



## RESPONSE TO PROXY ADVISORS' RECOMMENDATIONS CONCERNING RESOLUTIONS 9 AND 13 OF NEXITY'S 2021 ANNUAL GENERAL SHAREHOLDERS' MEETING TO BE HELD ON MAY 19, 2021

Paris, April 30, 2021

Press release

Dear Nexity Shareholders,

The Board of Directors is pleased to invite you to Nexity's 2021 Annual General Shareholders' Meeting ("AGM") that will take place on Wednesday, May 19 at 10:00 am.

In the current public health context of the Covid-19 pandemic this year's shareholders' general meeting will again have to be held behind closed doors. However, Nexity will set up a chatting system allowing for a live Q&A at the end of our AGM and we hope that many of you will take this opportunity to exchange with us.

In this perspective, Nexity would like to provide you with some insights on some recommendations made by some proxies on some of our proposed resolutions.

### Resolution 9: Elect Crédit Mutuel Arkéa as Director

The name of the Crédit Mutuel Arkea representative should be disclosed to the public next week (approximately on May 4, 2021). The internal compliance and governance rules of Crédit Mutuel Arkea (a banking group) are actually more stringent than the Afep-Medef Code for individual limits to the number of total listed board appointments and, due to its internal compliance rules, the disclosure of proposed director's identity unfortunately was not possible any earlier. After examining this individual's other commitments with proxy' policies regarding overboarding, once the identity of the nominee is made public, Nexity believes that he/she will comply with your requirements regarding overboarding as well as the other ones such as gender diversity.

### Resolution 13: Approve compensation for 2020 for Julien Carmona, Vice-CEO

Julien Carmona's 2020 compensation was in alignment with shareholder interests and therefore we disagree with some proxies' interpretation of Mr. Carmona's Remuneration Report and their related opposition. The Board of Directors did not use its discretion to amend the performance targets attached to the bonus. The 2020 full-year targets for company officers were determined at the outset of the global public health crisis, when the Company suspended its targets and outlook provided to investors (see press releases dated March 20, 2020 and April 7, 2020). Given the exceptional and global nature of the Pandemic, at that time that the decision was taken, it was impossible to predict the duration of the global crisis and the time required for a return to normal activities.

Considering the magnitude of the Pandemic, the Board of Directors estimated that an EBITDA equal to 90% of that generated in 2019 would be challenging to attain, and if reached, would represent a strong performance that aligns potential rewards to our corporate officers with our investors goals. With an EBITDA down 4% in 2020 vs 2019 (550 M€ vs 573 M€), the 90% objective was surpassed to attain 96% of the 2019 EBITDA.

Regarding the LTIP, it should be added that because of the global public health crisis and in an effort to share the burdens faced by all, the Board's remuneration committee decided (with the full agreement of Mr. Carmona) not to grant Mr. Carmona a cash cash-based LTI for 2020 and onwards, even though this plan had been a component of his remuneration in the past years, leading to a decrease in his maximum remuneration by 17%.

*Comparison of Vice-CEO's compensation 2020 vs. 2019*

K€	2019 achieved	2020 max	2020 achieved	Change 2020 vs 2019	2020 achieved vs max
Fixed remuneration	500	500	500	0%	100%
Annual variable remuneration	250	312	222	-11.2%	-28.9%
Cash LTI (1/3)	233	NA	NA	-100%	N/A
<b>Total</b>	<b>983</b>	<b>812</b>	<b>722</b>	<b>-26.6%</b>	<b>-11.1%</b>



The achieved level of Mr. Carmona's variable remuneration is 71% of the maximum bonus, in line with the decrease of the dividend paid in 2020 (€2 per share) down 26% compared to the announcement made to the investors (see press release, April 7, 2020).

Lastly, in-line with Nexity's Remuneration Policy, Mr. Carmona will forfeit completely his rights to the LTIP upon his departure from the Group, highlighting Nexity's commitment to applying international corporate governance best practice and to alignment between potential executive reward and investor returns. This LTIP was initially granted last May, at a time when Nexity was not able to set operating income and debt targets for 2020, but was granted over a 3-year period (with targets set for 2021 and 2022), as is consistent with long-term oriented remuneration schemes.

As a conclusion, we would like to emphasize that Nexity has always shown a willingness to comply with the governance and remuneration schemes of the French listed companies.

In case you have some remarks with respect to the proposed resolutions, or wish to have a direct dialogue with us, we would be delighted to be in touch with you directly (see contacts below).

While we understand that proxies are used as a research tool, given the explanations above, we encourage you to arrive at your own conclusions and we reiterate here the Board's recommendation that you vote FOR all resolutions, at Nexity's AGM on May 19, 2021.

We thank you for placing your trust and confidence in us. We feel deeply honored by that.

With our best personal regards,

Alain Dinin,  
Chairman and CEO

#### **AT NEXITY, WE AIM TO SERVE ALL OUR CLIENTS AS THEIR REAL ESTATE NEEDS EVOLVE**

With more than 11,000 employees and €4.9 billion in revenue in 2020, Nexity is France's leading integrated real estate group, with a nationwide presence and business operations in all areas of real estate development and services for individuals, companies and local authorities.

Our services platform is designed to serve all our clients as their real estate needs evolve.

Firmly committed to focusing on people and how they are connected with each other, their cities and the environment, Nexity was named the number-one low-carbon project owner in France among real estate developers ranked by BBKA in 2020, is a member of the Bloomberg Gender-Equality Index (GEI) and obtained Great Place to Work certification in 2020.

Nexity is listed on the SRD, Euronext's Compartment A and the SBF 120.

#### **CONTACTS**

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