

4

CORPORATE GOVERNANCE

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4.1 Management and control of the Company

4.1.1 Board of Directors

The Company is incorporated as a *société anonyme* (limited liability company). The roles of Chairman of the Board of Directors and Chief Executive Officer were combined until February 13, 2019. Since this date and in order to improve further the quality of the Company's governance with respect to best market practices, the functions of Chairman of the Board of Directors and Chief Executive Officer have been separated. Mr Éric Le Gentil is still Chairman of the Board of Directors and Mr Vincent Ravat was appointed Chief Executive Officer.

The Company refers to the corporate Governance Code for listed companies published by the *Association française des entreprises privées* (AFEP, the French Association of Private Companies) and the *Mouvement des entreprises de France* (MEDEF, the Organization of French companies) (the AFEP-MEDEF Code). The AFEP-MEDEF Code can be consulted on the AFEP website at the following address: www.afep.com. In accordance with the AFEP-MEDEF Code, and pursuant to L. 225-37 of the French Commercial Code, it is hereby stated that the Company complies with all the recommendations of the AFEP-MEDEF Code. A cross-reference table can be found in Appendix p. 310 et seq.

4.1.1.1 General principles governing the Board's composition

The Board's operating procedures are established by law, the Company's articles of association and the Board's internal rules. The latter is detailed in chapter 9, § 9.1.5, p. 447 et seq.

The Board of Director's composition is guided by the main principles below:

- directorships have a term of three years and the Board is partly renewed every year, pursuant to the Company's articles of association and the AFEP-MEDEF Code, to allow business continuity, promote smooth renewal of directors and allow shareholders sufficient opportunity for expressing their opinion about these directorships;

- the articles of association stipulate no age limit for directors other than the statutory limit according to which no more than one-third of the directors may be over the age of 70;
- the Board of Directors consists of at least three and at most eighteen members, appointed by the Ordinary General Meeting of shareholders (see Article 14 of the articles of association, or p. 442);
- under Article 23 of the articles of association, one or more non-voting directors may be selected from the shareholders and appointed by the Ordinary General Meeting or, between two Ordinary General Meetings, by the Board of Directors subject to approval at the next Annual General Meeting. Non-voting directors, appointed for a three-year term, attend the meetings of the Board of Directors. In this connection, they provide comments and opinions and take part in discussions in an advisory capacity. There may not be more than five non-voting directors. The age limit for serving as a non-voting director is set at eighty. However, to this day the Company has no non-voting directors;
- according to the Internal rules, each director must hold a number of shares in registered form equivalent to at least one year's compensation in respect of their activity.

The Board of Directors attaches particular importance to its composition and that of its committees in order to promote diversity. It relies, in particular, on the work and proposals of the Appointments, Compensation and Governance Committee, which regularly conducts reviews and makes proposals, as often as circumstances require, regarding positive changes in the composition of the Board of Directors and its decision-making committees, in line with the Group's strategy. To this end, if the Board of Directors is looking for a new member, the Committee puts forward various candidates whose skills, knowledge and experience have been assessed and supplement or reinforce those skills already accessible to the other members of the Board of Directors.

4.1.1.2 Composition of the Board of Directors

The Board of Directors has ten directors, six of whom are independent (60%) within the meaning of the AFEP-MEDEF Code, and five of whom are women (50%).

A. Composition of the Board of Directors in 2020

The table below is a condensed presentation of the Board of Directors' composition at February 2020, and its position during fiscal year 2020.

Members of the Board of Directors	Personal information		Number of Mercialis shares owned ⁽¹⁾	Position on the Board of Directors			Membership of Specialized Committees 2020 attendance rate		
	Gender	Age ⁽¹⁾		Date of 1 st appointment	Expiry of directorship	2020 attendance rate	ARSDC	IC*	ACC
Non-executive corporate officer									
Éric Le Gentil	M	60	27,800	02/13/2013	AGM 2022	100%		100%	100%
Independent members									
Stéphanie Bensimon	F	44	100	06/07/2018	AGM 2022	100%	^C 100%		
Victoire Boissier	F	53	2,000	04/20/2016	AGM 04/22/2021	100%	⁽²⁾ 100%		100%
Élisabeth Cunin	F	60	1,000	06/06/2012	AGM 2022	100%			^C 100%
Dominique Dudan	F	66	3,500	04/26/2018	AGM 04/22/2021	100%		^C 100%	100%
Ingrid Nappi	F	54	950	04/30/2014	04/23/2020	75%	⁽³⁾ 100%		
Pascale Roque	F	59	1,990	10/24/2017	AGM 2022	89%	80%		
Generali Vie			7,373,571	04/30/2014	AGM 04/22/2021				
Bruno Servant <i>permanent representative</i>	M	60	2,000	04/30/2014		100%		100%	
Directors representing the shareholder, Casino									
La Forézienne de Participations			17,632,626	12/10/2010	AGM 04/22/2021				
David Lubek <i>permanent representative</i>	M	47	720	11/13/2017		100%		100%	
Jacques Dumas	M	68	508	08/22/2005	AGM 2023	100%			100%
Michel Savart	M	58	500	05/06/2010	AGM 2023	100%	100%	100%	
Number of meetings in 2020						9	4	4	4
2020 attendance rate						98%	95%	100%	100%

(1) Determined as of December 31, 2020.

(2) Since April 23, 2020.

(3) Until April 23, 2020.

ARSDC: Audit, Risks and Sustainable Development Committee

IC: Investment Committee

ACC: Appointments and Compensation Committee

C: Chairwoman of the Committee

* Mr Vincent Ravat, in his capacity as Chief Executive Officer, is a permanent guest of the IC.

Given the geographical exposure of the Company, all directors are of French nationality.

Meetings of the Board of Directors and Specialized Committees are routinely conducted in person. The health situation in 2020 and lockdown and social distancing measures nevertheless led to the members of the Board of Directors attending these meetings by conference call, as authorized by the internal rules of the Board of Directors. Details of how to participate in each meeting is shown in chapter 4, sections 4.1.3 and 4.1.4, p. 261 et seq.

B. Current composition of the Board

The table below is a condensed presentation of the Board of Directors' composition at February 15, 2021, the date of closing of the financial statements for the fiscal year 2020:

Members of the Board of Directors	Personal information		Number of Mercialis shares owned ⁽¹⁾	Position on the Board of Directors			Membership of Specialized Committees		
	Gender	Age ⁽¹⁾		1 st appointment	Years of service	Expiry of directorship	ARSDC	STC ^{(2)*}	ACGC ⁽²⁾
Non-executive corporate officer									
Éric Le Gentil	M	60	27,800	02/13/2013	8	AGM 2022		○	○
Independent members									
Stéphanie Bensimon	F	44	100	06/07/2018	2	AGM 2022	○ C	○	
Victoire Boissier	F	53	2,000	04/20/2016	4	AGM 04/22/2021	○		○
Élisabeth Cunin	F	60	1,000	06/06/2012	8	AGM 2022		○ C	○
Dominique Dudan	F	67	3,500	04/26/2018	2	AGM 04/22/2021		○	○ C
Pascale Roque	F	60	1,990	10/24/2017	3	AGM 2022	○		
Generali Vie			7,373,571	04/30/2014	6	AGM 04/22/2021			
Bruno Servant, <i>permanent representative</i>	M	60	2,000	04/30/2014	6			○	
Directors representing the shareholder, Casino									
La Forézienne de Participations			17,632,626	12/10/2010	10	AGM 04/22/2021			
David Lubek, <i>permanent representative</i>	M	47	720	11/13/2017	3				
Jacques Dumas	M	68	508	08/22/2005	15	AGM 2023			○
Michel Savart	M	58	500	05/06/2010	10	AGM 2023	○	○	

(1) Determined as of February 15, 2021.

(2) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

ARSDC: Audit, Risks and Sustainable Development Committee

ACGC: Appointments, Compensation and Governance Committee

STC: Strategy and Transformation Committee

C: Chairwoman of the Committee

* Mr Vincent Ravat, in his capacity as Chief Executive Officer, is a permanent guest of the STC.

Given the geographical exposure of the Company, all directors are of French nationality.

A Board that reflects the shareholding structure of the Company

The Board is now composed of 10 directors. With 6 independent directors (60%), the Company is in line with the highest international standards. The Board regularly surveys its members about the ideal balance of its composition and of its Specialized Committees in order to assure its shareholders and the market that its duties are accomplished with the required independence and objectivity.

Excellent representation of women on the Board of Directors and its Committees

The Board of Directors consists of 5 women out of 10 directors, i.e. 50%. Furthermore, each Committee is chaired by an independent female director. The representation of women on the Audit, Risks and Sustainable Development Committee, the Investment Committee, and the Appointments and Compensation Committee was respectively 75%, 20% and 60% at December 31, 2020.

Since these committees were transformed and their compositions reviewed, on January 20, 2021, the Strategy and Transformation Committee and the Appointments, Compensation and Governance Committee have had female representation rates of 50% and 60% respectively.

Diversity policy

The Board of Directors endeavors to apply the principles of the AFEP-MEDEF Code concerning its composition. With the support of the Appointments, Compensation and Governance Committee, it periodically assesses its size, structure and composition, as it does for its Specialized Committees. Proposals for renewals take into account the findings of annual evaluations of the functioning of the Board and form the basis of recommendations from the Appointments, Compensation and Governance Committee.

The size of the Board is considered appropriate. The Board pursues its objective of maintaining the diversity and complementarity of its technical skills and experience, the balanced gender representation of women and men, and the percentage of independent directors above the 50% threshold recommended by the AFEP-MEDEF Code for companies with dispersed ownership without controlling shareholders.

Re-appointments of directors are proposed with a view to maintaining these balances and ensuring the availability of a set of skills commensurate with the Company’s activities, strategic priorities and the tasks devolved to the Board Committees. Consideration is also given to their wish to be associated with the Company’s development, their awareness of Mercialis’s Corporate Social Responsibility (CSR) commitments, and their availability, given the frequency of Board and Committee meetings.

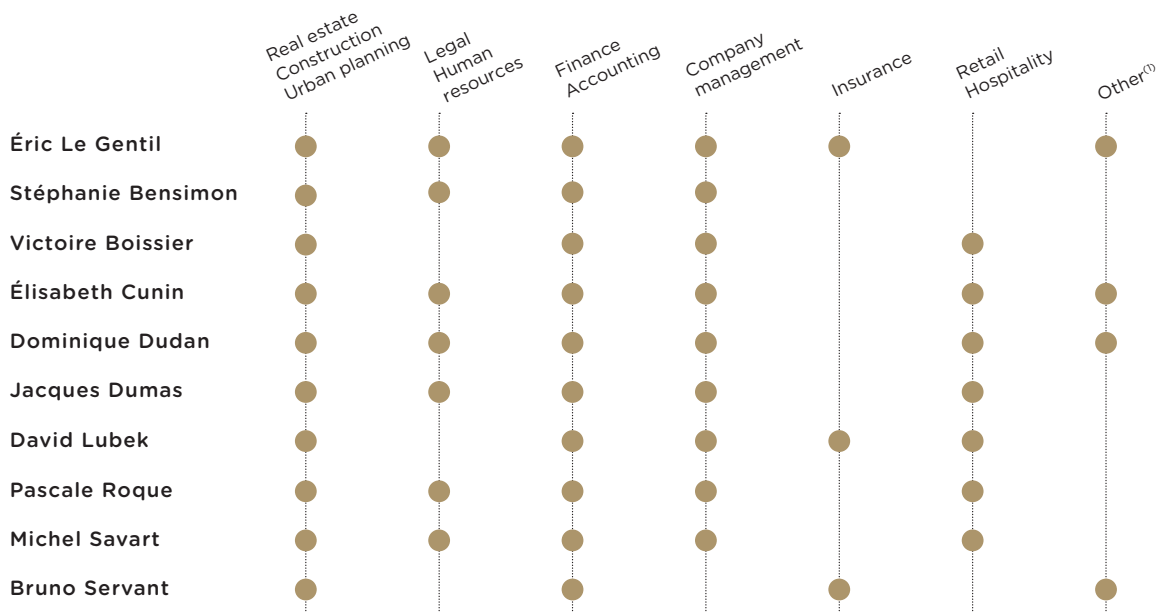
No objective is set in terms of age beyond compliance with the legal age limit. The Board prioritizes its members’ wealth of expertise and experience and the complementary nature of their skills.

Religious or political opinions, cultural, ethnic or racial affiliations, trade union activities, family situation, sexual preferences, health or disability, as well as social background cannot, under any circumstances, be taken into account in the process of selecting directors.

The Board of Directors also endeavors to achieve a balanced gender representation on its Specialized Committees. As at February 15, 2021, each Committee is chaired by a woman, while a majority of the members of the Audit, Risks and Sustainable Development Committee and the Appointments, Compensation and Governance Committee are women.

Diverse, cross-functional and complementary skills

The Board of Directors also supports the diversity of its skills with a panel of experienced members with proven expertise in real estate, asset management, finance, legal, human resources, marketing, retail and CSR:



(1) Of which IT and CSR in particular.

A Board composed of 60% independent directors

As regards the duties entrusted to it, the Appointments, Compensation and Governance Committee is tasked with monitoring the position of each of the directors in terms of any relationships they might have with the Company or Group companies to ensure that there is nothing that might compromise their freedom of judgment or might lead to possible conflicts of interest with the Company. In this capacity, the Appointments, Compensation and Governance Committee conducts an annual review of the composition of the Board of Directors and, more specifically, of the independence of Board members with regard to the criteria set out in the AFEP-MEDEF Code:

- criterion 1: not to be an employee or executive corporate officer of the Company, nor an employee, executive corporate officer or Director of a company consolidated by the Company, nor of the Company's parent company nor of a company consolidated by this parent company and not have been in such a position in the previous five years;
- criterion 2: not to be an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee appointed as such or an executive corporate officer of the Company (currently in office or having held such office in the previous five years) is a director;
- criterion 3: not to be (or directly or indirectly linked to) a major customer, supplier, corporate or financial banker, or senior adviser of the Company or of its Group, or for whom the Company or its Group represents a significant part of its business;
- criterion 4: not to have a close family tie to a corporate officer of the Company;
- criterion 5: not to have been the Company's Statutory Auditor in the preceding five years;

- criterion 6: not to have been a director of the Company for more than twelve years (independent status is lost after twelve years);
- criterion 7: not to be controlled by or represent a shareholder holding alone or in concert more than 10% of the share capital of the Company or voting rights at its General Meetings.

Every year, the Board pays particular attention to the criterion of significant business ties (criterion 3). When business flows or relationships have been identified between the Company and the companies in which directors, qualified as independent, hold positions or directorships, qualitative and/or quantitative factors are generally taken into consideration by the Board to confirm the independence of the directors concerned. In particular, the non-material business flow is assessed from the point of view of both the parties, as well as the length of the relationship in relation to the director's appointment.

Six directors meet the independence criteria in full: Stéphanie Bensimon, Victoire Boissier, Élisabeth Cunin, Dominique Dudan, Pascale Roque and Mr Bruno Servant, representative of Generali Vie. With regard to Élisabeth Cunin, the Board confirmed its analysis that the business relations between the Kiabi group, where she is an executive, and Mercialys, were not such as to compromise her independence of judgment on the Board nor likely to give rise to conflicts of interest. Indeed, of the 223 branches and 107 affiliates operated by Kiabi in France, only two are in Mercialys shopping centers. The rents paid by Kiabi to Mercialys accounted for 0.3% of the total rents received by Mercialys at December 31, 2020. The business flow between Mercialys and Kiabi is, therefore, not material.

The table below provides a summary analysis of the position of each of the directors regarding the independence criteria of the AFEP-MEDEF Code:

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7
INDEPENDENT DIRECTORS							
Stéphanie Bensimon	●	●	●	●	●	●	●
Victoire Boissier	●	●	●	●	●	●	●
Élisabeth Cunin	●	●	●	●	●	●	●
Dominique Dudan	●	●	●	●	●	●	●
Pascale Roque	●	●	●	●	●	●	●
Bruno Servant <small>Permanent representative of Generali Vie</small>	●	●	●	●	●	●	●
NON-INDEPENDENT DIRECTORS							
Jacques Dumas	●	●	●	●	●	●	●
Éric Le Gentil	●	●	●	●	●	●	●
David Lubek <small>Permanent representative of La Forézienne de Participations</small>	●	●	●	●	●	●	●
Michel Savart	●	●	●	●	●	●	●

● Independence criterion met ● Independence criterion not met

New directors undergo a rigorous selection process

New directors are recruited according to the needs of the Board of Directors, particularly in terms of skills and experience. The comments made when the Board's operations are assessed by the directors already in post are taken into account. On this basis, the most recent assessment, carried out in the fourth quarter of 2020, showed that the most important skills needed to complete the round table would be, in no order of priority, (i) CSR, (ii) exposure to technologies, (iii) retail real estate.

