MINUTES OF THE PROCEEDINGS IN THE ANNUAL GENERAL MEETING OF VASTNED RETAIL N.V. ON THE 2019 FINANCIAL YEAR

held on Thursday 25 June 2020 from 10am to 11:40am at the offices of the company at De Boelelaan 7, 1083 HJ 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 LLM, Company Secretary

Item 1. Opening and announcements

The **chairman** opened the meeting at 10 am. In contrast to previous years, due to COVID-19 the meeting is not held in a physical location, but can be followed by means of an audio stream on the Vastned website. The chairman welcomed all attendees, also on behalf of Executive Board members Taco de Groot (CEO) and Reinier Walta (CFO) and the Supervisory Board: Marieke Bax, Charlotte Insinger, Jaap Blokhuis and chairman Marc van Gelder.

In addition to the chairman, CEO Taco de Groot was also present at the offices of Vastned at De Boelelaan 7 in Amsterdam. The other speakers, including CFO Reinier Walta, the chair of the remuneration and nomination committee Marieke Bax and the auditor EY represented by Mr Wim Kerst, attended the meeting through a video link. The chairman appointed Company Secretary Ingeborg van 't Woud as secretary to the meeting. She was also present at the offices of the company. As an independent third party and duly authorised party, NFGD Zoetermeer B.V. would ensure the proper order of the meeting and the voting process on site.

The chairman then 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 been available for inspection at the office of the company, from ABN AMRO and as of 6 May of this year on the Vastned website.

As set out in the convening notice, the shareholders who had registered for the meeting in a proper and timely manner, were given the opportunity to submit questions on topics on the agenda in advance (until Tuesday morning 23 June 11am). These questions will be answered during the meeting. If the answering of the relevant question raises further questions for any registered shareholder, Vastned will allow them to email such questions during the meeting (i.e. 'live') to Investor Relations Manager Remco Vergeer at the email address stated in the convening notice. Vastned will endeavour to answer all shareholders' questions during the meeting that have been submitted in time.

The chairman announced that the number of voting shares in the meeting was 9,659,045. The total number of voting shares in the capital of the company was 17,151,976 shares, so a ratio of 56.31% was present or represented at the meeting.

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Item 2. Report of the Executive Board on the 2019 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 CEO's comments, discussing the effects of these developments on the financial results and the financing structure of the company. The Executive Board also addressed the changes in the retail landscape, also in relation to the recent outbreak and spreading of the COVID-19 virus.

Before giving the Executive Board the floor, the chairman referred to the explanation in the annual report (p. 71 and following) of the corporate governance structure and compliance with the Corporate Governance Code (the 'Code'), and reminded the meeting that in 2019 Vastned again complied with all the provisions in the Code.

Highlights 2019

Taco de Groot then reported on the 2019 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 business operations.
The CEO stated that in spite of the challenging market conditions Vastned was able to realise solid results in 2019 due to its high-quality portfolio and its active asset management. As is known, the 2019 results were affected by the temporary vacancy of a single major asset at Rue de Rivoli 118-120 in Paris. A new tenant for this property was found in July 2019, raising the occupancy rate for the full portfolio considerably in the course of the year, back to the high level that was reported in 2018.
The value of the portfolio remained virtually unchanged, with a decrease of 0.8% in 2019, which was mainly due to the value decrease of the asset at Rue de Rivoli 118-120 in Paris.

The direct investment result for 2019 was € 2.03 per share, in accordance with the forecast. After adjustment of the 2018 direct result for the non-recurring items reported in that year, the year-on-year direct result 2019 was stable. The CEO stated that the company was cautious in terms of acquisitions as the yields in the present market were very low and Vastned wished only to make transactions when it expected to be able to add value. In spite of this, Vastned expanded its cluster in Amsterdam in 2019 with attractive properties for € 14 million in total. In addition, a number of non-strategic assets in the Netherlands and Belgium were sold in order to lower the risk profile of the portfolio.

The CEO remarked that the market in 2020 looks completely different due to the outbreak and spreading of COVID-19 and the measures taken by the government. Vastned's liquidity position is good, but in view of the current uncertainty on the impact of the government measures the Executive Board and the Supervisory Board consider it prudent to propose to the shareholders' meeting to reduce the final dividend for 2019 in order to further shore up the company's liquidity position. The new dividend proposal for 2019 was € 1.43 per share. In the same context Vastned has also decided to cancel the 2020 interim dividend.

The CEO stated that at present it was not possible to properly assess the impact on Vastned's 2020 result. For this reason Vastned has withdrawn its forecast for the direct result for the year 2020.

Vastned will not change its focus in these uncertain times. Vastned prefers quality over quantity, as it has done for many years. In addition, the company prioritises maintaining the high occupancy rate so that, when the situation returns to normal, Vastned is well placed for a recovery. Furthermore, Vastned recently announced a strategy update which will be revealed in February 2021 at the publication of the 2020 annual results.

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Solid results in 2019

Vastned reported solid results in the majority of its portfolio, driven by a continuous focus on high street assets in major European cities.
The portfolio was virtually fully let, with an occupancy rate of 98.0% at year-end 2019. The like-for-like gross rental growth was impacted by the vacancy of the property at Rue de Rivoli 118- 120 in Paris. The value of the property remained virtually unchanged in 2019.

Quality of the portfolio improved

Individual retail property on the high streets of European cities remains in short supply. More and more investors are interested in this type of property, which has driven up prices in recent years.
As a result, it has become more difficult to purchase high street assets that Vastned can add value to. The Executive Board of Vastned believes in quality over quantity, and therefore it is prudent with respect to acquiring assets. In 2019, Vastned expanded its cluster in Amsterdam by € 14 million in total, with acquisitions on Ferdinand Bolstraat (where an attractive property could be added to the existing cluster in this street), on Nes and Keizersgracht.
In order to lower the risk profile, non-strategic property was sold in smaller cities in the Netherlands and Belgium, for € 8.9 and € 3.2 million respectively.

83% of the portfolio is located in high streets of major European cities with a historic city centre

Ever since the start of the high street strategy in 2011, Vastned has been highly active in order to flesh out the transformation of the portfolio, with acquisitions and divestments totalling € 1.8 billion. To put this figure into perspective: it is more than the total value of the current portfolio.
As a result, 83% of the portfolio now comprises retail assets in the most popular high streets of major European cities with a historic city centre, and so in this sense the transformation of the portfolio has been completed.

