MINUTES OF THE PROCEEDINGS IN THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF VASTNED RETAIL N.V. ON THE 2018 FINANCIAL YEAR

held on Thursday 18 April 2019 from 1pm to 2:50pm at the Rosarium, Amstelpark 1 in Amsterdam

Chairman: Mr M.C. van Gelder, chairman of the Supervisory Board of Vastned Retail N.V. ('Vastned' or 'the company')
Secretary: Ms I.W. van 't Woud, Company Secretary

ITEM 1. Opening and announcements

The **Chairman** opened the meeting at 1pm and noted that the meeting had been convened in accordance with the law and the articles of association of the company. The agenda with the items to be discussed and appendices has timely been available for inspection at the office of the company, from ABN AMRO and on the website of the company as of 7 March of this year. The chairman welcomed all present, in particular Executive Board members Taco de Groot (CEO) and Reinier Walta (CFO) and the Supervisory Board: Marieke Bax, Charlotte Insinger, Jeroen Hunfeld and chairman Marc van Gelder. The chairman appointed Company Secretary Ingeborg van 't Woud as secretary to this meeting. Auditor EY was represented in the meeting by Wim Kerst.

The chairman announced that the attendance list shows that 10,546,805 shares were present or represented, being 60.78% of the issued capital that held voting rights at the registration date.

ITEM 2. Report of the Executive Board on the 2018 financial year and discussion of the main points of the corporate governance structure and compliance with the Corporate Governance Code

CEO Taco de Groot commented on the past financial year and presented his views on various developments and how they affect Vastned. CFO Reinier Walta added to the comments of the CEO, discussing the effects of these developments on the financial results and the financing structure of the company.

Before giving the Executive Board the floor, the chairman referred to the explanation in the annual report (p. 76 and following) of the corporate governance structure and compliance with the Corporate Governance Code, and reminded the meeting that Vastned again complied with all the provisions in the Code in 2018.

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Highlights 2018

Taco de Groot then reported on the 2018 financial year, after first extending his gratitude to the staff for their dedication and to the company's loyal investors who appreciate Vastned's quality and operations.
The CEO stated that in spite of the difficult retail market conditions Vastned was able to realise good results in 2018 due to its high-quality portfolio and its active asset management.
The value of the portfolio rose by € 6 million and the occupancy rate at year-end 2018 was 98.6%.
The loan-to-value at 39% remained within the desired bandwidth and the direct result was € 2.22 per share.
It was proposed to the AGM to distribute € 2.05 per share in dividend.
In 2018, Vastned made a takeover bid for the remaining shares in Vastned Retail Belgium. Due to not enough shares being offered, this takeover bid failed. Vastned Retail Belgium will remain a key subsidiary of Vastned with which Vastned will continue to collaborate constructively.
The Dutch government in the fall of 2018 presented its new tax plan in which it intended to abolish dividend tax and the FII regime. As a result of increased resistance from the opposition the plan was withdrawn, so that the tax regime in the Netherlands will remain unchanged. Vastned will continue discussions with colleagues from the peer group to advocate converting the current FII regime into a REIT regime.
In October 2018, a share buyback programme was started of € 40 million maximum which, after extension, ran through up to and including 17 April 2019. Shares were purchased to a total of approx. € 35 million.
In 2019 the company will focus on maintaining the high occupancy rate of our portfolio, and especially on attracting a good tenant for the property on Rue de Rivoli in Paris, which was vacated in January. The negative retail sentiment and the so-called yellow vests have caused retailers to be hesitant about opening new shops in Paris. In spite of this, the Executive Board is confident that a good tenant will be found for this property. The vacancy in Rue de Rivoli along with lower rental income as a result of the smaller size of the portfolio compared to 2018 and the absence of non-recurring income received in 2018 lead to an anticipated direct result for this year of between € 2.00 and € 2.10 per share.

Transition in retail market still ongoing

Low unemployment, economic growth and higher consumer spending were positive factors for retailers in 2018. However, consumers' disposable incomes are not rising or very little and spending patterns are changing, and many retailers continue to struggle to adapt to this. In addition, consumer confidence fell in the second half of 2018 due to uncertainty caused by Brexit, international trade conflicts and the global debt mountain. Consumer retail spending is under pressure, and smartphones and social media channels are gaining in importance in consumers' buying decisions. Many retailers have set up an online business model next to their physical shops. This new situation, however, also causes considerable operational challenges: higher costs without an equivalent direct increase of total sales (let alone profit) for the retailer. It is proving difficult to make money from online sales. Vastned therefore believes online business models do not work for all retailers, and that the quality and service of the physical shops will remain vital to retailers' success. By actively managing its assets and continuing to build up the portfolio and its relationships with retailers, the Executive Board expects that the company will be able to keep attracting and retaining successful retailers.

