



16-18, rue du Quatre-Septembre - 75002 Paris - France

Executive compensation

(published in accordance with the AFEP-MEDEF corporate governance code)

I. Variable compensation for the Chief Executive Officer and Deputy Chief Executive Officer

a) 2024 variable compensation to be paid to the Chief Executive Officer and the Deputy Chief Executive Officer, subject to approval at the General Meeting on April 29, 2025

During its meeting on February 12, 2025, and after consulting with the Appointments, Compensation and Governance Committee, the Company's Board of Directors approved the following items of compensation for the Chief Executive Officer and the Deputy Chief Executive Officer for 2024.

The Board of Directors set the amount of variable compensation for the Chief Executive Officer and the Deputy Chief Executive Officer for 2024.

For reference, the target represented 70% of annual fixed compensation for the Chief Executive Officer, with a maximum of 140%, and 55% for the Deputy Chief Executive Officer, with a maximum of 110%.

It was based on the achievement of quantitative targets for 100%.

The Board of Directors acknowledged the levels of performance achieved and set the amount of variable compensation for 2024 as follows:

- For the Chief Executive Officer, a gross total of Euro 567,170;
- For the Deputy Chief Executive Officer, a gross total of Euro 334,218.

b) Long-term compensation definitively awarded to the Chief Executive Officer and Deputy Chief Executive Officer

For reference, in accordance with the compensation policies approved during the General Meeting on April 22, 2021, the Board of Directors decided, during its meeting on April 28, 2022, to award the Chief Executive Officer and Deputy Chief Executive Officer, as part of their long-term compensation, a maximum of 120,437 bonus shares (with 75,232 shares awarded to the Chief Executive Officer and 45,205 awarded to the Deputy Chief Executive Officer), subject in full to a condition for being present (as a corporate officer) on the vesting date for the shares, as well as compliance with three performance criteria over FY 2022 to FY 2024 (inclusive).

For information, the Board of Directors, during its meeting on February 12, 2025, following the opinion issued by the Appointments, Compensation and Governance Committee, acknowledged the vesting of 120,437 bonus shares under this plan, with 75,232 bonus shares for the Chief Executive Officer and 45,205 for the Deputy Chief Executive Officer with effect from April 28, 2025, in accordance with the terms of said plan.



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II. 2025 compensation policy for the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer

In accordance with Article L. 22-10-8 of the French commercial code (*Code de commerce*), the 2025 compensation policy for corporate officers was set by the Board of Directors on February 12, 2025, after consulting with the Appointments, Compensation and Governance Committee, and will be submitted for approval at the General Meeting on April 29, 2025.

The Board of Directors' specific report detailing all of these elements will be presented in the 2024 Universal Registration Document and the 2025 General Meeting brochure.

a) Compensation for the Chairman of the Board of Directors

Since the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer, Mr Éric Le Gentil has received, in addition to his remuneration as a director, fixed annual compensation of Euro 225,000 gross for his duties as Chairman of the Board of Directors, which has remained unchanged since then. This compensation had been set after considering the missions assigned to him, in addition to the general duties provided for under the laws applicable, i.e. (i) relations with key shareholders, as well as key financial and/or industrial partners, (ii) participation in drawing up the strategy and monitoring its implementation, and (iii) liaising between the Board and the Executive Management.

Given this absence of any changes over six years, and in the context of the renewal of his directorship at the upcoming Annual General Meeting, a comparative study was commissioned in November 2024 from the specialist consultancy AON TalentSolutions benchmarking the compensation of corporate officers with comparable specific responsibilities in other listed French companies or French subsidiaries of leading listed companies in other countries¹. The study revealed that Mr Éric Le Gentil's compensation is -3% below the median (Euro 231,800), -4% below the average (Euro 235,371), and -22% below the third quartile (Euro 288,750) of the compensation levels observed for the panel.

Taking into account his constant availability, total commitment, and continuous attention to the proper functioning of the Board of Directors, as well as the positive development of the dynamics between directors and with the Executive Management, it is proposed, in accordance with recommendation 25.3.1 of the AFEP-MEDEF Code, to increase the compensation of the Chairman of the Board of Directors to Euro 255,000, representing a +13.3% change. If approved, this adjustment would still leave his compensation -11.7% below the third quartile of the external benchmark panel.

