VASTNED NV
Limited liability company
Public regulated real estate company under Belgian law
Generaal Lemanstraat 61
2018 Antwerp
Company number 0431.391.860 (RLE Antwerp, Antwerp division)
VAT: BE 0431.391.860

REMUNERATION POLICY

approved by the Board of Directors on

26 March 2025

and submitted for approval to the General Meeting of 30 April 2025

1. Introduction

The Board of Directors has prepared this remuneration policy in accordance with article 7:89/1 of the Belgian Companies and Associations Code (‘**BCAC**’) and the Belgian Corporate Governance Code 2020 (‘**Code 2020**’). The remuneration policy describes the principles on the basis of which the members of the Board of Directors and the Executive Committee are remunerated. It also explains how the salary and terms of employment of the Company's employees were taken into account in determining the remuneration policy.

The Board approved the remuneration policy on 26 March 2025. The General Meeting on [●].

Subject to approval by the General Meeting, this remuneration policy will apply from 1 January 2025.

2. Vision on remuneration

The Company pursues fair and appropriate remuneration for all its directors, executives and employees, which takes into account each person's experience and responsibilities.

Both this remuneration policy (for directors and the members of the Executive Committee) and the salary and terms of employment of the Company's employees are based on the following principles:

- Remuneration is in line with all regulations, especially the RREC legislation.
- In terms of amount and structure, the total remuneration is such that qualified and expert individuals can be attracted and retained.
- The principles on the basis of which remuneration is granted are clear and transparent, and comply with the latest national and international corporate governance insights.
- The fixed and variable components are in line with the Company's strategy, which aims to achieve value creation for shareholders through, among other things, predictable and stable results and long-term dividends.
- Remuneration is in line with the responsibilities and time commitment of directors, Executive Committee members and employees.

3. Remuneration report

The Company draws up a remuneration report on an annual basis, in accordance with article 3:6 §3 BCAC. This remuneration report forms a specific part of the Corporate Governance Statement, as included in the annual report.

4. Members of the Board of Directors

4.1. Decision-making process and measures to avoid conflicts of interest

The remuneration of the members of the Board of Directors is determined annually by the General Meeting on the proposal of the Board of Directors after advice from the Nomination and Remuneration Committee. Due to the fact that the General Meeting takes the decision, no conflict of interest arises at the level of the Board of Directors.

The Company aims to remunerate members of the Board of Directors at a level comparable to the remuneration paid by companies of similar size and activity for similar positions. To keep op to date with market remuneration levels, the Company will analyse benchmark studies and/or consult external specialists. In addition to analysing current market practices, the Company will take into account the responsibilities, time commitment required, and risks associated with the position.

4.2. Components of remuneration

All directors are non-executive directors. Their remuneration consists solely of fixed remuneration. This fixed remuneration is € 50,000 per year as an ordinary member of the Board of Directors. The fixed remuneration for the Chairman of the Board of Directors is € 60,000 per year. The remuneration of both the members and the Chairman of the Board of Directors are increased by 2% per year. No attendance fees are provided, nor additional fees awarded for committee membership or for chairing a committee.

The directors do not receive variable remuneration.

No share-related remuneration is provided either. In doing so, the Company deviates from recommendation 7.6. of the Code 2020. The Company is of the opinion that share-related remuneration would not immediately contribute to the Code 2020's objective of encouraging directors to think more from the perspective of the long-term shareholder. As a public RREC, the long-term perspective is at the core of the Company's strategy. It must create value for its shareholders, including by achieving stable and predictable results and dividend streams in the interests of its long-term shareholders.

The Company has entered into market-based and adequate liability insurance in favour of the directors in relation to the performance of their positions.

4.3. Appointment, dismissal and evaluation of directors

In application of the RREC legislation, the directors must be private individuals. They carry out their mandate as self-employed individuals and are appointed by the General Meeting for a (renewable) term of maximum four (4) years.

The General Meeting may terminate the mandate of any director at any time by simple majority of votes with immediate effect, without notice period or severance pay and without substantiating cause. However, the General Meeting is free to grant a notice period or severance pay in the event of dismissal.