Property in historic city centres is popular with investors

The CEO pointed out that in spite of the transition in the underlying retail market, demand from investors for retail property in the popular high streets of big European cities remains high. The value of the property portfolio continued to rise in 2018. While such rises are positive for the indirect result, the same trend makes buying new properties more challenging. Vastned is and will remain critical and cautious with regard to potential acquisitions, whereby the company's starting point is that the quality of the portfolio is more important than growth for its own sake. The Executive Board will make acquisitions only when they fit the strategy and add value to the portfolio. Due to increased scarcity demand for residential space in city centres is high. In the past few years, Vastned has responded to this demand by creating and renovating homes above shops where possible. This is a win-win situation for the company, city centre residents and retailers.

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Good results confirm strategy

In 2018, the stable and predictable results that the company strives for were realised once again; the retail properties were virtually fully let, they realised positive rental growth and rose in value. The Executive Board considers this confirmation of the strategic choice to invest only in the very best retail property.

Investments in food & beverage

The presence of Food & Beverage ('F&B') is growing in importance for the shopping public because consumers increasingly combine their visit to a city centre with lunch or dinner. The growth of tourism will further amplify this demand for F&B. In 2018, six F&B establishments were purchased in Amsterdam and Utrecht, four of which on Drieharingstraat, Utrecht's new culinary main street. At year-end 2018 approx. 4.5% of the portfolio were F&B properties.

Quality improvement of the portfolio

In 2018, Vastned raised the quality of the portfolio further. A number of properties were sold and a selection of excellent properties were added to the existing clusters in Amsterdam, Utrecht, Paris and Madrid. Over the past year, the portfolio was expanded by € 49 million. Next to the previously mentioned F&B establishments in Amsterdam and Utrecht two retail properties in Paris and Madrid were acquired. In Le Marais in Paris a vacant retail property was bought off-market; even before the acquisition a lease was signed with the French retailers Maje. In Madrid an adjoining property was purchased that is currently leased to Birkenstock. This makes it possible to join both properties together in the future, which might generate higher rental income. In addition to acquisitions, non-strategic property totalling € 71 million was sold in 2018. The divestments took place in the Netherlands and France, including the property on Rue Saint-Jean in Nancy for an amount of € 34 million.

Transformation of the property portfolio completed

Since the start of the high street strategy in 2011, Vastned has bought and sold retail property totalling € 1.8 billion. Six years ago a third of Vastned's portfolio comprised 'core city assets'; at year-end 2018 this had gone up to 82%. These retail properties were nearly fully let at year-end 2018. The quality of the mixed retail locations has also improved. The majority of these are the popular 'baanwinkels' in Belgium and supermarkets in the Netherlands. After the divestments in 2018 the transformation of the property portfolio is now complete. This is expected to result in more stable and predictable results and potential future growth. The company will no longer distinguish between core core city assets and mixed retail locations.

Positive impact on leasing activity

The quality improvement of the portfolio also had a positive impact on Vastned's leasing activity. In 2018, 71 new leases were concluded for a total amount of € 10.6 million per annum. This equals approximately 14% of the theoretical annual gross rental income. Vastned realised a 1.4% rent increase on the 29 leases concluded for core city assets. The other 42 leases were concluded for mixed retail locations. On these leases, rents declined on average by 9.4%. Vastned concluded leases with retailers including UNIQLO, Hunkemöller, Usabilla, Maje, Sessùn and Sephora (the latter is the tenant of the property on Calle Serrano in Madrid).

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Sustainability

Sustainability is a key core value for Vastned to create long-term value for its stakeholders. Vastned believes that realising stable and predictable financial results can go hand in hand with non-financial goals, such as preservation of cultural heritage and improving the liveability and safety of city centres. Vastned also strives to limit its environmental impact as far as possible and to extend its contributions to society. An efficient and effective organisation is crucial for realising these objectives. For this reason, a high-quality organisation, a healthy work environment and the health and welfare of the employees are high on the company's agenda. In 2018, a green and ethical clause was added to 85% of the new leases. In addition, 70% of the properties now have an EPC label. During the 2018 Volunteer Day the Dutch and Belgian teams helped to maintain the Lange Bretten nature conservation area in Amsterdam and the Roosendael Estate in Sint-Katelijne-Waver respectively. A key part of sustainability is also that Vastned acts and reports transparently. The Executive Board considers this an important responsibility for Vastned as a listed company.

