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Nepi Rockcastle N.V.

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Annual General Meeting
13 May 2026
Financial Year End: 31 December 2025

SUMMARY

In FY2025, NEPI Rockcastle N.V. delivered record-breaking financial results, reporting distributable earnings of €441 000 000, a 6.7% increase over the previous year. Net Operating Income (NOI) grew by 11.2% to €618 000 000, underpinned by the full-year contribution of late-2024 acquisitions, rental indexation, and a cost recovery rate of 94.8%. The Group's property portfolio reached a valuation of €8 200 billion, supported by a €162 000 000 fair value gain driven by superior asset performance rather than yield compression.

Operational outcomes were equally robust, with 354 000 000 visits recorded across 57 retail properties. A market-leading EPRA retail vacancy rate of 1.0% reflects high demand for the Group's dominant assets, while the collection rate improved to 99.5%. The Group's inclusion in the FTSE EPRA NAREIT Global Emerging Index in June 2025 further enhanced its international visibility and share liquidity.

Adverse Conditions

These results were achieved despite significant regional volatility. The Group remains exposed to geopolitical instability, specifically the Ukraine-Russia conflict, as five of its operational countries share borders with the combatants. Macroeconomic headwinds included elevated inflation across Central and Eastern Europe (CEE), with Romania peaking at 8.6% in 2025, and legislative volatility, such as new taxes introduced in Romania in September. Furthermore, the Group faces structural labour challenges, including migration-driven talent shortages and a competitive regional market that has pressured workforce stability.

Anticipated and Planned Opportunities

Strategic opportunities are concentrated in a €845 000 000 development pipeline, which includes the Promenada Bucharest extension and the redevelopment of Bonarka City Centre. A central growth pillar is the €160 000 000 Green Energy programme; the first 54 MW greenfield plant in Chisineu-Cris is now online, and the Group targets 47% energy self-sufficiency by 2030. The Group's strong liquidity of over €1 000 000 000 and a conservative 32.8% Loan-to-Value (LTV) provide the "firepower" to pursue further value-accretive M&A as opportunities arise.

Ethical Overview

While operational and environmental performance (86% ESG Index score) is excellent, significant ethical misalignments persist in social and governance areas. The CEO-to-average-employee pay ratio remains high at 116:1 (or 43:1 when excluding recovered property management staff costs), representing a point of friction for institutional investors regarding internal equity.

Furthermore, the Group's CSI/SED spend of €50 000 is critically low, representing only 0.01% of Net Profit After Tax, far below the 1% compliance benchmark often required for responsible corporate citizenship. Governance concerns include a three-year LTI vesting period, which falls short of Active Shareholder's four-year policy requirement, and instances of committee attendance below 75% for some directors. Despite these gaps, the Group is transitioning to King V compliance in 2026, which may address some of these reporting and oversight deficiencies.

The Active Shareholder
ESG INDEX

Active Shareholder is developing a mechanism by which to score a company's ESG. The summary alongside is from a beta version currently being tested. The metrics used to evaluate the five different aspects of ESG are available upon request. While not all of these are regulated and some are aspirational, they all reflect Active Shareholder's goals for ethical, sustainable, and fair governance.

These insights have been used in part to arrive at the proxy recommendations that follow.

Active Shareholder

NEPI Rockcastle N.V.

31/12/2025

Number	Theme	Score	Total	%	Weighting
1	Governance	8.63	14	62%	27.45%
2	Remuneration	7.00	11	64%	21.57%
3	Employment & Labour	4.48	9	50%	17.65%
4	CSI	1.01	3	34%	5.88%
5	Environment	12.00	14	86%	27.45%
	Total	33.12	51	**65%**	100.00%

Active ESG Score = 65%

Active Shareholder ESG Index

Beta2.03 (2025) Created by LRS in conjunction with Active Shareholder

Score		Consequence
below 50	=	*Vote against Chair of Board*
between 50 and 60	=	*Vote against Committee Chairs*
between 60 and 80	=	*Active commendation*
above 80	=	*Active endorsement*

1. Governance (62%)

Governance at 62% reflects basic compliance with Dutch and South African codes. While Audited Financial Statements and auditor approvals are standard, the absence of a standalone Social and Ethics report on the AGM agenda fails Active's specific policy. Furthermore, committee attendance below 75% for some directors undermines effective oversight. The EU mandates that listed companies achieve a minimum of 40% of non-executive director positions, or 33% of all director positions, filled by the underrepresented gender (predominantly women) by June 30, 2026. Board diversity lacks specific ethnic reporting against any National Diversity Charters.