Breakdown of the portfolio in terms of total rental stream

The CEO explained the breakdown of the portfolio in types of retail tenants.
When letting assets, the Executive Board endeavours to diversify the portfolio as much as possible. Due to the most recent leases concluded with JD Sports and Skechers for the assets on Rue de Rivoli in Paris Vastned has raised its exposure to the sports sector to 10% of the total rental income. The share of supermarkets and personal care is 14.5% due to the return of supermarkets to city centres and the increase in outlet numbers.
Vastned is also trying to increase the number of residential properties by utilising the space above shops and creating apartments on the floors above where possible, depending on the sitting tenant and the legal aspects. As at year-end 2019 Vastned had 242 apartments in its portfolio, which yielded € 2.8 million in annual rental income.

Leasing activity in 2019

In 2019, Vastned concluded 76 leases for € 12.4 million in total, or 16.7% of the theoretical annual gross rental income.
On the 76 leases concluded in 2019, Vastned realised a rent decrease of € 1.6 million or 11.7%, due especially to the fall of the rental income from the asset at Rue de Rivoli 118-120.
Vastned also concluded a lease with Skechers for its other property on Rue de Rivoli after the departure of GAP earlier in 2019, thanks to proactive work from the French team.
In March 2019, CoolCat was declared bankrupt, after which Vastned terminated the rent for the property at Vredenburg 9 in Utrecht. Vastned has concluded an agreement with Jumbo for this location, confirming that supermarkets are expanding their presence in city centres.

Sustainability focused on creating long-term value for stakeholders

Sustainability is a key core value for Vastned in creating long-term value for its stakeholders. Along with professional and institutional investors, 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 considers it important to limit its environmental impact as far as possible and to enhance its contribution 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 2019, a green and ethical clause was added to 80% of the new leases; also, 71% of the properties in the portfolio now has an EPC label.

In 2015, the United Nations (UN) formulated seventeen key development goals for 2030. Vastned takes inspiration from the UN Sustainable Development Goals (SDGs) and acknowledges their importance.

A key component of the sustainability policy is that Vastned acts and reports transparently; as a listed company, Vastned considers this an important responsibility.

Transparent and honest communication

In 2019, Vastned conducted an extensive survey in order to identify key sustainability topics for both Vastned and its stakeholders. The combined results of these provide key guidelines for Vastned's sustainability strategy.

Vastned attaches great importance to transparent and honest communication. The CEO stated that he was proud that this year Vastned again 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 was once again rewarded with a gold medal. Since 2016, Vastned's annual reporting is in accordance with the Sustainability Best Practices Recommendations of 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 large group of Dutch listed companies. In 2019, Vastned came second in the property sector. Vastned also scored highly compared to the total group: a shared 21st place among the 77 listed companies.

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

Financial key figures

The direct result in 2019 was € 2.03 per share, and the indirect result was € 0.73 negative.
The value of the portfolio excluding acquisitions and divestments fell by 0.8%; the like-for-like gross rental growth fell by 3.0%.
The loan-to-value rose slightly to 41.6% due to the share buyback, but remained well within the desired 35%-45% range.
The average spot interest rate fell to 2.2% at year-end 2019, down from 2.5% one year earlier.

Stable direct result, adjusted for non-recurring items in 2018

The direct result per share was € 2.03 in 2019.
Leaving the non-recurring buy-out payment for a lease and the related payment of income tax in 2018 aside, the direct result was stable year on year.
The negative like-for-like net rental growth impacted the direct result by € 0.16.
The share buyback had a positive impact of € 0.11 on the direct result per share.
General expenses fell in 2019 due to lower personnel and IT costs, which contributed € 0.04 per share to the direct result.

Like-for-like gross rental growth affected by temporary vacancy in Paris

The like-for-like gross rental growth fell by 3.0% over the total portfolio.
The decrease was caused mainly by the vacancy of Rue de Rivoli 118-120 in Paris, resulting in a 17.6% fall in France. Spain reported 17.5% growth due to a new lease with Sephora after Ferragamo had departed the property on the Calle Serrano 36 in Madrid. The Netherlands increased by 0.4%, while Belgium fell by 0.2%. Corrected for the two outliers in Spain and France the total like-for-like gross rental growth in 2019 was 0.1% positive.

Stable value development

The CFO explained that the main changes were caused by acquisitions & divestments and value movements.
Capex was approx. € 2 million, which was spent on creating and renovating residential space.

Value of total portfolio virtually unchanged

The value of the total property portfolio excluding acquisitions and divestments fell by € 12.5 million, or 0.8%, compared to 2016.
This was due mainly to the value decrease of the property at Rue de Rivoli 118-120. On balance, France was stable since the decrease was offset by an increase in the remainder of the French portfolio. Spain rose by € 2.3 million. In Belgium, the value of the portfolio fell by € 10.8 million due to smaller decreases on multiple assets. The value in the Netherlands fell slightly, by € 4.0 million.

Solid financing structure

The main financial indicators show that Vastned's financial position is robust. As at 31 December 2019, the unused credit facilities totalled € 119 million. 78% of the loans was fixed interest, the average interest rate fell to 2.2%, and the average duration of the loan portfolio was 4.9 years. Moreover, the share of non-bank financing at 43% far exceeded the internally set minimum of 25%.

The loan-to-value ratio rose to 41.6%, which was caused in particular by the share buyback programme that was concluded in in 2019. With a solvency ratio of 56.6% and an interest coverage ratio of 4.2, Vastned complies with all the bank covenants. All financing contracts stipulate a 45% minimum solvency ratio and usually require a 2.0 interest coverage ratio.

Well-balanced credit portfolio

Vastned's credit portfolio is well balanced. As at 31 December 2019, Vastned had a current debt position of € 62.5 million. In January 2020, a private placement of € 25 million was repaid, financed from the unused credit facility. The remaining € 37.5 million concerns a private placement that will expire in October 2020.
In 2024, long-term loans totalling € 465.7 million will expire. This relates to the syndicated credit facility, the subordinated placement with Barings and some of Vastned Belgium's credit facilities.

Outlook 2020

Taco de Groot then discussed the present situation concerning COVID-19 and the outlook for 2020.
The lockdowns and the voluntary and mandatory closures of shops, bars and restaurants in the Netherlands, Belgium, France and Spain are having largely adverse implications for Vastned's tenants.