Transparent reporting

In 2018, Vastned won several awards in the area of transparent reporting. Vastned's financial reporting has complied with the EPRA Best Practices Recommendations for over ten years, and last year Vastned once again won a gold medal. Since 2016, the annual reporting is in accordance with the Sustainability Best Practices Recommendations of the EPRA, which focus on transparent social reporting. Last year, Vastned also won a gold medal in this category. In the area of tax transparency, VDBO annually investigates a group of Dutch listed companies. In 2018, Vastned achieved the highest score in the property sector. Vastned also scored highly compared to the total group: a shared eighth place of the 76 listed companies in total.

CFO **Reinier Walta** then commented on the financial results.

Financial key figures

In 2018, the direct result was € 2.22 per share, which was € 0.02 above the guidance of between € 2.10 and € 2.20. The indirect result was € 0.04 per share. Positive rental growth was realised in the portfolio, which was mainly due to the good results of the core city assets. The spot interest rate remained low (2.5% at year-end). The loan-to-value was 39%, well within the desired range.

Direct result higher than expected

As in 2017, the direct result in 2018 was € 2.22 per share in spite of the fact that in 2017 and 2018 more properties were sold than purchased, as a result of which the size of the portfolio fell and rental income decreased. On the other hand, lower financing costs and the impact of the share buyback programme contributed positively to the direct result per share by € 0.14 and € 0.04 respectively.
In addition, non-recurring items (including the buyout payment received from Forever 21) contributed € 0.22 to the direct result per share. The tax paid on this buyout payment was responsible for the increase in the item 'income tax'.

Like-for-like gross rental growth

The like-for-like gross rental growth was +0.8% for the total portfolio. The core city assets realised +1.6% rental growth, driven by the Netherlands, France and Belgium. In Spain a rent decrease was reported as a result of the vacancy at Calle Serrano 36 in Madrid. This retail property is now let to Sephora. The positive like-for-like rental growth is a confirmation of the current strategy to continue focusing on further improving the quality of the portfolio.

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Value development of portfolio

The main changes in the value of the portfolio were caused by acquisitions and divestments. The investments in assets, or Capex, excluding lease incentives, had a small effect of € 4 million positive. Capex for core city assets is generally limited and mainly comprises investments needed to add value or to create and renovate residential space above the retail properties (which also adds to the value of the property).

Value increase core city assets

The value of the total property portfolio excluding acquisitions and divestments rose by € 5.9 million, or 0.4%, compared to 2017. The increase was due to the value increase of the core city assets of € 12.1 million, or 1%, which amply compensated for the € 6.2 million decrease on the mixed retail locations.

Solid financing structure

Vastned has a solid financing structure and complies with all the banking covenants. With € 198 million in unused credit facilities and a loan-to-value of 39% there is sufficient room for acquisitions and repayments. The existing interest rate policy to fix the interest rate of approximately two thirds of the loan portfolio was continued in 2018. The spot interest rate remained low in 2018 (2.5% at year-end). The average weighted duration of outstanding loans rose to 4.7 years. In the course of 2018, the credit facility with a group of five banks was reduced from € 375 million to € 325 million and extended to September 2023. Furthermore, a new 7-year € 50 million loan was taken out with AXA. After the balance sheet date Vastned also placed a € 50 million long-term bond loan with Pricoa Capital Group. This bond loan has a 7-year term and a 2.73% coupon. The new loan is used to refinance existing loans, including the recent repayment of the convertible bond loan. All this contributes to the realisation of stable results.

Outlook 2019

The Executive Board remains cautious about market conditions in view of the limited investment opportunities and the ongoing transition in the retail landscape. Vastned will continue executing its strategy step by step. With retail properties in the best locations, Vastned has a unique portfolio. The results confirm the strength of the strategy and give us confidence that we will continue to realise good and stable results in the long term. However, the market is difficult, which is why the management will be keeping a close eye on costs this year. In 2019, the company will focus on maintaining the high occupancy rate of the portfolio, and especially on attracting a good tenant for the property at Rue de Rivoli 118-120 in Paris. In doing so, the circumstances in Paris and the weak retail landscape in the countries where Vastned operates will be especially challenging. However, the Executive Board expects this situation to be temporary, and that tourism and the Paris retail market will recover. The expected vacancy of the property in Rue de Rivoli along with lower rental income as a result of the smaller size of the portfolio compared to 2018 and the absence of non-recurring income received in 2018 causes the Executive Board to anticipate a direct result for 2019 of between € 2.00 and € 2.10 per share. After the divestments in 2018 the transformation of the property portfolio is complete, which is expected to result in stable and predictable results and potential future growth. The Executive Board expects maintenance costs to remain low, as they were in previous years.

After this presentation, the **chairman** opened up the meeting for questions.

Mr **Meijer** asked, in view of the difference between NAV and the share price, whether the share buyback programme would be continued and enquired after the level of dividend for 2019.