2. Remuneration (64%)

The 64% score highlights strong metric differentiation and the integration of ESG into executive bonuses. However, the three-year LTI vesting period falls short of Active's four-year requirement. While CEO pay correlates with operational profit, the high pay ratio relative to the average minimum wage across the operating countries remains a significant ethical concern for institutional investors.

3. Employment & Labour (50%)

Achieving only 50%, the Group excels in gender representation but falters on workforce stability. Turnover exceeding 10% indicates potential retention issues. The lack of union recognition and failure to report on disability diversity – citing immateriality – contradicts best practices for inclusive labour relations. Additionally, restricted share schemes exclude the broader workforce, missing opportunities for employee ownership.

4. CSI (34%)

A critical failure at 34% reveals an imbalance between executive reward and social contribution. CSI spend is effectively 0% of net profit, ignoring compliance targets like the 1% benchmark. Active's policy requires community investment to significantly exceed CEO pay; however, current spending is negligible compared to the CEO's total remuneration, indicating poor alignment with responsible corporate citizenship.

5. Environment (86%)

A commendable 86% reflects robust reporting and significant operational improvements. The Group successfully increased renewable energy use to 67% while improving carbon and energy efficiency ratios. To reach excellence, NEPI Rockcastle must formalise time-bound plans for air emissions and finalise site-specific water management strategies for runoff and recycling, which remain in the development phases.

Proxy Recommendations

	Resolution	Rationale	Vote	Outcome of AGM
1(d)	Adoption of 2025 accounts	Active Shareholder supports this resolution, maintaining consistency with its stance that submitting annual financial statements for adoption constitutes best practice. This alignment is reinforced by the unmodified audit opinion from Ernst & Young, confirming that the 2025 accounts fairly present the Group's financial position. The response is nuanced by the Group's 60.2% ESG Index score, which places NEPI Rockcastle in the "Active commendation" category. However, this approval is strictly technical; while the financial statements demonstrate reporting integrity, the Group's critical failure in CSI (14%) and governance gaps – such as the absence of a standalone Social and Ethics report on the AGM agenda – reflect significant ethical misalignments. Thus, approving the accounts validates reporting quality without endorsing the Group's broader social and corporate citizenship performance.	FOR	FOR: 99.54%
2	Release from liability	This FOR vote acknowledges that "release from liability" is a standard Dutch governance procedure, strictly limited to facts disclosed in the Integrated Report and providing no immunity for fraud, gross negligence, or breach of fiduciary duty. However, this support is technical rather than an endorsement of board efficacy. While the financial statements are reliable, the 60% ESG Index score highlights significant stewardship gaps. The critical failure in CSI (14%) reflects poorly on the Board's duty to ensure the Group is a responsible corporate citizen. Furthermore, committee attendance at 67% for some directors contradicts the "time and effort" required for effective oversight under both King V and the Dutch Code. Consequently, Active views the discharge as a procedural formality contingent on the approved accounts, while using Index results to signal ongoing ethical and operational dissatisfaction.	FOR	FOR: 94.43%
3	Election of Zelda Roscherr	Nominated as a new Independent Non-Executive Director, Zelda Roscherr brings over 30 years of financial services expertise. She holds an MSc in Global Finance and is South Africa's first Qualified Risk Director. Her extensive background in treasury and markets at FirstRand complements board oversight needs.	FOR	FOR: 99.95%
4.1	Re-election of Jeanine Holscher	With a tenure of 1.6 years, Jeanine Holscher is an independent director with 25 years of retail leadership experience. An alumnus of Nyenrode Universiteit and a CFA, she previously served as CEO of Blokker and COO of Mirage Retail Group. She serves on two committees but holds no committee chairs.	FOR	FOR: 99.73%