This proposal is in line with the interests of the Group's stakeholders and particularly its employees. Between the start of 2022 (the start of Mr Éric Le Gentil's current directorship) and the end of 2024, the average compensation of the Company's employees increased by +11.2% on a constant workforce basis.

¹ The panel selected by AON TalentSolutions included the following French companies and French subsidiaries of international companies: Altarea (France, Euronext), Costar (US, NASDAQ), Greystar (US), JLL France, Nexity (France, Euronext), Prologis (US, NYSE), Sagard (US), and Vinci Immobilier (France, Euronext)



In addition, the ratio of the compensation of the Chairman of the Board of Directors to the compensation of the Company's employees (equity ratio) decreased between 2020 (first full year following the separation of the Chairman and Chief Executive Officer roles) and 2024, from an average ratio of 4.3x to 2.9x and a median ratio of 5.1x to 3.4x.

Following the proposed increase for the Chairman of the Board of Directors, the equity ratio would be 3.2x on average and 3.7x on a median basis (i.e. still below the 2020 levels in both cases), excluding the impact of the mandatory annual negotiations scheduled for April 2025 concerning the average and median compensation for Group employees.

Furthermore, since the compensation of the Chairman of the Board of Directors was set in 2019, and remained unchanged thereafter, cumulative inflation in France over the six-year period through to the end of 2024 came to +16.4%.

All of these elements show that the proposed change is in reasonable proportions and effectively aligned with market best practices.

Mr Éric Le Gentil, as Chairman of the Board of Directors, will not receive any annual variable compensation, any long-term variable compensation or any bonus shares.

As a director, a member of the Sustainable Investment Committee, and a member of the Appointments, Compensation and Governance Committee, Mr Éric Le Gentil will receive compensation for this activity in accordance with the Company's rules.

b) Compensation for the Chief Executive Officer

– Fixed compensation

Mr Vincent Ravat's annual fixed compensation as Chief Executive Officer was Euro 430,000 for 2024. It has not changed since 2022.

In accordance with market best practices, the Chief Executive Officer's fixed compensation does not exceed 25% of his maximum total compensation. His compensation structure aims to recognize and reward the Chief Executive Officer primarily over the long term, without encouraging excessive risk-taking.

Recommendation 26.3.1 from the AFEP-MEDEF Code indicates that *"in principle, fixed compensation may only be reviewed at relatively long intervals"*.

Given the absence of any increase in the Chief Executive Officer's compensation for the past three years and since the latest renewal of his term of office, in accordance with the AMF recommendation concerning corporate governance and executive compensation in listed companies², the company AON was appointed in November 2024 to carry out a comparative study of the level of compensation

² 2020 report on corporate governance and executive compensation in listed companies, AMF, November 24, 2020



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for executives from a panel³ of around 20 comparable companies for Mercialys. This benchmark shows that the Chief Executive Officer's annual fixed compensation is -17.6% lower than the average and -14.0% lower than the median fixed compensation observed for the sample of 19 comparable companies. This difference can be seen in the comparison of Mr Vincent Ravat's target annual fixed + variable compensation, which is -17% below the median and -20.3% below the average for the same panel.

Moreover, the Proxinvest ranking of executive pay in SBF 120 companies for FY 2023, published in 2024, indicates that Mr Vincent Ravat's total compensation is in the last quintile of the SBF 120 compensation benchmark (102nd place).

The data presented in the Proxinvest report indicate an average fixed compensation for executive officers of Euro 970,685 per year for the SBF 120 and Euro 778,134 per year for the SBF 80, and an average annual variable compensation of Euro 1,122,785 per year (excluding long-term compensation in performance shares) for the SBF 120 and Euro 729,950 per year for the SBF 80, which highlights that the annual fixed and variable compensation of Mercialys' Chief Executive Officer is still significantly lower than the average compensation level for executives in companies from the stock market index.

The latest study⁴ by BNP Paribas Exane Research on the compensation structure of executives in listed European real estate companies also shows that the fixed compensation of Chief Executive Officers has, over the 10 years preceding the study, generally increased in line with inflation. Since the renewal of his term of office as Chief Executive Officer in 2022, over a three-year period through to the end of 2024, cumulative inflation in France came to +12.7% (+19.9% over 10 years).