For this reason, Vastned is in constant contact with these tenants, and has made arrangements with almost all tenants in the Netherlands that are in line with the agreements made within the industry. The arrangements with tenants are tailored, taking account of the specific situation that the tenant is in, while at the same time taking the interests of all stakeholders into consideration, including those of Vastned's shareholders. The payment arrangements made vary from spreading the rent payment for the quarter over a number of months, paying not in advance but in arrears, deferment of payment of the entire or part of the rent, to partial rent remission. For this reason, this is to be expected to negatively impact the results in 2020.

In Belgium, France and Spain the lockdowns were stricter than in the Netherlands, and the government measures were relaxed at a later stage than in the Netherlands. As a result, our discussions with tenants in these countries have not yet been completed, although agreements have been made with the large majority of these tenants.

COVID-19 is speeding up the transition in the retail industry

The retail industry is in transition and COVID-19 is speeding up this process. The CEO anticipates that retailers who were in trouble before the COVID-19 outbreak, will struggle to survive the present crisis. Only strong retailers will stay in business.
For some years, retailers have been more selective in choosing where to have their outlets and they have increasingly been focusing on top locations in city centres. Vastned identified this trend early with the introduction of the high street strategy in 2012, and since 2017 increased focus on Amsterdam, Antwerp, Paris and Madrid.
The transformation of the property portfolio has resulted in a portfolio with 83% of the assets on high streets in European cities with a historic city centre.
Tourism is a major feature of Vastned's main cities. The recovery is not expected to be quick; it will take some time for the historic city centres to return to their former level.
The CEO remarked that due to its high quality the property portfolio is virtually fully let; the company will continue to focus on maintaining this high occupancy rate.
Costs have always been among Vastned's main priorities, and in these challenging times Vastned will realise operational cost reductions where possible.

Outlook 2020

In view of the uncertainty about how long the present situation will persist and what the impact of the government measures will be, it is not possible at this time to assess the impact on Vastned's result for 2020.
For this reason, Vastned withdrew its forecast for the direct result for the year 2020 on 8 May.

Vastned has taken measures to shore up its present liquidity position:

- during this meeting, Vastned will propose to reduce the final dividend for 2019 to € 0.85 per share. After the interim dividend of € 0.58 per share paid out in August 2019, this means a total dividend for 2019 of € 1.43 per share.
- Vastned has also resolved to cancel the interim dividend.

Strategy update

Vastned's present strategy was started in early 2017, focusing the high street strategy more explicitly on expanding the high street portfolios in Amsterdam, Antwerp, Paris and Madrid.
Normally, the company strategy would be updated next year. Vastned has been indicating for some time that the retail landscape is changing, and the outbreak and spreading of COVID-19 has accelerated this development.
The Executive Board and the Supervisory Board of Vastned deem it to be in the interests of the company not to put off the strategy update, but instead to bring it forward.
Managing the present COVID-19 crisis now has everybody's attention. The strategy update must take place in a considered, solid and comprehensive manner. At present, it is hard to assess the impact of COVID-19 on the economy and the property sector. The CEO expects to be able to gauge this better in the autumn and include it in the analysis. February 2021 was chosen for good reason, because such a process takes time. The update will be revealed in February 2021 at the publication of the 2020 annual figures.

The CEO then moved on to answering the submitted questions relating to agenda item 2.
VEB submitted 41 questions on this item, which were the following:

1. **Vastned's strategy is strongly focused on retail property in historic European city centres. Does such a clear concentration not increase the company's vulnerability, so that what seemed to be stable and predictable results could suddenly fall away?**
   The high street focus of the property portfolio ensures a high-quality portfolio in the best locations. This high-quality portfolio was virtually fully let at year-end 2019, at an occupancy rate of 98.0%. The value of the portfolio has also remained virtually stable in recent years, while valuations in the retail sector as a whole were under pressure. Vastned has also proved to be able to attract high-quality tenants when reletting, at market value, even in the difficult times that the retail industry has found itself in in recent years.

2. **The retail assets in Vastned's portfolio are often highly valued and (therefore) generate low yields. An opposite strategy would be for Vastned to sell its expensive assets and invest in cheap properties (in different places), expecting to achieve higher yields in this way. Does Vastned not consider this reverse strategy because it fears that cheap properties would remain unlet, would generate ever lower rents and/or would fall further in value?**
   Vastned has deliberately opted for the high street strategy which, as stated earlier, has ensured a high occupancy rate and stable values in the property portfolio.
   To reiterate, Vastned has started a strategy update process; in this process the current strategy and all options will be reassessed. The update will take place with the utmost care, solidly and comprehensively, and the outcome will be announced in February 2021.

3. **VEB had a number of questions on the diversification of the portfolio.**
   a. **Is Vastned satisfied with the (risk) spreading over different tenants, i.e. is the company not too dependent on a few large tenants?**
      Vastned is satisfied with the spreading between different tenants, but it will always aim for the best possible diversification of the portfolio in terms of tenants. The 10 biggest tenants at year-end 2019 were responsible for just over one third of the theoretical gross rental income.
   b. **Is Vastned satisfied with the (risk) spreading over different types of tenants, i.e. is the company not too dependent on a particular sector?**
      As stated earlier, Vastned aims to diversify the rental stream as much as possible.
   c. **Is Vastned satisfied with the (risk) spreading over different types of properties, i.e. is the company not too dependent on a handful of assets?**
      Vastned is satisfied with the spreading between different assets, but it will always aim for the best possible diversification of the portfolio in terms of properties.
   d. **Is Vastned satisfied with the (risk) spreading over different locations, i.e. is the company not too dependent on a few cities?**
      Vastned actively endeavours to increase its presence in certain attractive districts by expanding its clusters in these areas. This allows the company to add value. A good example of this is Le Marais in Paris, where Vastned has been able to buy two adjacent properties and join them together, which has increased the rental income.

4. **Vastned's share price quotes far below net asset value. At the same time, the properties are said to have been valued at fair value.**
   a. **Small discrepancies are no reason to worry, but the discount on the share was substantial even before the corona crisis. How does Vastned explain the systematic discount on the share?**
      The CEO remarked that the Executive Board is not in charge of the share price – that is up to the shareholders. Stock markets have been very volatile over the past few months due to the corona pandemic.

