

Annual General Meeting of shareholders of Vastned Retail N.V. held on Thursday 20 April 2023 at 1:00pm at the Rosarium, Amstelpark 1 in Amsterdam

Please note that the meeting was held in the Dutch language, the minutes were therefore drawn up in Dutch. The minutes are translated into English and placed on Vastned's website. In the event of any uncertainty, the Dutch version will prevail.

Chairman: **J.G. Blokhuis, Chairman of the Supervisory Board of Vastned Retail N.V. ('Vastned' or 'company')**

Secretary **R.P.O. Kramer, Company Secretary**

1. Opening and announcements

The **chairman**: Good afternoon, ladies and gentlemen. The clock has just gone 1, a perfect time to start. Welcome to Vastned's Annual General Meeting of shareholders for the 2022 financial year. I hereby open the meeting. I note that the meeting has been convened in accordance with the law and the company's articles of association. The agenda with the items and appendices to be discussed have been available for inspection at the company's offices and through ABN AMRO in a timely manner and have been available on the website since 9 March last. At the table in front of you are CEO Reinier Walta, right next to me, and on the other side are supervisory directors Desiree Theyse and Ber Buschman. My name is Jaap Blokhuis, I am the chairman. I hereby appoint our company secretary Raymond Kramer who is sitting on the far left as secretary of this meeting. Our auditor from EY, Mr Jaap de Jong, is in the room and you will see him at the rostrum shortly. Once we know how many shareholders entitled to vote are present at this meeting, we will let you know. We now turn to the agenda. I would like to give you the opportunity to ask questions at each agenda item. Please use the microphone when you do, and state your name loudly and clearly before you ask your question. Furthermore, I would kindly ask you to check that your phone is muted or switched off, whatever type of phone you have brought along. There are 10 items on today's agenda. Questions that are not specifically related to any of these agenda items can be raised at 'any other questions' at the end. The text in the presentation at this AGM is mainly in English so that we can show interested parties abroad the same presentation. The working language at this AGM, as you will have noticed, is Dutch. The minutes will be drawn up in Dutch and then also translated into English. The minutes will then appear on Vastned's website within a few weeks. That concludes my general announcements.

2. Report of the Executive Board on the 2022 financial year and discussion of the main points of the corporate governance structure and compliance with the Corporate Governance Code

The **chairman**: I would now like to formally move to agenda item 2 of the meeting, the report of the Executive Board for the 2022 financial year. As regards the corporate governance structure and compliance with the corporate governance code, you have been able to read in the annual report on page 74 and following that in 2022 Vastned again complied with all provisions of the Code. Vastned

CEO Reinier Walta will comment on the past financial year and give his views on the various developments and how they affect Vastned. He will also elaborate on the effects these developments had on the financial results and the financing structure. I now give the floor to CEO Reinier Walta.

Mr **Walta**: Thank you, Jaap. I once again feel honoured to be able to update you today on a number of topics. Let me first review some of the highlights of the year 2022, followed by our operational and financial performance. Next, I will discuss the implementation of our strategy in 2021 and the economic developments as they affected Vastned and its stakeholders. I will conclude my review of 2022 with a discussion of our current financing structure. I will then proceed to the strategic reorientation that we announced at the publication of the annual results in February. I would like to use this meeting to explain the rationale for the strategic reorientation and the process behind it. Finally, I will give our views on the 2023 outlook, after which there will be an opportunity to ask questions. 2022 was a good year for Vastned in terms of operational and financial performance. Vastned is satisfied with the results achieved. They once again confirmed the quality of the property portfolio, which also translated into only a limited write-down of 1.2% on the value of the property in a challenging market. The increase of the occupancy rate to 98.6% as at year-end 2022 and a collection rate of 98.2% confirm the quality of our tenant base. During 2022, Vastned's property portfolio hardly changed; five targeted divestments and one targeted investment had no material impact on the value of the portfolio. The number of new leases was more limited than in previous years with all new leases concluded near or above market rent. Like-for-like rental development increased by 7.5% and was driven by the higher occupancy rate, rent indexation and fewer rent discounts related to the fact that the COVID-19 pandemic had run its course. With few vacancies, and tourism in the largest cities recovering, Vastned is confident that the operating base for high-street retail properties is robust. This translated into an improvement in the direct result to € 2.05 per share in 2022, which was at the upper end of our 2022 forecast. We are also pleased that later in the meeting we can propose to declare a dividend of € 1.85 per share. With the interim dividend of € 0.59 that was already paid in August, the final dividend will reach € 1.26 per share. This equates to a payout ratio of 90.2% of our direct result. Our property portfolio has proven to be robust and we are seeing shoppers returning to high streets. Even so, we remain vigilant; after all, Vastned is not immune to rising interest rates, geopolitical tensions and other economic uncertainties. We are expected to issue an outlook at our Q1 trading update on 11 May next. I now turn to operational and financial performance. Our occupancy rate remains high and rose steadily to 98.6% over the past period; the upward trend was visible in all countries where we operate. This high occupancy rate demonstrates the quality of Vastned's property portfolio, for which Vastned was able to attract high-quality tenants who managed to successfully deal with the uncertainties of recent years. Tenant quality also translated into a high collection rate of 98.2% at year-end 2022. Meanwhile, as of the end of March, we were at 98.6% for 2022, and that could go up to 99%, because we have also had a couple of minor bankruptcies and still provided some rent reductions. In 2022, Vastned concluded 43 new leases totalling € 6.4 million, which was significantly lower than the previous year. The negative rent adjustment on these 43 new leases related in particular to two large leases in The Hague and Antwerp that had been let to other tenants at significantly above market rent. However, Vastned is delighted that two highly suitable tenants have been found for these properties in JD Sports in The Hague and ETAM in Antwerp, with whom we have reached long-term rental agreements that are still above the market rent. We prefer to show the rent development on a like-for-like basis, but especially in recent years, this has not always been easy due to COVID-19 lockdowns with rent reductions and also rent deferrals. The like-for-like rental development shown here is adjusted for investments and divestments. The rental development over the past year showed strong growth of 7.5%. It was mainly driven by higher occupancy, indexation of existing rent

and also because we provided fewer rent discounts for the brief COVID-19 lockdown early in 2022. Where occupancy remains high, it is worth noting that indexation of rents will always follow at some point. The effect depends on the timing of annual indexations and agreements on passing on inflation, which may also vary from country to country. My next topic is property valuations. After Vastned faced property write-downs in recent years in connection with the COVID-19 pandemic and the associated lockdowns, initially we expected a slight recovery in valuations in the first half of 2022. However, the uncertainties that entered the market after the Russian invasion of Ukraine and the consequent sharp rise in energy prices and interest rates caused a limited 1.2% fall in property values in the second half of the year compared to the previous year. These charts show the degree of diversification within Vastned's portfolio. Diversification is important to us because it ultimately lowers the risk profile. In the graph on the left, our main cities are plotted along with their proportion of the total value of the property portfolio. As you can see, Amsterdam is the biggest at 22%, followed by Paris at 16% and Utrecht at 7%. If we look at the segmentation by type of retail business or tenant, we see that 45% of annual rental income came from fashion, 17% from supermarkets, 10% from sports and finally 5% from residential. The proportion of residential has been rising slowly but steadily over the past few years, and this is ultimately because, of course, we are still trying to convert the floor space above shops into housing, and twelve new or renovated flats were added in the past year. In the fashion segment, we saw a strong recovery after COVID lockdowns in the past year compared to previous years. Consumer confidence surged until summer 2022 and along with it, so did spending. However, after the rise in energy prices and also inflation and the consequent decrease in disposable income caused a decline after the summer of 2022, we did see an upturn in the first three months of 2023. To achieve diversification, Vastned has been focusing for several years on reducing the share of fashion, as we stated in 2021, from the current 45% to 30%. However, in order to approach diversification sensibly while maintaining a stable rental income, we do so very gradually. Let us now turn to the implementation of our strategy as presented to you in 2021. In doing so, we will address the latest state of affairs whereby I will also touch on general economic developments, discuss our current financing structure and finally move on to the announced strategic reorientation. In 2022, we continued the implementation of our strategy based on three strategic pillars. With this strategy, we respond to market developments in the best possible way. We explained it in detail when we announced our annual figures, but it makes sense to go over it again here. We are seeing a gradual improvement in the tenant mix: the share of fashion/clothing was down to 45% at year-end 2022. We have sold a number of properties in some smaller cities and expanded our Zuidplein cluster in Rotterdam by one property. We also continued to develop flats above city centre retail locations and upgraded another twelve new apartments. With the apartments, I should point out that even under the pressure of the government's policy, we are looking very carefully at the future, at how we will proceed with this over time. We are quite cautious right now and we are constantly reviewing our project calculations to check that they will eventually yield the desired returns. The number of FTEs in the company remained stable at 32 and despite the difficult labour market, Vastned managed to fill four vacant positions over the course of the year. In view of the requirements of the stock exchange listing, Vastned believes that, with the current size of the fund, there are no longer easy pickings to achieve further significant reductions in FTEs. We managed to stabilise our cost levels in a high inflationary pressure environment. At the next slide, I will elaborate a little on how we have implemented the strategic goals in recent years. Let us first look at the investments and divestments made by Vastned in recent years. The proceeds of divestments allow Vastned to repay external debts, thereby reducing our debts and financing costs. However, the COVID-19 pandemic has taken its toll on the property transaction market. Vastned made targeted divestments of properties, which were sold above appraisal value. Post-COVID, we see that due to still relatively low yields on property, there are limited opportunities