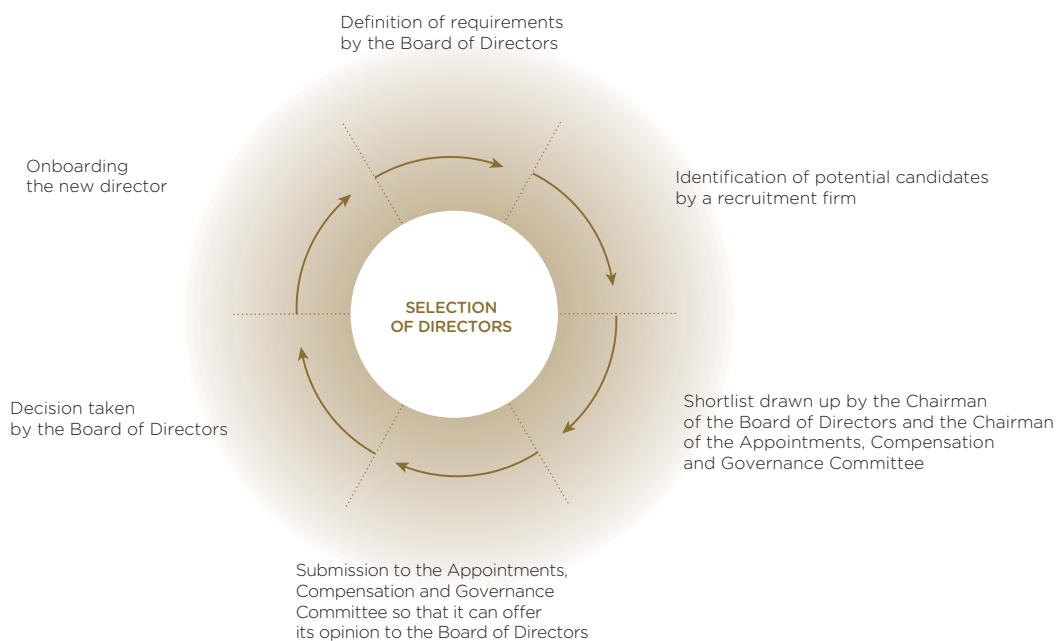
Independent external firms specializing in the recruitment of executives and corporate officers are charged with finding applicants. The most recent hires made on behalf of the Mercialys Board of Directors, namely, Mrs Stéphanie

Bensimon and Mrs Victoire Boissier, involved the firm EmÉric Lepoutre & Partners.

A selection of diverse profiles is presented to the Chairman of the Appointments, Compensation and Governance Committee, as well as to the Chairman of the Board of Directors, who may conduct interviews with all or some of the applicants. A shortlist of applicants is then submitted to the Appointments, Compensation and Governance Committee, which issues an opinion to the Board of Directors, which makes a decision from the profile(s) on offer.

Note that the choice of directors representing the Casino group remains at the discretion of the latter, as is the choice of the permanent representative of Generali Vie, Mercialys' second-largest shareholder.

DIRECTORS' SELECTION PROCESS



C. Directorships and positions held by members of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer

Éric Le Gentil

CHAIRMAN OF THE BOARD OF DIRECTORS

Date of birth: June 20, 1960

French citizen

Business address: 16-18, rue du Quatre-Septembre – 75002 Paris

Number of Mercialis shares held: 27,800

EXPERTISE AND EXPERIENCE

Mr Éric Le Gentil is a graduate of the École Polytechnique, the Institut d'Études Politiques de Paris and of the Institut des Actuaires Français. He began his career in 1985 in insurance auditing. From 1986 to 1992, he held various positions within the French Ministry of Finance including that of advisor on insurance matters to Pierre Bérégovoy's cabinet. From 1992 to 1999, he held various roles at Athéna Assurances and AGF Assurances. He joined the Generali France group in 1999 as Chief Executive Officer of Generali France Assurances Vie & Iard. In December 2004, he was appointed Chief Executive Officer of Generali France Assurances. From July 17, 2013 until February 13, 2019, Mr Éric Le Gentil was Chairman and Chief Executive Officer of Mercialis. Since February 13, 2019, he has been Chairman of the Board of Directors of the Company.

MAIN POSITION

- Chairman of the Board of Directors of Mercialis (listed company)

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date of appointment ⁽¹⁾	Date when term expired
• Director	February 13, 2013	OGM to be held in 2022
• Chairman of the Board of Directors	February 13, 2013	OGM to be held in 2022
• Member of the Appointments, Compensation and Governance Committee ⁽²⁾	January 20, 2021	OGM to be held in 2022
• Member of the Strategy and Transformation Committee ⁽²⁾	January 20, 2021	OGM to be held in 2022

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Within and outside the Mercialis group		
• Chairman of Ergera		
• Senior Advisor at Datafolio		
Directorships and positions ended during the past 5 years		
• Director of the non-profit organization Amis et Mécènes de l'Opéra Comique – AMOC		
• Chief Executive Officer of Mercialis	○	
• Managing Partner of La Diane		
• Member of the Mercialis Investment Committee and member of the Appointments and Compensation Committee ^{(2)*}	○	

(1) Mr Éric Le Gentil was the permanent representative of Generali Vie, Director of Mercialis, from January 1, 2009 to February 13, 2013.

(2) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see section 4.1.4 Specialized Committees below).

* Directorships and positions ending on January 20, 2021.

Vincent Ravat

CHIEF EXECUTIVE OFFICER - NON-DIRECTOR

Date of birth: March 15, 1974

French citizen

Business address: 16-18, rue du Quatre-Septembre - 75002 Paris

Number of Mercialys shares held: 8,841

EXPERTISE AND EXPERIENCE

Mr Vincent Ravat joined Mercialys in January 2014 as Deputy CEO responsible for letting, operations, marketing & communication teams. Previously, he served from 2011 as Director of Operations France for Hammerson, a property investment, development and management group, listed on the London Stock Exchange, developing its activities in the United Kingdom and France. From 2000 to 2010, he held various positions in Asia, Switzerland, Spain and France, with the Ludendo and Distritoys groups, where he was a member of the Executive Committee. He is a graduate of ESC Rouen (now Neoma Business School) and member of the Royal Institution of Chartered Surveyors (MRICS). He was Deputy Chief Executive Officer of Mercialys from August 2016 to February 2019, and he now serves as Chief Executive Officer.

MAIN POSITION

- Chief Executive Officer of Mercialys (listed company)

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Chief Executive Officer	February 13, 2019	OGM to be held in 2022

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Within the Mercialys group		
• Managing partner of Toutoune		
• Member of the Strategic Committee of SCI Rennes-Anglet		
Outside the Mercialys group		
• Director of the <i>Institut pour la Ville & le Commerce</i>		
• Director of the <i>Fédération des Sociétés Immobilières et Foncières</i> (FSIF)		
• Executive Vice-Chairman, member of the Management Committee and member of the Board of Directors of the <i>Conseil National des Centres Commerciaux</i> (CNCC)		
Directorships and positions ended during the past 5 years		
• Deputy Chief Executive Officer of Mercialys	○	
• Chairman of Mercialys Exploitation		
• Managing partner of La Diane*		

* Directorships and positions ended in 2020.

Élizabeth Blaise

DEPUTY CHIEF EXECUTIVE OFFICER - NON-DIRECTOR

Date of birth: July 2, 1976

French citizen

Business address: 16-18, rue du Quatre-Septembre – 75002 Paris

Number of Mercialys shares held: 2,360

EXPERTISE AND EXPERIENCE

A graduate of the Institut d'Etudes Politiques de Paris, Ms Élizabeth Blaise began her auditing career at Mazars & Guérard. In 2001, she joined Oddo Securities as a financial analyst, first in the building materials sector, then in real estate in France. She expanded her scope to European real estate by joining Exane BNP Paribas in 2007 in London. She took on the role of Director of Financial Communications and Strategic Studies for Gecina between 2010 and 2014. Since September 2014, she has served as Chief Financial Officer of Mercialys and since February 2019 she has been in the role of Deputy Chief Executive Officer.

MAIN POSITIONS

- Deputy Chief Executive Officer and Chief Financial Officer of Mercialys (listed company)

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Deputy Chief Executive Officer	February 13, 2019	OGM to be held in 2022

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Within the Mercialys group		
• Permanent representative of Mercialys on the Board of Administration of OPCI UIR II		
Directorships and positions ended during the past 5 years		
• Chairwoman of Mercialys Gestion		

Stéphanie Bensimon

INDEPENDENT DIRECTOR

Date of birth: May 6, 1976

French citizen

Business address: 20, place Vendôme - 75001 Paris

Number of Mercialis shares held: 100

EXPERTISE AND EXPERIENCE

Ms Stéphanie Bensimon has a DESS in Finance from the Université Paris IX Dauphine. Since 2016, she has held the position of Managing Director in charge of real estate activities for Ardian in Europe. She has almost twenty years of experience in real estate investment, including five years at Invesco Real Estate where she was Head of Investments for France, Belgium and Southern Europe from 2011. Prior to this, she worked for Carval Investors, a subsidiary of the Cargill group, and at GE Real Estate group where she was responsible for real estate investment in for Europe.

MAIN POSITION

- Managing Director, in charge of real estate activities for Ardian France

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	June 7, 2018	OGM to be held in 2022
• Member of the Audit, Risks and Sustainable Development Committee	June 7, 2018	OGM to be held in 2022
• Chairwoman of the Audit, Risks and Sustainable Development Committee	February 13, 2019	OGM to be held in 2022
• Member of the Strategy and Transformation Committee ⁽¹⁾	January 20, 2021	OGM to be held in 2022

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
• Director of Poste Immo		
• Chairwoman of Areefnap1		
• Chairwoman of Areefnap2		
• Chairwoman of Areefrio1.SAS		
• Chairwoman of Areefrio2.SAS		
• Chairwoman of RamREF 2 SAS		
• Managing partner of SCI Charlotte		
• Managing partner of SCI Tamara		
• Managing partner of La Galaxie		
• Managing partner of ORYOM17H3		
Directorships and positions ended during the past 5 years		
• Co-Manager of Gerpresse - <i>Gestion Étude et Réalisation de Presse</i>		
• Managing partner of West Bridge SCI		

(1) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

Victoire Boissier

INDEPENDENT DIRECTOR (DIRECTORSHIP SUBJECT TO RENEWAL)

Date of birth: December 28, 1967

French citizen

Business address: 6, allée Jean-Prouvé – 92110 Clichy

Number of Mercialis shares held: 2,000

EXPERTISE AND EXPERIENCE

With degrees from EM Lyon (major in Finance) and the INSEAD International Executive Program, Ms Victoire Boissier began her career in 1990 in the banking sector (Barclays) and then joined Générale de Restauration. Between 1995 and 2008 she held a series of positions within Yum France: Financial Analyst, Manager of Strategic Planning, Senior Financial Manager and Chief Financial Officer. From 2009 to 2017, Victoire Boissier has held the position of Vice-President Finance within the Louvre Hotels group and is a member of the Executive Committee. In 2017, she joined the Grandir/Les Petits Chaperons Rouges educational group, as Deputy Chief Executive Officer.

MAIN POSITION

- Deputy Chief Executive Officer Group Finance at Grandir/Les Petits Chaperons Rouges

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	April 20, 2016	OGM of April 22, 2021
• Member of the Audit, Risks and Sustainable Development Committee	April 23, 2020	OGM of April 22, 2021
• Member of the Appointments, Compensation and Governance Committee ⁽¹⁾	January 20, 2021	OGM of April 22, 2021

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Within and outside the Mercialis group		
• None		
Directorships and positions ended during the past 5 years		
• Managing Partner of Achats Services		
• Member of the Executive Committee and Vice-President Finance of Louvre Hôtels group		
• Member of the Mercialis Appointments and Compensation Committee ^{(1)*}	○	

(1) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

* Directorships and positions ended on January 20, 2021.

Élisabeth Cunin

INDEPENDENT DIRECTOR

Date of birth: September 17, 1960

French citizen

Business address: 100, rue du Calvaire - 59510 Hem

Number of Mercialis shares held: 1,000

EXPERTISE AND EXPERIENCE

Ms Élisabeth Cunin is a graduate of the École Polytechnique, of ENSAE and the Institut d'Études Politiques de Paris. She began her career within McKinsey. She then moved to the retail sector, first with Dia, then with Etam. She became Chief Executive Officer of André in 2001 and then of Etam Lingerie in 2005. In 2011, she became Chairwoman of Comptoir des Cotonniers and Princesse Tam-Tam, brands owned by Japanese group Fast Retailing, which also owns Uniqlo. From October 2013 to September 2018 she pursued her career within the Camaïeu group as Chairwoman of the Management Board and then Chairwoman. In May 2019, Ms Élisabeth Cunin was appointed Chairwoman of the Kiabi group.

MAIN POSITION

- Chairwoman of Kiabi group

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	June 6, 2012	OGM to be held in 2022
• Member of the Appointments, Compensation and Governance Committee ⁽¹⁾	January 20, 2021	OGM to be held in 2022
• Chairwoman and member of the Strategy and Transformation Committee ⁽¹⁾	January 20, 2021	OGM to be held in 2022

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
• Chairman and Chief Executive Officer and director of Bunsha International		
• Chairwoman of the Company & EC		
• Director of the 1001 Fontaines non-profit organization		
• Director of the Solfa non-profit organization		
Directorships and positions ended during the past 5 years		
• Chairwoman of Camaïeu International		
• Chairwoman and member of the Management Board of Financière Brame		
• Chairwoman of the Financière Brame		
• Permanent representative of Camaïeu International on the Board of Directors of Mode Développement Belgique SA		 BEL
• Permanent representative of Camaïeu International, General Partner of Camaïeu Monaco & Cie		 MCO
• Executive Manager of Camaïeu Asia		 SGP
• Executive Director of Camaïeu Apparel (Shanghai) Co Ltd.		 CHN
• Chairwoman and member of the Mercialis Appointments and Compensation Committee ^{(1)*}	○	

(1) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

* Directorships and positions ended on January 20, 2021.

Dominique Dudan

INDEPENDENT DIRECTOR (DIRECTORSHIP SUBJECT TO RENEWAL)

Date of birth: January 19, 1954

French citizen

Business address: 1, rue de Condé – 75006 Paris

Number of Mercialys shares held: 3,500

EXPERTISE AND EXPERIENCE

With a science background, Ms Dominique Dudan joined the real estate industry in various operational roles. Then, between 1996 and 2005, she held the position of Head of Development with Accor Hotels & Resorts. She later joined HSBC Reim as Head of Operations and member of the Management Board, and then BNP Paribas Reim as Executive Vice-President and Head of Regulated Real Estate Funds. In 2009, Ms Dominique Dudan created her own firm, Artio Conseil, while holding the position of Chief Executive Officer of Arcole Asset Management. In early 2011, Ms Dominique Dudan became Chairwoman of Union Investment Real Estate France, a position she held until July 2015. She has been a member of the Board of Directors of Gecina since 2015, and a member of the Supervisory Board of Swiss Asset Managers France (formerly Swiss Life Reim - France) since 2017. Ms Dominique Dudan is a Fellow of the Royal Institution of Chartered Surveyors. She has been a long-term member of the MEDEF Economic Commission for the Service Professions Group and the Île-de-France Real Estate Club. She has the title of Chevalier de l'Ordre National du Mérite.

MAIN POSITION

- Company director

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	April 26, 2018	OGM of April 22, 2021
• Chairwoman and member of the Appointments, Compensation and Governance Committee ⁽¹⁾	January 20, 2021	OGM of April 22, 2021
• Member of the Strategy and Transformation Committee ⁽¹⁾	January 20, 2021	OGM of April 22, 2021

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialys group		
• Director, member of the Audit and Risk Committee and Chairwoman of the Appointments and Compensation Committee of Gecina	○	
• Member of the Supervisory Board and Chairwoman of the Audit Committee of Selectirente	○	
• Member of the Supervisory Board and member of the Audit and Risk Committee of Swiss Life Asset Managers France		
• Chairwoman and member of the Supervisory Board of Sofidy Pierre Europe (OPCI)		
• Senior Advisor for the real estate section of LBO France Gestion		
• Chairwoman and member of the Supervisory Board of Altixia XII		
• Member of the Supervisory Board of Altixia Commerces		
• Member of the Supervisory Board of Pierre Expansion		
• Chairwoman of Artio Conseil		
• Managing partner of SCI du 92		
• Managing partner of William's Hotel		
Directorships and positions ended during the past 5 years		
• Co-manager of Warburg-HIH Invest France		
• Director and Vice-President of the Observatoire Régional de l'Immobilier d'Entreprise en Île-de-France		
• Managing Partner of SCI du Terrier		
• Voluntary liquidator of Les Artisans du Son		
• Chairwoman and member of the Investment Committee and member of the Appointments and Compensation Committee of Mercialys ^{(1)*}	○	

(1) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

* Directorships and positions ended on January 20, 2021.

Jacques Dumas

NON-INDEPENDENT DIRECTOR

Date of birth: May 15, 1952

French citizen

Business address: 148, rue de l'Université - 75007 Paris

Number of Mercialis shares held: 508

EXPERTISE AND EXPERIENCE

Mr Jacques Dumas holds a Master's Degree in Law and studied at the Institut d'Études Politiques de Lyon. He began his career as a lawyer, then served as Administration Manager for Compagnie Française de l'Afrique Occidentale - CFAO (1978-1986). In 1987 he joined Rallye group as Deputy Corporate Secretary, then became Manager of Legal Affairs of the Euris group in 1994. He is currently Executive Vice-President of Euris and advisor to the Chairman of Casino, Guichard-Perrachon.

MAIN POSITIONS

- Adviser to the Chairman of Casino, Guichard-Perrachon (listed company) and Executive Vice-President of Euris

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	August 22, 2005	OGM to be held in 2023
• Member of the Appointments, Compensation and Governance Committee ⁽¹⁾	January 20, 2021	OGM to be held in 2023

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
Within the Euris group		
• Director of Rallye		
• Permanent representative of Euris on the Board of Directors of Finatis and member of the Audit Committee	○	
• Permanent representative of Euris on the Board of Directors of Casino, Guichard-Perrachon	○	
• Member of the Supervisory Committee of Monoprix	○	
Outside the Euris group		
• Managing partner of Cognacq-Parmentier		
• Managing partner of Longchamp-Thiers		
Directorships and positions ended during the past 5 years		
• Member of the Appointments and Compensation Committee of Rallye	○	
• Permanent representative of Cobivia on the Board of Directors of Casino, Guichard-Perrachon	○	
• Member of the Appointments and Compensation Committee of Casino, Guichard-Perrachon	○	
• Member of the Audit, Risks and Sustainable Development Committee of Mercialis	○	
• Member of the Mercialis Appointments and Compensation Committee ^{(1)*}	○	

(1) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

* Directorships and positions ended on January 20, 2021.