What the Executive Board can say, however, is that the retail landscape has been in transition for years and that the corona virus has just highlighted this process. Vastned's is not the only stock to be up against this: the transition is visible throughout the entire retail property segment. As a result of this, retail property shares are trading at a discount compared to net asset value. In the past, Vastned made the strategic choice to focus more on quality high street retail assets, that is to say, on quality over quantity, in order to improve the stability of the portfolio. As a result, the Vastned share is proving to perform less badly than its immediate retail peers.

b. **To what extent does Vastned consider this to be a problem?**
The CEO reiterated that the Executive Board is not in charge of the share price, and stated that he focused on operational improvements in the organisation.

c. **Evidently, the market does not trust the valuations that Vastned publishes, or the market fears that these assets will yield insufficient returns. If Vastned trusts its valuations, can the company not release far more value for its shareholders by liquidating the portfolio step by step?**
To reiterate, Vastned has started a strategy update process; in this process the current strategy and all options will be reassessed. The update will take place with the utmost care, solidly and comprehensively, and the outcome will be announced in February 2021.

d. **Or does Vastned continue to believe its own valuations and that its share quotes at too high a discount? If so, why does it not buy back shares on a bigger scale?**
In Q4 2018 and Q1 and Q2 2019 Vastned repurchased shares for a total amount of € 34.7 million. In share buybacks it is important to keep track of the LTV, because they drive up the LTV ratio. At year-end the LTV ratio was 41.6%, and Vastned aims to keep it between 35% and 45%.

e. **Does Vastned see any reason to review the appraisal system?**
The portfolio is appraised by international reputed external appraisers. The appraisal methodology employed by the external appraisers is based on international appraisal guidelines, among which RICS Appraisal and Valuation Standards.

f. **In view of the increased discount of the share ever since the corona pandemic started, it seems likely that Vastned will have to make write-downs on the property portfolio. Can Vastned indicate the extent to which pressure on rent or rental growth and higher initial yields on European retail property - after years of compression - are taken into account?**
The appraisers are currently working on the appraisal of the property portfolio. The results of these appraisals will be published on 29 July 2020 with the half-year results. The CEO stated that it was too early to comment on this. It was also too early to make statements on the impact on rental growth and initial yields on European retail property in big cities.

g. **On page 84 of the annual report it says that an 25 basis point increase of the initial yields used in the valuation of the property, briefly, would result in a negative indirect result of 5 euros per share (read: write-down on property). In view of the net asset value of 46.28 euros per share at year-end 2019, this sensitivity seems extreme. How worried is Vastned about this sensitivity, and is there any way this could be changed?**
These are external factors that Vastned cannot change in any way.

h. **Does Vastned expect it will have to make write-downs on property at the end of the second quarter or later and if so, how high does it expect these write-downs to be?**
The CEO explained once more that the appraisers are currently working on the appraisal of the property portfolio and that the results of these appraisals will be published on 29 July 2020 along with the half-year results. Mr De Groot felt that it was too early to comment on this.

i. **In view of the sensitivity of the initial yields, does Vastned expect to remain within the bank covenants over the next few years?**
The solvency ratio is dependent on the value of the property portfolio, which is determined periodically by external appraisers. The CEO explained that the appraisers are currently working on the appraisal of the property portfolio and reiterated that the results of these appraisals will be published on 29 July 2020 along with the half-year results. It is too early to comment on this.

As at 31 December 2019 the solvency ratio was 56.6% and the interest coverage ratio was 4.2. All financing contracts stipulate a 45% minimum solvency ratio and usually require a 2.0 interest coverage ratio.

5. **The outlook for 2020 was based on low unemployment, economic growth and high consumer confidence. The corona crisis has upended these assumptions. What implications is this likely to have this year?**
Vastned has withdrawn its forecast for the direct result for the year 2020. Vastned is following developments closely, but the company cannot make any promises on when more information can be given on this impact.

6. **If the world manages to get the corona crisis under control some time in 2021:**
   a. **does Vastned expect fundamental, lasting changes that have a (substantial) impact on the long-term forecast pronounced earlier? If so, what would they be?**
   Vastned has withdrawn its forecast for the direct result for the year 2020, as stated before. Vastned is following developments closely, but in view of the uncertainty about how long the present situation will persist and what the impact of the government measures will be, it is not possible at this time to assess the impact. At present, Vastned can make no statements on when more information can be given, either for 2020 or for the longer term.
   Vastned has announced a strategy update, which will be revealed in February 2021. As stated earlier, this strategy update will take place with the utmost care, solidly and comprehensively. Until that time, Vastned will continue rolling out its current strategy aimed at long-term value creation and realising stable and predictable results. (Further) optimisation of the portfolio and attracting and retaining successful retailers are key in this.

   b. **In the annual report, Vastned states specifically – 'The company believes urbanisation will continue' – is the main driver of its strategy to invest mainly in retail property in historic European city centres. To what extent should Vastned shareholders be worried that COVID-19 may cause a departure from the urbanisation trend?**
   It is too early to assess the long-term effects of COVID-19 on trends like urbanisation.

   c. **Vastned will be dependent indirectly on tourists visiting historic European city centres. To what extent does Vastned anticipate a lasting fall in tourism, and what would that mean for Vastned's strategy?**
   It is too early to assess the long-term effects of COVID-19 on tourism. Tourism is certainly an important factor in Vastned's main cities and we expect the recovery to take some time.

7. **In its trading update of 6 May Vastned stated that it had taken various measures to offer tenants a helping hand in the corona crisis, e.g. by deferring rent obligations.**
   a. **Strikingly, Vastned did not state it would waive rents altogether. To what extent does Vastned consider it fair to demand rent payments from tenants for months in which they have seen their sales fall to practically nothing?**
   Arrangements made with tenants vary from spreading the rent payment for the quarter over a number of months, paying not in advance but in arrears, deferment of payment of the entire or part of the rent, to partial rent remission. For this reason, this can be expected to negatively impact the results in 2020.

b. **What risk does Vastned run that being too inflexible in this respect might jeopardise the long-term relationship with its tenants?**
The relationship with tenants is important and Vastned has made individual agreements with its tenants on how to handle this situation, taking account of every tenant's specific position. The ultimate goal is to get through this situation together with the tenants.

c. **In contrast to some other property funds, Vastned has not provided any quantitative information on recent rent developments. Can Vastned say what percentage of the rents for the months of April, May and June has been collected so far, and what proportion this is compared to last year?**
Vastned does not give interim updates on rent payments during the quarter.

d. **Is Vastned seeing a recovery of visitor numbers and sales among its tenants, and to what extent does Vastned think that pre-corona sales will (ever) recover?**
The CEO stated that visitor numbers are picking up again. There are weekly increases, but in view of the uncertainty about how long the present situation will persist and what the impact of the government measures will be, it is not possible at this time to assess the impact on tenants' sales.