for responsible investments and, in addition, we are currently sitting on higher-than-desired debt and actually need to sell first before considering investments. Vastned has been working in recent years as part of its strategic focus to establish the right organisation for the size and development of our business. This focus led us to consider all possible avenues to bring down costs. For the organisation, the most salient element was that the Executive Board was reduced to one member, namely the one standing before you here, and there was a reduction of 9.3 FTEs. All in all, the bottom line of the € 1.9 million reduction in annual general expenses carries over in a better result of our company and therefore also for you as shareholders. We now come to the subject of the return on Vastned shares. The share buyback programmes between 2017 and 2019, together with the dividends paid, resulted in significant cash flows to you as shareholders in recent years. Under Dutch state and fiscal investment institution legislation, Vastned has an obligation to distribute the returns on the portfolio directly to you as shareholders in the form of dividend. This obligation offers you as shareholders a significant annual cash flow, but also ensures that there is not enough room to use the results achieved to reduce external debt or make additional investments in the portfolio. In addition, we are aware that with share buybacks and the flow of dividends, cash flow does not tell the whole story. After all, as shareholders you know that Vastned's share price has been under considerable pressure during the same period. Market movements and economic uncertainties have magnified this, resulting in our share price quoting at a steep discount to Vastned's equity. On the following slides I will explain which economic developments impacted Vastned in particular. As the chart on this page shows, economic development in recent years has been turbulent; the COVID-19 pandemic with the associated lockdowns caused huge fluctuations in economic growth in the countries in which Vastned operates. The retail segment in which our tenants operate has fluctuated in tandem with these volatile market movements. As we recovered from the COVID-19 pandemic, political turmoil and the Russian invasion of Ukraine caused additional unrest and energy price hikes in Europe. At the same time, almost all Western European economies are currently grappling with serious labour shortages. These shortages seem to be persistent and will not be solved overnight. Economists anticipate that active central bank policies to cool the economy and curb inflation will have a dimming but stabilising effect on economic growth and the labour market. Particularly as unemployment is still very low, current expectations are that there will be no recession. For Vastned, low unemployment also tends to have the effect of affecting our tenants' end-markets relatively little. Consumer confidence is one of the key metrics that can give an indication of future consumer spending. For Vastned, and especially for its tenants, this makes it a good indicator of future consumer spending. After the turmoil we saw in 2022, it is good to see consumer confidence rising again in the Netherlands, Belgium and Spain since December 2022, and stabilising in France. Inflation is a hot topic in today's news reports and with good reason. 2022 inflation levels were unprecedented and historically high. For Vastned, there are two sides to inflation: while it allows us in most cases to adjust our rents for inflation, the central banks' fight against inflation causes rising interest rates and higher financing costs as well as possibly undermining of consumer confidence and future consumer spending. Long-term low interest rates provided Vastned and many other companies with relatively cheap funding in recent years, but soaring inflation has forced central banks worldwide to sharply raise interest rates in order to curb inflation. Here is a picture of the development of the three-month Euribor interest rate, which is an important measure of bank funding rates. As you can see, it has recently gone up from a negative value of minus 0.5% to over 3%. We will show the implications of this in the next section on funding structure. Raising financing in the financial markets enables Vastned to use leverage; borrowed money gives Vastned more financial clout to purchase property. A larger portfolio allows Vastned to make the organisation more efficient, and at the same time further expand its portfolio. Leverage works best if interest payable on the financing is lower than the return earned on the property. The amount of funding on the total

portfolio is expressed as a loan-to-value ratio: the higher the ratio, the higher the degree of external funding. Vastned's long-term target is a loan-to-value ratio of below 40%. This is an internal objective that allows Vastned to absorb any shocks in the market in terms of property valuations as well as financing costs. Interest rates have been especially low in recent years, and Vastned has been able to secure long-term financing during that period at low interest rates while at the same time, in line with our strategy of conservative financing, fixing these low interest rates in financing agreements. The target of two-thirds of the loan portfolio being fixed-rate was met at 72.5%. The increased interest rates have a dual effect on Vastned: our 27.5% unsecured bank loans become significantly more expensive, but if we refinance our entire financing portfolio, we will have to accept a significantly higher interest rate for a considerable number of years. As you can see on this chart, the average maturity of our funding is getting shorter; it came down from 2.9 years to 2.2 years in 2022. A € 200 million extension of our revolving credit facility by one year had a somewhat dampening effect, but you will understand that we now need to start preparing the business for a broad refinancing of our external debt and we will go into this in a bit more detail on the next page. As you can see, the maturities of our financing facility vary over the next few years, but the overall horizon is on the short side. Let's discuss 2023 first. Vastned intends to use its current headroom within the existing facilities to repay the existing loan facilities that will mature in 2023 in full and cancel them. In addition, some financing facilities will mature in September 2024 and September 2025. With interest rates rising, it is appropriate to start thinking carefully now about how we will deal with that, and this will be partly covered in the next few slides on the strategic reorientation process that we have announced. This strategic reorientation was prompted by a number of market developments that we expect Vastned to be exposed to in the next few years. The key question we need to ask ourselves here is whether the current portfolio, which has performed very well in recent years that were very challenging, has the right characteristics to meet the challenges of the future and to also allow value to be extracted from this portfolio for all stakeholders. Next to the characteristics, the composition and size of the portfolio must also be considered. Vastned, like our Dutch peers, was unpleasantly surprised in September 2022 by the government's intention to abolish fiscal investment institution status for listed companies with direct investments in property. In principle, this would mean that Vastned would be subject to the Dutch corporate tax rate of 25.8% instead of the current zero rate. Vastned has previously stated that this would have an impact of between 5% and 10% on our direct result depending on any mitigating measures we can take ourselves. These might include adjustments to the legal structure, for example. Earlier, I discussed rising interest rates and the impact they will have on our business, especially in combination with the upcoming refinancing and the pressure on valuations of our properties. This is why Vastned is analysing all its options to do justice to the value of the current portfolio, regain future opportunities to make targeted investments in properties with the right returns, strike the right balance between the financing to be raised and the cost of financing compared to the return on the portfolio, align investments and divestments to keep the strategic focus right and to adapt the size of the organisation to the size of the portfolio, and generate the right future cash flow for you as our shareholders. For the purpose of this analysis, Vastned has decided to pursue the following process as part of its strategic reorientation. As we pointed out when we presented our annual figures for 2022 and as I now reiterate, our approach is based on the fact that everything is on the table and different options will be explored, and we are already working very hard on this. This might involve selling parts of our portfolio or perhaps even the entire portfolio in a particular country, adjustments to our organisation, our legal structure or our financing structure, or any combination of these options. As you may expect from us, we will carefully map out all the options and consider the feasibility of each one, what the consequences will be for our financing and, of course, the value these options unlock for Vastned and its stakeholders. We will also have to take into account market conditions and

developments. Since the announcement of our strategic reorientation, there have again been significant developments in the financial sector that impact our market and the strategic reorientation process. It is not inconceivable that even in the near future developments will occur that render certain scenarios impossible or, conversely, create new opportunities, and we will always have to include this in our considerations. As you see, it is a process with many interconnected factors, and for the sake of properly detailing this process and the probability of the process extracting the value we see in the portfolio for all our stakeholders, we will communicate our views to you when we believe they are sufficiently concrete and we have worked them out in the right way. That brings me to the final point and that is the outlook over 2023. Last February, when we announced the annual figures, we did not give a concrete outlook for 2023. We continue to see rising interest rates and geopolitical and economic uncertainties, as well as the recent turmoil in the financial markets, with troubled financial institutions in the United States and Switzerland. Vastned expects to issue an outlook at the publication of our Q1 trading update on 11 May next. Meanwhile, Vastned remains fully focused on maintaining an excellent operational performance and on executing our strategy. Thank you.

