension compensation in cash and pension contributions in the context of a pension plan do not count towards the level of the short-term or long-term variable remuneration.

The pension plan is a defined benefit scheme.

The policy includes a next of kin pension of 70% of the lifelong old-age pension.

The annual pension contributions under the pension plan up to the in the respective year applicable maximum as well as the pension compensation in cash are paid by Vastned.

As per January 1st 2020, Vastned's pension scheme is a defined benefit scheme.

CURRENT TEXT REMUNERATION POLICY

PROPOSED CHANGES

EXPLANATION

The remuneration and nomination committee will annually evaluate whether the pension plan for the Executive Board is in line with the total employment benefits package.

4.5 Other benefits

Company car

A company car including fuel costs, insurance, road tax etc. is provided as part of the benefits package of the members of the Executive Board.

Other reimbursements

Members of the Executive Board are eligible for customary payments and allowances such as additional health insurance, mobile phone, tablet, compensation for internet costs, sick leave, paid leave, et cetera. Travel and accommodation expenses incurred in the performance of the employment contract are reimbursed. Legal costs will be reimbursed after approval by the Supervisory Board.

The expenses of the Executive Board are evaluated and subjected to quarterly approval by the remuneration and nomination committee.

5. Term of appointment and employment agreements

Term of appointment

Members of the Executive Board will be appointed for a four-year period. For members of the Executive Board the Company has a six months' notice period and the members of the Executive Board have a three months' notice period.

The remuneration and nomination committee will annually evaluate whether the pension scheme for the Executive Board is in line with the total employment benefits package.

4.5 Other benefits

Company car

A company car including fuel costs, insurance, road tax etc. is provided as part of the benefits package of the members of the Executive Board.

Other reimbursements

Members of the Executive Board are eligible for customary payments and allowances such as additional health insurance, mobile phone, tablet, compensation for internet costs, sick leave, paid leave, et cetera. Travel and accommodation expenses incurred in the performance of the employment contract are reimbursed. Legal costs will be reimbursed after approval by the Supervisory Board.

The expenses of the Executive Board are evaluated and subjected to quarterly approval by the remuneration and nomination committee.

5. Term of appointment and **termination**

Term of appointment

The principle is that Executive Board members are appointed for a four-year term. The employment agreement is concluded in principle for a definite period, being the term of the appointment (without any probationary period), and ends by operation of law after expiry of the period for which the agreement was concluded without any notice of termination being required. For early termination by (any subsidiary of) the Company a six-month notice period applies, and early termination by an Executive Board member is subject to a three-month notice period.

Non-competition clause and non-solicitation clause

The employment agreement or agreement for services contains or will contain in principle a non-competition/confidentiality clause, a non-solicitation clause and a clause prohibiting taking over Vastned employees, with a duration sufficient to protect Vastned's interests.

Dismissal payments

Dismissal payments, excluding the variable remuneration, are limited to twelve months of the fixed remuneration.¹

Termination and dismissal payments

If an Executive Board member's employment agreement is terminated on the initiative of (a subsidiary of) the Company (e.g. as a result of a dismissal resolution adopted by the Annual General Meeting):

- other than in relation to the expiry of the agreed term of the agreement;
- other than for urgent cause; and
- the relevant member of the Executive Board cannot reasonably be reproached for the grounds that the termination is based on,

the (relevant group company of the) Company will owe the Executive Board member a once-only dismissal payment of three monthly salaries per year of service, whereby six months and one day are counted as a full year of service. The dismissal compensation is calculated based on the fixed gross monthly salary that was in effect at the time of termination.

Variable remuneration components and other compensation are not taken into account in this calculation. The dismissal payment is maximised at twelve months of the abovementioned fixed remuneration, or lower as reflected in the recommendations in the Dutch corporate governance code at any time.

Early retirement schemes

There are no early retirement schemes in effect for the Executive Board members.

¹ The employment agreement with Reinier Walta (CFO) leaves room for lowering the maximum twelve months of the fixed remuneration dismissal payment, in case the Dutch Corporate Governance Code recommends so.

6. Miscellaneous**Loans, guarantees and similar**

Vastned does not provide loans, advances or guarantees to members of the Executive Board.

Cases not covered by the remuneration policy

In cases not covered by the remuneration policy, the Supervisory Board decides. Any decision must match the principles and intentions of the remuneration policy as closely as possible. Where necessary, the Supervisory Board will inform the General Meeting of shareholders.

6. Miscellaneous**Loans, guarantees and similar**

Vastned does not provide loans, advances or guarantees to members of the Executive Board.

Cases not covered by the remuneration policy

In cases not covered by the remuneration policy, the Supervisory Board decides. Any decision must match the principles and intent of the remuneration policy as closely as possible. Where necessary, the Supervisory Board will inform the General Meeting of shareholders.