Over this same three-year period since 2022, the year of the last increase in the Chief Executive Officer's compensation, the Company's Total Shareholder Return came to +53.11%, with +11.17% growth in its Net Recurrent Earnings.

For 2025, it is therefore proposed to increase the Chief Executive Officer's annual fixed compensation by +13.95%. The proposed increase would take the Chief Executive Officer's annual fixed compensation to Euro 490,000.

Following this change to his fixed compensation in 2025, the Chief Executive Officer's annual fixed compensation would still be -6.0% below the average level and -2.0% below the median level of fixed compensation for executives in comparable listed companies from the AON panel reviewed.

This proposal is in line with the interests of the Group's stakeholders and particularly its employees. Over the period between the start of 2022 and end of 2024 (therefore excluding the impact of the 2025 annual salary adjustments scheduled for April), the average compensation of the Company's employees increased by +11.20% on a constant workforce basis.

³ The panel of French and international companies from the real estate sector selected by AON comprised Alstria, Deutsche Euroshop, Eurocommercial Pty, Frey SA, Great Portland Estates, Hammerson, Workspace Plc, Altarea, Argan, Carmila, Covivio, Gecina, Icade, IGD, NewRiver, Peugeot Invest, Société de la Tour Eiffel, SFL and Wereldhave

⁴ The panel for the "PAYing attention" study, from December 6, 2023, included the following 22 listed companies: Vonovia, URW, LEG, Landsec, SEGRO, British Land, GPE, Hammerson, Derwent, Klépierre, Covivio, Cofinimmo, Aedifica, VGP, Gecina, AroundTown, Shurgard, Carmila, CTP, Icade, WDP and Tritax



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The Proxinvest study, mentioned previously, also shows that Mercialys continues to be one of the “best” companies in terms of its equity ratio (6th in the 2023 ranking, with an equity ratio of 12x, versus an average of 67x for SBF 120 companies). This equity ratio for the Chief Executive Officer’s compensation in relation to the compensation of the Company’s employees decreased over the period between 2019 (the year when he was first appointed) and 2024, moving from 12.6x to 11.9x in terms of the average ratio and from 15.2x to 13.8x for the median ratio.

Following the proposed increase for the Chief Executive Officer, the equity ratio would be 12.3x on average and 14.4x on a median basis (i.e. still below the 2020 levels in both cases), excluding the impact of the mandatory annual negotiations and other increases for employees in April 2025.

These elements show that the proposed change is in reasonable proportions and effectively aligned with market best practices.

More generally, the Chief Executive Officer’s compensation policy continues to be structured to focus more specifically on rewarding the Company’s performance, particularly over the long term.

– Annual variable compensation

For reference, Mr Vincent Ravat’s maximum variable compensation for 2024 represented 140% of his annual fixed compensation.

It is proposed to not modify this maximum percentage in 2025.

The Proxinvest compensation report for FY 2023, published in 2024, indicates a median target variable rate of 100% and a median maximum variable rate of 150% of their fixed salary for executives in SBF 120 companies.

The Chief Executive Officer’s variable compensation is aligned with the best market standards (AFEP-MEDEF Code recommendation to prioritize quantifiable criteria) as it is dependent on the achievement of ambitious and measurable objectives, with clearly defined criteria.

Given the multiple challenges facing the Company in 2025, particularly in terms of strategic matters, human resources and corporate social responsibility (CSR), and in order to better ensure the confidentiality of any changes in direction, it is proposed to distribute the objectives between specific quantitative criteria focused on the Company’s main financial and operational performance challenges and stakes, and an aggregate quantitative criterion, covering strategic, social, climate and environmental issues, supported by measurable and verifiable indicators, i.e.:

- (1) Specific quantitative financial criteria reflecting the change in revenues (internal and external growth), operational efficiency, and the management of operating and financing costs:
 - Growth in net recurrent earnings
 - EBITDA margin
 - Total financial vacancy rate



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- (2) An aggregate quantitative criterion, clearly defined and measured with several indicators, structured around the following aspects:
- Strategy implemented to improve the quality of the portfolio (asset management, investment, divestment)
 - Improvement in human resources management, including maintaining parity standards
 - Implementation of the CSR strategy “4 Fair Impacts”

For each criterion, the minimum achievement threshold is set (by the Board of Directors, after consulting with the Compensation, Appointments and Governance Committee) at a level that is at least equal to or higher than the targets set by Mercialys for the financial year concerned. The maximum threshold is set at a level that significantly exceeds expectations. The variable compensation would be calculated on a straight-line basis between the minimum and maximum limits.