In addition, based on the Company's Corporate Governance Charter, the directors resign on the date of the General Meeting of shareholders held in the year in which they turn 75 years old. Only because of very specific reasons can this be deviated from in the interest of the Company.

5. Members of the Executive Committee

5.1. Decision-making process and measures to avoid conflicts of interest

The remuneration of Executive Committee members is set by the Board of Directors on the advice of the Nomination and Remuneration Committee. Executive Committee members are not required to be directors. If they are directors, they are not additionally remunerated for that position. To avoid conflicts of interest, they do not participate in the meetings of the Nomination and Remuneration Committee and the Board of Directors when these resolve on their remuneration. The members of the Executive Committee also abstain from participating in the performance evaluation leading to the determination of the variable remuneration to be paid to them.

The Board of Directors, on the advice of the Nomination and Remuneration Committee, evaluates the remuneration of the members of the Executive Committee on an annual basis and will assess whether an adjustment to the current remuneration policy is needed to attract new members or to remunerate and retain existing members in line with market practice. In doing so, the Board of Directors takes into account the size of the Company and the individual responsibilities of the Executive Committee members. The Board also takes into account the remuneration policy of other listed real estate companies of a similar size and complexity as the Company. To this end, it analyses benchmark studies and can consult external specialists.

5.2. Components of remuneration

The members of the Executive Committee qualify as effective leaders of the Company as RREC and must therefore be private individuals. They exercise their mandate under the social status of self-employed individuals.

The remuneration of the members of the Executive Committee, consists of:

- a fixed remuneration;
- variable remuneration for short-term performance;
- variable remuneration for long-term performance;
- pension contributions; and
- other remuneration elements.

The structure of the variable remuneration allows Vastned to align the interests of the Executive Committee members with its strategy of balancing the maintenance of an attractive annual dividend with stable and predictable longer-term results.

The restrictions set out in Section 7:91 BCAC do not apply in accordance with the Articles of Association.

Fixed remuneration

The fixed remuneration is the base remuneration that reflects the responsibilities, experience and skills of the Executive Committee member concerned. The fixed remuneration is reviewed annually and may be increased depending on market conditions and company-specific circumstances (remuneration for similar positions).

The fixed remuneration for Executive Committee members agreed at the start is each year on 1 January, (i) revised upwards by the Board of Directors in function of the evolution of the consumer price index, and (ii) increased by an additional 1 per cent.

The net amount (after payroll withholding tax) of the fixed remuneration is paid in cash. Each Executive Committee member is personally responsible for paying social security contributions for self-employed individuals.

Variable remuneration for short-term performance

Executive Committee members are eligible for an annual variable remuneration for performance measured over one financial year.

The net amount of this compensation is paid out in cash.

The predetermined amount that can be earned if all performance criteria are met ("*on target*") is 1/3 of the annual fixed remuneration for the CEO and 1/6 of the annual fixed remuneration for the CFO. In case the performance exceeds the targets, a higher short-term variable remuneration can be paid, but it must be limited to a maximum of 50% of the annual fixed remuneration.

The performance criteria are defined at the beginning of each financial year by the Board of Directors on the advice of the Nomination and Remuneration Committee.

The variable remuneration consists of 60% company targets and 40% individual targets.

The company targets are analogous to those of the employees. In accordance with article 35, §1, second paragraph of the RREC act, variable remuneration dependent on results may only be granted on the basis of criteria relating exclusively to Vastned's consolidated net result, excluding fluctuations in the fair value of assets and hedging instruments. Also, no compensation may be granted in function of a specific operation or transaction of Vastned or its perimeter companies.
Therefore, Vastned retains the following criteria:

- consolidated occupancy rate;
- consolidated EPRA result;
- earnings per share (EPS);
- consolidated collection rate of rental invoices;
- organic increase in rental income;
- portfolio growth.

The Board of Directors, advised by the Nomination and Remuneration Committee, determines annually which of these criteria will be applied, the targets, as well as the mutual weighting of these performance criteria, in function of Vastned's strategic and operational priorities.

In addition to quantitative company targets, qualitative criteria are also taken into account when determining short-term variable remuneration. These qualitative criteria are linked to the individual objectives of Executive Committee members. They may be related to their leadership style, company culture, operational assignments, internal projects (such as ESG projects), etc. These targets are also set at the beginning of the performance period.