Deviations from the remuneration policy

In exceptional cases Vastned may temporarily deviate from the existing remuneration policy until a new remuneration policy is adopted. Deviation may take place to the extent this is necessary to serve Vastned's long-term interests and sustainability in general, or to guarantee the viability of the company. Deviation from the policy requires a resolution of the Supervisory Board. It is the responsibility of the Supervisory Board to resolve what aspects of the policy it is necessary to deviate from. This may involve one or more of the following components:

- the fixed remuneration as described in section 4.2;
- the variable remuneration as described in section 4.3;
- other remuneration components as described in section 4.5;
- termination and compensation as described in section 5.

Deviations will be explained in the remuneration report.

VASTNED RETAIL N.V. REMUNERATION POLICY FOR THE SUPERVISORY BOARD

'A policy that is in line with Vastned's strategy to stimulate stable and predictable results'

1. Introduction

This document contains the remuneration policy for the supervisory board (the '**Supervisory Board**') of Vastned Retail N.V. ('**Vastned**' or the '**Company**'). Every year, the Supervisory Board will assess whether all aspects of the remuneration policy are still in line with Vastned's strategy. Future amendments of the remuneration policy will be put to the Annual General Meeting. The remuneration policy is put to the Annual General Meeting for adoption at least every four years.

2. Objectives of the remuneration policy

Vastned's remuneration policy contributes to the Company's strategy, long-term interests and sustainability by means of:

- preparation of a clear and transparent remuneration policy that complies with the most recent (also international) corporate governance insights. Vastned has the ambition also in this respect to compete with Europe's 'best in class' companies;
- bringing the remuneration policy in line with Vastned's strategy aimed at stimulating predictable and stable results;
- being able to attract, motivate and retain Supervisory Board members of the highest quality.

The members of the Supervisory Board will receive a competitive remuneration without results related elements. The remuneration therefore conduces to safeguard the independent competent supervision in the interest of the Company and its long term results.

3. Remuneration of the Supervisory Board

3.1 Remuneration

The remuneration of the members of the Supervisory Board and its subcommittees is determined by the Annual General Meeting. Members of the Supervisory Board are not granted remuneration in the form of shares and/or share options or similar entitlements to obtain shares in the capital of the Company, to safeguard the independent supervision in the interest of the Company and its long term results. The compensation set out below is the only remuneration the members of the Supervisory Board receive from Vastned.

In the present policy and in the determination of the total remuneration of the members of the Supervisory Board account was also taken of the remuneration ratios within the Company. The principle is that each member of the Supervisory Board should receive appropriate remuneration in relation to the time spent and the responsibilities associated with a listed property company. At the same time, the remuneration must at all times be in proportion to the salaries and employment conditions of the Vastned employees and should be in line with the remuneration ratios within the Company. The reasonableness of the remuneration ratios within Vastned is continuously monitored based on benchmarks and reports, both internal and external.

The present remuneration policy further takes account of Vastned's identity, mission and values and public support, by shaping the policy and its implementation in such a way that the members of the Supervisory Board receive remuneration that is in line with Vastned's identity as a European listed property company whose main focus is to create long-term value for all stakeholders involved with the company. In this, special attention has been paid to the social context and the society that Vastned is part of, taking the business' necessary competitiveness into account.

3.2 Total remuneration components

The members of the Supervisory Board are remunerated as follows:

Position	Amount (€)
Chairman	52,750
Member*	36,000

*not being a chairman

- Compensation Chair audit and compliance committee € 7,750
- Compensation Chair remuneration and nomination committee € 6,750

All members also receive a fixed expense allowance for travel and accommodation of € 1,250 per year, excluding VAT.

VAT

If the members of the Supervisory Board must charge VAT on their allowance, the Company will pay this amount.

4. Term of office and termination

Term of office

A member of the Supervisory Board will retire no later than at the close of the Annual General Meeting held in the fourth financial year following the financial year in which the relevant member was appointed.

Termination and compensation

The Annual General Meeting may resolve to dismiss a member of the Supervisory Board. In the event of early termination of the appointment of a member of the Supervisory Board, the member is not entitled to any dismissal payment.

Early retirement schemes

There are no early retirement schemes in place for members of the Supervisory Board.

DRAFT

Proxy/Voting instruction

For the Annual General Meeting of shareholders (hereinafter: the '**AGM**') of Vastned Retail N.V. (hereinafter: '**Vastned**') held on Thursday 25 June 2020 at 10:00 am (CET) at the Vastned offices (De Boelelaan 7, Amsterdam).

Vastned offers you the option of granting a voting proxy and issuing voting instructions (the '**Proxy**') by using this form (the '**Form**') to an independent third person, as referred to in Dutch Corporate Governance Code best-practice provision 4.3.2, NFGD Zoetermeer B.V.