The Board of Directors, as recommended by the Appointments, Compensation and Governance Committee, may adjust the objectives and take into account exceptional national-level events, such as a health crisis, when assessing the achievement of the performance objectives in order to keep, in accordance with the Company's interests, the implementation of the compensation policy in line with performance.

The Board of Directors may, by the same reasoning, adjust trigger thresholds, objectives and targets in the event of changes in accounting standards and methods.

In addition, in the event of a material change in the Group's strategy or scope (particularly following a merger or disposal, a change of control, the acquisition or creation of a new significant activity or the discontinuation of an existing significant activity), the Board of Directors, as recommended by the Compensation, Appointments and Governance Committee, may, at its discretion, adjust one or more performance criteria-related parameters upwards or downwards (weighting, trigger thresholds, objectives, targets, etc.) for the Chief Executive Officer's annual variable compensation, in order to ensure that the application of these criteria reflect both his performance and that of the Group.

In the event of the Chief Executive Officer's departure, including in the event of his death and excluding his dismissal for gross or serious misconduct, the variable compensation for the current year will be calculated on a *prorata temporis* basis for his presence as an executive officer of Mercialys. His variable compensation will then be calculated based on performance criteria assessed at the end of the year during which the Chief Executive Officer ceased to hold his office.

— Long-term incentives

To align the Chief Executive Officer's interests with the Company's shareholder performance over the long term, the Board of Directors, subject to Article L. 22-10-60 of the French commercial code, has decided to maintain the principle for awarding bonus shares.

This award would represent a target based on 125% of his annual fixed compensation if the targets set are achieved, potentially rising to 160% of his annual fixed compensation if each performance criteria is exceeded, with these thresholds remaining unchanged compared with 2024.



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All of the target variable components (annual or multi-year bonus and performance shares) are aligned with the thresholds recommended by the voting advisory agencies as they do not exceed 200% of the fixed salary and the combined amount of the variable components does not exceed 300% of the maximum fixed compensation.

In addition, the annual variable compensation does not exceed the long-term conditional component of the Chief Executive Officer's compensation with a view to supporting a genuine alignment between compensation and long-term performance, while not encouraging short-term risk-taking.

Vesting will be subject to performance conditions, as indicated in Section 4 of the 2024 Universal Registration Document. One of the objectives is linked to reducing the carbon intensity of the Company's portfolio in order to positively engage the Company in the fight against climate change.

Moreover, bonus shares will only be vested by the Chief Executive Officer at the end of a three-year vesting period, subject to conditions of presence in his capacity as a corporate officer.

Following this three-year vesting period, the Chief Executive Officer would be required to hold 100% of his shares for a minimum period of two years after they are fully vested, and then to hold 50% on a registered basis until the end of his office. The requirement to retain 50% of the shares acquired for over two years would only continue to apply until the total amount of shares held by the executives represents 300% of their last gross annual fixed compensation. The amount would be determined at the start of each year based on Mercialys' weighted average share price for the previous year ended.

In the event of the Chief Executive Officer's departure, including in the event of his death and excluding his dismissal for gross or serious misconduct, his entitlement to the bonus shares awarded to him before his effective departure date would be maintained on a *pro rata temporis* basis for his presence as an executive officer of Mercialys during the vesting period, while remaining subject to said plan's performance conditions.

The performance conditions will then be calculated based on the plan's performance criteria, assessed at the end of the year during which the Chief Executive Officer ceased to hold his office.

In such a case, on his effective departure, the Chief Executive Officer would also be discharged from any holding requirement.

Furthermore, in accordance with the final paragraph of Article 26.3.3 of the AFEP-MEDEF Code, the Chief Executive Officer undertakes to not use risk hedging operations until the end of the lock-up period for his shares.