Pascale Roque

INDEPENDENT DIRECTOR

Date of birth: February 14, 1961

French citizen

Business address: Atream - 153, rue du Faubourg St-Honoré - 75008 Paris

Number of Mercialis shares held: 1,990

EXPERTISE AND EXPERIENCE

Ms Pascale Roque is a graduate of ESSEC. She began her career in 1985 at Air France, a group where she spent 15 years, and became involved in topics with major operational issues and organization transformation. In 2001, she joined the Accor hotel group, where she worked as the group's Director of international sales, then sales force and then call centers. In 2006, she was promoted to Chief Executive Officer of the Formule 1 and Etap Hôtel hotels. In 2009, she joined the Pierre & Vacances group as Chief Executive Officer of Résidences Pierre & Vacances and Maeva. In 2013, she became Chief Executive Officer of the B&B Hotels chain. In 2016, Ms Pascale Roque was brought back by the Pierre & Vacances Center Parcs group to take over the general management of Pierre & Vacances Tourisme and accelerate the brand's international development, continue its move upmarket and open it up to franchising. Since June 2020, she has been Chief Executive Officer of the Tourism division of Atream, an asset management company (Euro 4 billion), half of which involves the tourism sector (135 establishments in France, Belgium, the Netherlands and Germany). With a strong belief in this sector, the Company's objective is to diversify the assets under management, whether Business premises alone or Business premises and Goodwill.






MAIN POSITION

- Head of Tourism, in charge of investment and tourism asset management at the property management company Atream

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	October 24, 2017	OGM to be held in 2022
• Member of the Audit, Risks and Sustainable Development Committee	December 21, 2017	OGM to be held in 2022

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
• None		
Directorships and positions ended during the past 5 years		
• Chairwoman of the Mercialis Audit, Risks and Sustainable Development Committee	○	
• Member of the Executive Committee of the Pierre & Vacances group*		
• Chief Executive Officer of Pierre & Vacances Tourisme*		
• Chief Executive Officer of PV-CP Holding Exploitation*		
• Chief Executive Officer of PV-CP Gestion Exploitation*		
• Chief Executive Officer of PV Résidences & Resorts France*		
• Chief Executive Officer of S.E.T. Pierre & Vacances Guadeloupe*		
• Chief Executive Officer of S.E.T. Pierre & Vacances Martinique*		
• Permanent representative of PV-CP Gestion Exploitation on the Board of Directors of Sogire*		
• Permanent representative of PV Résidences & Resorts France on the Board of Directors of PV Exploitation Belgique		 BEL
• Deputy Director of PV Exploitation Belgique*		 BEL
• Director of Sociedad de Explotación Turística Pierre et Vacances España SL*		 ESP
• Director of Bonavista de Bonmont SL*		 ESP
• Director of Pierre & Vacances Italia S.r.l.*		 ITA
• Manager of Pierre et Vacances Maeva Tourisme Haute-Savoie*		
• Manager of the Société Hôtelière de l'Anse à la Barque*		

* Directorships and positions ended in 2020.

Michel Savart

NON-INDEPENDENT DIRECTOR

Date of birth: April 1, 1962

French citizen

Business address: Foncière Euris – 83, rue du Faubourg Saint-Honoré – 75008 Paris

Number of Mercialis shares held: 500

EXPERTISE AND EXPERIENCE

Mr Michel Savart is a graduate of the École Polytechnique and the École Nationale Supérieure des Mines de Paris. He started his career with Havas in 1986, then moved to Banque Louis Dreyfus in 1987 where he led various projects. Between 1988 and 1994 he managed projects for Banque Arjil (Lagardère group) and advised the bank's Management Board. From 1995 to 1999 he served as Managing Director of Mergers & Acquisitions for Dresdner Kleinwort Benson (DKB). In October 1999, Mr Michel Savart joined Euris-Rallye as Head of Private Equity Investments and advisor to the Chairman. He currently holds the position of advisor to the Chairman of the Rallye-Casino group. Since August 2009, he has also been Chairman and Chief Executive Officer of Foncière Euris.






MAIN POSITIONS

- Adviser to the Chairman of the Rallye/Casino group and Chairman and Chief Executive Officer of Foncière Euris (listed company)

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	May 6, 2010	OGM to be held in 2023
• Member of the Audit, Risks and Sustainable Development Committee	December 12, 2018	OGM to be held in 2023
• Member of the Strategy and Transformation Committee ⁽¹⁾	January 20, 2021	OGM to be held in 2023

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
Within the Euris group		
• Chairman of the Management Board of Centrum Serenada Sp. Zoo		 POL
• Chairman of the Management Board of Centrum Krokus Sp. Zoo		 POL
• Member of the Supervisory Committee of Go Sport group		
• Permanent representative of Foncière Euris on the Board of Directors of Casino, Guichard-Perrachon	○	
• Representative of Foncière Euris, Chairwoman of Marigny Foncière and Mat-Bel 2		
• Representative of Marigny Foncière, co-Manager of SCI Les Deux Lions and SCI Ruban Bleu Saint-Nazaire		
• Representative of Marigny Foncière, Managing partner of SCI Pont de Grenelle and SNC Centre Commercial Porte de Châtillon		
Outside the Euris group		
• Chairman of Aubriot Investissements		
Directorships and positions ended during the past 5 years		
• Chairman of the Management Board of Centrum Riviera Sp. Zoo		 POL
• Representative of Delano Holding, co-Manager of Delano Participations*		
• Representative of Fenouillet Participation, Manager of Fenouillet Immobilier		
• Permanent representative of Fintis on the Board of Directors of Casino, Guichard-Perrachon	○	
• Representative of Foncière Euris, Chairwoman of Matignon Abbeville*		
• Representative of Immat Bel, Managing Partner of Marigny Fenouillet and Co-Manager of Delano Holding*		
• Representative of Marigny Fenouillet, Manager of Fenouillet Participation		
• Representative of Mat-Bel 2, Managing Partner of Immat Bel*, Marigny Fenouillet and Matbelys		
• Permanent representative of Rallye on the Supervisory Board of Go Sport group*		
• Permanent representative of Rallye on the Board of Directors of Go Sport group		
• Managing partner of Montmorency		
• Co-Manager of Loop 5 Shopping Centre GmbH		 DEU
• Co-Manager of Guttenbergstrasse BAB5 GmbH		 DEU
• Member of the Appointments and Compensation Committee of Mercialis	○	
• Member of the Mercialis Investment Committee ^{(1)**}	○	

(1) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

* Directorships and positions that ended in 2020.

** Directorships and positions that ended on January 20, 2021.

La Forézienne de Participations

NON-INDEPENDENT DIRECTOR (DIRECTORSHIP SUBMITTED FOR RENEWAL)

Simplified joint stock company with capital of Euro 568,599,197

Head office: 1, cours Antoine Guichard – 42000 Saint-Étienne

RCS 501 655 336 Saint-Étienne

Number of Mercialis shares held: 17,632,626

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	December 10, 2010	OGM of April 22, 2021

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
Within the Casino group		
• Chairman of Jekk		
• Director of Shopping Property Fund 1		
Directorships and positions ended during the past 5 years		
• Director of Proxipierre		

David Lubek

PERMANENT REPRESENTATIVE OF LA FORÉZIEENNE DE PARTICIPATIONS

Date of birth: May 13, 1973

French citizen

Business address: Groupe Casino - 148, rue de l'Université - 75007 Paris

Number of Mercialis shares held: 720

EXPERTISE AND EXPERIENCE

Graduate of École Polytechnique and ENSAE, holder of a post-graduate degree in economics (EHESS), Mr David Lubek began his career as assistant economics professor at ENSAE. He joined the Ministry of Finance in 2000 in the Budget Department, where he occupied several managerial positions (research budget, budget execution summary). In 2006, he joined the Finance Inspectorate, where he was in charge of consulting and audit assignments for the public and private sectors. He joined Groupama in 2010 as Director of the group's general audit. Mr David Lubek was Director of Management Control for the Casino group from 2013 until October 2018, when he was appointed Deputy Chief Financial Officer. In November 2018, he was appointed Chief Financial Officer of Casino group and joined the Executive Committee.

MAIN POSITIONS

- Chief Financial Officer and member of the Executive Committee of the Casino group

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Permanent representative of La Forézienne de Participations	November 13, 2017	OGM of April 22, 2021

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
Within the Casino group		
• Member of the Supervisory Committee of GreenYellow		
• Chairman and Chief Executive Officer and Director of Casino Finance		
• Chairman and member of the Supervisory Committee of Monoprix		
• Chairman and member of the Supervisory Committee of Cnova Pay		
Directorships and positions ended during the past 5 years		
• Member of the Audit, Risks and Sustainable Development Committee of Mercialis	○	
• Permanent representative of Casino, Guichard-Perrachon on the Supervisory Board of Monoprix		
• Director of Ségisor		
• Member of the Mercialis Investment Committee ^{(1)*}	○	

(1) As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

* Directorships and positions ended on January 20, 2021.

Société Generali Vie

INDEPENDENT DIRECTOR (DIRECTORSHIP SUBJECT TO RENEWAL)

Société anonyme (limited liability company) with capital of Euro 336,872,976

Head office: 2, rue Pillet-Will - 75009 Paris



RCS 602 062 481 Paris

Number of Mercialys shares held: 7,373,571

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Director	April 30, 2014	OGM of April 22, 2021

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialys group		
Within the Generali France group		
• Director of Generali IARD		
• Director of Generali Luxembourg		 LUX
• Director of GFA Caraïbes		
• Director of the non-profit organization The Human Safety Net France (THSN France)		
• Director of The Human Safety Net France endowment fund		
Outside the Generali France group		
• Director of Foncière Développement Logements	○	
• Director of Observation Sélection		
• Director of Reconnaissance Europe		
• Director of Risque & Sérénité		
• Director of Fonds Nouvel Investissement 1		
• Director of Fonds Nouvel Investissement 2		
• Director of Carte Blanche		
• Director of Immeo SE		 DEU
• Director of Comgest Monde		
• Member of the Supervisory Board of Covivio Hotels	○	
• Non-voting director of Fonds Logement Intermédiaire		
Directorships and positions ended during the past 5 years		
• Chairman of Haussmann Investissement		
• Director of Europe Assistance Holding		
• Director of Expert et Finances		
• Member of the Supervisory Board of Foncière de Paris SIIC	○	
• Member of the Supervisory Board of Foncia Pierre Rendement		
• Director of Vigeo		
• Director of Pour la Location du Moncey - Beeotop		
• Director of Palatine Mediterranea		

Bruno Servant

PERMANENT REPRESENTATIVE OF GENERALI VIE

Date of birth: February 26, 1960

French citizen

Business address: Generali France – 2, rue Pillet-Will – 75009 Paris

Number of Mercialis shares held: 2,000

EXPERTISE AND EXPERIENCE

A graduate of ESSEC and the Institut d'Études Politiques de Paris, Public Service section, and the Institut des Actuares, Mr Bruno Servant began his career at Crédit Lyonnais in August 1985. In January 1986 he became portfolio manager at Citibank, and in May 1988 he joined Banque Shearson Lehman Hutton. He joined Deutsche Bank in May 1990, where he was head of the Institutional Investment Management Department and Chairman of the Management Board of Deutsche Asset Management SA. In September 2003, he became Deputy Chief Executive Officer of UBS Global Asset Management France SA. He then joined the Generali group in September 2007 as Deputy Chief Executive Officer and Corporate Secretary of Generali Investment France. Since March 2012, he has been Investment Director at Generali Vie.

MAIN POSITION

- Investment Director at Generali Vie

DIRECTORSHIPS AND POSITIONS HELD WITHIN THE COMPANY AS AT FEBRUARY 15, 2021

Directorship/Position	Date appointed	Date when term expired
• Permanent representative of Generali Vie (until April 22, 2021)	April 30, 2014	OGM of April 22, 2021
• Member of the Strategy and Transformation Committee ⁽¹⁾	January 20, 2021	OGM of April 22, 2021

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
Outside the Generali France group		
• Representative of Generali Vie on the Board of Directors of SICAV Objectif Selection		
• Director of Sycomore Factory		
• Chairman of the Board of Directors of Generali Investments Asia Limited		 HKG
• Member of the Supervisory Board of Lion River I		 NLD
• Member of the Supervisory Board of Lion River II		 NLD
• Member of the Board of Generali Insurance Management SpA (SGR)		 ITA
• Chairman of the Board of Generali Real Estate S.p.A.		 ITA
• ILN Board of Director member for Generali SpA		 CAN
Directorships and positions ended during the past 5 years		
• Permanent representative of Generali Vie, member of the Supervisory Board of Foncière de Paris SIIC	○	
• Managing partner of GF Pierre*		
• Member of the Mercialis Investment Committee ^{(1)**}	○	

⁽¹⁾ As a result of decisions taken by the Board of Directors on January 20, 2021, the Investment Committee was transformed into the Strategy and Transformation Committee, and the Appointments and Compensation Committee became the Appointments, Compensation and Governance Committee (see § 4.1.4 Specialized Committees below).

* Directorships and positions ended in 2020.

** Directorships and positions ended on January 20, 2021.

Sébastien Pezet

PERMANENT REPRESENTATIVE OF GENERALI VIE
(FROM APRIL 22, 2021, SUBJECT TO RENEWAL OF HIS DIRECTORSHIP)

Date of birth: August 19, 1975

French citizen

Business address: Generali France - 2, rue Pillet-Will - 75009 Paris

Number of Mercialis shares held: 0

EXPERTISE AND EXPERIENCE

Sébastien Pezet holds a master's degree in economics and a master's degree in real estate from the University of Paris Dauphine. He joined Generali Real Estate in 2002. He has been Director for Western Europe since January 2018 with a portfolio totaling Euro 11 billion under management comprising offices, retail, logistics and residential. He had previously been appointed head of the French division in 2015. Sébastien Pezet previously worked for two years at Archon Group, a subsidiary of Goldman Sachs, managing Whitehall funds.

MAIN POSITION

- Head of Western Europe Region - Generali Real Estate

OTHER DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercialis group		
Within the Generali France group		
• Head of Generali Real Estate S.P.A in France		
• Chairman of the Board of Directors and Director of OFI GR1		
• Chairman of the Board of Directors and Director of OFI GB1		
Outside the Generali France group		
• Representative of Generali Real Estate, Director of the Fédération des Sociétés Immobilières et Foncières		
• Permanent representative of Generali Vie, member of the Supervisory Board of Covivio Hotels	○	
• Representative of Generali on the Economic and Financial Real Estate Committee of the FFA		
Directorships and positions ended during the past 5 years		
• Chairman of the Board of Directors and Director of Generali Résidentiel		
• Chairman of the Board of Directors and Director of Generali Bureaux		
• Chairman of the Board of Directors and Director of Immobilière Commerciale des Indes Orientales (IMMOCIO)		
• Member of the Supervisory Board of Covivio Immobilien SE		
• Member of the Supervisory Board of ANF Immobilier	○	
• Manager of the company Parcolog Gondreville Fontenoy 2		

D. Offices and positions held by a member of the Board of Directors who left office during the fiscal year 2020**Ingrid Nappi**

INDEPENDENT DIRECTOR UNTIL APRIL 23, 2020

Date of birth: April 1, 1966

French citizen

Business address: ESSEC Business School

1 avenue Bernard-Hirsch, BP 50105 - 95021 Cergy-Pontoise cedex

EXPERTISE AND EXPERIENCE

With a Ph.D. in economics from Université Paris XII and degrees from Université Paris Dauphine (HDR in management science) and the Institut d'Études Politiques de Paris (HDR in Urban Planning and Development), Ms Ingrid Nappi is a Professor at ESSEC (since 1994). She is also in charge of the Real Estate Economics course at ENPC. She began her career as an economics lecturer at the École Centrale de Lille (1989-1994). She is the author of several books: "Les bureaux, analyse d'une crise" (pub. ADEF, 1997), "Management et Marketing de l'immobilier" (pub. Dunod, 1999), "Les mutations de l'immobilier: de la Finance au Développement durable" (pub. Autrement, 2009), and "Immobilier d'entreprise: analyse économique des marchés" (pub. Economica, 2010, 2013). She has also written articles and columns for various academic and business reviews covering the property market. She was given a mandate by the Sustainable Building Plan in 2013-2014 to co-lead a working group on energy renovation and the construction industry. She is a member of several scientific committees. Ms Ingrid Nappi is a Fellow of the RICS (Royal Institution of Chartered Surveyors), and is also the founder and manager of the OMI (Real Estate Management Observatory).

MAIN POSITION

- Professor and Researcher

DIRECTORSHIPS AND POSITIONS

	Listed company	Outside France
Directorships and positions held in 2020 and in effect at February 15, 2021		
Outside the Mercalys group		
• Member of the <i>Conseil immobilier de l'État</i> (French government property council)		
• Director of the <i>Observatoire Régional du Foncier</i> en Île-de-France		
• Fellow of the Royal Institution of Chartered Surveyors		
Directorships and positions ended during the past 5 years		
• Director and member of the Mercalys Audit, Risks and Sustainable Development Committee*	○	
• Director of ComUE Université Paris Seine		

* Directorships and positions ended in 2020.

E. Changes in the composition of the Board of Directors and its Specialized Committees during the fiscal year 2020

	Board of Directors	Audit, Risks and Sustainable Development Committee	Investment Committee	Appointments and Compensation Committee
Departures	Ingrid Nappi* (as of April 23, 2020 - directorship not renewed)	Ingrid Nappi* (as of April 23, 2020)	None	None
Appointments	None	Victoire Boissier* (as of April 23, 2020)	None	None
Renewals	Jacques Dumas Michel Savart (as of April 23, 2020)	-	-	-

* Independent director.