Mr **De Groot** replied that the company had purchased shares for approx. € 35 million up to the day preceding the AGM. The desired level of the loan-to-value ('LTV') was an important factor here, too, partly due to the possibility of making acquisitions in the future. The Executive Board will give its views on the level of the 2019 dividend during the presentation of the semi-annual figures.

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Mr **Diaz** (VEB) asked what the plans are (investment/divestment/retention) concerning the non-core city assets (currently 18% of the total portfolio).

Mr **De Groot** stressed that optimisation of the portfolio is key at all times. Divesting high risk property is part of this. When making acquisitions, the company will continue to focus on cities like Paris, Amsterdam and Madrid, strengthening clusters in districts like Le Marais.

Mr **Diaz** asked whether the completion of the transition will have consequences for the composition of the staff complement.

Mr **De Groot** remarked that in the course of the transition period the staff complement was reduced from some 100 employees to approx. 43. The CEO deemed the quality and current size of the staff complement appropriate for the portfolio.

The **chairman** added that cost control also in terms of the organisation is a constant point of attention for both the Supervisory Board and the Executive Board.

Mr **Diaz** wanted to know whether the strategy will be updated now the current one has been fully realised. He also asked whether the Executive Board saw opportunities for further growth.

Mr **De Groot** replied that a change of strategy is not currently being considered. He noted that growth for its own sake is not one of Vastned's objectives and that opportunities for growth are limited in the current market. Issuing new shares, in particular in view of the current share price, would result in undesirable dilution of the existing shareholding. Finally, the desired range of the LTV (35%-45%) should be taken into account in this.

Mr **Diaz** asked whether Vastned is actively approaching private investors in the context of acquisitions.

Mr **De Groot** answered in the affirmative, and explained that the added value and therefore the success of the business are the excellent private contacts of the asset and country managers, and their knowledge of the market in cities and specific districts, such as Le Marais in Paris, on which Vastned is focused.

Mr **Van Riet** asked whether the bid for Vastned Retail Belgium was successful and how much of Vastned Retail Belgium NV stock Vastned Retail N.V. currently holds. He asked about the future of the current tax regime (FII status). With respect to the convertible loan he wished to know whether any bonds have been converted into shares.

Mr **De Groot** stated that Vastned Retail N.V. holds 65% of the shares in Vastned Retail Belgium NV and that the takeover bid did not succeed in spite of the 25% premium offered above the then share price and an independent fairness opinion that indicated that the price offered was fair.
With respect to the debate on the fiscal investment institutions, Mr De Groot stated that the political lobby of the listed property companies for the introduction of a REIT regime in the Netherlands (in line with neighbouring countries) will continue unabated.
Mr **Walta** replied that the convertible had been repaid in full and that no shares were issued in this context.

Mr **Diaz** enquired whether agreements have been made at the management level about the percentage of F&B in the total portfolio (currently 4.5%) and whether the distinction between core city assets and mixed retail locations will be maintained internally.

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Mr **De Groot** noted that in every potential acquisition the quality and designated use of a property are taken into account, and to what extent the relevant property can add value to the existing portfolio. Various factors are weighed in this, including price, location, rent potential, etc.

Mr **Diaz** asked why no suitable tenant had been found yet for the former H&M property on Rue de Rivoli in Paris.

Mr **De Groot** explained that it is important for the long-term results that a good tenant is found for this property, and that the right timing is vital for this. The sentiment in the retail sector and the situation in Paris (the yellow vests, ongoing extensive refurbishment work on the department store located opposite (formerly La Samaritaine) in recent months caused retailers to be cautious about opening new shops.

Mr **Diaz** noted that the indirect result had risen on balance, but that this rise was mainly caused by positive results in the Netherlands and Spain, while the results in Belgium and France were negative. Mr Diaz wondered whether these results mirrored the sentiment and the retail market in France.

Mr **De Groot** replied that it was not possible to draw clear conclusions solely on the basis of these figures, partly because the figures are dependent on whether a property is actually let at the relevant point in time. For example, in 2018 the letting to UNIQLO of the property on Rokin had a positive impact on the indirect result, while the fact that the property on Rue de Rivoli currently is not generating rental income is obviously putting pressure on the result.

Mr **Diaz** referred to the very recent bankruptcy and the immediately following relaunch of Sissy Boy. He wished to know whether there had been any contact with the new owner of this chain and how Vastned would respond to any request for rent reduction.

Mr **De Groot** stated that the company was in talks with the new owner. Sissy Boy leases two Vastned properties (in Arnhem and Utrecht). Mr De Groot stated that in the event of a request for rent reduction the company always looks at the tenant's financial position and market positioning, with the objective of realising predictable and stable results for all stakeholders in Vastned, also in the long term.