— **Non-compete clause**

The Chief Executive Officer is entitled to severance benefits in exchange for a non-compete and non-solicitation obligation that would be paid on a monthly basis equivalent to one twelfth of 50% of Mr Vincent Ravat's total annual compensation (fixed and variable), with this total annual compensation calculated as the average of the total compensation paid for the two years prior to his departure.



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This would apply for a period not exceeding his time with the Company, up to a maximum of two years, while noting that the Company may reduce or waive the application period.

This level is below the recommendation from Article 25.6 of the AFEP-MEDEF Code, which refers to a maximum limit of two years of total compensation, comprising the annual fixed and variable components.

Payment of the non-compete benefits is excluded if the Chief Executive Officer exercises his entitlement to retire. In any event, no non-compete benefits will be payable to him after the age of 65.

— **Clawback and Malus Clause**

To align the compensation policies with governance best practices, in the event of gross misconduct or proven fraud (including embezzlement or falsification) during the term of office that has resulted in a significant adverse impact on the Group's results, the Company reserves the right, based on a reasoned decision by the Board of Directors, to take action against the Chief Executive Officer to make a claim to recover ("claw back"), within the limits of the laws applicable, all or part of the annual variable compensation paid during the period concerned.

Moreover, in such a situation, the Board of Directors, as recommended by the Appointments, Compensation and Governance Committee, may decide to cancel the Chief Executive Officer's rights to unvested performance shares (malus).

c) Compensation for the Deputy Chief Executive Officer

— **Fixed compensation**

Ms Elizabeth Blaise's annual fixed compensation for 2022 was set at Euro 318,000. It is proposed to not modify the amount of Ms Elizabeth Blaise's fixed compensation in 2025.

The Deputy Chief Executive Officer's compensation policy is structured to ensure a stronger focus on rewarding the Company's performance, particularly over the long term.

— **Annual variable compensation**

To align the Deputy Chief Executive Officer's compensation structure with market best practices, intended to allow time for risks and investments to materialize and be reflected in the Company's financial position, while not incentivizing excessive short-term risk-taking, it is proposed to adjust the variable component of her compensation, which currently exceeds the proportion of 25% of her maximum total compensation, while keeping her current fixed annual compensation unchanged.

For reference, Ms Elizabeth Blaise's target variable compensation for 2024 represented 55% of her annual fixed compensation. The maximum achievement rate for each target could reach 200%. In the



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event of outperformance, this variable compensation could therefore reach up to 110% of her annual fixed compensation.

Under the current compensation structure for the Deputy Chief Executive Officer, her fixed compensation represents 29% of her maximum total compensation, including both annual and long-term variable components, compared with a market average of below 25% for the panel of SBF 120 companies, as reported by Proxinvest in its 2023 study on executive compensation in listed companies. Voting advisory agencies generally recommend that around 75% of total compensation should be variable (both annual and long-term), with a majority focused on the long term.

It is therefore proposed to increase the weighting of variable compensation for the Deputy Chief Executive Officer, while maintaining a long-term predominance in her total compensation, raising her target annual variable compensation from 55% to 65% and increasing the maximum from 110% to 130% of her annual fixed compensation.

This would be aligned with the objective to adjust the Deputy Chief Executive Officer's compensation policy to be structured more clearly around remuneration recognizing the Company's long-term performance, with the total percentage in this area raised from 70% to 74% of her maximum total compensation.

In accordance with the recommendations of voting advisory agencies, the maximum annual variable compensation would remain below 150% of her fixed compensation and would represent a lower share of her total variable compensation than her long-term variable component.

Moreover, a comparative study conducted by AON TalentSolutions in November 2024, assessing the compensation levels of a panel of comparable companies for Mercialys⁵, revealed that the Deputy Chief Executive Officer's target annual fixed + variable compensation is -17.8% below the median and -20% below the average. The proposed change to the compensation structure therefore appears to be proportionate in relation to the aforementioned market comparables. The adjustment would translate into an +18.2% increase in the annual variable compensation (at a constant rate of achievement of performance criteria) for a maximum increase in her total compensation of +11.76% in the event of a maximum outperformance across all the short-term and long-term targets set, which is still significantly lower than the panel reviewed.

The Deputy Chief Executive Officer's variable compensation would continue to be aligned with the market's best standards (AFEP-MEDEF Code's recommendation that quantifiable criteria should be predominant).