F. Change in the composition of the Specialized Committees following the Board of Directors meeting of January 20, 2021 (and composition at February 15, 2021)

	Audit, Risks and Sustainable Development Committee	Investment Committee (until January 20, 2021)	Strategy and Transformation Committee (from January 20, 2021)	Appointments and Compensation Committee (until January 20, 2021)	Appointments, Compensation and Governance Committee (from January 20, 2021)
Departures	None	Dominique Dudan* , Chairwoman Éric Le Gentil David Lubek Michel Savart Bruno Servant* Vincent Ravat , Permanent guest	-	Élisabeth Cunin* , Chairwoman Victoire Boissier* Dominique Dudan* Jacques Dumas Éric Le Gentil	-
Appointments	None	-	Élisabeth Cunin* , Chairwoman Stéphanie Bensimon* Éric Le Gentil Dominique Dudan* Michel Savart Bruno Servant* Vincent Ravat , Permanent guest	-	Dominique Dudan* , Chairwoman Victoire Boissier* Élisabeth Cunin* Jacques Dumas Éric Le Gentil

* Independent director.

G. Directorships expiring at the Annual General Meeting of April 22, 2021

Directors	
Whose directorship expires	Whose directorship is proposed for renewal ⁽¹⁾
Victoire Boissier* Dominique Dudan* La Forézienne de Participations, represented by David Lubek Generali Vie, represented by Bruno Servant*	Victoire Boissier* Dominique Dudan* La Forézienne de Participations, represented by David Lubek Generali Vie, represented by Sébastien Pezet ^{(2)*}

(1) On the recommendation of the Appointments, Compensation and Governance Committee.

(2) Generali Vie has informed the Company that, subject to the renewal of its directorship, Mr. Sébastien Pezet will be appointed as its new permanent representative following the 2021 Annual General Meeting, replacing Mr. Bruno Servant.

* Independent director.

Hence, subject to the approval by the Annual General Meeting of April 22, 2021, at the end of the Meeting, the Board would continue to be composed of ten members with six independent directors as defined by the criteria of the AFEP-MEDEF Code, namely: Mrs Stéphanie Bensimon, Victoire Boissier, Élisabeth Cunin, Dominique Dudan, Pascale Roque and Generali Vie (represented by Mr Sébastien Pezet). The Board will also include three representatives of the shareholder, Casino, namely Messrs. Jacques Dumas and Michel Savart, and La Forézienne de Participations (represented by David Lubek). Independent directors would make up 60% of the Board and women, 50%.

4.1.2 Senior Management of the Company

Since February 13, 2019, and in order to further improve the quality of the Company's governance with respect to best market practices, the functions of Chairman of the Board of Directors and Chief Executive Officer have been separated. Mr Éric Le Gentil was appointed Chairman of the Board of Directors, Mr Vincent Ravat appointed Chief Executive Officer and Mrs Élisabeth Blaise appointed Deputy Chief Executive Officer.

The Annual General Meeting of April 25, 2019 renewed the directorship of Mr Éric Le Gentil, and the Board of Directors which met after this Annual General Meeting renewed this new governance for three years. As Chairman of the Board, Mr Éric Le Gentil will perform specific functions in addition to the Chairmanship of the Board, which are as follows:

- relations with major shareholders and with major financial and/or industrial partners;
- participation in the development of strategy and oversight of its implementation;
- interface between the Board of Directors and Senior Management.

A. Restrictions on the powers of the Company's Senior Management

The Chief Executive Officer and the Deputy Chief Executive Officer have the most extensive powers to act on behalf of the Company in all circumstances, pursuant to Article L. 225-56 of the French Commercial Code. These powers are to be exercised within the scope of the Company's purpose and of the powers expressly conferred by statute on Annual General Meetings and on the Board of Directors. They represent the Company in its relations with third parties. However, as part of good corporate governance, the Board of Directors has decided to limit the powers of Senior Management and to make certain management initiatives subject to its prior approval, depending on their nature or the amount involved. Thresholds have been set to ensure that the Board of Directors approves the most significant transactions, in accordance with statutes and the principles of corporate governance. The Chief Executive Officer cannot, therefore, carry out the following transactions without obtaining the Board of Directors' prior authorization:

- any transaction likely to affect the strategy of the Company and the companies it controls, their financial structure or the scope of their activity, in particular the signing or termination of any agreement likely to have a material effect on the future of the Company and/or its subsidiaries;
- any transaction or commitment exceeding Euro 10 million and, in particular:
 - any subscription or purchase of securities, any acquisition of an equity interest, immediate or deferred, in any *de facto* or *de jure* grouping or company, and any disposal, total or partial, of equity interests or securities,
 - any acquisition or assignment of claims, lease rights or other intangible assets,
 - any contribution or exchange, with or without consideration, affecting assets, rights, stocks or securities,
 - any acquisition or disposal of properties or real-estate rights,
 - any issue of securities by companies controlled directly or indirectly by the Company,
 - any measure with a view to granting or obtaining any loan, credit or cash advance,
 - any transaction or any settlement relating to a dispute.

However, the Euro 10 million threshold does not apply to the internal operations of the Mercialis group, which, where appropriate, require the approval of the Chief Executive Officer and the Deputy Chief Executive Officer.

The Chief Executive Officer may delegate some or all of his powers to the Deputy Chief Executive Officer or to a member of the Management Committee.

The same applies to development projects covered by the Partnership agreement with the Casino group, regardless of the amount concerned, which must be submitted to the Board of Directors for prior authorization in accordance with the terms of said agreement. Note that this Partnership agreement expired on December 31, 2020, so this clarification is no longer applicable.

Furthermore, Senior Management, *i.e.* the Chief Executive Officer and the Deputy Chief Executive Officer, has specific authorized annual limits on guarantees, loans, credit facilities, commercial papers and bond issues, which require their joint approval.

On December 10, 2020, the Board of Directors authorized Senior Management, for a period of one year, *i.e.* from January 1, 2021 to December 31, 2021, to give unlimited sureties, guarantees on the Company's behalf, to its subsidiaries in proportion to the stake held, unlimited in amount and subject to reporting on the use of this authorization at least once a year.

Senior Management is also authorized to negotiate and implement, including to renew and extend or replace, borrowings, confirmed lines of credit, cash advances and all financing contracts, whether syndicated or not, within the limit of an annual amount of Euro 100 million.

In addition, Senior Management is authorized to negotiate and issue commercial papers up to a maximum of Euro 500 million.

Finally, Senior Management is authorized to issue bonds for a total maximum amount of Euro 300 million per year and, in this regard, to set the characteristics and terms, and to carry out any related capital market transactions.

B. Management Committee

Mercialis applies the best standards of governance to its Management Committee, particularly in terms of composition, skills and responsibilities.

Set up in September 2019 to replace the Executive Committee, the Management Committee is primarily intended to represent all of the Company's key functions: Senior Management, Finance, Human Resources, CSR, Asset Management, Letting, Operations, Marketing, Legal, Innovation, Arbitrage and Acquisitions, Real Estate Development and Institutional Relations. This wide range of expertise means that the Company is more able to listen to its customers and stakeholders' expectations and to quickly pick up on early-warning signs and areas for improvement, resulting in a more proactive approach to risks and opportunities.

The Committee oversees and monitors operational performance and enables implementation of any initiatives to optimize it. All of the various departments' current issues and projects are analyzed. The fact that the Management Committee's operations are very much in touch with issues on the ground informs Senior Management discussions to decide on the Company's major focuses and the practical and effective allocation of its resources.

In 2020, the Management Committee was specifically tasked with managing any aspects of the health crisis that could impact the Company: introduction of improved health and safety measures, dialog with the various stakeholders (retailers, visitors, etc. local authorities, etc.), legal relationships with tenants and, in particular, any financial impacts. It also dealt with other operational issues such as letting, investment and disposal plans, and the CSR policy.

On February 15, 2021, the closing date of the financial statements for the fiscal year 2020, the Management Committee had 15 members, 53% of whom were women. The average age of its members is 43.7 years, ranging from 33 to 61 years. This generational diversity covers a representative range of consumers, and makes it possible to discuss each generation's relative perceptions of the shopping centers market and consumption habits. Average length of service is 6.1 years, with both long-term Mercialys employees and new hires, thus combining a solid base of historic Company

knowledge with a fresh perspective from employees who have recently joined from other industry stakeholders.

The appointment of Management Committee members is based on their expertise and the need to represent their function on the Company's management team. The total number of its members is therefore not fixed. Senior Management always ensures that its composition is as balanced as possible, particularly in terms of age and percentage of women, with Mercialys committed to ensuring that the latter is routinely maintained at around 50%. No consideration of religious or political opinions, cultural, ethnic or racial affiliations, trade union activities, family situation, sexual preferences, health or disability, or social background may be taken into consideration as part of the member selection process. Mercialys Senior Management itself decides whether to include an employee on the Management Committee, after consulting the Human Resources Department.

The composition of the Management Committee is as follows:

Member	Gender	Age at December 31, 2020	Department	Length of service at Mercialys at December 31, 2020 ⁽¹⁾
Vincent Ravat	M	46 years	Chief Executive Officer	7 years
Élizabeth Blaise	F	44 years	Deputy Chief Executive Officer and Chief Financial Officer	6 years
Fanny Faugère	F	48 years	Real Estate Innovation	11 years
Irving Gauthier	M	38 years	Administrative and Financial Department	0.3 years
Stéphane Girard	M	52 years	Development and Institutional Relations	0.7 years
Clément Goutagny	M	33 years	Customer Innovation	5 years
Fabrice Haurani	M	36 years	Arbitrage and Acquisitions	9 years
Didier Jacquél	M	61 years	Shopping Center Operations	5 years
Nathalie Monfort	F	53 years	Lettings	15 years
Julie Récart	F	38 years	Customer Experience	4 years
Christophe Rigo	M	52 years	Human Resources	2 years
Audrey Servadio	F	34 years	Corporate Social Responsibility	8 years
Amina Tonner	F	41 years	Mixed-use Projects	8 years
Anne-Violaine De Vregille	F	38 years	Legal Real Estate and Asset Management	10 years
Kristelle Wauters	F	41 years	Real Estate Operations	0.8 years

(1) Seniority as a Mercialys employee or as a service provider on the Company's behalf, since the Casino group has historically performed a significant number of support functions for Mercialys under the existing Service agreement between the two companies.

Members joining and leaving in 2020 helped to maintain Mercialys' excellent standards in terms of the composition of its Management Committee:

Departures from the Management Committee				New members of the Management Committee			
Member	Gender	Age at December 31, 2020	Department	Member	Gender	Age at December 31, 2020	Department
Raphaël Benjamin	M	38 years	Administrative and Financial Department	Irving Gauthier	M	38 years	Administrative and Financial Department
Nicolas Joly	M	38 years	Executive Vice-President	Stéphane Girard	M	52 years	Development and Institutional Relations
				Kristelle Wauters	F	41 years	Real estate operations

4.1.3 Preparation and organization of the Board of Directors' work

4.1.3.1 Operation of the Board of Directors

Pursuant to the provisions of Article L. 225-35 of the French Commercial Code, the Board of Directors determines the broad lines of the Company's business activities and ensures they are implemented. Except for powers expressly conferred on General Meetings and within the limit of the Company's purpose the Board of Directors concerns itself with all issues affecting the Company's operations and regulates the Company's affairs.

It also conducts such audits and reviews as it deems appropriate.

The Board of Directors also examines and approves the Company's and its subsidiaries' full-year and half-year consolidated financial statements and presents reports on their business and results; it determines the Company's business plan and financial projections. It reviews the management report and the Corporate Governance report, with a view to their approval. It appoints the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officer, and determines their compensation. It determines whether Senior Management functions are combined or separated. It allocates stock warrants, stock options and bonus shares, and implements employee shareholding plans. It also reviews the Company's equal opportunities and equal pay policy every year.

The manner in which the Board of Directors' work is prepared and organized is defined by statute, the Company's articles of association, the provisions of the Board of Directors' Internal rules and the charters of Board's Specialized Committees.

The Board of Directors shall meet as often as the interest of the Company requires and whenever the Board deems it appropriate. Meetings of the Board of Directors shall only be quorate if at least half the members are present. Decisions shall be taken by a majority of the members present or represented. In the event of a tie, the Chairman of the meeting shall have the casting vote.

The Chairman organizes and directs the Board of Directors' work and reports on it to the Annual General Meeting of shareholders.

In this respect, the Chairman convenes meetings of the Board of Directors and draws up the agenda and minutes. The Chairman monitors the operation of the Company's management bodies and verifies in particular that the directors are capable of carrying out their duties.

A. Internal rules of the Board of Directors

The organization and operation of the Board of Directors are governed by its Internal rules adopted on August 22, 2005. They were last amended on February 15, 2021 following the transformation of the Investment Committee into the Strategy and Transformation Committee, as well as the change of name of the Appointments and Compensation Committee to the Appointments, Compensation and Governance Committee, in order to update their role. The Internal rules also include the corporate governance principles which the Board upholds and applies.

The Internal rules also describe the functioning, powers, responsibilities and tasks of the Board and its Specialized Committees: the Audit, Risks and Sustainable Development Committee, the Appointments, Compensation and Governance Committee (formerly the Appointments and Compensation Committee) and the Strategy and Transformation Committee (formerly the Investment Committee).

The professional ethics rules and good governance principles applicable to the members of the Board of Directors are set forth in § 4.1.6, p. 269 et seq.

The Internal rules establish the principle that the functioning of the Board of Directors should be subject to regular formal appraisal.

They also describe the manner in which, and on what terms, meetings are conducted and votes are taken, and enable the directors to take part in Board meetings by videoconference or other means of telecommunication. The Internal rules of the Board of Directors are available to shareholders in this Universal Registration Document (see chapter 9, § 9.1.5, p. 447 et seq.). They may also be consulted online at the Company's website: www.mercialys.com.

B. Information on the Board of Directors

The conditions for exercising the right to information established by statute, and the obligations of confidentiality arising therefrom are specified in the Board's Internal rules.

The Chairman of the Board of Directors is required to provide each director with all the documents and information they require to perform their duties.

For this purpose, the information required for examination of the points to be discussed by the Board of Directors is provided to Board members before Board meetings. Each director is therefore provided with a file containing all the information and documents relating to the items on the agenda, subject to its availability and depending on the progress made on these cases. The introduction of a secure platform has made it possible to digitize Board and Committee files, facilitating data transmission and archiving, and improving the level of confidentiality.

Board members are informed of changes in the markets and in the competitive environment, and of the primary challenges faced, including those related to the Company's Corporate Social Responsibility.

Under the Internal rules of the Board of Directors, Senior Management provides the Board of Directors, at least once every six months, with a report on the activities of the Company and its main subsidiaries, including changes to revenues and results, investments and disposals, a statement

of debt and the credit facilities available to the Company and its main subsidiaries, a list of the agreements referred to in Article L. 225-39 of the French Commercial Code entered into during the previous half, and a table showing the number of employees of the Company and its main subsidiaries.

When directors take office, they receive all the information necessary for the performance of their duties and may ask to be provided with all documents they believe to be useful. Interviews are organized with certain members of the Management Committee so that they can improve their knowledge of the factors specific to the Company, its businesses and its markets.

Senior Management and the Board's secretariat are available to all directors to provide any information or pertinent explanation.

Between Board meetings, the Directors receive all important information about the Company or about any event that significantly affects the Company, about the transactions or information previously provided to them, or the subjects discussed at meetings. They are invited to the meetings where the financial results are presented to financial analysts.

All directors can, if they deem it necessary, receive additional training on the Company's specific features, businesses, areas of activity, its social, societal and environmental priorities, and on accounting or financial aspects in order to further their knowledge. No director asked for training in 2020.

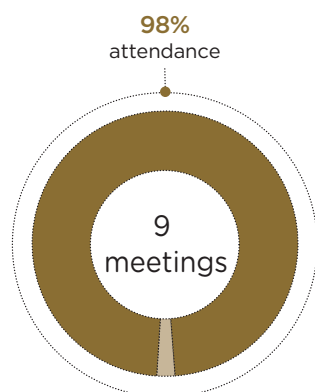
4.1.3.2 Duties of the Board of Directors

A. Calendar of Board of Directors meetings in 2020 and arrangements for member participation

	Feb 12, 2020	March 9, 2020	April 1, 2020	April 22, 2020	April 23, 2020	June 18, 2020	July 27, 2020	Oct 21, 2020	Dec 10, 2020
Éric Le Gentil	👤	👤	🗨️	🗨️	🗨️	🗨️	👤	👤	🗨️
Stéphanie Bensimon *	🗨️	👤	🗨️	🗨️	🗨️	🗨️	👤	👤	🗨️
Victoire Boissier *	👤	👤	🗨️	🗨️	🗨️	🗨️	👤	👤	🗨️
Élisabeth Cunin *	👤	👤	🗨️	🗨️	🗨️	🗨️	👤	👤	🗨️
Dominique Dudan *	👤	👤	🗨️	🗨️	🗨️	🗨️	👤	👤	🗨️
Jacques Dumas	👤	👤	🗨️	🗨️	🗨️	🗨️	🗨️	🗨️	🗨️
David Lubek	👤	👤	🗨️	🗨️	🗨️	🗨️	🗨️	🗨️	🗨️
Ingrid Nappi * <i>(director until April 23, 2020)</i>	👤	✗	🗨️	🗨️	-	-	-	-	-
Pascale Roque *	👤	👤	🗨️	🗨️	🗨️	✗	👤	👤	🗨️
Michel Savart	👤	👤	🗨️	🗨️	🗨️	🗨️	🗨️	🗨️	🗨️
Bruno Servant *	👤	👤	🗨️	🗨️	🗨️	🗨️	🗨️	👤	🗨️

* Independent director.