8. **The annual report mentions that the new lease with JD Sports for Vastned's biggest asset in France on Rue de Rivoli was concluded at market conditions. However, on page 49 it says that on the renewal of 76 leases in 2019 a rent decrease was realised of € 1.6 million that was 'mainly caused by the rent decrease on the new lease with JD Sports'.**

   a. **If 'market conditions' mean lower rents, does this mean that the value of Vastned's retail property in France is under pressure?**
   The CEO explained that the reason for this write-down was that the property had been let above market rents due to multiple rent indexations during the years that H&M occupied it, since 1998. The contract with the new tenant JD Sports is at a lower annual rent, but at market conditions. Due to the departure of H&M and the new lease with JD Sports, the property was indeed written down in 2018 (when it was already known that H&M would leave) and in 2019. The transaction with Skechers regarding the other asset on Rue de Rivoli has in fact just shown a slight upturn.

   b. **Does Vastned expect that when leases are renewed in France in the next few quarters it will face further rent decreases?**
   The CEO replied that he could not speculate on this.

9. **In view of market conditions, it is understandable that Vastned wants to bring forward its strategy reassessment and inform investors about this.**

   a. **Why will the strategy update not be announced before February 2021?**
   The CEO replied that Vastned has announced a strategy update, which will be revealed in February 2021. It will take place in a careful, solid and comprehensive manner. At present, it is hard to assess the impact of COVID-19 on the economy and the property sector. We expect we will have a better understanding of this in the autumn and include it in our analysis. Until that time, Vastned will continue rolling out its current strategy aimed at long-term value creation and realising stable and predictable results. Ongoing optimisation of the portfolio and attracting and retaining successful retailers are key in this.

b. **Does Vastned take the view that there are no sacred cows and that the changes will be so far-reaching that they cannot be communicated earlier?**
Vastned has started the strategy update process, which must take place with the utmost care, solidly and comprehensively, as stated earlier. In this process, the Executive Board will reassess the current strategy and strategic options. Vastned will announce the strategy update in February 2021.

c. **Is it out of the question that the portfolio is liquidated (assets are sold)?**
The CEO reiterated that Vastned has started a strategy update process that must be carried out with the utmost care, solidly and comprehensively. In doing so, the Executive Board will reassess the current strategy and strategic options. The strategy update will be revealed in February 2021.

VEB appeals to Vastned to issue a provisional update in September 2020, outlining which scenarios are being considered and which parts of the strategy and the portfolio will be unaffected?
The CEO responded to this appeal, repeating that Vastned has announced a strategy update that will be revealed in February 2021. As stated earlier, the strategy update will take place in a considered, solid and comprehensive manner. At present, it is hard to assess the impact of COVID-19 on the economy and the property sector. We expect we will be have a better understanding of this in the autumn and include it in our analysis. Until that time, the Executive Board of Vastned will continue rolling out its current strategy aimed at long-term value creation and realising stable and predictable results.
Ongoing optimisation of the portfolio and attracting and retaining successful retailers are key in this.

10. **Vastned has 242 residential units in its portfolio. Vastned has stated in its annual report that it 'is constantly looking for possibilities in the portfolio to create residential space or offices above the retail assets in order to generate long-term value'.**

    a. **Can Vastned make any pronouncements on whether and if so, to what extent, a further shift towards residential and office space may be part of the new strategy?**
    Vastned has started the strategy update process, which must take place with the utmost care, solidly and comprehensively. In doing so, the Executive Board will reassess the current strategy and strategic options. The strategy update will be revealed in February 2021.

    b. **Can Vastned say how attractive a proposition it is generally to convert empty storage space above shops to different types of property, or, what is the level of investment that this requires, and what are the risks and the expected returns?**
    Realising residential units or office space by putting the space above shops to good use where this is possible, yields more rent and generates value. Vastned's capex budget over the past few years has been relatively low, ranging between € 2 million and € 6 million per year. These are mainly value-adding investments in residential units and offices above shops. Realising residential units and offices is dependent on the sitting tenant and the legal aspects.

    c. **Over the past few years, Vastned has been transformed from a broadly spread property fund into a relatively concentrated player in the retail property sector. Should investors be worried that Vastned will again embark on a path of diversification?**
    The CEO reiterated that Vastned has started a strategy update process that must be carried out with the utmost care, solidly and comprehensively. In doing so, the Executive Board will reassess the current strategy and strategic options. The strategy update will be revealed in February 2021.

    d. **In view of Vastned's limited size and its consequent challenges to operate cost-effectively, is the company best placed to *also* get involved in residential and office space?**
    Vastned realises residential and office space in existing locations in its portfolio by putting the space above shops to good use where this is possible.

    e. **Does Vastned feel that there is hidden value in its balance sheet because it can create offices/homes over shops? If so, can Vastned give its shareholders an estimate of the potential value that may be created?**

Vastned does see opportunities for realising more residential units and offices above shops, but this is partly dependent on the sitting tenant and the legal aspects. Vastned cannot give any estimates of the value that may be created in this way. A new question was asked.

11. **In the annual report Vastned states that food & beverage is a focus area. How does Vastned now view this, since cafés and restaurants have been hardest hit by the 1.5 metre rule, which means that operating profitably is virtually impossible?**
    The CEO acknowledged that the food & beverage proposition is currently looking different than before the outbreak and spreading of COVID-19, but considers it premature to give any estimates of the long-term effects from COVID-19 on this sector.

12. **There are serious worries in the market about retail company FNG's viability. The Belgian fashion group is Vastned's 7th tenant (page 48 of the annual report).**
    a. **Has FNG so far fulfilled all its rental obligations?**
       Mr De Groot replied that Vastned refrains from making statements about individual tenants.
    b. **If FNG should go out of business, does Vastned believe it will quickly find new tenants who pay a comparable rent?**
       The CEO stated he could not speculate on a FNG bankruptcy. He added that the locations are good, and that the relevant properties have unique qualities that give the Executive Board confidence that it will be able to find a new tenant in case of vacancy.