The **chairman**: Reinier, thank you very much for your presentation and explanation. I expect there will be questions, so I would now like to ask you for any questions you may have in response to the report of the Executive Board. Please use the microphone. Here in front, Mr Stevense if I am not mistaken. Nice to see you. Please state your name clearly.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Yes, I would like to thank everyone on behalf of the SRB for your achievements in 2022. You have provided rent reductions; in what context was this, still in connection with COVID, or were these new tenants?

Mr **Walta**: No, this was in early 2022. At that time, the Netherlands was the only country to declare a short lockdown. It started in December 2021 and lasted until the end of January 2022. At that time, we made agreements with a number of tenants.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Coming to the FII. You mentioned a different legal structure. Could you be a bit clearer, will you stay in the Netherlands or will you split up the portfolio?

Mr **Walta**: We have, of course, stated that we are conducting a strategic reorientation. One of the reasons for it is the abolition of the FII regime, so we are taking that into account. I also indicated that we are looking at different options and we are also giving some examples, but at the moment I cannot say more about that than that we are working on it and that everything is on the table. We will come back to it later when we have concluded our reorientation.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Yes, but surely you want to avoid staying in the safety net of FII abolition.

Mr **Walta**: Sorry, I didn't quite get that.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): You want to avoid staying in the safety net of FII abolition.

Mr **Walta**: I don't understand your question, avoid the safety net?

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Yes, the FII regime will be abolished, so you will have to pay more tax, and we expect that in the strategic reorientation you assume that you have to pay as little FII...

Mr **Walta**: We will look at how to set up the legal structure to ultimately achieve an optimal tax position without doing anything aggressive. Of course, we will take that into account in the strategic reorientation.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Okay. There are also companies that have somewhat different types of shops, out-of-town shopping centres where there is less negative price pressure and we think consumers are more likely to go to these cheaper shops. I have noticed that especially in Belgium, these shops offer a broad selection of products. Are you paying attention to this?

Mr **Walta**: In principle, our strategy is focused on the high street. That is where our properties are, and we have no plans to change that. You are right about Belgium. We still have some *baanwinkels* there, but we are now also seeing that things are actually looking up in the city centres where we operate. Any vacancy is rapidly disappearing because people still like to be in those cities. I understand what you are saying about retail parks and convenience, but people on day trips still go to Amsterdam, Utrecht or Antwerp, that is where we are focused and that is where our portfolio is.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Okay.

The **chairman**: Mr Stevense, do you have many questions? I would like to give other people a chance to ask questions.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): I do have a few more, and they concern the sectors of the shops, the flats above the shops and maintenance, that pretty much covers my questions.

The **chairman**: No doubt you can say a few words about that, Reinier.

Mr **Walta**: Yes, but these are not questions, I would like to hear what the actual question is.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Those are the topics I have questions about. Profitability in France.

The **chairman**: That is a different topic. Is that a question?

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Yes, we would like to know a bit more about that because, after all, some of your peers are leaving France and things are declining there.

Mr **Walta**: In actual fact, we feel that our French portfolio is perhaps the finest portfolio we have. It is highly concentrated in Lille, Paris and Bordeaux and is performing very well. We have seen little in the way of value decreases at all in recent years, so I think in fact this is a very important and good quality portfolio. At the end of the day, we have stated that we are going to conduct a strategic

reorientation in which all options are on the table and there are no taboos, so we will look at every aspect, including the French portfolio.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Okay. You are saying 'we are going to cut back and focus more on supermarkets'. Is your intention to completely overhaul the shops, refurbish or convert them, starting with supermarkets and opening other shops around them? People always go to the supermarket first and to other shops after.

Mr **Walta**: I don't think we have said that we wanted to cut back on supermarkets. We are looking at reducing the proportion of fashion in our portfolio, and what we replace that with depends on what is available at the time. We also stated that we should not reduce fashion too quickly because we are seeing fashion picking up again, certainly in the places where we operate. So at the end of the day it is important for us to find the right tenant in the right place, that is what we continue to focus on.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Yes, but to attract people to the shopping centres.

Mr **Walta**: We have almost no shopping centres, our focus is on high street property, and that is where it will remain. We have supermarkets in city centres, and if they are a good fit, we will look at them, but at the end of the day, of course, we are not a shopping centre that has to attract people.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): I think you are not getting my point. You are saying: 'We want less fashion'.

Mr **Walta**: Correct.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): So what will you put in its place? We feel you should replace it with supermarkets, because people are more likely to go to there.

Mr **Walta**: I think many types of shops could replace fashion. You see a lot of personal care outlets, for example Rituals, but also other businesses. So it is a combination of fashion surrounded by, for example, personal care and sports. Which is important, because that is what people come for: that mix in the city centre has to be right, that's what we focus on in particular.

The **chairman**: Mr Stevense, if you don't mind I will now give the floor to someone else. If any questions remain unanswered at the end, you will get a second chance.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Very well.

The **chairman**: Thank you. Mr Koster is sitting behind you and he also raised his hand.

Mr **Koster** (Association of Stockholders): Thank you for the presentation just now and the proposed dividend, which of course also looks pretty good at first glance. But the strategic reorientation is a big thing, it determines the future of the company. I understand that you cannot say much about it yet, but this is very important information for shareholders. Today, NSI published its Q1 figures and said 'We have to review our development plans'. NSI's AGM, where shareholders can talk to NSI about the Q1 figures, is held on 21 April this year. I would have liked us to be able to talk about Vastned's Q1 figures today as well and I hope you will make that possible in 2024. In that case we could talk

about the latest figures. I feel we don't have the same information now, you may well know more about Q1 than we do. Still, I would like to ask some additional questions about that strategic reorientation. When the previous CEO left, there was also a strategic reorientation. Is the process different now from what you did then? Is the major shareholder involved in this process? And who have you engaged to advise you?

The **chairman**: These are your questions about the strategic reorientation?

Mr **Koster** (Association of Stockholders): Yes, and I have one final question. We all know that, unfortunately for many shareholders, the share quotes at a discount. Another possibility, of course, is that an offer is made for the company, whether by the major shareholder or some other party. Of course, it would not be inconceivable at a time like this, when a strategic reorientation has been announced, for someone to come for you. What options do you have to avert such a bid, especially since the stock is relatively cheap? Those were my questions about the strategic reorientation.

The **chairman**: Shall we address that first?

Mr **Koster** (Association of Stockholders): I have two other questions after that.

Mr **Walta**: Let's start with question 1. We also announced a strategic update in 2021 and now we are conducting a strategic reorientation. Clearly, the major difference between them is the conditions in the market, what we are up against with the refinancing, that is the main reason. We have to look very carefully at how we move forward and how we get the most value out of Vastned. I think this is a fundamental question, but it is mostly external circumstances that force our hand. The next question is how the major shareholder is involved. In Dutch governance, the strategy is the board's responsibility. Of course, at the end of the day we talk to our stakeholders, and moments like these are definitely part of that. However, the board is responsible for the strategy and it determines what we are going to do strategy-wise.

Mr **Koster** (Association of Stockholders): I understand that, but do you have discussions with the major shareholder about it?

Mr **Walta**: We have discussions with all our shareholders. You had a third question on advisers. I won't go into what kind of advisers, but of course we use advisers to support us and help us in this process. We are deliberately a relatively small organisation and we need assistance and expertise, people to help us.

Mr **Koster** (Association of Stockholders): Vastned is indeed a small organisation. If you bring in McKinsey and other strategy consultants, we will come to know that.

Mr **Walta**: To be perfectly honest, we won't be engaging people quite on that level.

Mr **Koster** (Association of Stockholders): Okay, thank you. May I ask my two other questions?

The **chairman**: You have two more questions, go ahead.

Mr **Koster** (Association of Stockholders): Yes, I do have more questions, but I know my place and I won't ask them all at once. A € 300 million refinancing is imminent and we have just seen that the

Euribor is 3.1 per cent. What kind of margin on Euribor should investors take into account, could you comment on that? My final question, for now, concerns the sustainability of properties. I read in the annual report that about 50 per cent of the properties have energy labels D to G and surely these need to be made more sustainable over the years. Can you comment on the cost of this and whether the lack of sustainability affects the rent. That was it for now.

The **chairman**: Thank you very much. Let's take the refinancing first.