👤 Physical presence 🗨️ Attendance via telephone conferencing ✗ Non-attendance



B. Activity in 2020

In 2020, the Board of Directors' work was largely focused on managing the health crisis. The issues dealt with throughout the year particularly concerned the introduction of health and safety measures at the Company's premises and at retail sites, as well as impacts on the business, relations with tenants, changes in marketing initiatives and balance sheet positions. For this reason, the Board of Directors reviewed the Company's budgetary guidelines and authorized the refinancing policy and operations. The Board also spoke out on changes in the Company's management and strategic outlook resulting from this crisis situation.

It also regularly dealt with issues relating to Mercialys' CSR policy, both in terms of the level of achievement of objectives within the framework of the five-year strategy, Mery'21, which came to an end in 2020, as well as developing the new ten-year strategy. Human resources issues have been the subject of close analyzes, focusing in particular on employee commitment and satisfaction, compensation policies, diversity and professional equality.

The Board's work also focused on the Company's asset rotation strategy, helping to control LTV. In this respect, the Board authorized the completion of disposal operations, which mainly involved the sale of premises at a Monoprix site to an institutional investor, as well as the sale of the three premises at Monoprix sites and two Géant hypermarkets, to SCI AMR. It also approved Mercialys' acquisition of two shopping centers from SCI AMR, as well as one shopping center from Amundi Immobilier.

The Board of Directors noted the end of the Partnership agreement with the Casino group and reviewed procedures for internalizing certain functions previously outsourced under the Service agreement with the same group.

Lastly, the Board approved the financial statements at December 31, 2019, the financial statements for the first half of 2020, as well as the business plan and financial projections of Mercialys. It approved the reports and resolutions submitted to the Combined Ordinary and Extraordinary General Meeting on April 23, 2020. It was also informed of the Company's operations at the end of March and at the end of September 2020.

C. Corporate governance

The Board of Directors also reviewed the Company's position with regard to the principles of corporate governance: composition and organization of the Board and the Committees, renewal of the directorships and independence of the directors.

The Board of Directors has approved the management report and the Corporate Governance report.

The Board was informed of the work of the Specialized Committees as described below (see § 4.1.4, p. 265 et seq.).

Furthermore, the Company's independent directors met on October 21, 2020. They submitted a report on their observations and recommendations to the Chairman of the Board of Directors. They confirmed to the Chairman of the Board of Directors the smooth functioning of the Board and, in particular, highlighted on Senior Management's availability and its regular dialog with the Board. The independent directors also indicated to the Chairman that they have every confidence in Senior Management and support it in all its projects. They have stated their wishes, particularly in terms of strategy, given the current climate.

D. Corporate Social Responsibility

The Board of Directors also approved chapter 2 of the 2019 Universal Registration Document, presenting the Group's CSR policies as part of the ongoing progress plan launched by Mercialys. These policies are based on four fundamental principles.

1. Define an ambitious, achievable strategy that helps create differentiation;
2. Prefer experimentation prior to the roll-out of certain initiatives;
3. Be agile with a strong capacity to adapt to the regions;
4. Promote the implementation of partnership arrangements with certain stakeholders.

Their roll-out is backed by the commitment of all teams to building the strategy, to setting quantitative and qualitative objectives depending on the subject, to introducing them gradually into each business line, and to developing a communication strategy tailored to the different audiences.

By means of the report by the Audit, Risks and Sustainable Development Committee, the Board of Directors was also informed of all the points listed in § 4.1.4.1, C, p. 266, and in particular the Mercialys CSR 2019 assessment, its CSR 2020 roadmap, and changes in its ethics approach aimed at ensuring compliance with the highest standards of business ethics.

E. Compensation - Granting of bonus shares

After consulting the Appointments and Compensation Committee, the Board of Directors decided on the variable compensation to be paid in respect of fiscal year 2019 to Messrs. Éric Le Gentil and Vincent Ravat, as well as Élisabeth Blaise as, respectively, Chairman of the Board of Directors, Chief Executive Officer and Deputy Chief Executive Officer, on the basis of the quantitative and qualitative objectives approved by the Board of Directors.

In accordance with the provisions of the *Sapin II* Law, the amount of this variable compensation was submitted for the approval of the Ordinary General Meeting of April 23, 2020 (*ex-post* resolutions approved at 98.83% for Mr Éric Le Gentil, at 93.03% for Mr Vincent Ravat and at 98.32% for Mrs Elizabeth Blaise). This compensation was paid to the corporate officers at the end of the Annual General Meeting of April 23, 2020.

In connection with the 2020 compensation policy presented to the Ordinary General Meeting of April 23, 2020, the Board of Directors also set the 2020 objectives for the compensation of Mr Vincent Ravat as Chief Executive Officer and Mrs Élisabeth Blaise as Deputy Chief Executive Officer. Mr Éric Le Gentil as Chairman of the Board of Directors no longer receives variable compensation. The Board also set the principles and criteria for all compensation of executive corporate officers.

4.1.4 Specialized Committees

The Board of Directors is assisted by Specialized Committees composed exclusively of directors.

The latter are appointed by the Board of Directors for the duration of their term of office as director, in view of their training, expertise and experience, attempting to ensure, wherever possible, a gender balance on each Committee. Details

of the members' expertise are presented in §4.1.1.2, B, p. 236 et seq. The Board also appoints the Chairman of each committee.

The assignments and specific operating methods of each committee were defined by the Board when the committees were set up and included in the internal rules. The Chairman of each committee reports to the Board of Directors on the work of each of its meetings.

On February 15, 2021, the closing date of the financial statements for the fiscal year 2020, the Specialized Committees were composed as follows:

	Audit, Risks and Sustainable Development Committee	Appointments, Compensation and Governance Committee	Strategy and Transformation Committee
	4 members 3 of whom are independent ⁽¹⁾	5 members 3 of whom are independent	6 members 4 of whom are independent ⁽¹⁾
Chairwomen - Independent	Stéphanie Bensimon	Dominique Dudan	Élisabeth Cunin
Other independent members	Victoire Boissier Pascale Roque	Victoire Boissier Élisabeth Cunin	Stéphanie Bensimon Dominique Dudan Bruno Servant
Non-independent members	Michel Savart Representing the shareholder, Casino	Jacques Dumas Representing the shareholder, Casino Éric Le Gentil Chairman of the Board of Directors	Éric Le Gentil Chairman of the Board of Directors Michel Savart Representing the shareholder, Casino
Permanent guest	-	-	Vincent Ravat Chief Executive Officer

(1) Committee composed mainly of independent members in accordance with the AFEP-MEDEF Code.

4.1.4.1 Audit, Risks and Sustainable Development Committee

A. Duties and responsibilities during the fiscal year 2020

The Audit, Risks and Sustainable Development Committee helps the Board of Directors fulfill its role in reviewing and approving the full-year and half-year financial statements, and in examining any transaction, fact or event that may have a significant impact on the position of Mercialis or its subsidiaries in terms of commitments and/or risks.

In this capacity, in accordance with Article L. 823-19 of the French Commercial Code and on the responsibility of the Board of Directors, the Audit and Risks Committee is responsible for matters relating to the preparation and control of financial and accounting information.

















Its duties are:

- to assist the Board of Directors in its task relating to the examination and approval of the full-year and half-year financial statements;
- to review the Group's full-year and half-year financial statements and associated reports before they are presented to the Board of Directors;
- to hear the Statutory Auditors and receive information about their auditing proceedings and their findings;
- to review and express an opinion on applications for the position of Statutory Auditor of the Company and its subsidiaries on the occasion of all appointments;

- to ensure the independence of the Statutory Auditors with whom it has regular contact and examine in this respect, all their relations with the Company and its subsidiaries and to express an opinion on the requested fees;
- to periodically examine the internal control procedures and, in general, the audit, accounting and administration procedures in effect in the Company and in the Group, in liaison with the Chief Executive Officer, Internal Audit Departments and the Statutory Auditors;
- to examine all transactions, facts or events that may have a significant impact on the position of the Company or its subsidiaries in terms of commitments and/or risks;
- to verify that the Company and its subsidiaries have the appropriate means (audit, accounting, and legal) to guard against risks and anomalies in the management of the business of the Company and of its subsidiaries;
- to approve the provision of services other than the certification of accounts by the Statutory Auditors or members of their networks in accordance with applicable legislation;
- follow up the application of the sustainable development policy.

The powers and responsibilities of the Audit, Risks and Sustainable Development Committee are confirmed in its rules of organization and operation, especially as regards the analysis of management risks and the detection and prevention of management irregularities. It is available on the Company's website at: www.mercialis.com.

B. Calendar of meetings of the Audit, Risks and Sustainable Development Committee in 2020 and arrangements for member participation

	Feb 10, 2020	April 21, 2020	July 24, 2020	Oct 20, 2020
Stéphanie Bensimon* - Chairwoman				
Ingrid Nappi* <i>(director until April 23, 2020)</i>			-	-
Victoire Boissier* <i>(from April 23, 2020)</i>	-	-		
Pascale Roque*				
Michel Savart				

* Independent director.



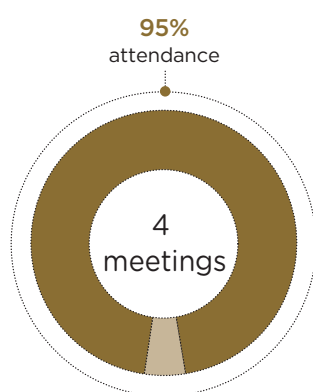
Physical presence



Attendance via telephone conferencing



Non-attendance



C. Activity in 2020

On approving the full-year and half-year financial statements, the Audit, Risks and Sustainable Development Committee verified the closing processes and read the Statutory Auditors' report, which included a review of all of the Company's consolidation operations and financial statements, in particular the accounting policies applied. It also reviewed the Company's material risks and off-balance sheet commitments. It was provided with the audit schedule and the Statutory Auditors' fees for 2020.

The Committee has ascertained the independence of the Statutory Auditors. Numerous discussions took place with the Statutory Auditors regarding the certification of the financial statements and the analysis of internal control and IT.

The Committee reviewed Mercialys's internal control and risk prevention documents. It familiarized itself with the risk mapping, covering risks related to the health crisis, financial, operational and information systems, ethics and CSR, as well as the work carried out by the Risk Prevention Committee.

It was also provided with the conclusions of the Statutory Auditors on their work concerning the procedures for the preparation and processing of accounting and financial information. The Committee also analyzed the way in which health crisis-related impacts were treated in the Company's financial statements.

In connection with the procedure for reviewing signed related-party agreements, the Audit, Risks and Sustainable Development Committee also examined Senior Management's general report on related-party agreements entered into in fiscal year 2020.

Lastly, the Audit, Risks and Sustainable Development Committee reviewed Mercialys' CSR report for 2019 and approved the roadmap for the new ten-year CSR policy.

The Committee also examined the Mercialys ethics approach, in particular by looking more deeply into governance, the protection of personal data, the fight against corruption, statements of interest, protection of whistle-blowers, management of insider information and the fight against harassment and discrimination.

4.1.4.2 Investment Committee (transformed into Strategy and Transformation Committee on January 20, 2021)

A. Duties and responsibilities during the fiscal year 2020

In particular, the duty of the Investment Committee is to examine the investment strategy, to give an opinion on the annual investment budget, and to study any planned investment or disposal by the Company. It is also tasked with examining and issuing an opinion on all renegotiations relating to the partnership contract signed with the Casino group with regard to property development, on all subjects concerned by said agreement.

Its duties are:

- to examine the investment strategy and ensure that planned acquisitions and disposals are consistent with this strategy; in this respect, the Committee shall be regularly informed of planned investments and disposals;
- to examine and issue an opinion on the annual investment budget;
- to study and issue an opinion on planned investments and disposals subject to prior authorization from the Board of Directors;
- to examine all negotiations (annual or other) relating to the Partnership agreement signed with the Casino group concerning property development and acquisitions, on which it issues an opinion to the Board of Directors;
- to carry out all appropriate studies or assignments.

The Committee's opinions are adopted by simple majority. When the Investment Committee considers a transaction involving the Casino group, the two representatives of the shareholder, Casino, take part in the discussions in an advisory capacity.

The Investment Committee has an organizational and operating charter which confirms its powers and

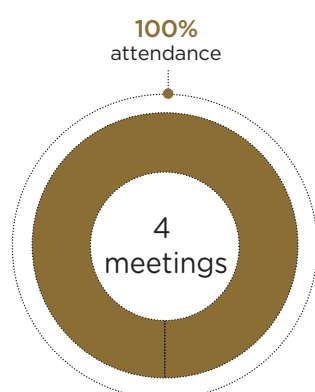
responsibilities, in connection firstly, with the determination of the strategy and the monitoring of Mercialys's investment activity, and secondly, with the prior authorizations that the Company is required to give to Senior Management. It is available on the Company's website at: www.mercialys.com.

B. Calendar of Investment Committee meetings in 2020 and arrangements for member participation

	April 20, 2020	July 23, 2020	Oct 20, 2020	Dec 9, 2020
Dominique Dudan* - Chairwoman	🗨️	👤	👤	👤
Éric Le Gentil	🗨️	🗨️	👤	👤
David Lubek	🗨️	🗨️	🗨️	🗨️
Michel Savart	🗨️	🗨️	🗨️	🗨️
Bruno Servant*	🗨️	👤	👤	👤
Vincent Ravat - Permanent guest <i>(not taken into account in the attendance rate below)</i>	🗨️	👤	🗨️	👤

* Independent director.

👤 Physical presence 🗨️ Attendance via telephone conferencing



C. Activity in 2020

The Committee issued its recommendations regarding the various plans for extensions, acquisitions and asset sales submitted to the Board of Directors.

As part of the process of reviewing all related-party agreements, the Investment Committee examined Senior Management's report on related-party agreements entered into during the fiscal year 2020.

The Committee also took account of the progress of certain projects that had received prior authorization, as well as changes in Mercialys's development projects portfolio. Lastly, discussions took place regarding the decision not to renew the Partnership agreement signed with the Casino group, which expired on December 31, 2020.

D. Transformation of the Investment Committee into the Strategy and Transformation Committee

On January 20, 2021, the Board of Directors decided, as a result of discussions held by the Ad'Hoc Committee, formed in December 2020, and the outcome of the review of the Board's operation, to transform the Investment Committee into the Strategy and Transformation Committee.

This new Committee is composed as follows:

- Élisabeth Cunin, Chairwoman;
- Stéphanie Bensimon;
- Dominique Dudan;
- Éric Le Gentil;
- Michel Savart;
- Bruno Servant.

Vincent Ravat, in his capacity as Chief Executive Officer, is a permanent guest of this Committee.

4.1.4.3 Appointments and Compensation Committee (renamed Appointments, Compensation and Governance Committee on January 20, 2021)

A. Duties and responsibilities during the fiscal year 2020

The principal duties of the Appointments and Compensation Committee are to examine candidates for Senior Management positions and directorships, and to prepare decisions on the compensation of Senior Management, of the Chairman of the Board of Directors, in the event that the functions of Chairman and Chief Executive Officer are separated, and the allocation of compensation paid to directors and members of the committees. It also examines the proposed stock warrant, stock option and bonus share plans. It examines the composition of the Board of Directors.

Its duties are:

- to prepare the setting of the compensation of the Chairman of the Board of Directors in the event that the functions of Chairman and Chief Executive Officer are separated;
- to prepare the setting of the compensation of the Chief Executive Officer and any Deputy Chief Executive Officer(s) and to propose, as required, qualitative and quantifiable criteria for determining the variable component of such compensation;
- to assess all the other benefits and compensation awarded to the Chief Executive Officer and if applicable, any Deputy Chief Executive Officer(s);
- to examine proposed stock warrant, stock option and bonus share plans for employees and executives so that the Board of Directors may set the overall and/or individual number of awarded options or shares, as well as the terms and conditions for awarding them;
- to review the composition of the Board of Directors with regard to the criteria of good governance, in particular, the balanced representation of women and men, the independence of members, and their skills, experience, complementarity and involvement;
- to examine the candidacies for directorships, having regard to the candidates' business experience and skills, their gender and the extent to which they are representative in economic, social and cultural terms;
- to examine candidacies for the position of Chief Executive Officer and, where applicable, Deputy Chief Executive Officer;
- to obtain disclosure of all useful information relating to the methods of recruitment, compensation and status of the Company's senior executives and its subsidiaries;
- to make proposals for and to provide assessments of the compensation and benefits of directors and non-voting directors;
- to assess the position of each director in light of any relationship they might have with the Company or its subsidiaries that might compromise their freedom of judgment or lead to potential conflicts of interest with the Company;
- to implement the regular evaluation of the Board of Directors.

The Appointments and Compensation Committee has an organizational and operating charter which confirms its powers and responsibilities, particularly with regard to implementing and organizing assessment of the Board of Directors' operation, and reviewing compliance with – and the proper application of – the principles of corporate governance and rules of ethics, particularly those derived from the Board's Internal rules. It is available on the Company's website at: www.mercialys.com.

B. Calendar of Appointments and Compensation Committee meetings in 2020 and terms of participation of members

	Jan 17, 2020	Feb 11, 2020	April 20, 2020	Dec 9, 2020
Élisabeth Cunin* – Chairwoman	👤	👤	📞	📞
Victoire Boissier*	👤	👤	📞	📞
Dominique Dudan*	👤	👤	📞	📞
Jacques Dumas	👤	👤	📞	📞
Éric Le Gentil	👤	👤	📞	📞

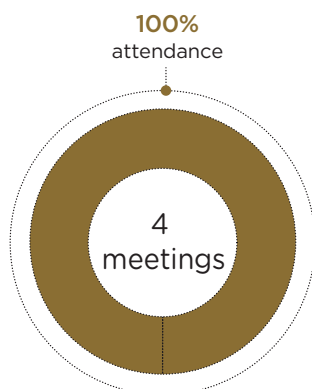
* Independent director.