13. **The VEB appreciates the commitment shown by directors and supervisors by reducing their remuneration by 15% in the months of May, June and July.**
    a. **Can Vastned tell us the way in which this sacrifice was effected?**
       It was effected after discussions between the Executive Board and the Supervisory Board, in which note was taken of what other listed companies in the property industry and elsewhere have done.

    b. **Does Vastned feel a sacrifice of 3.75% annualised shows sufficient commitment to the stakeholders?**
       The Executive Board and the Supervisory Board believe that this 15% reduction in the months of May, June and July 2020 is an appropriate measure to make a contribution in these challenging times. The reduction of the remuneration continues up to and including July 2020, and after this period the measures will be reviewed.

The CEO then moved to answering the questions submitted by Mr **El Kaddouri** on the sale of the complex on Breestraat 65-69 and Nieuwstraat 9-11 in Beverwijk, the Netherlands. As the questions were related, the CEO answered them together. The questions were as follows:

1. **How many bids did Vastned receive on the properties?**
2. **What was the highest purchase price offered for the properties?**
3. **Can you confirm that Vastned sold the properties for € 1,150,000?**
4. **What was the difference between that purchase price and the highest offer?**
5. **Can you confirm that Vastned sold the properties to Lancaster Investment B.V.?**
6. **What were the other conditions on which the properties were sold to Lancaster Investment B.V.?**
7. **What other reasons, if any, were behind the decision to award/sell the properties to Lancaster Investment B.V. (instead of to other bidders)?**
8. **Can you guarantee (the shareholders) that the best possible return was realised on the sale of the properties?**
9. **Can you confirm that one of the directors of on the Lancaster Investment B.V. at the time of the properties was the father, or at least a (direct) relative of a former employee of Vastned?**
10. **Can you guarantee that there was no conflict of interest of any kind in the sale of the properties?**

Taco de Groot emphasised that it is Vastned's policy not to make any statements on individual transactions and/or the negotiations that led to any transactions. Apart from the fact that this information is competition sensitive, it would also breach the confidentiality of these negotiations and the agreements regarding the sales process for this complex. Vastned only revealed, and this is indeed what was agreed with the sellers, that a particular complex was sold and the purchase price. The title to this complex in Beverwijk was transferred in June 2019, and this was announced in the 2019 half-year report.

For the same reasons, the Executive Board cannot answer Mr El Kaddouri's question regarding other bids. More generally, the CEO explained that in such a sales process customarily multiple offers are made, upon which the company assesses which is the best; in this process, a variety of factors are considered: the purchase price, of course, but also factors such as the (contingent) conditions, the certainty of the transaction and the time of transfer.
Mr De Groot answered the last two questions of Mr El Kaddouri in the affirmative. This information was known to Vastned at the time of sale. However, the CEO emphasised that this relationship did not play any role in the sale of the complex, and that therefore there has been no conflict of interest of any kind.

The **chairman** thanked Mr De Groot for answering all the questions on item 2, and moved to item 3 on the agenda.

Item 3. Remuneration report 2019

The chairman explained that the remuneration report for the 2019 financial year contained an overview of the remuneration that was awarded to the members of the Executive Board and the Supervisory Board in 2019. The remuneration report is put to the AGM for an advisory vote.

Ms **Bax**, the chair of the remuneration and nomination committee, gave an explanation of the remuneration report for the Executive Board for the 2019 financial year. The variable remuneration of the Executive Board comprised a 40% short-term component and a 60% long-term component, as stated in the remuneration report and the remuneration policy for the Executive Board.
For the 2019 variable short-term incentive, or STI, in accordance with the policy clear and ambitious objectives for the Executive Board have been formulated.

The short-term incentive is determined based on four challenging targets, each with a weight of 25%, which are focused on creating long-term value for the stakeholders of the company (such as strategy and other long-term interests, including the occupancy rate of the portfolio, like-for-like gross rental growth, and sustainability). These targets encourage the Executive Board to focus on Vastned's strategy, long-term interests and sustainability. The targets for achieving the STI objectives are determined in advance every financial year by the Supervisory Board.
The three quantitative STI targets for both the CEO and the CFO have a minimum threshold; in that case, an award of 15% of the total STI applies. For each objective there is also a maximum: 25% of the total STI. This maximum is awarded only when the maximum STI is far exceeded.

The first quantitative target related to the *total occupancy rate of the portfolio at year-end 2019*.
The threshold for awarding the STI based on this target was a total occupancy rate of the portfolio of at least 98.5%. As the occupancy rate at year-end 2019 was 98.0%, there was no award based on this criterion.

The second quantitative STI target was the *ratio of strategic assets* (formerly referred to as *core city assets*) in the total property portfolio.
At least 82% of the total property portfolio had to comprise strategic assets for a minimum award and at least 84% for the maximum award. The strategic assets ratio was 82.7%, so 18.5% was realised based on this STI target.

There was no award based on the target related to the *like-for-like gross rental growth* since it was negative at year-end 2019 (3.0%).

The qualitative STI targets are set individually for each member of the Executive Board, once again with a maximum of 25% of the total STI. The qualitative STI target for 2019 for the CEO concerned *long-term value creation in the determination of the company strategy*. In 2019, 50% of the STI target for the CFO was comprised of this same objective. The other half of this target for the CFO was the *implementation of a new property management system* at Vastned's foreign branches.
At year-end 2019, the CEO had realised 80% of his qualitative STI targets (20% of the STI) and the CFO 90% (22.5% of the STI).

Summarising, 38.5% of the maximum STI for 2019 was awarded to the CEO and 41% to the CFO.

Ms Bax explained that the long-term incentive (LTI), which is awarded over a period of three years, ranges 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 this group, Vastned came sixth;

(ii) the *absolute total shareholder return* component
What was the return for you, the shareholders, in terms of dividend and share price? This score in 2019 was insufficient for any award;

(iii) the *Business Health test*
The objective of this test is to ensure that short-term incentives do not prevail in the Executive Board's policy and that it is encouraged at all times to keep focused on Vastned's long-term strategy.

