



NOMINATION AND COMPENSATION COMMITTEE RULES OF PROCEDURE (updated on February 14, 2023)

The purpose of these rules of procedure (the “**Nomination and Compensation Committee’s Rules of Procedure**”) is to set up the powers and operating rules of the Nomination and Compensation Committee, as established by the Supervisory Board of Klépierre SA (the “**Company**”), within the framework of, and in addition to, the Supervisory Board’s Rules of Procedure then in force.

These Nomination and Compensation Committee Rules of Procedure were updated by the Supervisory Board on February 14, 2023, and supersede those adopted on February 4, 2020.

They have been prepared in accordance with the recommendations of the Corporate Governance Code for Listed Companies (updated in December 2022) (the “**AFEP-MEDEF Code**”) and the Application Guidelines (updated in June 2022), with which the Company voluntarily complies. These Rules of Procedure are binding for all members of the Nomination and Compensation Committee and they can be consulted on the Company’s website.

ARTICLE 1 MEMBERSHIP OF THE NOMINATION AND COMPENSATION COMMITTEE

1. The Nomination and Compensation Committee shall at all times comprise:

- At least three and no more than five members (including the Chairman), appointed, for their term of office (or the remainder thereof) as Supervisory Board members (as renewed as the case may be), by the Supervisory Board among its members by simple majority; and
- A majority of independent members, including necessarily its Chairman.

2. Termination of duties of a member of the Nomination and Compensation Committee (including the Chairman), for any reason whatsoever, shall not give rise to a severance payment or any other compensation from the Company. Termination of duties as member of the Supervisory Board for any reason whatsoever shall automatically trigger the termination of the membership as member of the Nomination and Compensation Committee (including as Chairman). A member of the Nomination and Compensation Committee may resign from his or her duties subject to a three months' notice (unless such notice is waived or a shorter notice period is mutually agreed with the Supervisory Board by simple majority). Unless the Supervisory Board decides otherwise, termination of duties as member of the Nomination and Compensation Committee shall not trigger the termination of the membership at the Supervisory Board.
3. An executive board members may not be a member of the Nomination and Compensation Committee. He or she may, however, be invited to attend meetings at the request of the Nomination and Compensation Committee, in the cases expressly provided for in these Nomination and Compensation Committee Rules of Procedure.

ARTICLE 2

RESPONSIBILITIES OF THE NOMINATION AND COMPENSATION COMMITTEE

1. The responsibilities conferred on the Nomination and Compensation Committee shall not have the effect of delegating the powers attributed to the Supervisory Board by the applicable provisions of the law, regulations or bylaws, reducing the powers of the Supervisory Board or relieving it of its responsibilities; the Supervisory Board has sole decision-making powers and shall remain responsible for the performance of its duties. Indeed, the Nomination and Compensation Committee shall not act in the place of the Supervisory Board but rather as an extension thereof intended to facilitate its work.
2. The Nomination and Compensation Committee makes recommendations, opinions and proposals to the Supervisory Board in the areas listed below and, more generally, on all matters referred to it by the Chairman of the Supervisory Board concerning the Company's governance.

2.1. Composition of the Executive Board, the Supervisory Board and the Specialized Committees

The Nomination and Compensation Committee is responsible for preparing decisions relating to the composition of the Executive Board, the Supervisory Board and the Specialized Committees. In particular, the Nomination and Compensation Committee, to this end:

- At least once a year, assesses the **membership** of the Executive Board, the Supervisory Board and the Specialized Committees in order to anticipate the expiration of any terms of office or possible changes;
- examines and discuss the situation of each member of the Supervisory Board and its Specialized Committees annually with regard to the **independence criteria** set out in the AFEP-MEDEF Code and submit its proposals to the Supervisory Board so that it may review the situation of each member;
- issues recommendations prior to any deliberation by the Supervisory Board concerning an **appointment or re-appointment** of a member of the Executive Board, the Supervisory Board and/or a Specialized Committee. In particular, with respect to the Supervisory Board, the Nomination and Compensation Committee examines in detail all factors to be taken into account in its deliberation, in light, among other things, of the Company's ownership structure, in order to achieve a balanced membership within the Supervisory Board in terms of gender equality, nationality, international experience, expertise and other areas. In this respect, it verifies that the **independence status** of each candidate prior to his or her appointment or re-appointment is compliant with the following rules:
 - Independent members represent, at all times, at least half of the members of the Supervisory Board if the Company's ownership structure is dispersed and if the Company has no controlling shareholders, or at least one-third of the members of the Supervisory Board if the Company is controlled within the meaning of Article L. 233-3 of the French Commercial Code (*Code de commerce*);
 - The Audit Committee and the Nomination and Compensation Committee do not include any executive officers;
 - The Audit Committee, at all times, comprises at least two-thirds of independent Supervisory Board members;
 - The Nomination and Compensation Committee is, at all times, composed of a majority of independent Supervisory Board members;
 - The Supervisory Board fulfills a minimum 40% quota of members of each gender, in order to ensure balanced representation of women and men;
- draws up a **succession plan** for company officers (Chairman and other members of the Executive Board and Chairman of the Supervisory Board) and the Supervisory Board members, reviews it annually and updates it where necessary. It shall also organize a selection procedure for future Supervisory Board members (including independent members) and perform its own review of potential candidates before they are approached;
- reviews compliance with the **number of terms** held by company officers and the Supervisory Board members, in accordance with the legal and regulatory provisions applicable at the time, the AFEP-MEDEF Code and, where applicable, market practices.

2.2. Main compensation-related responsibilities

a) Compensation of executive officers (Chairman and other Executive Board members)

- Reviewing and proposing to the Supervisory Board **all components of compensation and benefits for executive officers** (Chairman and other Executive Board members); and
- In this respect, monitoring the application of the rules governing all these components.

When the report on this work is presented, the Supervisory Board shall deliberate on executive officers' compensation components **without the latter in attendance**.

b) Compensation of the Supervisory Board and Specialized Committees

- Making a recommendation on **the total amount and allocation of the fees accruing to the Chairman and the other members of the Supervisory Board** (and Specialized Committees) in accordance with the recommendations of the AFEP-MEDEF Code.

c) Compensation of key executives who are not corporate officers

- Remaining informed of **the compensation policy for key executives who are not corporate officers (Chairman and other members of the Executive Board, Chairman and other members of the Supervisory Board) in the Company and other companies in the Klépierre Group**. When performing this task, the Nomination and Compensation Committee involves the executive officers in its work;
- Issuing an opinion on gender equality and equal pay.

d) General policy for stock option allotment and stock option and free share allotment plan(s)

- Issuing an opinion to the Supervisory Board on the general policy for the allotment of stock options and free and performance shares and on the related plan drawn up by the Executive Board;
- Reviewing proposals for the allotment of stock options and free and performance shares.

2.3. Main governance responsibilities

- Discussing the **operating methods of the Supervisory Board** and the Specialized Committees. In this respect, the Nomination and Compensation Committee shall, in particular, ensure that the evaluation of the Supervisory Board and its Specialized Committees is carried out by the Supervisory Board in accordance with Article 11 of the AFEP-MEDEF Code;
- Reviewing changes in **corporate governance rules** (in particular those of the AFEP-MEDEF Code) and identifying emerging practices or significant developments in legislation or regulations and/or corporate governance practices;
- Performing a prior review of the **draft corporate governance report**, which informs the Company's shareholders of the corporate officers' compensation policy, and issuing any opinion or recommendation to the Supervisory Board in this respect;
- Examining all **draft resolutions** to be submitted to the Company's shareholders, in particular those relating to the compensation of company officers and members of the Supervisory Board, related-party agreements, and proposed capital increases reserved for employees, and issuing any opinion or recommendation to the Supervisory Board in this respect;
- Reviewing the gender **diversity policy** within the Klépierre Group's governance bodies and, in this context, issuing an opinion to the Supervisory Board on the gender diversity targets to be set by the Board, how to implement these targets as presented by the Executive Board, compliance with and monitoring of this policy and annual performance;
- Examining annually the information available on **ratios measuring the difference between executive corporate officer and employee compensation** for a representative scope within the meaning of the AFEP-MEDEF Code;
- Regularly reviewing the **shareholding requirements** for company officers (Chairman and other Executive Board members as well as the Chairman of the Supervisory Board).