As for the Chief Executive Officer, it is proposed to distribute the objectives (defined in a clear, ambitious and measurable way) between specific quantitative criteria focused on the Company's main financial performance challenges and stakes, a specific quantitative criterion covering social, climate and environmental issues, and an aggregate quantitative criterion, concerning operational and strategic aspects, combined with measurable and verifiable indicators, i.e.:

⁵ The panel of French and international companies from the real estate sector selected by AON comprised Alstria, Eurocommercial Pty, Frey SA, Great Portland Estates, Hammerson, Workspace Plc, Argon, IGD, NewRiver, Société de la Tour Eiffel and Wereldhave.



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- (1) Specific quantitative financial criteria reflecting the change in revenues (internal and external growth), operational efficiency, and the management of operating and financing costs:
 - Growth in net recurrent earnings
 - EBITDA margin
 - Total organic growth
 - Control over the change in the rate of net rental expenses not charged back to tenants on a like-for-like basis to effectively manage site operating costs
- (2) A specific quantitative CSR-sustainability criterion aimed at ensuring the Company's continued alignment with market best practices:
 - Achievement on a linearized basis of the major objectives from the Company's *"4 Fair Impacts"* strategy in line with the global strategic roadmap looking ahead to 2030
- (3) An aggregate quantitative criterion, clearly defined and measured with several indicators, structured around the following aspects:
 - Strengthening of risk management
 - Improvement of collection
 - Refinancing, hedging and financial result trajectory
 - Operational efficiency between departments
 - Service operating costs

For each criterion, the minimum achievement threshold is set (by the Board of Directors, after consulting with the Compensation, Appointments and Governance Committee) at a level that is at least equal to or higher than the targets set by Mercialys for the financial year concerned. The maximum threshold is set at a level that significantly exceeds expectations. The variable compensation would be calculated on a straight-line basis between the minimum and maximum limits.

The Board of Directors, as recommended by the Appointments, Compensation and Governance Committee, may adjust the objectives and take into account exceptional national-level events, such as a health crisis, when assessing the achievement of the performance objectives in order to keep, in accordance with the Company's interests, the implementation of the compensation policy in line with performance.

The Board of Directors may, by the same reasoning, adjust trigger thresholds, objectives and targets in the event of changes in accounting standards and methods.

In addition, in the event of a material change in the Group's strategy or scope (particularly following a merger or disposal, a change of control, the acquisition or creation of a new significant activity or the discontinuation of an existing significant activity), the Board of Directors, as recommended by the Compensation, Appointments and Governance Committee, may, at its discretion, adjust one or more performance criteria-related parameters upwards or downwards (weighting, trigger thresholds, objectives, targets, etc.) for the Deputy Chief Executive Officer's annual variable compensation, in order to ensure that the application of these criteria reflect both her performance and that of the Group.



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In the event of the Deputy Chief Executive Officer's departure, including in the event of her death and excluding her dismissal for gross or serious misconduct, the variable compensation for the current year will be calculated on a *pro rata temporis* basis for her presence as an executive officer of Mercialys. Her variable compensation will then be calculated based on performance criteria assessed at the end of the year during which the Deputy Chief Executive Officer ceased to hold her office.

– Long-term incentives

To align the Deputy Chief Executive Officer's interests with the Company's shareholder performance over the long term, the Board of Directors, subject to Article L. 22-10-60 of the French commercial code, has decided to maintain the principle for awarding bonus shares.

For the reasons mentioned previously concerning her annual variable compensation, it is also proposed that for her long-term variable compensation based on shares, the maximum percentage of awards should be adjusted upwards compared with the level set in 2024. It would increase from a maximum of 130% to a maximum of 150% of her fixed annual compensation, representing a maximum budget of Euro 477,000 for 2025, compared with Euro 413,400 for 2024, with an increase of +15.4%.

Moreover, the target would continue to be set at 100% of the Deputy Chief Executive Officer's fixed annual compensation, with this threshold remaining unchanged compared with 2024.

Following the change, the proportion of the Deputy Chief Executive Officer's long-term conditional compensation within her maximum total compensation (39.5% of her maximum total compensation) would remain higher (+5 pts) than the percentage of her annual variable compensation (34.2% of her maximum total compensation), ensuring effective alignment between compensation and long-term performance, while not incentivizing short-term risk-taking.