Ms Bax explained that over the past three years the Executive Board had not only brought about a fundamental conversion to a high street strategy, but that the Supervisory Board also looked at the 'tone at the top' within the company, the results in the area of integrated reporting, employee satisfaction, and the fact that the Executive Board prioritised corporate social responsibility.
Based on these findings, 27% of these LTI targets was awarded.

After this explanation, Ms Bax skipped forward to items 9 and 10 on the meeting agenda, in which a (new) remuneration policy was proposed for both the Executive Board and the Supervisory Board. These changes are related to the implementation of the revised Shareholders' Rights Directive in Dutch law. More information on this was set out in the shareholders' circular and its appendices. The law provides that adoption of these proposals requires a majority of at least 75% of the votes cast. If this majority is not achieved, the current remuneration policy will remain in effect and a new proposal will be put to the Annual General Meeting in 2021.

In conclusion, Ms Bax, who was to retire at the end of this meeting due to reaching her maximum term under the Corporate Governance Code, expressed her gratitude to the shareholders and the Vastned team.

As there were no questions on this item, the **chairman** put it to a vote.

With 38.43% of the votes in favour, the required majority was not achieved, so the result of this advisory vote was negative.

Since this was an advisory vote, the Executive Board and the Supervisory Board would take note of this advice as a signal from the shareholders. In the remuneration report on 2020 (i.e. for the new financial year) the company will explain how this advice is reflected in the remuneration on 2020.

Item 4. Proposal to adopt the financial statements for the 2019 financial year (resolution)

The proposal before the Annual General Meeting was to adopt Vastned's financial statements for the 2019 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 2019, 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 2019 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 (for Vastned: € 7.9 million) was used. Furthermore, errors that exceed € 396,000 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 € 87,000 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 gave a true and fair view;
• there had 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 in the Corporate Governance Code and was not in conflict with the financial statements.

Looking back on the 2019 financial year, Mr Kerst then summarised the five main points discussed with the Executive Board and the Supervisory Board (key audit matters):

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

Mr Kerst stated that the interaction and communication at various times during the 2019 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 July 2019 and the audit opinion issued on 11 February 2020.

The **VEB** observed that the share price quoted significantly below net asset value, while at the same time the assets were said to have been valued at fair value. The VEB asked whether the auditor saw any reason to review the valuation policy.

Mr **Kerst** denied this. He explained that the valuation of the property - in accordance with generally accepted standards for valuation in the financial statements - is based on appraisals that are based on reference sales. When Vastned sells an asset, the auditor checks whether the price realised is in accordance with the value at the relevant balance sheet time. So far, from this point of view the auditor saw no reason to doubt the valuation policy used. In addition, the auditor followed the development of Vastned's share price and those of other property funds, weighed the impact of this in its audit and discussed the findings with the Executive Board and the Supervisory Board.

The **VEB** quoted an excerpt from the annual report (page 155) regarding a write-down in the Belgian property portfolio in 2019 of € 10.8 million. In this context the VEB asked the following questions:

a. **What was the reason for this write-down?**
b. **Did the market strongly weaken locally in 2019, or did the assumptions used in earlier valuations prove to be untenable?**

Mr **De Groot** explained that this write-down referred to multiple smaller write-downs in the portfolio and that € 10.8 million was relatively limited (2.8%) in a portfolio valued at € 382 million as at year-end 2019.

As there were no questions on this item, the **chairman** put it to a vote.

The proposal was adopted with 50.48% of the votes in favour, 49.43% against, and 0.09% abstentions.

Item 5. Comments on the reservation and dividend policy

The chairman explained that the Annual General Meeting of 19 April 2013 adopted the present dividend policy, which provides for a dividend distribution of at least 75% of the direct result per share. In order the shore up the company's liquidity position, the 2019 proposal deviates from this, the grounds for which will be given at agenda item 6. In order to shore up the company's liquidity position in view of the COVID-19 situation, the company withdraws the distribution of an interim dividend of 60% of the direct result per share over the first half of 2020.

Item 6. Dividend declaration proposal for the 2019 financial year (resolution)

It is proposed to the Annual General Meeting to declare a total dividend for the 2019 financial year of € 1.43 per share. After deduction of the interim dividend in cash of € 0.58 per share, the final dividend will be € 0.85 per share in cash. Upon adoption, the final dividend for the 2019 financial year will be made payable on 13 July 2020.

The chairman put the proposal to a vote.

The proposal was adopted with 99.91% of the votes in favour and 0.09% against.

Item 7. Proposal to grant discharge to the members of the Executive Board for the 2019 financial year (resolution)

It was proposed to the general meeting of shareholders to grant the members of the board of management discharge from liability for their performance of their duties during the 2019 financial year. It is proposed to the Annual General Meeting to grant the members of the Executive Board full and final discharge for the performance of its duties in the 2019 financial year, to the extent this performance is evident from the financial statements or from information otherwise disclosed to the Annual General Meeting prior to the adoption of the financial statements on the 2019 financial year.
As there were no questions on this item, the chairman put it to a vote.

The proposal was rejected with 44.06% of the votes in favour, 55.86% against, and 0.08% abstentions. This means that the Executive Board was not granted discharge for the 2019 financial year.

Item 8. Proposal to grant discharge to the members of the Supervisory Board for the 2019 financial year (resolution)

Item 8 concerned the proposal to grant discharge to the members of the Supervisory Board for the performance of its duties during the 2019 financial year. Just as with item 7, this is based on their performance as it is evident from the financial statements for the 2019 financial year or from information otherwise disclosed to the Annual General meeting prior to the adoption of the financial statements for the 2019 financial year.

Ms Bax stepped down from the Supervisory Board due to reaching the maximum term of eight years. The vacancy created thus will not be filled for the time being, so that the Supervisory Board as of this AGM would be comprised of three members. Mr Blokhuis will take up the position of chairman of the remuneration and nomination committee after Ms Bax' resignation. The chairman expressed his gratitude to Ms Bax for her work over the past few years.

As there were no questions on this item, the chairman put it to a vote.

The proposal was adopted with 50.48% of the votes in favour, 49.43% against, and 0.09% abstentions.

Item 9: Proposal to amend the Remuneration Policy for the members of the Executive Board (resolution)

The chairman referred to the amendments proposed in the three appendices to the agenda for this meeting. The present Remuneration Policy for the Executive Board was amended and readopted by the Annual General Meeting most recently on 19 April 2018.
The amendments are being proposed to bring the policy into line with the recently introduced statutory regulations for the implementation the European Shareholders' Rights Directive ((EU) 2017/828).
If this proposal is adopted, the new Remuneration Policy for the Executive Board will take effect retrospectively as of 1 January 2020. Adoption of the proposal requires a majority of at least 75% of the votes cast. If this majority is not achieved, the current remuneration policy will remain in effect and a new proposal will be put to the Annual General Meeting in 2021.