Mr **Walta**: Yes, the refinancing. You mentioned that the Euribor has risen sharply and if you had to refinance right now... I don't actually know current bank margins, but I do know that they are higher than they used to be. That will end up being the discussion and we will have to take it into account in order to decide how we will refinance and what we will refinance. The ESG issue is obviously important for us too, and it is a tough nut to crack for Vastned. In general, of course, our properties are located in historic city centres, and many are monuments, and we do have an ambitious programme for that. We want to take another step there in 2023, we were quite focused on labelling. We have a new materiality matrix, we have also looked at what topics our stakeholders really care about and we will take it from there. In 2023, we will also develop KPIs and look at how we can make the portfolio more sustainable, but with the right choices. I am not going into that blindly and preparing a huge capex programme immediately. Any spending will be highly focused: what can we make more sustainable? Some properties are monuments and it is difficult to make those sustainable, because municipalities often have fixed views on what you can and cannot do, and there is not much we can do about that.

Mr **Koster** (Association of Stockholders): My question about what you do if during this period an unsolicited bid comes in is still unanswered.

Mr **Walta**: Well, we will see what we do when that happens. We will take the appropriate steps, but I can't say anything more about that now. Frankly, whether that will happen is purely speculation at this point.

The **chairman**: Thank you, Mr Koster, not least for your restraint in asking very many questions. That gives other people a chance.

Mr **Dekker**: Mr chairman, my name is Dekker.

The **chairman**: Thank you.

Mr **Dekker**: I have a few questions that partly overlap with the previous questions. I will leave it to you to decide how you want to address those points. The first thing I wonder did not really come up in your otherwise much appreciated introduction. Looking at Spain from a long-term perspective, I sort of see it as a kind of nice remnant from the past. Of course, it is great that Spain is fully let, but how good is the quality of that portfolio really and wouldn't you agree that, from a geographic point of view, it is a bit of a strategic oddball? What is your view on this? My second question is an entirely different one, although it is somewhat along the same lines, and perhaps it may be difficult for you to comment. In Belgium, of course, you tried Up. Up did not succeed and so I wonder whether you are sufficiently in control there if there was anything you wanted to do? Because otherwise I would think, now that the market has recovered a bit, also on the stock markets, not the way we want, but still... Are you still looking explicitly at what you want with Belgium? After all, it is not a wholly-owned

subsidiary. I can imagine that Belgian investors in the private market might also be interested in single properties, and this could be a very important element in your strategy because you would then be able to free up money quite easily, at least that is what I would expect, but I might be completely wrong. My second question is very different, but it has already been raised, the energy label story. For many years, of course, the tenant would handle the interior furnishings and fittings. For a few years now, we have seen some slight shifts in that trend, sometimes the landlord has to do a bit more to convince a new tenant to move in. Of course, that does play some part in the energy issue. If you look at the market now, is there any kind of ratio in terms of who pays what costs, or do you say 'we will advance that and then recoup it in the rent'?

The **chairman**: Are you referring to works specifically related to the energy performance?

Mr **Dekker**: I meant the shop. I imagine that you might say: 'We'll leave that until the old tenant moves out. We will have to negotiate with a new tenant anyway', because it is also easier then to make changes, at least on the inside. Exterior work in the cities is more difficult, although in Utrecht the municipality is beginning to back off a little, if I understand correctly.

The **chairman**: So those were your questions, Mr Dekker?

Mr **Dekker**: Actually no, but I'll wait until the second round.

The **chairman**: Great. So let's start with our wonderful portfolio in Spain.

Mr **Walta**: As I mentioned before, and in fact you said so yourself, Spain is an excellent part of the portfolio, it is fully let. We also see that properties that fall vacant are easily re-let. The same goes for Belgium, which is an important part of our portfolio, and we are sufficiently in control there. Of course, we only hold 65% of the company, I am on the Board of Directors in Belgium myself and I am not terribly worried about our control there. So what are we going to do with it? As I just pointed out, everything is on the table. So Spain and Belgium will also be considered in our reorientation, and we'll consider our options. Coming your second question, that is a very topical question because a lot of regulations in the field of ESG are being issued that our tenants will also have to deal with. A key part of our strategy in terms of our ESG policies, we discuss with our tenants how we are going to approach them, who pays what. If we have to pay a lot of money, we will want to recover some of that in the rent. On the other hand, we are legally obliged to improve the labels of certain properties anyway. So it is a combination of negotiation on who pays what and what is needed for certain premises. Does that answer your question?

Mr **Dekker**: Are some municipalities more lenient in this respect than others or is that a problem?

Mr **Walta**: With our properties, the issue actually is not the municipality. The issue is: does the property have listed status or not. If a property is not a listed then it may be in an urban conservation area, so there are all sorts of elements to weigh up. It often takes a little time to work things out with the municipality.

The **chairman**: Thank you. Are there more questions?

Mr **Meulman**: Yes, one more please. My name is Bert Meulman.

The **chairman**: Speak into the microphone please, Bert, so your question gets recorded on tape.

Mr **Meulman**: Yes, good afternoon, my name is Bert Meulman and I have one more question about the removal of the tax status enjoyed by Vastned. You said at the time that you could not estimate how that would impact the organisation. We understand the interest rate, anyone who has a calculator can roughly work out the impact of that, but the impact of such a change in tax law is far harder to estimate. Do you know any more about that now?

Mr **Walta**: We have more clarity on that to the extent that, if you just continued with the current structure that would result in a certain percentage..., but if you can take some mitigating measures, for example by restructuring or maybe setting up companies or in some other way, with internal loans... Those are all things we have to look at and then it might work out at a slightly different percentage. That is of course why we gave a range for what we think the impact will be, depending on what shape we ultimately give to any restructuring.

Mr **Meulman**: I understand that, but of course that was six months ago or so. So I thought, surely by now you would have...

Mr **Walta**: Yes, but the government has not given us much more in terms of mitigating measures. We did, of course, get a one-year extension to 1 January 2025, so that is why we are also including this in the overall set of measures to see what ultimately happens to our business, what are we going to do. This is an important part of that, and at the end of the day we have to have the right structure in place by 1 January 2025.

Mr **Meulman**: I understand.

The **chairman**: Without mitigating measures, the discount would be 10%.

Mr **Walta**: Correct.

The **chairman**: It would be in that order of magnitude and we are obviously trying to reduce it. I think we are ready for the second round. We will do it in order again, Mr Stevense first, please.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Thank you, Mr chairman. Those apartments above shops, some of your peers are selling the mortgage right, are you thinking of doing that too?

Mr **Walta**: Not at present, because we believe a property has more value if you own it outright than if you only have apartment rights, because that means that you also have to set up an owners' association. We generally tend to focus on mixed-use, so our income streams are more diversified: from both residential and retail properties. In the past, you could just focus on the retail property, because that yielded enough, and the residential units were a bit of an afterthought. Of course, that has changed and so we now try to use every square metre in every property. We have no plans to divest the housing portfolio.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Okay. On to maintenance. You have properties all over the place, to put it bluntly, a property in Spain I believe and property in three cities in France. How do you handle maintenance? Some companies have a permanent maintenance crew, and do

their maintenance in-house, so to speak. That is usually the cheapest for the company, but I suppose it would be seems a bit difficult to send a team to Spain to do maintenance.

Mr **Walta**: We have made it clear that we are a relatively small organisation with only 32 FTEs, so you won't be surprised that we do not have our own maintenance teams. We have outsourced maintenance with technical managers and our portfolio managers are well aware of how the portfolio they manage is doing and what maintenance it needs. We have a 10-year maintenance forecast and the main thing is repairs & maintenance. Especially in older properties, there are plenty of things that can go wrong. We have external managers handling this for us, who make sure matters are dealt with quickly and that the customer is kept happy.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): That is actually what I am concerned about, especially complaints, which usually need to be resolved very quickly. How do you deal with those?

Mr **Walta**: We simply have a process in place. If the costs exceed a certain limit, they have to report it to us immediately, and then we take a decision. Small things just get fixed.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): By local contractors?

Mr **Walta**: Yes, someone local gets hired to fix it for us. We just have an entire process in place. It is dealt with through our property management system.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Well, those were our questions. Mr chairman, thank you.

The **chairman**: Thank you very much. Mr Koster.

Mr **Koster** (Association of Stockholders): I have a question on mixed-use. This was announced as a new strategy in 2021, and it was also pointed out at the time that it might be problematic because, for example, the apartments would require a new entrance to be constructed. What steps have you taken on that front in 2022? A colleague informed me that you are working on project Eckart in Eindhoven with 140 apartments, but I haven't read anything about it. Could you tell us more about that?