	Resolution	Rationale	Vote	Outcome of AGM
4.2	Re-election of Andries de Lange	Andries de Lange, with 5.6 years of service, is a CA(SA) and CFA. His career includes senior leadership roles at Nedbank and serving as FD and COO of Resilient REIT. He provides critical expertise in property finance and restructurings. Notably, he is the current Chairman of the Remuneration Committee.	FOR	FOR: 92.72%
5	Election of Marius Barbu	Nominated for election as COO and Executive Director, Marius Barbu has 25 years of industry experience. Since joining the Group in 2012, he has overseen operational priorities across eight CEE countries as Group Asset Management Director.	FOR	FOR: 99.93%
6	Authorising Directors to determine Non-Executive Directors' remuneration	Despite the Group's use of independent benchmarking (Korn Ferry) to ensure fees remain aligned with the market median across Europe and South Africa, we cannot support this resolution. The proposed structure comprises fixed annual fees, which directly contradict Active's Policy Guidelines, which require a "large component" of fees to be based on attendance. In the 2026 ESG Index, this misalignment resulted in a score of 0 for the attendance fee metric, contributing to the modest 62% Governance score. While Active accepts the transparency of the benchmarking, it notes that the lack of attendance-linked pay fails to specifically incentivise the meeting rigour expected under King V.	AGAINST	FOR: 94.68%
7	Re-appointment of Ernst and Young Accountants LLP as the Auditor	Active supports the re-appointment of Ernst and Young Accountants LLP with Mark Noordhoff as lead. Their four-year tenure remains well within regulatory rotation limits. Active's prior rationale emphasized EY's independence and reasonable tenure. This alignment with the Dutch Code and King V ensures reporting integrity, supporting the "Active commendation" category in the 2026 ESG Index.	FOR	FOR: 99.91%
8	General authority to issue shares for cash	Active opposes this, consistent with our previous stance. While the 5% discount complies with guidelines, the 10% threshold exceeds the 5% limit preferred by institutional peers. Crucially, Active's policy rejects issuing shares for cash without pre-emptive rights unless a detailed, specific reason is provided; vague "flexibility" is insufficient to justify potential shareholder dilution.	AGAINST	FOR: 87.57%
9	General authority to repurchase shares	In line with its FY2024 stance and Policy Guidelines, Active rejects market repurchases unless made via a general offer to all shareholders. The Board's stated rationale – providing "flexibility" – lacks the specific, credible purpose required to justify such authority. This misalignment on stewardship contributed to the 62% Governance score, reflecting Active's ongoing dissatisfaction with board accountability.	AGAINST	FOR: 94.75%
10	Authority to cancel repurchased shares	Consistent with Active Shareholder's Policy Guidelines, we reject market repurchases unless conducted via a general offer to all shareholders.	AGAINST	FOR: 99.99%

	Resolution	Rationale	Vote	Outcome of AGM
		The Board's rationale– providing "flexibility" – lacks the specific, credible purpose required to justify the authority. This misalignment contributed to the 62% Governance score, reflecting Active's ongoing dissatisfaction with board accountability.		
11	Approval of Remuneration Implementation Report	Active Shareholder's assessment of Resolution 11 acknowledges record financial results but remains critically focused on structural misalignments with established guidelines. **Positive Implementation Outcomes** The Group demonstrates strong alignment with several of Active's Policy Guidelines. Notably, STIs and LTIs utilise distinct metrics. Bonuses are algorithmically linked to key performance indicators (KPIs), including significant ESG integration (15% weighting) for decarbonisation and energy efficiency. Furthermore, CEO remuneration is clearly correlated with Net Operating Income (operating profit), reflecting performance trends. **Critical Governance and Ethical Concerns** **1. LTI Vesting Period:** The three-year "cliff vesting" period fails Active's Guidelines, which requires a minimum of four years to ensure sustainable long-term alignment. **2. Internal Pay Inequity:** Although the CEO's total remuneration decreased to €2 475 000 in FY2025, the statutory pay ratio remains high at 116:1. Even when adjusted for recovered property management staff costs (43:1), this presents a significant ethical concern regarding internal equity. **3. Gender Pay Disparity:** The Group reports a 34% total gender pay gap ratio (a 0.65 ratio), reflecting persistent challenges in achieving equal pay for work of equal value across all workforce levels. **4. One-Off Awards:** The Remuneration Committee awarded a €700 000 one-off reward to the CEO upon the conclusion of his mandate. While the Board cites strategic contributions and succession readiness, Active typically views ex gratia payments as diluting the performance-driven mandate. **Conclusion** NEPI Rockcastle achieved a Remuneration score of 64% in the 2026 ESG Index. Active supports the resolution to recognise reporting transparency and landmark results, but this support is qualified. To achieve "Active endorsement," the Group must extend LTI vesting timelines and aggressively address the substantial vertical pay gap relative to the operating countries' average minimum wage.	FOR	FOR: 55.31%
12	Approval of Remuneration Policy	Active Shareholder's critical assessment of NEPI Rockcastle's Remuneration Policy acknowledges a framework with high technical transparency but	FOR	FOR: 80.15%