As there were no questions on this item, the chairman put it to a vote.

With 38.5% of the votes in favour and 61.5% against, the proposal was not adopted, as a result of which the present Remuneration Policy will remain fully in effect. In 2021 a new proposal will be put to the Annual General Meeting.

Item 10. Proposal to adopt the Remuneration Policy for the members of the Supervisory Board (resolution)

The chairman explained that this proposal, too, is made in order to comply with the new statutory provisions, and that the amendments would take effect as of 1 January 2020.
The proposal comprises inter alia a simplification of the remuneration system of the members of the Supervisory Board. This is to do with the smaller size of the Supervisory Board (three members instead of four), whereby the total remuneration per member will remain unchanged compared to the present situation.
For the full text, please refer to the Remuneration Policy for the Supervisory Board as contained in the appendix to the agenda for this AGM.

As there were no questions on this item, the chairman put it to a vote.

With 50.57% of the votes in favour and 49.43% against, the proposal did not get the majority of at least 75% of the votes required, so the proposal was not adopted. Just as at the previous agenda item, a new proposal for the Remuneration Policy of the Supervisory Board will be made during the Annual General Meeting in 2021.

Item 11. Proposal to authorise the Executive Board to purchase the Company's own shares (resolution)

It is proposed to the Annual General Meeting to authorise the Executive Board to purchase the Company's own shares to a maximum of 10% of the outstanding share capital on 25 June 2020. It is proposed to the Annual General Meeting to authorise the Executive Board for a period of eighteen months as from the date of this Annual General Meeting, i.e. up to and including 25 December 2021, to acquire shares in the capital of the company, subject to approval from the Supervisory Board. The purpose of this proposal is to give the Executive Board the power to buy back the company's own shares in order to reduce the capital and/or fulfil obligations based on share schemes or for other purposes that are in the interests of the Company. If the requested authorisation is granted by the Annual General Meeting, the existing authorisation will lapse, that is to say it will not be used anymore.

As there were no questions on this item, the chairman put it to a vote.

The votes were cast as follows:
With 38.89% of the votes in favour, 61.04% against and 0.07% abstentions, the resolution was rejected. This means that the Annual General Meeting has not granted the Executive Board a new authorisation to buy shares in the company's own capital.

Item 12. Proposal to reappoint Ernst & Young Accountants LLP as Vastned's external auditor for a term of four financial years (resolution)

It is proposed to the Annual General Meeting to reappoint Ernst & Young Accountants LLP ('EY') with retrospective effect as of 1 January 2020 as the external auditor of Vastned for a term of four financial years. The proposal was put forward based on a recommendation from the audit and compliance committee in accordance with Article 1.5 of its regulations. The audit and compliance committee has made this recommendation based on EY's performance over the past four financial years. The audit and compliance committee has taken account of the observations of the Executive Board and the Management Team in this process.

As there were no questions on this item, the chairman put it to a vote.
The votes were cast as follows:
The proposal was adopted with 50.57% of the votes in favour and 49.43% against.

Item 13. Any other business

At this point, any questions are answered that were not addressed during the meeting.

In addition to the company-specific questions that were dealt with earlier in the meeting, the **VEB** in a letter to Vastned asked for a response to four questions that are of crucial importance to any company. This letter, entitled *General concerns in times of crisis*, drew attention to the following topics:

1. ***No award of variable remuneration***

As it is for all stakeholders, it is in the interests of shareholders that companies are able to continue their business models as best they can. Shareholders are understanding of the measures that are necessary, even if this means that previously announced perspectives and forecasts are abandoned and different decisions are made in the short term regarding capital allocation (e.g. deferment of dividend).
A similar commitment is expected from companies. We therefore appeal to all listed companies not to award any variable remuneration this year. The discretionary power that supervisory directors have makes such a measure relatively easily enforceable in practice.
The chairman replied that this suggestion would be considered.

2. ***Additional audit***

For investors it is very important in the short term to have full insight in the state of affairs within the company and the impact of the crisis on the company's operations and finances.
For this reason, the VEB calls on Vastned to provide the same transparency that is now given with respect to the annual financial statements in the publication of the half-year figures.
This would include liquidity forecasts, (adjustments to) financing and forecasts, and the long-term stability of goodwill and provisions.
The VEB emphasised the importance of having the auditor investigate this. This would mean that the auditor would issue an audit opinion on the half-year figures, which the audit committee should order.
The VEB also asks the auditor to issue a new going-concern statement in light of the half-year figures, expressing its opinion on the viability of the company over the next twelve months.
The chairman explained that Vastned has agreed additional audit activities with its auditor EY for the half-year figures. These activities will relate to the kinds of issues proposed by the VEB, the audit opinion, of which the going concern is part.

3. ***Scaling back additional positions***

The crisis places significant demands on the time and dedication of directors and supervisors. The accumulation of additional positions, which has frequently been criticised, is now becoming increasingly problematic. For this reason, the VEB appeals to directors to scale back their other positions to just one. The Association also requests that supervisory directors investigate which other positions they might drop.
The chairman replied that this suggestion would be considered.

4. ***Climate obligations***

In its annual key policy letter, the VEB called on all companies to provide a detailed overview of the risks and opportunities that arise from climate change and its impact on the company's business model.
There is a danger that the current crisis might sidetrack companies from this transition, which would make the consequences more serious and mitigating measures more costly.
The VEB therefore expects companies to provide a detailed overview of the risks and opportunities that arise from climate change and that can be expected to impact the business model in the long(er) term.
Along with this, the Association also requested insight into the consequences of the current crisis on the commitment and timing of previously communicated climate-related objectives.
The chairman noted that sustainability was a key core value for Vastned in creating long-term value for its stakeholders. Vastned believes it is very important to reduce its environmental impact to the extent possible and is committed to continuing its sustainability policy. In renovations Vastned aims to improve buildings' sustainability by making them as energy and water-efficient as possible and take account of the climate in the urban environment.

As there were no more questions, the chairman closed the meeting at 11:40 am.