Mr **Walta**: Thank you. About the first part of your question. We just look at each property individually, and we make plans that take into account what is possible. I think you will understand that we have scaled down this work somewhat as costs have increased so much in the recent past. Also, of course, new government regulations are not very helpful. So that is how we look at this. We have basically mapped every square metre of all our properties along with the options we have for them. We make a plan for everything and in some cases we implement it and in other cases we don't. In that case, we see how we can take it forward in the future. Eckart is a longer-term project that we are still looking at. We own a shopping centre there that offers certain options that we are still working on. It is not an easy project and, to be perfectly honest, the figures don't work out at present. So we just have to keep looking at how we are can approach it and how we are going to proceed with it. It is a somewhat longer-term project.

The **chairman**: Thank you. Mr Dekker.

Mr **Dekker**: I will come back to something later in the financial statements, but what worries me a bit about this report in a more general sense is that of course the Tax Administration has given all kinds of temporary facilities to many parties who ran into trouble because of the COVID closures. What I am worried about is that those parties are now having to repay those debts and I fear that this is going to put quite a strain on their cash flows. I also feel that cracks are beginning to form here and there, also in the fashion chains. Do you also have a sense that this could become a problem or do you say: 'Our customers never tell us that, we think it'll be fine'?

Mr **Walta**: I agree with your view. We are basically talking to all our tenants and we are closely focused on rent collection. And it is been quite successful for us. We have since collected most of the rents, including for 2022, but of course we have to keep a keen eye on the situation. When a tenant suddenly starts paying later or less, you have to immediately take action and talk to them. In some cases, you have to consider whether you need to make different arrangements with a tenant or replace a tenant. That is certainly on our minds and of course we are very focused on that because that is ultimately our core business.

The **chairman**: Thank you very much. Last round of questions, is there anyone else who wants to ask a question? If not, we will close this section. Thank you for your interest and questions.

3. Remuneration report for the 2022 financial year (resolution)

The **chairman**: We will now proceed to the trial vote for the various agenda items coming up. This is for shareholders who are here live at the AGM and want to cast their votes through the system. Before we take this trial vote, I would like to announce the number of shares represented at the meeting, which is 11,245,823. Each share is entitled to cast one vote and the total number of shares in the capital of the company for which a vote can be cast is 17,151,976. This means that 65.6% of the shares is represented in this meeting. I would now ask you to put your card in the device. Hopefully, you have all been issued with a card. Voting machines are available and please let us know if you need anything. Your name will appear on the screen, the gold chip should be at the front. I don't see anyone putting their hand up because they cannot get the machine to work, so let's continue. We will now hold a practice vote. Your choice will be displayed on the screen and I remind you that your last choice before the vote is closed will count as a valid vote. To check if everything works, we have prepared a practice question and it reads as follows: having people live above shops is a good way to unlock extra value from inner city properties. The question is for/against, or agree/disagree, if you like. In any case, 1 if you agree, 2 if you are against, or 3 if you abstain. You may now cast your vote.

The **chairman**: It seems to be working fine. The vote is still going. I understand that there are one or two people in the room who are not voting, so that means we can now close the ballot. Is everything is working properly at the back of the room too, are you happy? Good, then so are we. Fortunately, all votes were in favour, none against and no abstentions. We are all agreed that creating residential units above shops is a good way to add value to inner city properties. Great, so let's move on to the real voting items, which we will do after we have discussed the remuneration report. The report for the 2022 financial year contains an overview of the remuneration that was awarded to the CEO and the Supervisory Board in 2022. The remuneration report is put to the AGM for an advisory vote. I would now like to give the floor to Ber Buschman, chairman of the remuneration and nomination committee, who will comment on the 2022 remuneration report. Ber, you have the floor.

Mr **Buschman**: Thank you, Jaap. In 2022, the new remuneration policy for the CEO and Supervisory Board was adopted and approved by the shareholders' meeting. The policy stipulates that the Executive Board receives fixed and variable remuneration. You see the total awards for 2022 on the screen. The fixed remuneration for the CEO was set at € 390,000 excluding social security and pension contributions, and the fixed remuneration was not indexed in 2022. As you know, the variable remuneration consists of a short-term component, which is 40% of the fixed salary, and a long-term component of 60% of the fixed salary. I will first discuss the short-term incentive for which we have set four targets. Each target is maximised at 25%, and this maximum is granted only when the target is far exceeded. The first target is based on implementing the strategy and, in particular, acquiring property. Due to the rapidly changing market conditions during 2022 it became clear that property acquisitions were no longer desirable. As a result, there was just one acquisition in 2022, namely a unit in the Zuidplein Rotterdam shopping centre. So the target was not met and nothing was awarded. The second qualitative target of growing the like-for-like gross rental income was almost fully achieved. This does not include the impact of COVID; you see the details on the screen. This resulted in a granting of 22% for this short-term incentive component. The third qualitative target, namely the overall occupancy rate of the portfolio at year-end 2022, as you saw earlier in this presentation, was 98.6%. As you can see on the slide, this meant that 80% of the target was achieved, which this translates to a 23% award. The fourth target is a qualitative STI target, this concerned long-term value creation of the company. The SB saw that Mr Walta has steered the company particularly well through the challenging COVID period and arrived at an award of 20% as a result. In conclusion, 65% of the maximum achievable short-term incentive is paid out, resulting in an amount of € 101,400. Now on to the long-term component of the variable remuneration. The LTI ranges from 0% up to a maximum of 60% of the fixed remuneration, and covers three-year period. The long-term remuneration comprises three components, firstly a relative component, which is the total shareholder return test. In accordance with the remuneration policy, Vastned's performance is compared with twelve peers and in this ranking, Vastned finished third, representing a 72% achievement. This results in an award of 28.8%, that is to say 72% of 40, which is the weighting. The second component of long-term remuneration is the absolute total shareholder return test. This looks at what the total dividend and share price appreciation yields for you as shareholders. This score was not enough, which is why the achievement was zero. Finally, the business health test. The purpose of the business health test is to promote that the Executive Board keeps the company's long-term strategy in mind, including non-financial targets, the tone at the top, culture and employee satisfaction. Also included for the first time in 2022 was a concrete measurable ESG target, which stands for environmental, social and governance. That's actually a kind of environmental test, whether you're doing things right, that is what it's called these days, and most of the targets were achieved. All things considered, the realisation of the business health test came to 50%, which corresponds to a 15% payout. For details regarding the business health test I refer you to Appendix 3 to the agenda of this meeting. In conclusion, considering the three components, 43.8% of the maximum variable long-term incentive is paid out. I would also like to mention that we have had the 2022 remuneration policy for both CEO and Supervisory Board remuneration benchmarked. The results show that in both cases the remuneration was in approximately the first quartile when compared to the Small Cap Index and to relevant peers. Based on these results, we did not consider it necessary to make adjustments to remuneration levels. Finally, we have made some limited changes. Both the Labour Market Performance Reference Group and the Relative Total Shareholder Return Peer Group have been updated based on the principles as included in the remuneration policy and the latest developments in the market. You can check the exact and, as I said, limited change in the remuneration report and on pages 119 and 120 of the annual report. Jaap, this concludes my comments on the remuneration report and I hand the floor back to you.

The **chairman**: Thank you, Ber, for your comments on the 2022 remuneration report. If there are any questions on this agenda item, please let us know. I think this time I will let Mr Koster go first.

Mr **Koster** (Association of Stockholders): I have a question about the short-term incentive. At the fourth component, failure to meet the first component is specifically mentioned. I don't quite understand that, perhaps you could explain. My second question concerns ESG targets. I understand that the only reference now is what part of the portfolio is eligible for Green Loans.

The **chairman**: Would you repeat that, please? I did not hear you.

Mr **Koster** (Association of Stockholders): The ESG targets that are factored into the remuneration are limited: only what part of the portfolio qualifies for Green Loans, at least that's how I understand it. I wonder why, for example, the energy labels of the properties are not included.

The **chairman**: I see. Perhaps you could answer the last question on why energy labels are not included in the ESG targets, Reinier.

Mr **Walta**: I think they are included, because the Green Financing Framework is based on how many A labels we have, and we have gone from 10% or 11% A-labels to 25% A labels. So labelling is indirectly involved in that. I think that going forward, we will be looking at this target closely, because we also want to set other KPIs for our ESG policy.