Mr **Diaz** had a question on the subject of sustainability. He noted that selling or letting office properties as of 2023 will require at least a C-label. He asked how high an investment Vastned would have to make if this was also the case for retail properties. He also saw a potential risk to the value of listed properties in the portfolio as the possibility of fitting insulation material and taking other energy-saving measures in or to these properties is very limited.

Mr **De Groot** noted that a considerable part of the Vastned portfolio is comprised of listed properties and that regulations for this specific category of inner city retail property is different from that for the office property market. Vastned interprets the concepts of 'sustainability' and 'energy' and applies them in practice very broadly inter alia in its selection and use of materials (for example, no oil-based paints are used). Furthermore, Vastned offers retailers support by installing 'smart meters', thus helping them to map their energy consumption and so, where possible, reduce it.

Mr **Van Riet** asserted that a degree of inconsistency could be identified in the (execution of the) licensing policy of the municipality of Amsterdam, especially in terms of shops aimed at tourists, which also sell certain types of foods, such as cheese.

Mr **De Groot** replied that that was a discussion that must be held at the municipal level.

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ITEM 3. Remuneration report for the 2018 financial year

Ms **Bax**, in her capacity as chair of the remuneration and nomination committee, gave an explanation of the 2018 remuneration report for the Executive Board.

Based on the remuneration policy set by the General Meeting of Shareholders in 2017, the members of the Executive Board receive a fixed and a variable remuneration. The variable remuneration has a 40% short-term component and a 60% long-term component. In accordance with its consistent policy, Vastned set four clear and ambitious targets for the Executive Board in advance to determine the variable short-term incentive for 2018, each of which sets 25% of the variable short-term incentive. The maximum 25% can only be awarded if and to the extent that the normal target has been far exceeded. Of the quantitative target of the total occupancy rate of the portfolio at year-end 2018 21.75% was realised. Of the quantitative target of the percentage of core city assets in the total property portfolio 23.2% was realised. Of the quantitative target of the like-for-like gross rental growth 17.8% was realised. The qualitative short-term target for the CEO was creating long-term value in the determination of the strategy. For the CFO, 50% of this target was the qualitative short-term target; the remaining 50% of the qualitative short-term target was the implementation of a new property management system, so as to further raise efficiency and transparency within the company. The qualitative STI targets for 2018 were realised in full by both members of the Executive Board. As a result, 87% of the maximum achievable short-term incentive was realised.

Ms Bax explained that the long-term incentive (LTI), which is awarded over a period of three years, varies between 0% and 60% of the fixed remuneration.

The LTI scheme has three components:

(i) the relative total shareholder return component, for which Vastned is compared with a peer group of twelve comparable companies. In 2018, Vastned came third in this category;

(ii) the absolute total shareholder return component: how much did the dividend and share price increase yield for shareholders? The score on this component was insufficient for a bonus to be awarded;

(iii) the business health test, which aims to ensure that short-term incentives are not prioritised in the Executive Board's policy. In this context the Executive Board successfully realised a fundamental conversion to a high-quality high street portfolio. In addition, the Supervisory Board also looked at things like the 'tone at the top' and the high employee satisfaction within Vastned, the fully integrated reporting in the 2018 annual report and the fact that the Executive Board has made corporate social responsibility a priority.

As of 1 January 2019, the fixed remuneration of the CFO was raised in accordance with the provisions in the remuneration policy to 70% of the fixed remuneration of the CEO.
The raise was awarded as a result of an excellent assessment of the CFO based on a 360° review. The assessment of the CEO and the cooperation between both members of the Executive Board were also highly positive. On behalf of the full Supervisory Board, Ms Bax expressed her gratitude to members of the Executive Board for their dedication and efforts over the past year.

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Mr **Meijer** wished to know whether the other employees of Vastned also receive a proportionately comparable fixed and variable remuneration when they perform well.

Mr **De Groot** confirmed that Vastned awards competitive salaries to its staff.

Mr **Boom** asked what the amount in social security charges is for the fixed remuneration of the Executive Board.

Ms **Bax** replied that this is an amount of approximately € 10,000.