A comparative study commissioned from AON in November 2024, analyzing compensation levels for comparable positions within a panel of comparable companies for Mercialys⁶, shows that the Deputy Chief Executive Officer's total target annual average compensation (fixed + annual and long-term variable) is -12.4% below the median and -18.5% below the average observed in the sample for equivalent positions.

The proposed change in the compensation structure, which would result in a maximum increase of +11.76% in the compensation received in the event of a maximum outperformance across all the short-term and long-term targets set, appears to be proportionate in relation to the market comparables.

All of the maximum variable compensation components (annual and long-term variable with performance shares) would continue to be aligned with the thresholds recommended by the voting advisory agencies as they do not exceed 200% of the fixed salary and the combined amount of the variable components does not exceed 300% of the maximum fixed compensation.

⁶ The panel of French and international companies from the real estate sector selected by AON comprised Alstria, Eurocommercial Pty, Frey SA, Great Portland Estates, Hammerson, Workspace Plc, Argan, IGD, NewRiver, Société de la Tour Eiffel and Wereldhave



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Vesting will be subject to performance conditions, as indicated in Section 4 of the 2024 Universal Registration Document. One of the objectives is linked to reducing the carbon intensity of the Company's portfolio in order to positively engage the Company in the fight against climate change.

Moreover, the bonus shares awarded would only be fully vested by the Deputy Chief Executive Officer at the end of a three-year vesting period, subject to presence conditions in her capacity as a corporate officer.

Following this three-year vesting period, the Deputy Chief Executive Officer would be required to hold 100% of her bonus shares for a minimum period of two years after they are fully vested, and then to hold 50% on a registered basis until the end of her office. The requirement to retain 50% of the shares acquired for over two years will only continue to apply until the total amount of shares held by the executives represents 300% of their last gross annual fixed compensation. The amount will be determined at the start of each year based on Mercialys' weighted average share price for the previous year ended.

In the event of the Deputy Chief Executive Officer's departure, including in the event of her death and excluding her dismissal for gross or serious misconduct, her entitlement to the bonus shares awarded to her before her effective departure date would be maintained on a *prorata temporis* basis for her presence as an executive officer of Mercialys during the vesting period, while remaining subject to said plan's performance conditions.

The performance conditions will then be calculated based on the plan's performance criteria, assessed at the end of the year during which the Deputy Chief Executive Officer ceased to hold these offices.

In such a case, on her effective departure, the Deputy Chief Executive Officer would be discharged from any holding requirement.

Furthermore, in accordance with the final paragraph of Article 26.3.3 of the AFEP-MEDEF Code, the Deputy Chief Executive Officer undertakes to not use risk hedging operations until the end of the lock-up period for her shares.

— Non-compete clause

The Deputy Chief Executive Officer is entitled to severance benefits in exchange for a non-compete and non-solicitation obligation that would be paid on a monthly basis equivalent to one twelfth of 50% of Ms Elizabeth Blaise's total annual compensation (fixed and variable), with this total annual compensation calculated as the average total compensation paid for the two years prior to her departure.

This would apply for a period not exceeding her time with the Company, up to a maximum of two years, while noting that the Company may reduce or waive the application period.

This level is significantly lower than the recommendation from Article 25.6 of the AFEP-MEDEF Code, which refers to a maximum limit of two years of total compensation, comprising the annual fixed and variable components.



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Payment of the non-compete benefits is excluded if the Deputy Chief Executive Officer exercises her entitlement to retire. In any event, no compensation will be payable to her after the age of 65.

— **Clawback and Malus Clause**

To align the compensation policies with governance best practices, in the event of gross misconduct or proven fraud (including embezzlement or falsification) during the term of office that has resulted in a significant adverse impact on the Group's results, the Company reserves the right, based on a reasoned decision by the Board of Directors, to take action against the Deputy Chief Executive Officer to make a claim to recover ("claw back"), within the limits of the laws applicable, all or part of the annual variable compensation paid during the period concerned.

Moreover, in such a situation, the Board of Directors, as recommended by the Appointments, Compensation and Governance Committee, may decide to cancel the Deputy Chief Executive Officer's rights to unvested performance shares (malus).

Paris, February 25, 2025



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