The **chairman**: Okay. Perhaps I can answer that other question better because it is about a target set before Ber joined the Supervisory Board. It is about that fourth component, the qualitative STI target, and that relates to the CEO's ability to create value. We had also included - and indeed you mentioned that first target - acquiring property. That target was set at the end of 2021, when we still thought the market and the organisation were in the right place to make some acquisitions and expand the portfolio and thereby also generate performance. When in early 2022 it became clear fairly quickly that interest rates were rising fast, we came to the conclusion during the year that we should not do that. So at that point, not acquiring property actually created value. So on the first target of acquisition then a zero arose because nothing was acquired, but on the fourth target, value creation, a higher score arose precisely because no acquisitions were made, that's how it works. Any more questions? Mr Stevense, you still had other questions?

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): My question is about the same issue. How did acquisition become part of a target? Surely buying and selling properties is just part of the job, why would you grant a bonus for that? Does that refer to additional acquisitions or a takeover? What does that really mean?

The **chairman**: That is a legitimate question. You could argue that all the points listed here, also occupancy, vacancy and all those kinds of things are part of the regular work, but as supervisory directors we like to bring certain points to the CEO's attention. We have made virtually no acquisitions for a number of years, and we tried to jumpstart that process by attaching a specific target to it. As you have just heard, we backtracked on that, but acquisitions, like all other parts of the bonus scheme, are part of regular work. So if you call that into question, you actually call the whole variable framework into question, but that is something that is now common practice in the corporate world in the Netherlands.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): For us, a bonus would be justified in the case of an extremely big acquisition, if a company is taken over or there is a lot of trouble that involves extra work, but not an acquisition of a simple high street shop.

The **chairman**: We did specifically set stringent requirements for those acquisitions, precisely in terms of cash flow and value creation, and that has not happened at Vastned in recent years. Virtually no acquisitions have been made and if there was acquisition in the past it was often in city centres at very low yields, while we were pursuing a different acquisition policy in which the organisation needed to grow, which is why we specifically set a target for it.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Thank you.

The **chairman**: You are welcome. Any more questions? If not, I would like to put this item to the meeting for an advisory vote. You can now cast your vote; what you are voting on, is approval of the 2022 remuneration report. The votes we were looking for are in, so the ballot is now closed and the result is 10,911,837 votes in favour, or 98.2%, 204,339 against, or 1.8%, and 128,648 abstentions and also 999 no votes, so those also count as abstentions. With that, we can conclude that the remuneration report gets your support, for which we thank you.

4. Proposal to adopt the financial statements for the 2022 financial year (resolution)

The **chairman**: Let us move on to the next agenda item and that is the 2022 financial statements, the dividend policy and the dividend for the 2022 financial year, all of which we would like to put to you for a vote. We will start with item 4, which is the proposal to adopt Vastned Retail NV's financial statements for the 2022 financial year. We propose to Vastned's Annual General Meeting to adopt the financial statements for the 2022 financial year. Before we proceed to the vote, we would like to give the floor to the external auditor, who will give an explanation of the audit work and the auditor's report on the financial statements, after which we will take any questions for the external auditor and for the Executive Board about the financial statements. I now give the floor to Mr Jaap de Jong of EY.

Mr De Jong: Thank you, Mr chairman. I would like to point something out in advance. We have a duty of confidentiality, but for this meeting we have been granted an exemption. That was just by way of introduction. The next slide please. My name is Jaap de Jong, I am the auditor responsible for the audit of Vastned on behalf of Ernst & Young Accountants. Today, I would like to explain a few things, the approach, the scope, a summary of the audit findings and the discussions we have with the Executive Board and the Supervisory Board during the year. Let me start with the approach. Next slide please. A few key concepts. The concept of materiality, which is somewhat technical, is actually the fault tolerance we use because we do not examine all the figures in minute detail. We do that in a risk-oriented way, we work with random checks, and this also means that we give a reasonable level of assurance that we ultimately express in our report. That materiality is qualitative, for example the remuneration report that has just been discussed, we go through that in detail and check everything, but for the financial statements as a whole we determine a quantitative materiality based on the total assets, with 98% of the investment properties. The materiality we set was € 10.8 million, 0.75% of total assets. This was a bit higher than in 2021, because we were actually quite low at the time as the impact of COVID was still being felt. In 2022, things were more stable and we felt it justified to go back to the middle of the range. If you then look at how that works out, because we take total assets as a basis, the amounts are pretty high in comparison to items in the direct result. We assume that the stakeholders in the financial statements, including obviously the shareholders, would feel that we should actually have a lower threshold for items that impact the

direct result. So that is what we have done. Where € 10.8 million is used in the financial statements as a whole, we have used € 1.56 million for items impacting the direct result, compared to € 1.2 million in 2021. This also leads to a threshold that we use for reporting audit differences. These are errors we find during the audit, which we assume Vastned will correct, of € 540,000 for the financial statements and € 110,000 if it impacts the direct result. The most important aspects in the audit are the topics we call key audit matters, which you have also been able to read about in the report. So we report specifically on those. For 2022, that was - I would almost say 'of course' - the valuation of properties, but also the processing of acquisitions and divestments, especially because it is related to the main fraud risk that we recognise, that there could be mistakes in that process. Compared to 2021, we have one less key audit matter, which was the impact of COVID-19, because in 2022 there were actually no more major rent reviews and agreements with tenants. Other important themes that are not explicitly reflected in our report, but which obviously received a lot of attention, are compliance in the broadest sense, compliance with agreements with banks, compliance with tax laws and regulations, including the requirements for complying with FII status, but also all the reporting obligations Vastned is under. ESG has just been covered at some length, including in the questions. This was also emphatically a topic of discussion with the Executive Board and the Supervisory Board. Are climate-related issues and the energy transition material to the financial statements as they stand in 2022? The Executive Board believes not, and indeed this is clearly stated in the financial statements and we endorse its line of reasoning. We will continue to examine this topic going forward, because it is obviously going to impact Vastned as well, and it will eventually come under the scope of the auditor's audit based on laws and regulations. So who are involved in the audit? I stand here before you representing EY, as the person ultimately responsible for the audit, but of course I cannot do all the work alone. There is a core team in the Netherlands and that team manages numerous people, including a team in Belgium, a team in France. There isn't a team in Spain, there was a question about that in 2022. We actually examine Spain ourselves given the size of the portfolio and the complexity. The Dutch team does that, and the Belgian and French teams act under my responsibility. They get instructions, we send them the risk assessment, we keep in contact with those teams during the year, we also attended the final discussions, and we report the results of that audit back to the Executive Board and the Supervisory Board. Besides let's call them 'regular' accountants, we have many specialists on board, almost too many to mention. These are specialists in property valuation, reporting and taxation. We already mentioned fraud. Acquisitions, divestments and compliance have received a lot of attention and you can also see 'going concern' on the slide. That is actually the continuity assumption of the Executive Board and that is a very important assumption for preparing the financial statements, because it is based on the assumption that Vastned operates on a going concern basis. We are focused primarily on the year following sign-off, we look at the budget, the liquidity forecast and we think it is justified that the financial statements are prepared on a going concern basis. Formally, our horizon does not extend beyond that year but - I would almost say 'of course' - we are in discussions with Vastned about the strategic reorientation, rising interest rates and the impending refinancing. So those topics are very much on the agenda. The next slide basically is a summary of the findings. There is an unqualified audit opinion attached to the financial statements, which means the financial statements give a true and fair view of assets and results. Of course, we have also looked at the report of the Executive Board, the report of the Supervisory Board, the remuneration report and we have found that they comply with all legal requirements and, not insignificantly, that there are no material inconsistencies with the financial statements. We align figures, we make a host of observations during the audit and when we read something we don't understand, we discuss it and where necessary it gets adjusted. We have not yet been specifically requested to audit specific ESG information, but in view of laws and regulations that are on the cards, that is very likely to change in the years ahead. Finally, the last slide,

communication. Obviously we have talks throughout the year, we attend all audit committee meetings, we have frequent contact with the Executive Board during the year and we issue a number of reports. We set up the audit plan in April and May and then we discuss it with the officers of the company here present. We issue a management letter, which we discussed in November 2022, the audit report with the main findings of the audit and, of course, the opinion that you have been able to read. Our communication has been, as it says here, 'professional and constructive', as we are used to with Vastned, so we don't really have any comments on that, we are happy with that. That was what I had to say. I am happy to answer questions if there are any.

The **chairman**: Questions, anyone? Mr Dekker, would you like to take the lead this time?