Physical presence



Attendance via telephone conferencing



C. Activity in 2020

The Committee conducted its annual review of the organization and operation of the Board of Directors and its Specialized Committees, as well as a review of the proper application of the principles of corporate governance and of the rules of ethics in accordance with the AFEP-MEDEF Code and the Board's Internal rules. It presented its recommendations to the Board of Directors.

The Committee also reviewed the position of all the directors in light of any connections with Group companies that may compromise their freedom of judgment or engender a conflict of interest, particularly as regards renewing the directorships of Board members.

It reviewed the Corporate Governance report in accordance with Articles L. 225-37 and L. 22-10-10 of the French Commercial Code.

It was informed about the methods used to determine the 2019 compensation for the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer (2019 *ex post* compensation policy submitted for approval to the Ordinary General Meeting of April 23, 2020), the results of the 2017 long-term incentive arrangements for the Chairman of the Board of Directors, as well as the renewal of the specific annual powers of Senior Management regarding sureties and guarantees, loans and credit facilities, and the issuance of bonds and commercial papers.

In addition, the Committee reviewed the 2020 *ex ante* compensation policy for the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer, as presented for approval by the Ordinary General Meeting of April 23, 2020, pursuant to Article L. 22-10-8 of the French Commercial Code. It also reviewed the 2020 compensation policy for directors.

The Committee also examined the methods for setting up bonus share plans benefiting all Mercialis group employees, key employees and corporate officers, as well as the associated performance criteria.

The Appointments and Compensation Committee also carried out its annual review of the question of the succession of the executive corporate officer and noted that the presence of a Deputy Chief Executive Officer makes it possible to mitigate the effect of unexpected replacement of

the Chief Executive Officer, and to do so in accordance with the provisions of Article L. 225-55, paragraph 2 of the French Commercial Code which stipulates that “when the Chief Executive Officer ceases to carry out or is prevented from carrying out their duties, the Deputy Chief Executive Officers, unless otherwise decided by the Board, keep their functions and responsibilities until the new Chief Executive Officer is appointed.”

It was also informed about the methods for allocating compensation paid to members of the Board of Directors and the Specialized Committees.

D. Change from the Appointments and Compensation Committee to the Appointments, Compensation and Governance Committee

The Board of Directors meeting of January 20, 2021 decided to increase the governance tasks of the Appointments and Compensation Committee in terms and, therefore, decided that from that date this Committee would be known as the “Appointments, Compensation and Governance Committee.”

This Committee is composed as follows:

- Mrs Dominique Dudan, Chairwoman;
- Mrs Victoire Boissier;
- Mrs Élisabeth Cunin;
- Mr Jacques Dumas;
- Mr Éric Le Gentil.

4.1.5 Assessment of the operation of the Board of Directors

As recommended by the AFEP-MEDEF Code, the Internal rules provide for annual discussion and regular evaluation of the functioning of the Board of Directors by the Appointments, Compensation and Governance Committee, tasked with organizing the implementation of this recommendation, assisted by an outside consultant if it so wishes.

During the second half of 2020, the Appointments and Compensation Committee entrusted this assessment to an external consultant, as in 2017, which conducted this assessment based on the analysis of questionnaires submitted personally, and confidentially, by each of the directors.

The outcome of this assessment was that governance at Mercialis was very good and was even better than the 2017 assessment, both in terms of Board composition and operation. All the directors declared their satisfaction with the smooth functioning of the Board and its committees as well

as with their relations with the Chairman of the Board and the Company's Senior Management.

A few points for improvement were raised, in particular, Mercialis' positioning in respect of its competitors, a point on which all the directors would like to have more information, as well as the strengthening of the operation/role of the Investment Committee.

The Board of Directors acknowledged this assessment, noted the areas for improvement proposed and undertook initiatives, notably, the transformation of the Investment Committee into the Strategy and Transformation Committee and increasing the Appointments and Compensation Committee's governance role.

The next assessment will be carried out in the second half of 2023.

4.1.6 Ethics

The internal rules of the Board of Directors, and particularly section V, spell out the compliance rules to which the Directors are subject. This section was completed and updated in 2016 and early 2017. It indicates that each director must perform their duties in accordance with the rules of independence, ethics, loyalty and integrity. In particular it includes instructions concerning the duty to inform the director, defense of the corporate interest, prevention and management of conflicts of interest, the diligence of directors, the protection of confidentiality, and ownership by the Directors of shares in the Company. Moreover, measures regarding prevention of insider trading were grouped in the Insider trading policy adopted in 2017 and updated in December 2018, and to which the Internal rules specifically

refer. These documents may be consulted on the Company's website: www.mercialys.com.

Section V of the Internal rules specifies that, before accepting their nomination, all directors must acquaint themselves with the laws and regulations relating to their position, the applicable good governance practices and codes, and any requirements specific to the Company arising from the articles of association and these internal rules.

Directors have a duty to request the information which they believe necessary to fulfill their role. To this end, they must submit a request to the Chairman of the Board of Directors, within the appropriate time limits, for all useful information required to effectively participate in meetings with respect to the matters on the Board's agenda.

In 2015, the Board of Directors decided to modify or complete its existing internal procedures and thus consolidate the good governance approach. A decision was therefore made to introduce a process of reviewing all regulated agreements.

Regarding the rules relating to the prevention and management of conflicts of interest, the Internal rules specify that each director is obliged to inform the Board of Directors about any actual or potential conflict in which they may be involved directly or indirectly, and is obliged to abstain from participating in any discussion and from voting on the corresponding resolution. Furthermore, each director shall consult the Chairman of the Board of Directors before becoming involved in any business activity or accepting any position or obligation that may place them in a situation of actual or potential conflict of interest. The Chairman may take these matters to the Appointments, Compensation and Governance Committee (formerly the Appointments and Compensation Committee) of the Board of Directors.

4.1.6.1 Procedure for prior review of regulated agreements by the Audit, Risks and Sustainable Development Committee and the Investment Committee

Mercialys decided to pay particular attention to the agreements between the various companies of the Mercialis group and to the agreements entered into between, on one hand, the companies of the Mercialis group and, on the other, the companies of the Casino group, a Mercialis shareholder, and/or the companies that control it.

In this connection and thus targeting conflicts of interest, the Board of Directors has established a systematic review procedure for regulated agreements (by involving the Audit, Risks and Sustainable Development Committee and the Strategy and Transformation Committee - formerly the Investment Committee), over and above the procedure for regulated agreements as provided for by the French Commercial Code.

Thus, the Board of Directors has implemented a prior review procedure by the Audit, Risks and Sustainable Development Committee or by the Strategy and Transformation Committee (formerly the Investment Committee), according to the nature of the agreement in question, before presentation to the Board for information or authorization of all agreements starting at the thresholds it has defined, with some exceptions, between Mercialis or its wholly owned subsidiaries and a related-party.

A related-party means: (i) any company solely or jointly and directly or indirectly controlled by Mercialis, with the exception of wholly owned subsidiaries; (ii) any company that has a significant direct or indirect influence on Mercialis; (iii) any company directly or indirectly controlled by a company with a significant influence on Mercialis.

Regulated agreements entered into by the Company are also subject to this procedure, regardless of their amount. At the request of Senior Management, this procedure may also be applied to any agreement that does not fall within the scope of this procedure, due to its characteristics. The Board of Directors may also, at the request of the Chairman of the Board of Directors, or the Chairman of the Audit, Risks and Sustainable Development Committee, or the Chairman of Strategy and Transformation Committee (formerly the Investment Committee), decide to entrust an *ad hoc* Committee with the prior review of an agreement with a

specific related-party due to the nature and importance of the proposed transaction.

A specific organization and operational charter for the procedure was established and approved by the Board of Directors, after an opinion from the Audit, Risks and Sustainable Development Committee. The Internal rules of the Board of Directors also include provisions relating to the principle of prior review of regulated agreements by the Audit, Risks and Sustainable Development Committee and the Strategy and Transformation Committee (formerly the Investment Committee).

4.1.6.2 Procedure for prior review of current agreements by the Audit, Risks and Sustainable Development Committee and the Strategy and Transformation Committee (formerly the Investment Committee)

In order to transpose EU Directive No. 2017/828 dated May 17, 2017 establishing a mechanism for supervising agreements between listed companies and their "related parties", the law of May 22, 2019 (Pacte Law) has reinforced the procedure for verification of agreements covered by Article L. 225-38.

It encourages Boards of Directors to regularly assess the so-called "ordinary" agreements, entered into under arm's length conditions (Article L. 22-10-12 of the French Commercial Code):

"In companies whose shares are admitted to trading on a regulated market, the Board of Directors sets up a procedure making it possible to regularly assess whether the agreements concerning ordinary transactions concluded under arm's length conditions fulfill these terms and conditions. Persons directly or indirectly concerned by one of these agreements must not participate in the assessment."

As mentioned in § 4.1.6.1 above, in order to prevent conflicts of interest and protect non-controlling interests, the Board has adopted a charter relating to regulated agreements which, depending on the purpose of the agreement, tasks the Audit, Risks and Sustainable Development Committee or the Strategy and Transformation Committee (formerly the Investment Committee) with prior review of (i) significant regulated agreements, (ii) agreements described as regulated agreements (from the first euro) and (iii) any other agreement between related parties by virtue of its characteristics, at the request of Senior Management.

At its meeting on December 12, 2019, the Board of Directors decided to assign the legal duty of annual assessment of "unrestricted" agreements to the Audit, Risks and Sustainable Development Committee and the Strategy and Transformation Committee (formerly the Investment Committee), depending on the purpose of the agreement. The Committee thereby responsible for this task will give a report and its assessment to the Board of Directors when the Board carries out its annual review of prior regulated agreements.

The Charter for regulated agreements has been revised so as to incorporate the mechanism for regular assessment of ordinary agreements entered into by Mercialis. The revised Charter comprises:

- a reminder of the main aspects of French law applicable to regulated agreements;
- a reminder of agreements falling outside the scope of Article L. 225-38 of the French Commercial Code;

- the principles for classifying agreements entered into by the Company, also referring to the criteria adopted by jurisprudence and the CNCC (French Statutory Auditors' association). The criteria will be shared with the Statutory Auditors;
- a typology of ordinary agreements;
- the creation of an annual report from Senior Management to the relevant Committee(s) concerning assessment of the criteria for classifying agreements from Article L. 225-38 of the French Commercial Code and concerning agreements classified as ordinary agreements;
- the assessment work by the relevant Committee, which can make use of any expert opinion and recommend to the Board that a particular agreement should be reclassified as a regulated agreement or an "ordinary agreement" as a result of its analysis table, or that the criteria should be modified.

The Charter is available on the Company's website at: www.mercialys.com.

4.1.6.3 Convictions

To the Company's knowledge, no member of the Board of Directors has, in the past five years:

- been convicted for fraud or been charged and/or been publicly sanctioned by statutory or regulatory authorities;
- been associated as a senior executive with a bankruptcy, receivership or liquidation;
- been banned by a court from acting as a member of an administrative, managerial, or supervisory body of a publicly traded company, or from being involved in the management or conduct of a publicly traded company.

4.1.6.4 Restrictions accepted by the members of the Board of Directors concerning the disposal of their shares

Pursuant to the Company's articles of association, each director should own at least 100 Mercialis shares. The Internal Rules specify that it is preferable that this shareholding corresponds to the equivalent of one (1) year of compensation in respect of his activity as a director (calculated assuming attendance, for a given fiscal year, at all Board and Committee meetings of which the director is a member, excluding any compensation linked to the Chairmanship of a Committee, and calculating the value as the weighted average price of the Mercialis share for the previous fiscal year).

Subject to the above, to the best of the Company's knowledge, there are no restrictions on the members of the Board of Directors concerning the disposal of their investment in the Company's equity capital other than the applicable statutory or regulatory provisions, regarding in particular the undertaking to refrain from trading in Mercialis' securities as part of the prevention of misconduct and insider trading.

Each individual director undertakes not to short sell these securities, directly or indirectly, as Company shares held by directors must also be "pure registered" or "administered registered" in accordance with legal and regulatory requirements.

4.1.6.5 Prevention of misconduct and insider trading

During fiscal year 2016 and early 2017, the Company updated its Internal rules and recommendations following the changes to the legislative and regulatory framework for preventing market abuse with the entry into force on July 3, 2016 of EU regulation no. 596/2014 of April 16, 2014 on market abuse.

On a recommendation from the Appointments and Compensation Committee, the Board of Directors' Internal rules have been amended and an Insider trading policy has been adopted (last updated December 2018). This policy includes in particular a description 1/ of the applicable laws and regulations 2/ the definition of insider information 3/ measures taken by the Company in the context of the prevention of insider trading 4/ obligations of persons with access to insider information and 5/ applicable sanctions.

The policy applies to members of the Board of Directors, executives and persons having close personal relations with them and, more generally, employees likely to have access to sensitive or insider information.

It creates an Insider Trading Committee tasked primarily with addressing all questions relating to the application of the Insider trading policy.

The Insider trading policy, just like the Board of Directors' Internal rules, refers to observance of the prohibition against executing any transactions in the Company's securities and financial instruments:

- within a period of thirty calendar days prior to announcement of an interim financial report or an end of year report that Mercialis is required to publicly disclose;
- starting from the date when a person has insider information and until such information ceases to be insider information, in particular because it has been publicly disclosed.

4.1.6.6 Attendance and accumulation of directorships

The Board of Directors' Internal rules state that Directors are required to devote the necessary time and attention to their duties. They must endeavor to be diligent and attend all Board of Directors Meetings, Annual General Meetings, and meetings of committees of which they are members. The procedures for setting and allocating Directors' compensation adopted by the Company are in accordance with the AFEP-MEDEF Code which recommends that the variable component linked to diligence should be predominant.

It has been verified that no directors whose directorships come up for renewal at the Annual General Meeting are in a position where they are exceeding the guidelines for simultaneous directorships. The Board of Directors' Internal rules remind Directors that they are required to comply with the statutory rules and with the recommendations of the AFEP-MEDEF Code, which state as follows:

- the executive corporate officer shall not hold more than two other directorships in listed companies outside its group, including foreign companies, and shall request the Board's opinion before accepting a new corporate office in a listed company outside the Group;

- directors shall not hold more than four other directorships in listed companies outside the Group, including foreign companies. This recommendation applies at the time of the appointment or of later renewal to the directorship. Each

director will inform the Company of any offices held in other French or foreign companies. He or she will inform the Company of any new office or professional responsibility without undue delay.

4.1.7 Conflicts of interest involving directors and Senior Management

The Company has an important business development relationship with one of its shareholders, the Casino group (see chapter 6, p. 343 et seq.). The Casino group may decide to favor its own interests over those of Mercialys. However, in any event, the organization of governance, the manner in which it enters into contracts, and the use of independent appraisals etc., guarantee that the interests of Mercialys are not affected.

Messrs. Jacques Dumas, David Lubek (permanent representative of La Forézienne de Participations) and Michel Savart, directors, hold management positions and/or are members of the corporate bodies of this Mercialys shareholder or of companies that control it, and receive compensation in this capacity.

Apart from these links, there are no potential conflicts of interest between the obligations of any member of the Board of Directors and of Senior Management as regards the Company and his/her private interests.

There are no service provision agreements between Mercialys and the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer, or any of the directors. Furthermore, apart from Mrs Élisabeth

Blaise, none of the corporate officers hold an employment contract with the Company.

The duties conferred upon the Audit, Risks and Sustainable Development Committee, the Strategy and Transformation Committee (formerly the Investment Committee) and the Appointments, Compensation and Governance Committee (formerly the Appointments and Compensation Committee), on which independent directors sit, helps prevent conflicts of interest.

Furthermore, to the best of the Company's knowledge, there are no family ties between members of its Board of Directors.

No agreement has been directly or indirectly entered into between a subsidiary of Mercialys and a senior executive or major shareholder of the Company.

The Company has not granted or constituted any loans or guarantees to any members of its Board of Directors.

With the exception of the contracts binding Casino, Guichard-Perrachon and its subsidiaries to Mercialys (see chapter 6, p. 343 et seq.), no other service agreement exists between the Directors and Mercialys.

4.2 Compensation and benefits of Directors and corporate officers

4.2.1 Compensation and benefits of Directors

4.2.1.1 Principles of the compensation policy for Directors

Several years ago, Mercialis introduced a compensation policy for Directors which is intended to be balanced, virtuous and favorable to the Company's corporate interest. Accordingly, the Directors receive compensation in return for sharing their expertise and for their involvement in good governance of the Company, both of which are sources of sustainable development. Mercialis complies scrupulously with the recommendations of the AFEP-MEDEF Code in this domain. In particular it takes all necessary steps to avoid situations leading to potential conflicts of interest, including those that may concern determination of the compensation (the independence of the Directors is assessed annually by the Appointments, Compensation and Governance Committee). These reviews are detailed in points 4.1.1, 4.1.6 and 4.1.7, p. 236 et seq. and p. 269 et seq.

The principles Mercialis applies to its compensation policy for Directors are:

- **membership of one or more governance bodies:** in addition to their membership of the Board of Directors, the Directors' participation in Specialized Committees gives

rise to allocation of an additional compensation. The Chairmen of the Committees and of the Board also receive specific compensation in this capacity;

- **the workload and the level of responsibility involved in belonging to Specialized Committees:** the effort and time Directors devote to the Company are taken into account. As a result, the Specialized Committees do not all entitle Directors to the same level of additional compensation, depending on the number of meetings organized each year and the technical and strategic criticality;
- **the attendance:** compensation for directors includes a variable component that is larger than the fixed component, based on their effective individual rate of attendance at Board of Directors' Meetings and Specialized Committees. Note that the variable component of compensation for Directors or Committee members who have been absent is not reallocated, except in exceptional circumstances;
- **the possibility of exceptional compensation:** in the case of specific events or situations that result in Extraordinary Meetings of the Specialized Committees or Board of Directors, additional compensation can be allocated to all or some of the directors.

