

## **Management Board Remuneration - 2015 STI calculation**

For 2015, the short-term incentive (STI) for Management Board members is calculated according to an unchanged remuneration policy since 2007, as approved by the Supervisory Board on June 26, 2007 and October 10, 2007. Each year, the GNRC, which is 100% independent, submits for approval the STI to the 100% independent SB.

The initial formula was designed for each component of the quantitative part to have equal weight at identical growth.

- **For the Chief Executive Officer (CEO)**

Pursuant to the remuneration policy, the STI of the CEO is 100% based on quantitative criteria and entirely linked to the Group's performance.

It is capped at 150% of his gross fixed income.

It takes into consideration the following key performance indicators.

- The recurring net result and recurring EPS ("REPS") growth above inflation
  - In 2015, as published with the Group's financial information, the recurring net result stands at € 1,030Mn, and the REPS growth at 8.3%, a very strong performance compared to 2013 and 2014.
  - The average inflation in the countries where the Group operates, weighted proportionally to the net rental income of the respective countries, stands at 0.17%.
  - The REPS growth is adjusted for the impact of disposals in 2014 and the further disposals effected in 2015 as communicated to the market in the 2015 outlook and the 2015 full year results.
  - According to the remuneration policy, this triggers the following contributions to the STI:
    - Total: € 493 746
- The value creation during the period, measured by the growth, above inflation, of the net asset value per share plus the dividend per share distributed over the same period.
  - In 2015, as published with the Group's financial information, the EPRA triple Net Asset Value (in € per share) stands at € 169.90, compared to € 151.20 in 2014. The dividend distributed in 2015 stands at € 9.60. This represents a growth of net asset value per share plus the dividend per share distributed over the same period of 18.72%, a historic high for the company.
  - The average inflation in the countries where the Group operates, weighted proportionally to the net rental income of the respective countries, stands at 0.17%.
  - According to the remuneration policy, this triggers the following contributions to the STI:
    - For the value creation part: € 1 080 407
- The total amount for the STI of the CEO for 2015 therefore stands at € 1 574 153 (i.e. 178.3% of his gross annual fixed income). After application of the cap of 150%, this results in an STI for the CEO for 2015 of € 1 323 891.

- **For the other members of the Management Board**

Pursuant to the remuneration policy, the STI of the non-CEO Management Board members, due in respect of the 2015 financial year, includes two components: a quantitative component and a qualitative component, each capped at 50% of gross annual fixed income.

The quantitative component is entirely linked to the Group's performance in 2015 and is calculated according to the same formula as for the CEO, with different weighting factors. As for the CEO, it takes into consideration the same key performance indicators.

For a reference fixed income of € 450 000, the quantitative component of the STI in 2015 is calculated based on the following key performance indicators:

- The recurring net result and recurring EPS growth (adjusted for disposals as described in the CEO formula above) above inflation.
  - Total: € 90 704
- The value creation during the period, measured by the growth above inflation, of the net asset value per share plus the dividend per share distributed over the same period.
  - For the value creation part: € 183 606
- The total amount for quantitative component of the STI of non-CEO Management Board members for 2015 therefore stands at € 274 310 for a reference fixed income of € 450 000 (i.e. 60.96% of the gross annual fixed income).
- After application of the cap of 50%, this results in a quantitative component of the STI for non-CEO Management Board members for 2015 of € 225 000 (for a reference fixed income of € 450 000).

The qualitative component is determined according to the achievement of individual objectives for each Management Board members. Individual objectives are pre-defined by the CEO and approved by the GN&RC and the Supervisory Board. The qualitative component must be in a range of 0% to 50% of the gross annual fixed income of the relevant period, as shown on p 266 of the 2015 financial report (*English Version*).