Mr Dekker: I have a somewhat tricky question and I understand that you might find it a bit difficult to answer. What has our attention as shareholders in an entirely different company whose name I will not mention in full but which starts with a W... So Vastned has very different properties from this other property company that I am referring to, but we noted there that how France was presented was not entirely in line with the revenues that could actually be realised there. And this was in fact a point of discussion with the auditor. Now you may well say: 'That has nothing to do with us' and you wouldn't be wrong, but I explain this by way of introduction to this question. If we look at the property valuation, we see a net figure there for France, a net yield, on page 151 of the annual report. That net yield is 3.5%, and in a fairly rapidly shifting market, I am interested to hear how an auditor like yourself views that 3.5%? I ask this because I wonder how that figure is arrived at. I expect that you will tell me that extraordinarily reliable, very expert appraisers are hired and that you cannot interfere in or overrule what those appraisers put in the books. But I can also imagine you saying that it might be prudent to apply the findings of a sensitivity analysis to their valuations. So there may have been a discussion with the board on whether the appraisers' valuations can be sufficiently relied on, or should they include a bit of a safety margin?' So it's really a general question, make or buy? Do you trust the appraisers blindly or do you still have your own views in which you point out for example that you, whatever, that you don't think the valuation of property in France is low, but that you agree with the valuers' estimates. Do you understand where I am going with this?

Mr De Jong: I understand your question very well and it is a very good question indeed. Auditing valuations is inherently complex, as it contains many assumptions and uncertainties. I do think it is a very robust approach, so we are looking at how agreements of Vastned with tenants are concluded. That should be an orderly process, that is properly recorded and the recording should be anchored in systems. So we are looking at new leases and whether they are recorded in the system properly. All that data then goes to the appraiser. We establish whether the appraisers work with the correct source data, that we checked before it was supplied to them. Vastned issues an instruction to the appraisers and we check that it is objective, and not leading in any way. The appraisers then do their work and report to Vastned. We are present at the discussions Vastned has with the appraiser where we establish whether that discussion is professional and critical and we also establish whether there is anything inappropriate in that discussion. Subsequently, EY specialists determine independently what they think is an acceptable range. So the appraiser reports an amount and we see if that amount falls in a range that we consider acceptable. Of course, it may still be in that range in 2021 and in 2022, but at the lower end one year and at the higher end in the next, so there may still have been a fairly decent jump in value. These are the kinds of things that we explicitly discuss, including with the appraiser and with the management. We also establish that Vastned has a well-honed process for appraisals and also for the extent to which they are able to make sense of it, whether they rely on the findings of the appraiser, and we also note whether Vastned adheres to its own

process. So we have numerous safeguards in place, and the concrete answer to your question as to whether we rely blindly on the appraiser is 'no'. Do we derive a degree of certainty from what they report? Yes, and the overall package has convinced us to agree with the figures.

The **chairman**: Yes, both the process and the substance are checked. Thank you for this very clear answer to an excellent question. Any more questions? Mr Stevense, I think it is your turn again.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Yes, with regard to specialists, I did not hear you talk about hiring legal experts. I assume Vastned has a subscription with a law firm and I would like to know a bit more about it. Another thing I have not come across is IT. You have not mentioned that at all. What is the situation with that, because to manage something in Spain from here, you would need decent IT I suppose.

Mr **De Jong**: Again, excellent questions. I think the question about the legal subscription that you mention is a question for Vastned. We note that Vastned engages external legal advice; I would not call that a subscription. The chairman may ponder for a moment whether Vastned would like to comment on this, but what we do in the audit - because I can answer that, not how Vastned views it - is that we send out lawyers' letters that we get back directly without Vastned's intervention, in which they confirm whether there are matters that are material to the 2022 financial statements and, if so, what their view on those matters is, if there were any. Anything you want to add to that?

The **chairman**: Reinier, would you like to comment?

Mr **Walta**: We have an in-house lawyer and we work with external law firms. We have a regular lawyer who helps us with any governance issues, and we also use lawyers if there are specific issues and we need legal advice.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Do you have a subscription for that?

Mr **Walta**: That's just by appointment, it's not a subscription. If something comes up, we engage one and then we make an agreement about his fee.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): All right.

The **chairman**: That was the legal part of your question. Now IT.

Mr **De Jong**: IT is obviously a very important issue, not only for the auditor but also for the Executive and Supervisory Boards and, not insignificantly, for Internal Audit. We look very explicitly with the Executive Board, the Supervisory Board and Internal Audit at what is relevant in the context of the annual audit of the financial statements. There might be a broader need of the Executive Board and the Supervisory Board to have that examined, and Internal Audit has an explicit role in that. Vastned uses Yardi, a system in which all leases are filed and we examine its setup and operation to see if the control as described is actually there, but in this respect, too, there is a degree of dependence of Vastned on third parties given the size of the organisation. So overall, we do what we think is necessary and if we have concerns about it, we report back.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): So you haven't seen anything unusual?

Mr **De Jong**: I think the fact that it is not identified as a key audit matter confirms that this has not received more attention than we expected.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Haven't you tried to hack the system yourself?

Mr **De Jong**: No, that is not part of the auditor's responsibility. I know there are parties that perform attack and penetration tests as there are called, but I think it is really up to the organisation to decide whether that is desirable. This is not within the scope of the auditor's work.

The **chairman**: Mr Walta wants to comment too.

Mr **Walta**: We have an external IT provider who supports us in this respect and we have agreed a number of things with that provider. They carry out attacks on our system on a regular basis to see if they can get into our system. They also go a step further, we also sometimes get emails to test whether we are foolish enough to click on any old link. So there is a whole programme behind us to ensure security. We do that on a regular basis, and we also hold refresher courses with all the people across the company to learn what to look out for and to discuss areas of concern.

Mr **Stevense** (Stichting Rechtsbescherming Beleggers): Very good, thank you.

The **chairman**: It is all pretty robust, Mr Stevense. Mr Koster.

Mr **Koster** (Association of Stockholders): Thank you, Mr chairman. I have another question on the valuation firms. I do think this is a relevant question because I remember that a few years ago, property in Spain was written down sharply after a different valuation firm was engaged. My question to the auditor is: are you involved in the selection of the valuation firm? And I have another question I would also like to put to the company. Does the valuation firm get rotated every few years or only the individual appraiser? And a final question to the auditor: can you comment on management's estimates, conservative, moderate or perhaps even aggressive? Thank you.

The **chairman**: Thank you. Jaap, would you answer the question of to what extent you are involved in the choice of appraiser?

Mr **De Jong**: The answer is that we are not involved at all. What we do do, is establish whether the appraisers performing work for Vastned are competent. They are reputable agencies, we know we can rely on them in some way, but that doesn't mean we don't check them out. So we check their credentials, we check the findings, we check the method of reporting and we align the figures. There are various safeguards in the process. We establish that Vastned's instructions to the appraisers are objective, that there are no unusual arrangements and that the process is all above board. We also look at the fluctuations within the ranges I just mentioned. We found that the property is not aggressively valued, it is not at the upper end of the range.

Mr **Walta**: Our appraisal policy states that we rotate our appraisers and we are in the middle of doing that, our appraisers are being rotated now. We do this every three years.

Mr **De Jong**: Here too, we check that Vastned complies with the procedures it has established for itself.

The **chairman**: Any other questions to the auditor? If not, Jaap, thank you very much for your comments and clear answers. Let us turn to the vote. The vote is on whether you agree with the 2022 financial statements. Sorry, Mr Dekker.

Mr **Dekker**: Perhaps it is my mistake, but I had questions to the auditor and questions about the financial statements. I have two more questions about the financial statements and, in particular, about pages 142 and 143. If we look at the breakdown of operating expenses, with all the items properly included, we can see that the maintenance in 2022 only saw a very modest increase, and I wonder... although of course this also depends on the strategic measures that you will be taking. If you have fewer vulnerable properties, you can also manage maintenance better, I do understand that. In view of all the issues surrounding energy and the A, B, C, D, E and F energy labels, I wonder if you could say anything about your forecasts for maintenance of the current portfolio, because I am worried that this item may shortly increase very drastically for a number of property companies. That is my first question. My second one is different, it goes back to France, but it has nothing to do with my previous question. If we look at France on page 143, we see there that no COVID or other rent concessions were included in 2022. On the other hand, if we look at the items below that, the provisions for expected credit losses, we see that in the Netherlands, where actually I believe COVID continued a bit longer in terms of shop closures, € 219,000 was released. That may have been a nice windfall from the perspective of 2022. I assume it is a one-off, but still not to be sneezed at. On the other hand, in France we still see a € 402,000 addition. I wonder how that difference arose, and whether where you recognise particular items is also a matter of communicating vessels, because it may of course depend on the structure of the leases, which will be different in France compared to the Netherlands. So in France, no rent concessions are recognised, but expected credit losses are. Are these things linked? Could you explain this to us?