Mercialis determines and allocates the annual package for compensation of Directors according to the traditional procedure illustrated below:

METHODS FOR DETERMINING THE COMPENSATION POLICY FOR DIRECTORS

APPOINTMENTS, COMPENSATION AND GOVERNANCE COMMITTEE

Formulation of recommendations to the Board of Directors:
 On the arrangements for distribution of the overall compensation package for the Directors for the previous year
 On the amount of the overall compensation package for the Directors for the upcoming year

BOARD OF DIRECTORS

Determination of the methods for allocating the overall compensation package for the Directors for the previous year
 Proposal to the Annual General Meeting of shareholders of an overall compensation package for the Directors for the upcoming year

COMPENSATION FOR DIRECTORS

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Ex post vote on the compensation allocated to the Directors for the previous year
Ex ante vote on the overall package for compensation of Directors for the upcoming year

4.2.1.2 Compensation of Directors for fiscal year 2020

The Annual General Meeting of April 20, 2016 set the overall amount of the package for compensation allocated to members of the Board of Directors and of the Specialized Committees at Euro 325,000, in accordance with the principles of the policy set out above. This amount has remained the same since then, and notably the Annual General Meeting of April 23, 2020 adopted it again.

On the basis of the recommendations of the Appointments and Compensation Committee, the Board of Directors, at its meeting of December 10, 2020, approved the terms and conditions for the allocation of directors' compensation for the fiscal year 2020, which are as follows:

- the annual unitary amount for compensation of members of the Board of Directors is set at Euro 15,000. This compensation consists of a fixed component and a variable component awarded according to attendance:

	Board of Directors
Fixed annual unitary amount	Euro 5,000
Variable annual unitary amount (for 100% attendance)	Euro 10,000

- additional compensation is paid to members of the Specialized Committees. It consists of a fixed component and a variable component. The amounts set for each committee are as follows:

	Investment Committee	Audit, Risks and Sustainable Development Committee	Appointments and Compensation Committee
Fixed annual unitary amount	Euro 4,000	Euro 4,000	Euro 4,000
Variable annual unitary amount (for 100% attendance)	Euro 11,000	Euro 6,000	Euro 6,000
Additional amount paid to the Committee Chairman	Euro 5,000	Euro 5,000	Euro 5,000

Note that:

- the individual or additional compensation indicated above is paid *pro rata temporis* depending on the date when the duties began or ended;
- this compensation is paid in the month following the closing of each fiscal year;
- the individual or additional compensation for members representing or employed by the majority shareholder, the Casino group, or its group of controlled companies, is limited to 50% of the amounts indicated above;
- the corporate officers of Mercialis benefit from an insurance policy taken out by the Company and covering the civil, personal or joint liability of all its senior executives and corporate officers, including those of its subsidiaries, whether directly or indirectly owned. The tax authorities have ruled that this insurance policy covers the risks inherent in corporate officers' activity and that the insurance premium paid by the Company does not, therefore, constitute a taxable benefit.

On this basis, the total gross amount of compensation paid in January 2021 in respect of fiscal year 2020 to members of the Board of Directors and of the Specialized Committees totaled Euro 270,070 compared to Euro 271,711 in respect of fiscal year 2019.

The tables below detail the compensation paid by Mercialis in 2019, 2020 and 2021 to each of the directors. It is stipulated that no compensation was paid by the companies it controls, and that the Company is not controlled in the sense of Article L. 233-16 of the French Commercial Code.

Note that the information concerning Mr Éric Le Gentil, Chairman of the Board of Directors, is shown also in full detail in § 4.2.2.2, B, p. 283 et seq.

COMPENSATION PAID TO DIRECTORS IN 2019 AND 2020 (FOR THE FISCAL YEARS 2018 AND 2019)

<i>(in euros)</i>	Amounts paid in 2019	Amounts paid in 2020
Stéphanie Bensimon	12,649 ⁽¹⁾	28,175
Victoire Boissier	24,091	23,750
Anne-Marie de Chalambert	18,447 ⁽²⁾	-
Élisabeth Cunin	29,091	28,750
Dominique Dudan	25,644 ⁽²⁾	45,000
Jacques Dumas	12,500	12,500
Antoine Giscard d'Estaing	11,250	-
Marie-Christine Levet	11,196 ⁽¹⁾	-
David Lubek	12,500	9,250
Ingrid Nappi	23,182	23,750
Pascale Roque	24,200	24,325
Michel Savart	20,000	20,000
Bruno Servant	0 ⁽³⁾	0 ⁽³⁾
Generali Vie	14,091 ⁽³⁾	15,000 ⁽³⁾
Sub-total excluding Éric Le Gentil, Chairman of the Board of Directors	238,841	230,500
Éric Le Gentil	50,000 ⁽⁴⁾	41,211 ⁽⁴⁾
TOTAL	288,841	271,711

(1) Resignation of Mrs Marie-Christine Levet on June 7, 2018/Co-option of Mrs Stéphanie Bensimon on June 7, 2018.

(2) Non-renewal of Mrs Anne-Marie de Chalambert's directorship at the Annual General Meeting of April 26, 2018/Appointment of Mrs Dominique Dudan as new director.

(3) Generali Vie changed its compensation policy starting in fiscal year 2018 and now receives its compensation directly in its capacity as director sitting on the Mercialys Board of Directors. Since this new policy was introduced, Mr Bruno Servant, the permanent representative of Generali Vie, has waived his share of payment of his compensation in his capacity as member of the Investment Committee.

(4) Mr Éric Le Gentil benefited from additional compensation amounting to Euro 20,000 payable to the Chairman and Chief Executive Officer up to February 12, 2019. During fiscal year 2018, he was not however a member of the Appointments and Compensation Committee.

COMPENSATION PAID TO DIRECTORS IN 2021 (FOR FISCAL YEAR 2020)

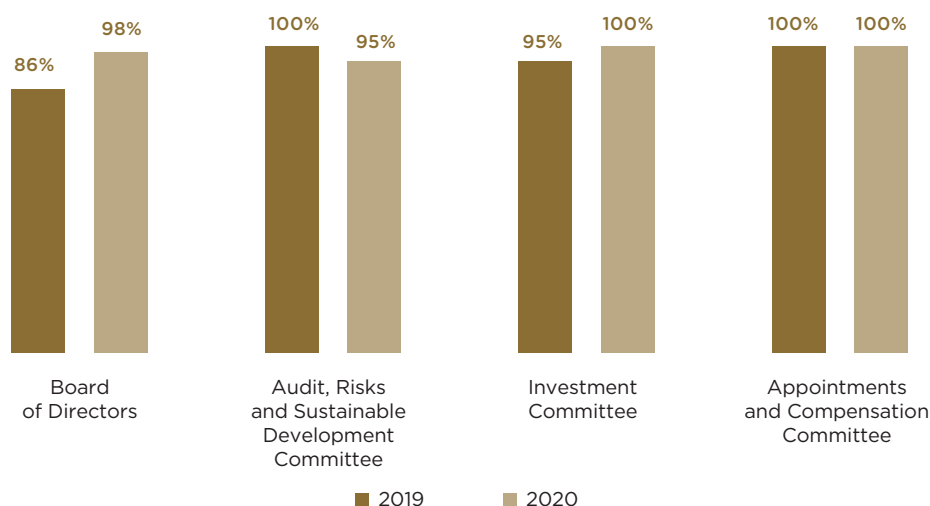
(in euros)	Specialized Committees									
	Board of Directors		Investment Committee		Audit, Risks and Sustainable Development Committee		Appointments and Compensation Committee		Total	
	fixed component	variable component	fixed component	variable component	fixed component	variable component	fixed component	variable component		
Stéphanie Bensimon	5,000	10,000	-	-	9,000	6,000	-	-	30,000	
Victoire Boissier	5,000	10,000	-	-	2,762	3,600	4,000	6,000	31,362	
Élisabeth Cunin	5,000	10,000	-	-	-	-	9,000	6,000	30,000	
Dominique Dudan	5,000	10,000	9,000	11,000	-	-	4,000	6,000	45,000	
Jacques Dumas	2,500	5,000	-	-	-	-	2,000	3,000	12,500	
David Lubek	2,500	5,000	2,000	5,500	-	-	-	-	15,000	
Ingrid Nappi ⁽¹⁾	1,548	3,333	-	-	1,238	2,400	-	-	8,519	
Pascale Roque	5,000	8,889	-	-	4,000	4,800	-	-	22,689	
Michel Savart	2,500	5,000	2,000	5,500	2,000	3,000	-	-	20,000	
Generali Vie / Bruno Servant	5,000 ⁽²⁾	10,000 ⁽²⁾	0 ⁽³⁾	0 ⁽³⁾	-	-	-	-	15,000	
Sub-total excluding Éric Le Gentil, Chairman of the Board of Directors	39,048	77,222	13,000	22,000	19,000	19,800	19,000	21,000	230,070	
Éric Le Gentil	5,000	10,000	4,000	11,000	-	-	4,000	6,000	40,000	
TOTAL	44,048	87,222	17,000	33,000	19,000	19,800	23,000	27,000	270,070	

(1) Ingrid Nappi's directorship was not renewed at the Annual General Meeting of April 23, 2020, the date on which her term of office ended.

(2) Generali Vie changed its compensation policy starting in fiscal year 2018 and now receives its compensation directly in its capacity as director sitting on the Mercialis Board of Directors.

(3) Since this new policy was introduced, Mr Bruno Servant, the permanent representative of Generali Vie, has waived his share of payment of his compensation in his capacity as member of the Investment Committee.

ATTENDANCE RATE AT MEETINGS OF THE BOARD OF DIRECTORS AND SPECIALIZED COMMITTEES



4.2.1.3 Compensation policy for Directors in respect of 2021

The Board of Directors intends to propose to the Annual General Meeting of April 22, 2021, that the overall package for annual compensation of the Directors should be kept at Euro 325,000.

It is intended that the historical allocation criteria, indicated in § 4.2.1.2 p. 274 will, subject to any unforeseen events, also remain unchanged in 2021.

4.2.2 Compensation and benefits of executives

4.2.2.1 Principles of the compensation policy for executives

Several years ago, Mercialis introduced a compensation policy for executives which is intended to be balanced, virtuous and aligned with the Company's strategy and such as to contribute to its long-term performance. The Board of Directors is aware of the responsibility associated with setting the compensation and objectives of the executives, and has therefore decided to adopt best practice in the industry, ensuring that the compensation policy will motivate executives, secure their loyalty and reward their performance.

Accordingly, Mercialis complies with the recommendations defined by the AFEP-MEDEF Code when determining the compensation policy for its executives, *i.e.* exhaustiveness, balance between the components of compensation, benchmarking, coherence, intelligibility of the rules and measure.

Its approach is based on three structuring principles:

1. objective recognition of performance;
2. valuing sustainability dimensions;
3. convergence of internal and external interests.

Objective recognition of performance	Valuing sustainability dimensions	Convergence of internal and external interests
<ul style="list-style-type: none"> ● Compensation linked to performance of the Company, <i>via</i> predominance of the variable component in the executives' compensation package. ● Predominance of quantifiable criteria within the annual and long-term variable compensation of executives. 	<ul style="list-style-type: none"> ● Presence of CSR criteria in the annual variable compensation of executives. ● Presence of a quantifiable CSR criterion in the long-term variable compensation of executives. 	<ul style="list-style-type: none"> ● Alignment of the interests of executives and shareholders: long-term variable compensation paid in the form of shares subject to the criteria of performance, service and ownership. ● Internal fairness: differences in compensation over time between executives and employees moderate and stable.

The Board of Directors reviews the compensation policy annually in the light of these criteria, after assessment by the Appointments, Compensation and Governance Committee, and the policy is then submitted for a vote by the Annual General Meeting of shareholders in accordance with the applicable legislation (*ex ante* vote).

Pursuant to Article L. 22-10-8, III (formerly Article L. 225-37-2) of the French Commercial Code, the Board of Directors, on the proposal of the Appointments, Compensation and Governance Committee, may decide to adjust the provisions relating to the quantifiable variable components of executive corporate officers' compensation in the event of exceptional circumstances and on a temporary basis, provided that the changes made are in the corporate interest and are necessary to ensure the Company's sustainability or viability. Events that could give rise to the use of this option are, in particular, any event beyond Mercialis' control that cannot be reasonably predicted or quantified when the compensation policy is approved, such as, in particular, the impacts of the Covid-19 pandemic.

In the absence of these specific exemptions, the compensation policy voted for, *ex ante*, by the Annual General Meeting may, on an exceptional basis, be reviewed during the year. Should new and unforeseen elements be brought to its attention, the Appointments, Compensation and Governance Committee may propose duly justified amendments to the Board of Directors. The Board will assess the quality of their reasoning and, if it decides that the executive compensation policy needs to be amended, will submit this new policy for shareholder approval in accordance with the process described below.

It should not be forgotten that Mercialis, in which 60% of the members of the Board of Directors and Appointments, Compensation and Governance Committee are independent, has put in place the necessary procedures to avoid conflicts of interest within its governance bodies (see § 4.1.1, 4.1.6 and 4.1.7, p. 236 et seq. and p. 269 et seq.) and, in particular, situations that may arise in the determination of the compensation of its executives.

PRINCIPLES AND METHODS FOR DETERMINING THE COMPENSATION POLICY FOR EXECUTIVES

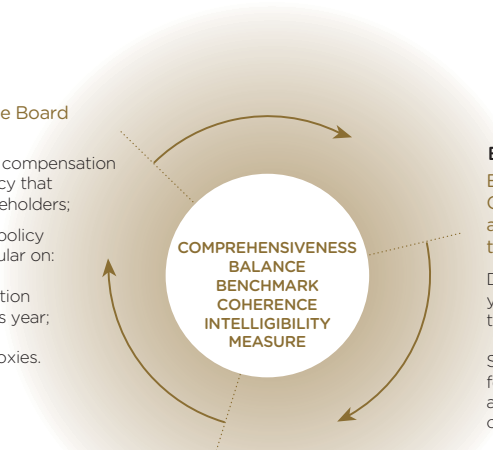
APPOINTMENTS, COMPENSATION AND GOVERNANCE COMMITTEE

Draws up the compensation policy for executives and proposes it to the Board of Directors. Its proposals concern:

On the one hand, determination of the compensation for the elapsed year, in light of the policy that was subject to an *ex ante* vote by shareholders;

On the other hand, the compensation policy for the upcoming year, based in particular on:

- the Company's strategic priorities;
- the performance of executives in relation to the criteria adopted in the previous year;
- changes in sectoral practices;
- discussions with shareholders and proxies.



BOARD OF DIRECTORS

Examines the proposals from the Appointments, Compensation and Governance Committee and submits the compensation and policies to a vote by the shareholders, in particular:

Decides upon the compensation for the elapsed year in accordance with the policy that was subject to an *ex ante* vote by the Annual General Meeting

Sets the methods of the compensation policy for the upcoming year, in particular the criteria and objectives for the short and long-term variable compensation

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Approves or rejects the compensation and policies proposed by the Board of Directors:

Vote *ex post* on the compensation allocated to the executives for the elapsed year

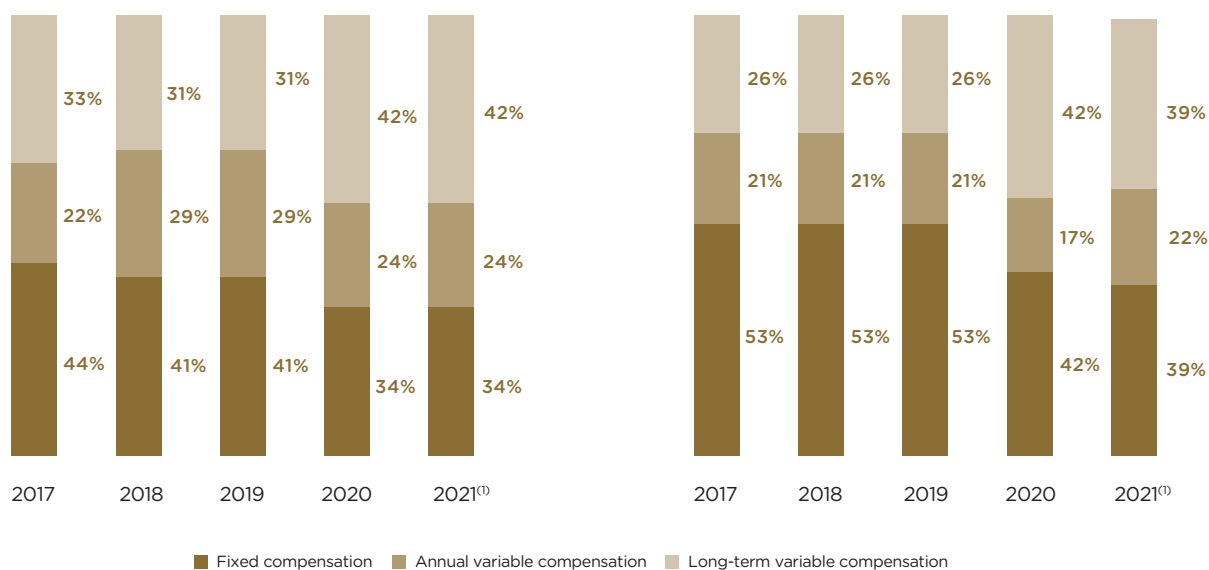
Vote *ex ante* on the policy for compensation of executives for the upcoming year