The proxy is subject to Vastned's 'Conditions for Granting Proxies' set out on the final page of this Form. By signing this Form, you declare that you accept these conditions.

The undersigned:

Name: Initials:
Company name (if applicable)
Address:
City:
E-mail:

hereinafter referred to as the '**Shareholder**', acting in his/her capacity as the holder of (number) Vastned shares, hereby declares that he/she grants a proxy to NFGD Zoetermeer B.V. (the "**Proxy Holder**") to represent the Shareholder at the Vastned AGM and address the meeting on behalf of the Shareholder and vote in accordance with the voting instructions stated below.

If you wish to grant a voting proxy including voting instructions to the Proxy Holder, this Form and the confirmation from the affiliated institution, bank or broker¹⁾ must be received no later than 5:00 pm (CET) on Monday 22 June 2020 at the following email address: vastned@nfgd.nl, or by post at the following address: NFGD Zoetermeer B.V., attn. Leonie Beuman, Koraalrood 48, 2718 SC Zoetermeer.

¹⁾ The confirmation you received from the affiliated institution, bank or broker after you registered your shares for the AGM. In order to duly and validly submit the Proxy, you shall send this Form also to your affiliated institution, bank or broker. If you fail to submit the confirmation and/or sign the Proxy and/or submit the Proxy on time to the Proxy Holder, the Proxy including voting instructions will not be valid.

Agenda items and voting instructions for the Vastned AGM held on Thursday 25 June 2020 at 10:00 am (CET):

Item	Subject	Vote (please tick your choice with an X)		
		in favour	against	abstention
3	Remuneration report for the 2019 financial year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Proposal to adopt the financial statements for the 2019 financial year (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Dividend declaration proposal for the 2019 financial year (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Proposal to grant discharge to the members of the Executive Board for the 2019 financial year (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Proposal to grant discharge to the members of the Supervisory Board for the 2019 financial year (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Proposal to amend the Remuneration Policy for the members of the Executive Board (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Proposal to adopt the Remuneration Policy for the members of the Supervisory Board (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	Proposal to authorise the Executive Board to purchase the Company's own shares (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	Proposal to reappoint Ernst & Young Accountants LLP as Vastned's external auditor for a term of four financial years (resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Name: Initials:

City and date:

Signature:

Vastned Conditions for Granting Proxies

1. The Shareholder is given the opportunity to vote at the AGM by granting a Proxy to a Proxy Holder who attends the AGM. At the AGM the Proxy Holder will vote in accordance with the voting instructions issued by the Shareholder.
2. The Shareholder may grant, change or withdraw a Proxy from the time when the Form is placed on Vastned's website up to and including the time stated in the Form.
3. Every Proxy granted by the Shareholder is a Proxy with the right of substitution.
4. The Shareholder provides voting instructions to the Proxy Holder by completing the Form placed on Vastned's website and submitting it as described in the Form. If and to the extent no instruction has been issued for one or more resolutions, the Proxy Holder is deemed to have been instructed to vote in favour of the relevant proposal or proposals.
5. Any Proxy granted revokes previously granted proxies as well as proxies previously granted to third parties to exercise the Shareholder's meeting rights in the AGM. Any Proxy granted may be cancelled at any time, but exclusively in writing.
6. The Proxy is only valid if the affiliated institution, bank or broker that administrates the Shareholder's shares has registered the Shareholder's shareholding in the way as described by the Company in the convening notice.
7. By signing the Proxy, the Shareholder declares and warrants that he holds the shares fully and unencumbered, and that there is no pledgee or usufructuary who pursuant to statutory provisions or the articles of association may exercise the voting right vested in the shares.
8. The Proxy Holder is entitled to represent multiple Shareholders simultaneously.
9. The Proxy Holder excludes any liability for legal acts the Proxy Holder performs for and on behalf of the Shareholder based on the Proxy. The Shareholder indemnifies and holds harmless the Proxy Holder against any third-party claims in respect of or in connection with (i) the Proxy and (ii) any legal act the Proxy Holder performs for and on behalf of the Shareholder based on the Proxy. Third parties cannot derive rights from the Proxy.
10. If the Shareholder holds shares on behalf of third parties professionally or in the course of his business, he/she warrants by signing the Proxy that he/she is authorised to grant the Proxy and has taken note of all the conditions that must be fulfilled in order to grant the Proxy, which arise from the relationship between the Shareholder and that other person.
11. If a trust office grants a proxy for the AGM to the Shareholder, stipulating that the proxy only takes effect by signing the attendance list, this will not affect that the Proxy granted by the Shareholder to the Proxy-holder entitles him to sign the attendance list on behalf of the Shareholder.
12. The Proxy is governed by Dutch law.