The **chairman**: Thank you. Let's first discuss the maintenance costs, whether they will rise or not. Can you say anything about that, Reinier?

Mr **Walta**: I can't predict what will happen in the future. We have some older properties in our portfolio, of course, including pre-1800 properties. They do require maintenance and we will keep doing that because at the end of the day, we let them at high prices and we do need to offer our tenants products that are in a good condition. There is also the matter of sustainability. Maintenance is not the only issue, capex is also involved, and any work must eventually be reflected in the valuations of properties. Ultimately, sustainability is not just a matter of opex, but also to a large extent of capex. The answer to your second question is actually not very complicated. I explained that we missed out on some rent due to COVID discounts and eventually also due to bankruptcies. Especially in France, there have been a number of bankruptcies and it takes time before someone is declared bankrupt... These are the expected bankruptcies that finally took place in 2023, and we have long since got new tenants for those properties, but at the end of the day you do lose some rental income.

The **chairman**: Thank you. We now proceed to the vote on the proposal to adopt the financial statements for the financial year 2022. You may now vote. We have got all the votes in and it is very straightforward. 11,231,594 votes in favour, or 100%, with 13,230 abstentions. Thank you very much for your approval and your confidence.

5. Comments on the reservation and dividend policy

The **chairman**: We now move on to the next agenda item which is the comments on the reservation and dividend policy, agenda item 5. 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. For the financial year 2022, the proposed dividend is 90.2% of the direct result. Are there any questions? If not, we will go straight to the vote. You are asked to vote on whether you agree with this proposal.

6. Dividend declaration proposal for the 2022 financial year (resolution)

The **chairman**: Let me explain. This is agenda item 6, the dividend proposal. The dividend proposal is in line with the dividend policy of paying out at least 75% of direct result. Vastned has proposed to distribute a total dividend of € 1.85 per share, an increase of € 0.12 per share compared to last year. This means a payout ratio of 90.2%. After deducting the interim dividend of € 0.59 per share already paid, an amount of € 1.26 per share remains to be distributed if the dividend proposal is approved. The ex-dividend date is 24 April 2023; the dividend will be made payable on 4 May 2023. The proposal for the Annual General Meeting is to declare a total dividend for the 2022 financial year of € 1.85 per share. Are there any questions? Right, so we will now proceed to the vote. The voting is closed. Like the previous item, the proposal was adopted unanimously. There were 11,244,609 votes in favour and 215 abstentions. Thank you very much.

7. Proposal to grant discharge to the sole member of the Executive Board for the 2022 financial year (resolution)

The **chairman**: We move on to the discharge and that comprises two agenda items. Agenda item 7 concerns granting discharge to the Executive Board, and agenda item 8 concerns granting discharge to the members of the Supervisory Board. First item 7. It is proposed to the Annual General Meeting to grant the member of the Executive Board full and final discharge for the performance of his duties during the 2022 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 for the 2022 financial year. Are there any questions? If not, let us take a vote. You may now cast your vote. That concludes the vote. 11,095,696 votes or 98.8% in favour, 135,877 votes or 1.2% against and 13,251 abstentions. Thank you.

8. Proposal to grant discharge to the members of the Supervisory Board for the 2022 financial year (resolution)

The **chairman**: Let us move on to the discharge of the members of the Supervisory Board. The following proposal is put to the Annual General Meeting of shareholders: to grant discharge to the members of the Supervisory Board for the performance of their duties during the 2022 financial year. Just as at item 7, this is based on their performance as it is evident from the financial statements for the 2022 financial year or from general information otherwise disclosed to the Annual General Meeting prior to the adoption of the financial statements for the 2022 financial year. Are there any questions? Mr Koster.

Mr **Koster** (Association of Stockholders): Yes, Mr chairman. At last year's meeting, there was some discussion about the appointment of one of the supervisory directors, whether by the major

shareholder or not. I think this is a good time to ask you how relations with the major shareholder are at the moment and I would like to ask Mr Buschman, now that you have been here for a year, you are halfway through your term, whether you can share some of your experiences with us. Thank you.

The **chairman**: Very well. Let me get my answer in first. The relationship with all our shareholders is excellent, we work together very constructively, especially with the Supervisory Board and with Vastned's Executive Board. We have an intensive and interesting period behind us and we will continue it going forward because there is a lot to do, a lot to think about and a lot to work on, and you can only do that if you have a team that functions well, that trusts each other and that just works well together. I can say without any hesitation that the cooperation is excellent and that the Supervisory Board functions as it should. To put it somewhat less formally, I have found the time we have worked together very enjoyable and positive. We did work in a somewhat different constellation than we were used to in the past, but that has in no way impacted the SB's ability to work well and I am very happy with the way we have been able to collaborate. If any of you want to add to that, go ahead.

Mr **Buschman**: Nothing at all. In order to answer your question, I experience it as very pleasant and I enjoy working with my colleagues. It's a great company, it's a robust organisation with good people, nice colleagues and I look forward to how we can move on in 2023.

Mr **Koster** (Association of Stockholders): Thank you for your clarification. You have a two-year tenure and do I understand that after that you will be eligible for reappointment?

Mr **Buschman**: Would you repeat that, please?

Mr **Koster** (Association of Stockholders): You have a two-year tenure and you are at the halfway mark. I had hoped you would share some of your experiences, because obviously you are not from outside the company, but do I understand correctly that you will soon make yourself available for another term?

The **chairman**: That question may be somewhat premature. I am sure we will come back to that later in 2023 or early 2024. We will have a very constructive discussion about that. Thank you. No further questions? I will now open the vote to grant discharge to the Supervisory Board. All the votes are in and we have 10,287,587 votes in favour, or 91.6%, 8.4% against, that is 943,986 votes and we have 13,251 abstentions. I thank you for your confidence.

9. Any other business

The **chairman**: We have come to the final item, which is Any other business. I would like to give you the opportunity to ask questions on matters that have not yet been discussed or that you would like to return to very briefly. Is there anyone who would like to ask a question or make a comment? Harm, glad to see you at the microphone.

Mr **Meijer** (ICAMAP): I have two brief questions. What are the targets for the 2024 STI? And my second question: I know this is Vastned, but at Wereldhave Belgium there have been many issues with the board. Could that also happen with Vastned?

Mr **Walta**: Let me first discuss Belgium. In Belgium, we have a very small organisation with six people. I am the strategic managing director there, and there my colleague Sven Bosman is the operational managing director, and this is a good partnership. We have a Board of Directors there with independent members that we work well with, and I don't actually see any problems with our Belgian subsidiary at the moment. I don't expect any issues like the ones that occurred at our peer, let me put it that way.

The **chairman**: That's a clear answer. The targets are very much in line with the ones we've had in the previous period: they are about rental growth and the occupancy rate and everything related to that. When it comes to long-term targets, there are fixed components and that has to do with absolute return and return compared to our peers. Right across that, of course, there are qualitative components, and they have to do with the reorientation and thinking about how to move forward as a company. Of course, we will also like to hold management to account for that and be able to express that in the STI or the LTI targets as we define them. So there is nothing particularly unexpected, and they are fairly closely in line with last year's, but the reorientation has been added as a component. Mr Meijer.

Mr **Meijer** (ICAMAP): That first point about the STI, that was to do with acquisitions.

The **chairman**: Yes, and that one has been taken out.

Mr **Meijer** (ICAMAP): That's been taken out, but selling has not come in its place?

The **chairman**: No, we have included that under the broader heading of reorientation, because we want to view all the aspects of what is coming at us in conjunction. I can't deny that selling could certainly be part of that, but I can't confirm it either. If this was the last question from the floor, I would like to conclude by saying that it has been a pleasure working for this wonderful company over the past year. It holds a truly unique portfolio, and you realise this more and more when you see how our peers have to work with their shopping centres and other products, such as offices and homes. We are in a wonderful segment, we have a magnificent organisation, efficient, goal-oriented, a team with a lot of chemistry and where everyone is pulling in the same direction. We confidently look at what lies before us this year, in which we have quite a lot on our plate.

10. Close

The **chairman**: This brings me to the end of this meeting and I would like to thank you very much indeed for your constructive contributions, for your participation in the discussion and for your support of our activities. With that, I formally close the meeting and for those who have time to spare, please join us for drinks in the hall. Thank you.

Minutes adopted on 25 August 2023

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Mr. J.G. Blokhuis
Chair of the Supervisory Board
Vastned Retail N.V.

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Mr. R.P.O. Kramer
Company Secretary
Vastned Retail N.V.