ITEM 4. Proposal to adopt the financial statements for the 2018 financial year (resolution)

The proposal before the Annual General Meeting was to adopt Vastned's financial statements for the 2018 financial year. In this context Mr **Kerst** (a partner with auditor EY) gave an explanation of the scope, strategy and execution of the audit activities for and the opinion on the annual financial statements.
Mr Kerst explained that EY's engagement (also) entailed performing the statutory audit of Vastned's consolidated financial statements for the year 2018, including an explanation of any material inaccuracies in the report of the Executive Board and the other information. In addition, EY reported on its audit of the 2018 half-yearly figures. The acting auditor formally has the final responsibility for the audit, assisted by a core team of experienced and expert domestic and international professionals. Mr Kerst stated that his opinion was further based on input from tax advisers and various property valuation specialists.
The auditor explained that for errors in the financial statements and the report of the Executive Board, the customary materiality limit of 0.5% of the company's total assets is used (for Vastned: € 7.9 million) is used. Furthermore, errors that exceed € 398,000 are discussed with the Executive Board and the Supervisory Board. For items concerning the direct result a materiality threshold is in place of € 2 million (5% of the total direct result), whereby errors exceeding an amount of € 100,000 are discussed with the Executive Board and the Supervisory Board.

Mr Kerst then explained EY's conclusions:
• in the opinion of the auditor the annual financial statement give a true and fair view;
• there have been no differences of opinion on estimates;
• no uncorrected audit discrepancies were observed that would impact equity or the result.
In the view of the auditor, the annual report (the report of the Executive Board and the report of the Supervisory Board) also complied with the law and the provisions of the Corporate Governance Code and was not in conflict with the financial statements.

Looking back on the 2018 financial year, Mr Kerst summarised the six most important points (key audit matters) discussed with the Executive Board and the Supervisory Board during the year:

(i) Valuation of the property;
(ii) Recognition of property acquisitions and sales;
(iii) Reporting fraud;
(iv) Financing and bank covenants;
(v) Compliance with tax laws and regulations;
(vi) Demarcation of turnover.

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Mr **Kerst** stated that the interaction and communication at various times during the 2018 financial year between (the Executive Board, Supervisory Board and the audit and compliance committee of) Vastned and the auditor were positive. All this resulted in the review report issued by EY in August 2018 and the audit opinion issued on 14 February 2019.

Mr **Van Riet** enquired in the context of the valuation of the property about the difference between the balance sheet value and the WOZ value of the properties in the portfolio.

Mr **Walta** replied that the appraisal process is executed by an independent third party and that the WOZ values are obviously included in this appraisal.

Mr **Meijer** asked the auditor whether he also reported to the AFM or DNB on Vastned.

Mr **Kerst** replied that the auditor does not directly report to the AFM or DNB. However, the AFM can ask the company for the annual financial statements in order to inspect them. The AFM also has the authority in the context of any investigation into Vastned to inspect EY's dossier. This has never happened with respect to Vastned.

Mr **Diaz** enquired about the key points in the management letter and the audit report. He wished to know what term the auditor would use to describe the estimates made: conservative, neutral, or adventurous. He also enquired whether the audit plan was amended during the audit and whether the audit had gone entirely as desired.

Mr **Kerst** confirmed that the audit plan was not amended during the audit and that the audit had gone as desired.
With respect to the estimates and valuations Mr Kerst emphasised that there had not been any discussions with the management worth mentioning and that the auditor had been able during the audit to establish that the estimates and valuations agreed to a reasonable degree with the relevant IFRS standards. He noted that statements on the contents of the management letter and the audit report were outside the scope of this explanation of the audit approach.

Mr **Diaz** enquired whether, in view of the costs associated with a stock exchange listing, there were concrete plans to discontinue Vastned's listing.

The **chairman** denied this.

Mr **Diaz** enquired whether any bilateral discussions were being held with major shareholder Aat van Herk and whether these had thrown any light on Mr Van Herk's intentions.

The **chairman** replied that in addition to the primary contact with shareholders during the annual general meeting of shareholders, occasional bilateral talks were held between the company and shareholders. The chairman emphasised that in doing so Vastned complies with statutory obligations regarding confidentiality, disclosure of insideinformation and equal treatment of shareholders.
He stated that Mr Van Herk held the Vastned shares as an investment.

After a brief explanation of the voting procedure, the chairman put this agenda item to a vote.
The proposal was adopted with 100% of the votes in favour and 14,491 abstentions.

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ITEM 5. Comments on the reservation and dividend policy

The **chairman** explained that the dividend policy adopted in 2013 had remained unchanged in 2018 and that it states that at least 75% of the direct result will be distributed as dividend.

ITEM 6. Dividend declaration proposal for the 2018 financial year (resolution)

The **chairman** explained that the proposal before the Annual General Meeting was to declare a total dividend of € 2.05 per share for the 2018 financial year. After deduction of the interim dividend in cash of € 0.71 per share, the final dividend will be € 1.34 per share in cash. The final dividend for the 2018 financial year will be made payable on 7 May 2019.
Having given the meeting the opportunity to ask questions, the chairman put this item to a vote.
The proposal was adopted with 100% of the votes in favour and 100 against.