After the end of each financial year, the Board of Directors, on the advice of the Nomination and Remuneration Committee, assesses the extent to which the various objectives have been achieved. Based on this assessment, the amount of the variable remuneration is then determined by the Board of Directors on the advice of the Nomination and Remuneration Committee.

In principle, the variable remuneration is paid in the month of February of the year following the performance year.

Variable remuneration for long-term performance

The CEO is eligible for variable compensation for performance measured over a performance period of three (3) financial years (the "**LT Performance Period**"). A new LT Performance Period starts each year.

The remuneration is paid in cash.

The target amount that can be earned if all performance criteria are met during the LT Performance Period ("*on target*") is 22.2% of the annual fixed remuneration. In case performance exceeds the objectives, a higher long-term variable remuneration can be paid, but it must be capped to a maximum of 50% of the annual fixed remuneration.

The performance criteria for the relevant LT Performance Period are defined at the beginning of each financial year by the Board of Directors, on the advice of the Nomination and Remuneration Committee. In accordance with Article 35, §1, second paragraph of the RREC act, performance-dependent variable remuneration may only be granted on the basis of criteria relating exclusively to Vastned's consolidated net result, excluding fluctuations in the fair value of assets and hedging instruments. Also, no remuneration may be allocated in function of a specific operation or transaction of Vastned or its perimeter companies. Therefore, Vastned retains the following criteria:

- the relative shareholder return;
- earnings per share (EPS);
- the dividend per share;
- ESG criteria.

The ESG criteria account for up to 20%. The Board of Directors determines annually, on the advice of the Nomination and Remuneration Committee, which of these criteria will be applied, the objectives, as well as the relative weighting of the other performance criteria, in function of Vastned's strategic and operational priorities.

At the end of each LT Performance Period, the Board of Directors, on the advice of the Nomination and Remuneration Committee, assesses the extent to which the various objectives have been achieved. Based on this assessment, the amount of the variable remuneration is then determined by the Board of Directors on the advice of the Nomination and Remuneration Committee.

The variable remuneration is in principle paid in the month of February of the year following the last day of the LT Performance Period.

In order to comply with the requirements of Chapter 6 (*Shareholding of Executive Committee Members*), the CEO may choose to use the paid net cash to acquire shares of the Company at a price equal to 100/120ths of the market price, provided that they make those shares non-transferable for two years.

The short-term and long-term incentives will include the usual "good" and "bad leaver" arrangements in case of dismissal or termination of the mandate of the Executive Committee members.

Pension

The members of the Executive Committee have the option to participate in the Company's pension scheme (defined contribution) or receiving equivalent cash remuneration. In the former case (participation in pension scheme), contributions are borne separately by the Company.

The cash pension benefits and pension premiums under the pension scheme amount to 10% of the annual fixed remuneration received by the relevant Executive Committee member.

Other remuneration elements

Executive Committee members are also entitled to benefits such as:

- the use of a company car: including loading or fuel costs, insurance, road tax and other costs associated with a company car;
- supplementary hospitalisation insurance;
- disability insurance;
- the use of a mobile phone and an allowance for internet costs;
- travel and accommodation expenses or general expenses, as a result of performing their duties, are also reimbursed by the Company. These expenses are submitted to the Board of Directors for approval on a quarterly basis;
- a market practice and adequate liability insurance policy taken out for the benefit of the members of the Executive Committee in relation to the performance of their duties.

6. CEO's shareholding

The CEO is expected to hold a certain number of shares in the Company. The CFO is not required to do so.

In this regard, the CEO must hold 7,246 shares (this number was calculated as the amount equal to 200,000 EUR divided by the closing price of the Vastned share on 31 December 2024 (27.60 EUR)).

The CEO annually confirms the number of shares he/she holds in the Company as of 31 December. The CEO has five (5) years to build up this holding, starting from the approval of this remuneration policy by the General Meeting, or, if later, from the start date of their mandate.

The CEO must maintain this number of shares until one year after leaving the Company.

7. Agreements concluded with the members of the Executive Committee

The members of the Executive Committee are appointed for an indefinite term.

The members of the Executive Committee are hired by the Company through an independent service agreement.