	Resolution	Rationale	Vote	Outcome of AGM
		identifies persistent misalignments with ethical and structural guidelines. **Policy Strengths and Alignments** The Group demonstrates strong technical alignment with several of Active's Policy Guidelines. Notably, STIs and LTIs utilise distinct metrics: STIs focus on annual operational growth (NOI and DEPS), while LTIs use a 3-year Compound Annual Growth Rate (CAGR) and Relative Total Shareholder Return (TSR). The inclusion of a 15% ESG weighting for decarbonisation and energy efficiency aligns with our Guidelines and King V's focus on sustainable value creation. **Critical Governance and Ethical Concerns** 1. **Vesting Timelines:** The three-year cliff vesting for LTIs fails Active's Guideline 17, which requires a minimum of four years to ensure sustainable long-term alignment. The additional two-year lock-up does not substitute for a longer performance-linked vesting period. 2. **Non-Executive Fees:** The proposed fees are 100% fixed annual amounts. This directly contradicts Active Shareholder Guidelines, which mandate that a "large component" of NED fees be based on meeting attendance. 3. **Internal Pay Inequity:** Despite benchmarking against market medians, the statutory CEO-to-average-employee pay ratio is 116:1. When measured against the operating countries' average minimum wage, the ratio is a staggering 2 473:1, representing a major failure to achieve "fair and responsible" outcomes under Principle 11 of King V. 4. **Community Metrics:** The policy lacks a specific measure for Community involvement within the formal performance targets, failing Active Shareholder's Guidelines. **Conclusion** NEPI Rockcastle achieved a 64% Remuneration score in the 2026 ESG Index. While Active supports the policy to recognise its transparency and record performance, the Group remains in the "Active commendation" category. To achieve "Active endorsement," the Board must extend LTI vesting and aggressively address vertical pay disparities.		
13(a)	Amendments to the Articles in order to facilitate settlement of H1 2026 distribution by capital repayment	Active supports this resolution, maintaining its 2025 stance. This mechanism enables capital repayment as a tax-efficient alternative to ordinary cash dividends. By temporarily adjusting nominal share values, the Group offers shareholders a choice without permanently reducing share capital. This alignment with Dutch governance practice promotes equitable treatment while requiring the Board to monitor solvency and liquidity during the mandatory creditor opposition period.	FOR	FOR: 99.93%

	Resolution	Rationale	Vote	Outcome of AGM
13(b)	Amendments to the Articles in order to facilitate settlement of H2 2026 distribution by capital repayment	Active supports this resolution, maintaining its 2025 stance and the same grounds as outlined above for Resolution 13 (a).	FOR	FOR: 99.93%

AGM OUTCOME

Shareholders were advised that at the annual general meeting ("AGM") of NEPI Rockcastle held on Wednesday, 13 May 2026 (in terms of the notice of AGM published on 1 April 2026) all the resolutions tabled thereat were passed by the requisite majority of NEPI Rockcastle shareholders, except the non-binding advisory vote on the endorsement of Remuneration Implementation Report which was voted against by more than 25% of votes exercised at the AGM.

NEPI Rockcastle invited dissenting shareholders to engage with the Company to express their views, questions, or concerns on the Remuneration Implementation Report. Shareholders are requested to address their questions or concerns to the Chairman of the Remuneration Committee by submitting an email to office@nepirockcastle.com by 30 September 2026. The Chairman of the Remuneration Committee would then contact shareholders to discuss their views on the Remuneration Implementation report.