ITEM 7. Proposal to grant discharge to the members of the Executive Board for the 2018 financial year (resolution)

The **chairman** explained that the proposal before the Annual General Meeting of shareholders was to grant the members of the Executive Board discharge from liability for the performance of their duties during the 2018 financial year. The chairman put the proposal to a vote. The proposal was adopted with 100% of the votes in favour and 14,291 abstentions.

ITEM 8. Proposal to grant discharge to the members of the Supervisory Board for the 2018 financial year (resolution)

The **chairman** explained that the proposal before the Annual General Meeting of shareholders was to grant the members of the Supervisory Board discharge from liability for the performance of their duties during the 2018 financial year. The chairman put the proposal to a vote. The proposal was adopted with 100% of the votes in favour and 14,291 abstentions.

ITEM 9. Proposal to reappoint Mr Taco T.J. de Groot as a member (chairman) of the Executive Board (CEO) (resolution)

The **chairman** explained that in accordance with Article 14 of the articles of association of the company, the Supervisory Board nominated Mr Taco de Groot for reappointment as statutory director of Vastned in the position of Chief Executive Officer (CEO). Mr De Groot's appointment as CEO will be for a four-year term, starting on 18 April 2019 and ending after the Annual General Meeting to be held in 2023.

On behalf of the Supervisory Board, the chairman stated that since his appointment as CEO in 2010, Mr De Groot had achieved important results in the area of improving the quality of the property portfolio and the organisation and in diversifying the company's financing. The Supervisory Board praised Mr De Groot's leadership qualities and his expertise gained in a long career in the property industry. With the successful implementation of the high street strategy and the streamlining of the organisation, Mr De Groot has made Vastned's results more stable and predictable. On behalf of the Supervisory Board the chairman expressed its confidence that Mr De Groot will continue to shape and structure the strategy successfully and skilfully, striving for long-term value creation for all stakeholders involved with the business. Based on this the Supervisory Board recommended to the Annual General Meeting to vote for the proposed reappointment. The chairman noted that the current remuneration of the CEO as described in the 2018 remuneration report will not be changed on the occasion of his reappointment.

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Having given the meeting the opportunity to ask questions, the chairman put this item to a vote.

The proposal was adopted with 100% of the votes in favour and 10 abstentions.

The chairman congratulated Mr De Groot on his reappointment, and the meeting applauded.

ITEM 10. Proposal to appoint Mr Jaap G. Blokhuis as a member of the Supervisory Board (resolution)

The **chairman** explained that in accordance with Article 14 of the articles of association of the company, the Supervisory Board nominated Mr Jaap Blokhuis for appointment as a member of the Supervisory Board.
He referred to the notes to the agenda, which explained that Mr Hunfeld was to retire after this meeting due to his reaching the maximum term of office of twelve years. In order to fill this vacancy the Supervisory Board proposed to the Annual General Meeting to appoint Mr Blokhuis as a member of the Supervisory Board. The appointment will be for a four-year term, and will end after the Annual General Meeting to be held in 2023. Mr Blokhuis will also become a member of the audit and compliance committee.

Mr **Blokhuis** has extensive and in-depth financial knowledge in the areas of property, asset and fund management and financial institutions and has experience of leading big organisations, more particularly in the property industry and in retail. In view of his background and experience and the Supervisory Board profile, the Supervisory Board recommended that the Annual General Meeting approve the proposed appointment. The chairman then gave the meeting the opportunity to ask questions.

Mr **Diaz** asked Mr Blokhuis what kind of due diligence he had done after he had been approached for this position. He wished to know whether Mr Blokhuis had been given access to non-publicly disclosed information, such as e.g. the contents of the auditor's management letter.

Mr **Blokhuis** replied that he had been active in the property sector for 35 years, mainly in the area of retail. He noted that he had followed Vastned with interest for over 25 years. Mr Blokhuis stated that he was very impressed with the developments that Vastned had gone through over the past few years. For this reason he considered it an honour to be able to serve as a member of the Supervisory Board of Vastned. Mr Blokhuis noted that the professional experience he had gained in the high street property sector was a seamless match with Vastned's focus on the best retail property in the popular high streets of selected European cities with a historic city centre. In the run-up to this meeting, Mr Blokhuis had further delved into the governance structure and the financial data of the company, inter alia by studying (publicly disclosed) documents such as annual reports and quarterly reports.

Subsequently, the **chairman** put this agenda item to a vote.

The proposal was adopted with 99.85% of the votes in favour, 0.15% against, and 100 abstentions.

The chairman congratulated Mr Blokhuis on his appointment, and the meeting applauded.

The chairman expressed his gratitude to Mr Jeroen Hunfeld for his dedication over the past twelve years as a member of the Supervisory Board and of the audit and compliance committee. The chairman praised Mr Hunfelds knowledge in the area of retail. As a token of the company's gratitude the chairman gave Mr Hunfeld flowers, which the meeting applauded.