In addition to the conditions already stipulated in this remuneration policy, the management agreements stipulate that the notice period for the agreements of the members of the Executive Committee is generally twelve (12) months. In the event of a waiver of duties, the fixed amount of remuneration for the equivalent part of this notice period must still be paid. The twelve (12) month period is reduced to six (6) months and nine (9) respectively if the notice is given during the first or second year after the person's employment with Vastned.

8. Clawback and malus

The agreements with the members of the Executive Committee contractually include a clawback mechanism, in the event of fraud or gross misconduct by the beneficiary. This mechanism grants Vastned NV the right to reclaim, in whole or in part, any variable remuneration already paid from the beneficiary up to one year after the payment.

9. Note on taking into account the salary and working conditions of the Company's employees in the determination of the remuneration policy

Vastned has a limited number of employees. The Board of Directors, advised by the Nomination and Remuneration Committee, monitors consistency between the remuneration of directors and members of the Executive Committee and the remuneration of employees to attract, reward and retain the necessary talent, taking into account the market conditions for each category of employee. Since Vastned operates in different countries, consistency is primarily monitored with the remuneration for Belgian employees, as the members of the Executive Committee are all Belgian effective leaders at the date of adoption of this Remuneration Policy.

In principle, Vastned's Belgian employees do not receive variable remuneration for longer-term performance. Otherwise, their remuneration package typically includes the following components, with individual exceptions possible:

- a market practice fixed remuneration in line with their responsibilities and experience, indexed annually in accordance with the rules of the Joint Committee to which Vastned belongs (PC 200);
- variable remuneration for short-term performance, with an "on target" amount of no more than one month's salary, linked to performance criteria largely analogous to those of the members of the Executive Committtee, i.e. 60% company objectives and 40% individual objectives;
- pension contributions; and
- other remuneration elements (analogous to the members of the Executive Committee).

Employees do not receive shares, options or other share-related remuneration.

The Company invests the necessary resources in development of employees, allowing the members of the Executive Committee to assess the need for additional training on an annual basis. This is evaluated and discussed individually with the employee concerned. In consultation with the employee, the most appropriate training is sought. If there are exams associated with a particular training course, the employee must pass them and present the certificate to a member of the Executive Committee.

10. Deviations from the remuneration policy

The Board of Directors may, on the advice of the Nomination and Remuneration Committee, temporarily deviate from any element of the remuneration policy, provided the deviation is justified by exceptional circumstances, in which such deviation is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.

11. Main changes from the remuneration policy of 27 April 2022

The table below provides a brief overview of the changes included in this remuneration policy compared to the remuneration policy approved by the General Meeting on 27 April 2022, each with a short justification for the proposed change.

Remuneration element	Change	Rationale for the change
Total remuneration package for the members of the Executive Committee	Increase in total quantum	As a result of the merger between Vastned Belgium and Vastned Retail, which came into effect on 1 January 2025, the Company has become the consolidating entity of the Vastned group, and the Executive Committee is given responsibility for a much larger real estate portfolio with operations in four different countries
Variable remuneration for members of the Executive Committee	Split for the CEO into short-term and long-term variable remuneration	Alignment with strategy and market practice
Variable remuneration for the members of the Executive Committee	Performance criteria	Alignment with strategy and market practice
Variable remuneration for the members of the Executive Committee	Option for CEO to use net payout from long-term bonus to buy shares at a discount	Alignment with strategy and market practice and facilitation to meet shareholding requirements
Shareholding requirement	CEO must hold a minimum number of shares	Compliance with principle 7.9 of the 2020 Code; Alignment with strategy and market practices

12. Position of shareholders

In developing this remuneration policy, the Company has taken into account the specific comments and suggestions from shareholders that were formulated during the assessment of the previous remuneration policy and following the annual remuneration reports. The Company will continue to monitor shareholders' views in the future and consult shareholders prior to major changes to this policy.

13. Changes to the remuneration policy

With every material change and at least every four years, the remuneration policy is submitted for approval to the General Meeting.

The Board of Directors decides, on the advice of the Nomination and Remuneration Committee, on the proposals for material changes or the proposal to maintain the remuneration policy submitted to the General Meeting.

The vote of the General Meeting on the remuneration policy at the general meeting is binding.

****