ARTICLE 3 MEETING ORGANIZATION

1. Notice and frequency of meetings

Each year, the Supervisory Board draws up a provisional timetable for the following year's Nomination and Compensation Committee meetings.

The Nomination and Compensation Committee meets **at least three times a year and as many times as the person who issues the convening notice deems it necessary** with respect to any item on the Supervisory Board's agenda requiring the review or opinion of the Nomination and Compensation Committee.

The Nomination and Compensation Committee meets **at the initiative of its Chairman, one of its members or the Chairman of the Supervisory Board.**

Notice of the meeting shall be given **in writing** (by any means, including electronic), within a reasonable time frame, except in emergencies.

The authorized person who issues the convening notice prepares an agenda for the meeting in French and English, which shall be attached to the notice. Prior to the meeting, the relevant information documents will be made available for the members of the Committee on a dedicated secure platform. They may also exceptionally be handed out during meetings.

2. Nomination and Compensation Committee deliberation methods

In principle, Nomination and Compensation Committee deliberations take place in a meeting, at any location, in the presence of its members and, if necessary, by video conference or any other telecommunication media where permitted. Indeed, members of the Committee may participate in the Committee's deliberations by video conference or any other telecommunication means providing for their identification and guaranteeing their effective participation. These means shall at the least transmit participants' voices and allow the continuous and simultaneous broadcast of deliberations.

The Nomination and Compensation Committee may also deliberate by correspondence in exceptional circumstances.

3. Secretary to the Nomination and Compensation Committee

Secretarial support for the Nomination and Compensation Committee's work (notice of meeting, preparation of information documents, etc.) is ensured by the General Secretary as appointed to such position by the Chairman of the Committee; it being specified that the General Secretary may sub-delegate certain powers to the Chief Legal Officer of Group Klépierre.

The secretary of the Nomination and Compensation Committee sends the draft agenda and related draft documents to the Chairman of the Nomination and Compensation Committee before the Committee meeting is convened.

4. Quorum

The Nomination and Compensation Committee may only validly deliberate if at least half of its members are present or deemed present, including the Chairman of the Committee.

The Committee members participating in the meeting by video conference or other telecommunication media are deemed to be present for the purposes of calculating quorum and majority.

A Committee member may not be represented by another party.

5. Majority

Proposals, opinions and recommendations are adopted by a majority vote of members present or deemed present. If votes are evenly split, the Chairman of the Nomination and Compensation Committee holds the casting vote.

A Committee member may not take part in discussions concerning his or her own benefits or compensation, appointment or re-appointment. In such event, he or she shall refrain from expressing any opinion on the matter.

6. Participation in meetings

Executive Board members are not authorized to participate in Nomination and Compensation Committee meetings. However, the Committee may request the Chairman of the Executive Board to be involved in the Committee's work, except for deliberations relating to the re-appointment of the Executive Board members (including the Chairman) or the compensation policy.

The Nomination and Compensation Committee may involve consultants or experts who are bound by a legal or contractual confidentiality obligation with the Company.

The Nomination and Compensation Committee may, in the performance of its duties, contact the Company's key executives who are not corporate officers, after having informed the executive corporate officers and provided that they report to the Supervisory Board on their discussions.

Third-party participation in the Nomination and Compensation Committee does not entitle such third parties to take part in the deliberations of the Committee.

7. Operating methods

Committee meetings are chaired by the Chairman of the Nomination and Compensation Committee.

Nomination and Compensation Committee meetings are held in English, and the information documents relating to the convening notice and supporting documentation are drafted in English, it being specified that the agenda is also provided in French.

8. Reports

At the end of each meeting, the Chairman of the Nomination and Compensation Committee shall draw up a report equivalent to minutes, in English, to be provided in writing and presented orally at the following Supervisory Board meeting. The minutes shall state the members present or deemed present, the agenda, discussions held and decisions made. It shall be signed within three months of the said meeting by at least two members of the Nomination and Compensation Committee.

When the Nomination and Compensation Committee presents the report on the said Committee's work regarding components of compensation and benefits of Executive Board members (including the Chairman), the Supervisory Board shall deliberate on these components without the said members being in attendance.