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ITEM 11. Proposal to reappoint Ms Charlotte M. Insinger as a member of the Supervisory Board (resolution)

The **chairman** explained that in accordance with Article 14 of the articles of association of the company, the Supervisory Board nominated Ms Charlotte Insinger for reappointment as a member of the Supervisory Board. The chairman explained that in order to prevent the regular Supervisory Board retirement roster from creating a peak of reappointments in 2023 (three of the four seats) Ms Insinger was on her own proposal willing to be appointed for a three-year term rather than a four-year term. As a result the proposed new term of office of Ms Insinger would now end after the Annual General Meeting in 2022. Ms Insinger would also remain chair of the audit and compliance committee.
The chairman explained its considerations for reappointment of Ms Insinger. Ms Insinger has extensive and in-depth financial expertise in the areas of property, fund management and financial institutions and experience in financial management of big organisations. Ms Insinger qualifies as a financial expert within the meaning of the law.
Given this background and experience and in view of the Supervisory Board profile, the Supervisory Board recommended that the Annual General Meeting approve the proposed reappointment of Ms Insinger.

The chairman then put this agenda item to a vote.

The proposal was adopted with 99.85% of the votes in favour and 0.15% against.

The chairman congratulated Ms Insinger on her reappointment, and the meeting applauded.

ITEM 12. Proposal to reappoint Mr Marc C. van Gelder as a member (chairman) of the Supervisory Board (resolution)

As chair of the remuneration and nomination committee, Ms Bax gave an explanation of this agenda item. Ms **Bax** stated that in accordance with Article 14 of the articles of association of the company the Supervisory Board nominated Mr Marc van Gelder for reappointment as a member of the Supervisory Board. If this item were adopted, Mr Van Gelder would also remain a member of the remuneration and nomination committee. Ms Bax explained that the appointment would be for a four-year term, ending after the Annual General Meeting to be held in 2023.
The Supervisory Board nominated Mr Van Gelder based on his broad and in-depth expertise of international retail and e-commerce, international business operations and of managing listed companies. The Supervisory Board recommended that the meeting adopt the proposed reappointment.

The **chairman** then put this agenda item to a vote.

The proposal was adopted with 97.68% of the votes in favour and 2.32% against.

Ms **Bax** congratulated Mr Van Gelder on his reappointment, and the meeting applauded.

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ITEM 13. Proposal to (i) amend the articles of association of Vastned Retail N.V. and (ii) authorise each member of the Executive Board and each (junior) civil-law notary employed with NautaDutilh N.V. to have the deed of amendment executed (resolution)

The **chairman** put the proposal to a vote.

The proposal was adopted with 99.85% of the votes in favour, 0.15% against, and 100 abstentions.

ITEM 14a. Proposal to authorise the Executive Board to issue shares and to limit or exclude pre-emptive rights for normal purposes up to a maximum of 10% of the issued capital (resolution)

The agenda item was put to a vote.

The proposal was rejected with 55.38% of the votes against and 44.62% in favour.

Item 14b (additional to item 14(a), but only in case of mergers, takeovers and strategic alliances up to a maximum of 10% of the issued capital) (resolution)) was then withdrawn and not put to a vote.

ITEM 15. Proposal to authorise the Executive Board to purchase the company's own shares (resolution)

The **chairman** explained that the proposal before the General Meeting was to authorise the Executive Board to repurchase the company's own shares up to a maximum of 10% of the share capital in issue on 18 April 2019.

Mr **Van Riet** enquired how many shares had been repurchased in total so far. He also asked whether the authorisation may be used cumulatively regarding the shares purchased in previous years.

Mr **Walta** replied that Vastned currently holds 9.9% of the total share capital in issue as a temporary investment ('treasury shares'). He explained that with due observance of the law and the provisions in the articles of association the authorisation may be used regardless of the percentage of shares already repurchased.

Mr **Verbeek** asked whether further share buybacks might have consequences for Vastned's current FII status.

Mr **Walta** replied that no further buybacks are currently being considered, and that the issued capital does not change in case of buybacks (only if the company cancels the shares).

The **chairman** then put this agenda item to a vote.

The proposal was adopted with 100% of the votes in favour, 100 votes against and 15,137 abstentions.

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ITEM 16. Any other business

Mr **Diaz** enquired whether the Executive Board intended to make a renewed bid for the shares in Vastned Retail Belgium.

Mr **De Groot** replied that partly in view of the current share price of the Vastned Retail Belgium shares this is not currently being considered.

ITEM 17. Close

The **chairman** closed the meeting at 2:50pm and thanked all for attending the meeting.

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