CHANGES IN THE STRUCTURE OF THE TOTAL TARGET COMPENSATION FOR EXECUTIVES

(on the basis of the compensation policy in respect of the indicated year)

(CHAIRMAN)-CHIEF EXECUTIVE OFFICER

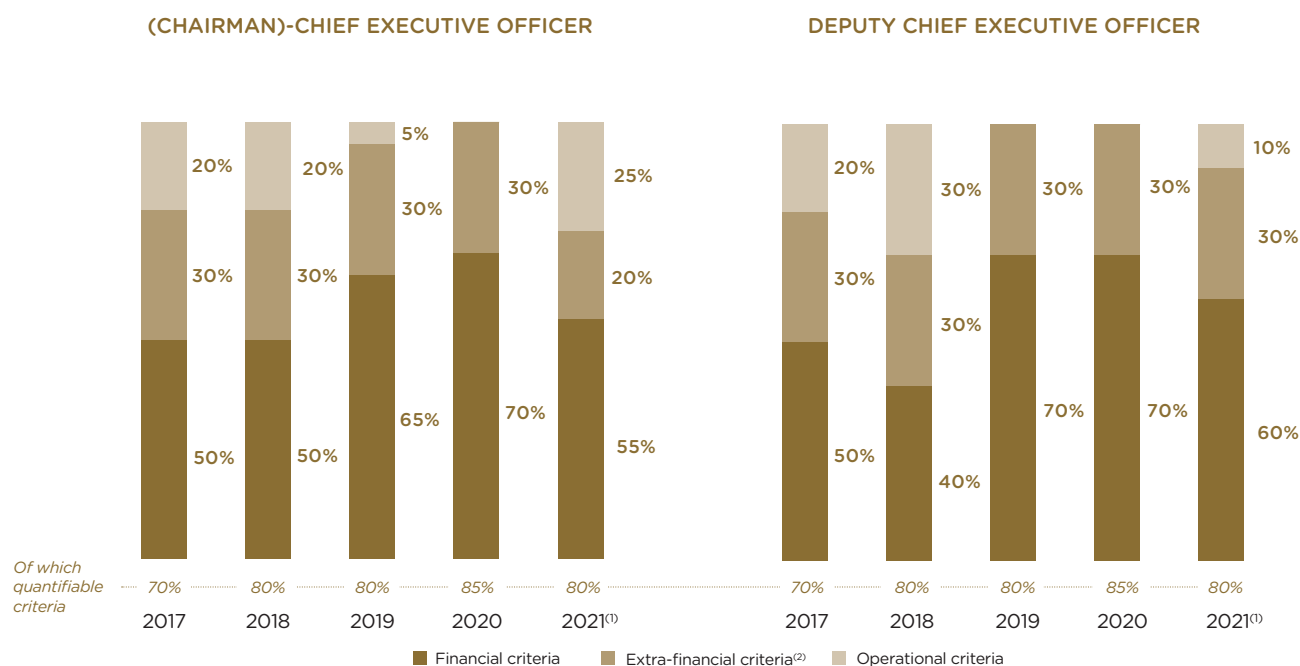
DEPUTY CHIEF EXECUTIVE OFFICER



(1) Subject to approval of the 2021 compensation policy by the Ordinary General Meeting of April 22, 2021.

CHANGES IN THE CRITERIA FOR ANNUAL VARIABLE COMPENSATION OF EXECUTIVES

(on the basis of the compensation policy in respect of the indicated year)

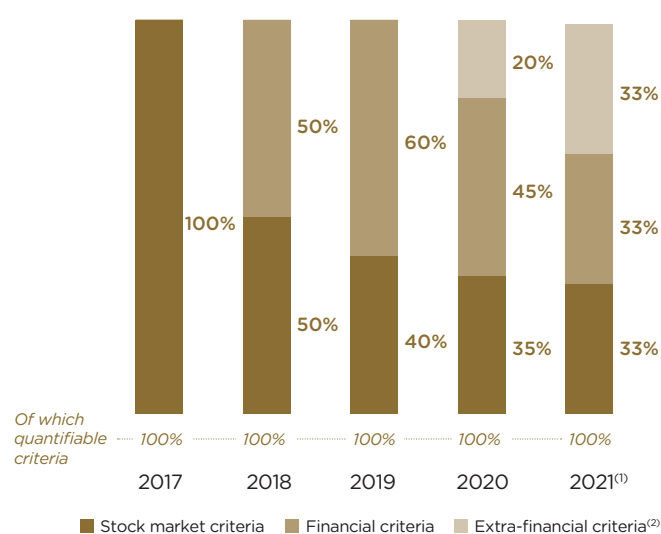


(1) Subject to approval of the 2021 compensation policy by the Ordinary General Meeting of April 22, 2021.

(2) Including, within extra-financial criteria: 10% CSR criteria in 2018 and 2019, 30% and 15% respectively for the Chief Executive Officer and the Deputy Chief Executive Officer in 2020, and 20% and 30% respectively for the Chief Executive Officer and Deputy Chief Executive Officer in 2021.

CHANGES IN THE CRITERIA FOR LONG-TERM VARIABLE COMPENSATION OF EXECUTIVES

(on the basis of the compensation policy in respect of the indicated year)

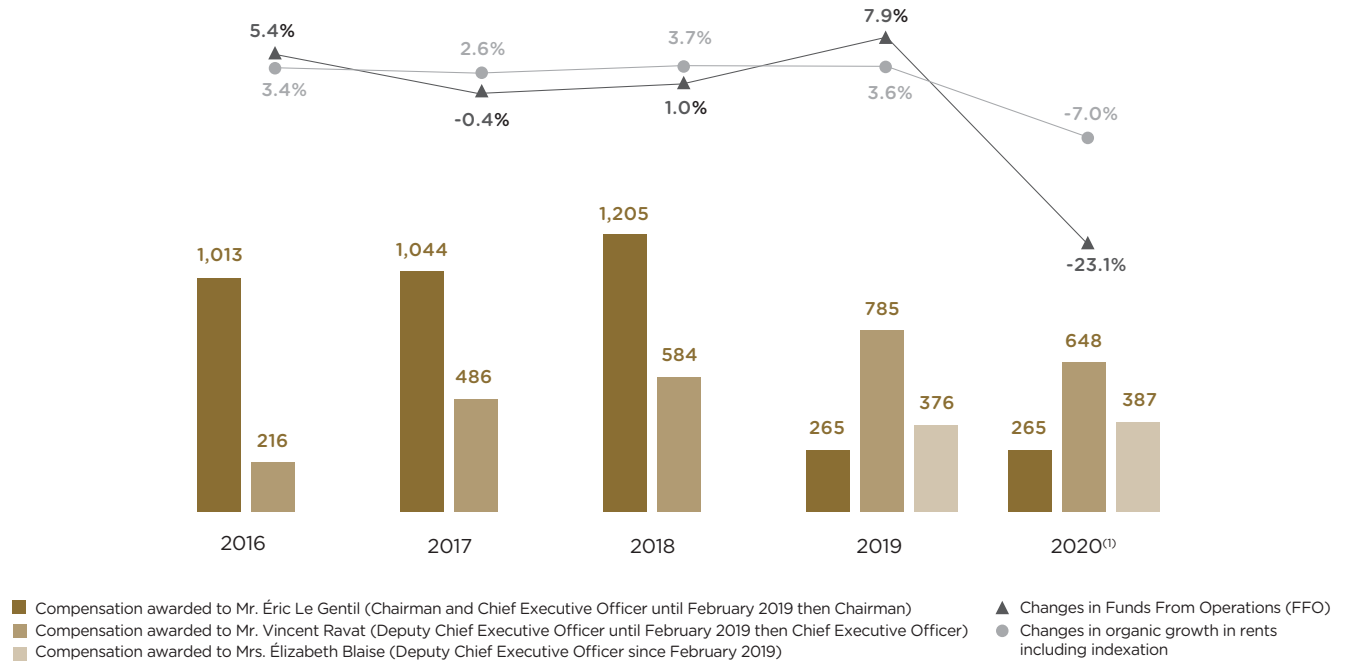
(CHAIRMAN)-CHIEF EXECUTIVE OFFICER AND DEPUTY CHIEF EXECUTIVE OFFICER

(1) Subject to approval of the 2021 compensation policy by the Ordinary General Meeting of April 22, 2021.

(2) The extra-financial criteria appearing in long-term variable compensation relate entirely to CSR.

CHANGE IN COMPANY PERFORMANCE AND IN THE COMPENSATION AWARDED TO EXECUTIVES

(in thousands of euros, for the indicated year)



(1) Subject to approval by the Ordinary General Meeting of April 22, 2021.

CHANGES IN DIFFERENCES IN COMPENSATION BETWEEN EMPLOYEES AND SENIOR EXECUTIVES AND NON-EXECUTIVES (EQUITY RATIOS)

(amounts paid in respect of the year indicated, including payroll taxes and employer contributions - cost charged to the Company)

	2016	2017	2018	2019	2020
Employee compensation					
Average compensation	79,326	87,788	95,434	85,146	82,489
% change	-	11%	9%	-11%	-3%
Median compensation	65,073	71,979	86,188	74,196	68,558
% change	-	11%	20%	-14%	-8%
Chairman of the Board of Directors					
Éric Le Gentil				1,385,892	352,366
% change				-	-75%
Average ratios				16.3	4.3
% change				-	-74%
Median ratios				18.7	5.1
% change				-	-72%
Chairman and Chief Executive Officer					
Éric Le Gentil				1,499,266	1,721,000
% change				-	15%
Average ratios	18.9	19.6	16.8		
% change	-	4%	-14%		
Median ratios	23.0	23.9	18.6		
% change	-	4%	-22%		
Chief Executive Officer					
Vincent Ravat				940,965	1,041,674
% change				-	11%
Average ratios				11.1	12.6
% change				-	14%
Median ratios				12.7	15.2
% change				-	20%
Deputy Chief Executive Officer					
Élizabeth Blaise				571,837	581,295
% change				-	2%
Average ratios				6.7	7.0
% change				-	5%
Median ratios				7.7	8.5
% change				-	10%
Vincent Ravat				373,716	833,521
% change				-	123%
Average ratios	na ⁽¹⁾	9.5	7.5		
% change	-	46%	-21%		
Median ratios	na ⁽¹⁾	11.6	8.3		
% change	-	46%	-28%		
Vincent Rebillard				143,489	
% change				-	
Average ratios	6.5 ⁽¹⁾				
% change	-				
Median ratios	7.9 ⁽¹⁾				
% change	-				

(1) Mr Vincent Ravat having taken over from Mr Vincent Rebillard as Deputy Chief Executive Officer in 2016, only one position was deemed to be available during the year. As a result, the ratio for the year was calculated on the basis of their cumulative compensation.

Calculation methodology

The equity ratios presented cover all of Mercialys group's workforce, throughout the regions where it operates, *i.e.* metropolitan France and the French overseas territories. In addition, in accordance with French financial markets authority recommendations⁽¹⁾, to accurately reflect the governance changes that have come into effect at Mercialys since 2016,⁽²⁾ the information is presented by position and by corporate officer who held the position. The veracity of this information was verified by the third-party organization independent of Mercialys, as part of the review of the Extra-Financial Performance Statement (DPEF) (see chapter 2, Appendix 3, p. 132 et seq.).

The compensation equity ratios presented are calculated using the following methodology:

- year N average ratio = compensation paid in year N to executive/average compensation paid in year N to employees (excluding executives and interns), including payroll taxes and employer contributions;
- year N median ratio = compensation paid in year N to executive/median of compensation paid in year N to employees (excluding executives and interns), including payroll taxes and employer contributions.

Compensation paid in year N consists of the following elements, in the numerator and the denominator:

- fixed salaries paid during year N, including payroll taxes and employer contributions;
- variable salaries paid during year N, including payroll taxes and employer contributions⁽³⁾;
- exceptional compensation paid during year N, including payroll taxes and employer contributions;
- bonus shares awarded definitively during year N⁽⁴⁾;
- compensation in respect of directorships paid in year N, including payroll taxes and employer contributions.

The methodology used resulted in the executive compensation used in the numerator of the equity ratio corresponds to the compensation paid for the year in question being submitted to the *ex post* vote of shareholders at the Annual General Meeting, adjusted for employer contributions, as well as the social security regime for Company managers, healthcare and pensions.

SUMMARY FOR 2020	Éric Le Gentil		Vincent Ravat		Élizabeth Blaise	
	Compensation Equity ratio	Compensation <i>ex post</i> vote	Compensation Equity ratio	Compensation <i>ex post</i> vote	Compensation Equity ratio	Compensation <i>ex post</i> vote
Fixed compensation	210,102	210,102	360,000	360,000	265,000	265,000
Annual variable compensation	0	0	412,650	412,650	145,728	145,728
Multi-annual variable compensation	0	0	0	0	671	671
Exceptional compensation	0	0	0	0	0	0
Compensation allocated on account of the directorship	41,211	41,211	0	0	0	0
Benefits in kind	0	0	2,619 ⁽¹⁾	35,563 ⁽²⁾	0	15,725 ⁽³⁾
Employer's contributions on all compensation components	101,053	0	266,405	0	169,896	0
TOTAL	352,366	251,313	1,041,674	808,213	581,295	427,124

(1) Company car.

(2) Company car, executive unemployment insurance and healthcare benefit scheme

(3) Executive unemployment insurance and healthcare benefit scheme.

Explanation of the main changes

The changes in compensation equity ratios in 2017, compared to 2016, are due to the fact that the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer received long-term variable compensation.

The 2019 equity ratio of the Chairman of the Board of Directors includes the annual variable compensation paid in respect of his office of Chairman and Chief Executive Officer in 2018. In accordance with the applicable regulations, this

variable compensation was paid to him following *ex post* approval by the Annual General Meeting of April 25, 2019.

The 2020 equity ratios reflect the full-year impact of the change in governance in 2019.

The overall analysis of compensation equity ratios above shows that the compensation of Mercialys executives is reasonable. In addition to contributing to social cohesion within the Company, these levels of compensation correspond to the recommendations of the proxies.

(1) 2020 report on corporate governance and executive compensation.

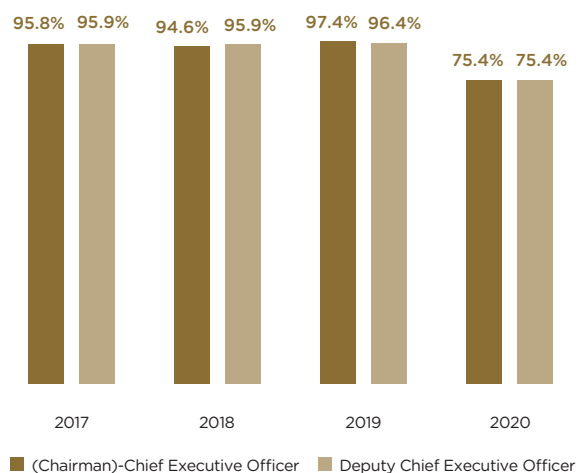
(2) In April 2016, Mr Vincent Ravat took over from Mr Vincent Rebillard in the position of Deputy Chief Executive Officer. In 2019, following the separation of the positions of Chairman and Chief Executive Officer, Mr Éric Le Gentil was appointed Chairman of the Board of Directors, Mr Vincent Ravat was appointed Chief Executive Officer, and Mrs Élizabéth Blaise was appointed Deputy Chief Executive Officer.

(3) The annual variable compensation paid during year N corresponds to the compensation payable in respect of year N-1.

(4) The shares awarded definitively in year N correspond to the plans in previous years. The share valuation is defined on the basis of the closing stock exchange price on the definitive vesting dates.

CHANGES IN THE LEVEL OF POSITIVE VOTING ON THE COMPENSATION POLICY FOR EXECUTIVES AT ANNUAL GENERAL MEETINGS

*(Vote on the compensation policy for the current year
at the Annual General Meeting held in the indicated year,
it being specified that Mercialys holds its
Annual General Meeting in April)*



4.2.2.2 Compensation policy of the Chairman of the Board of Directors, non-executive corporate officer, in respect of the fiscal year 2020

A. Reminder of the principles and criteria for determining, distributing and awarding the components of compensation of the Chairman of the Board of Directors in 2020

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the compensation package and benefits of any kind, attributable for 2020 to the Chairman of the Board of Directors, were submitted for the approval of the Ordinary General Meeting of April 23, 2020 (8th resolution).

At this Meeting, the shareholders approved the compensation policy proposed for the Chairman of the Board of Directors, as set out below. The way in which this policy was followed is set out in point B below.

TABLE 1 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

<i>(in euros)</i>	Fiscal year 2020	Fiscal year 2019
Compensation awarded in respect of the fiscal year (see § 2, below)	265,000	265,000
Valuation of multi-annual variable compensation awarded during the fiscal year	-	-
Valuation of options awarded during the fiscal year	-	-
Valuation of bonus shares awarded (vesting subject to service and performance conditions) ⁽¹⁾	171,433	268,549
Valuation of other long-term compensation plans	-	-
TOTAL	436,433	533,549

⁽¹⁾ Potential valuation of the shares awarded per fiscal year, not yet vested, under plans 24 and 27 and subject to a condition of service as a corporate officer as well as performance conditions over 3 years (see § 4 below).

You are reminded that this compensation was set after consideration of the tasks assigned to the Chairman of the Board of Directors outside the general duties provided for by law, which are as follows:

- relations with major shareholders and with major financial and/or industrial partners;
- participation in the development of strategy and oversight of its implementation;
- interface between the Board and Senior Management.

The compensation of the Chairman of the Board of Directors consists of fixed compensation in respect of his position as Chairman, plus specific compensation paid for his participation in the Investment Committee and the Appointments and Compensation Committee:

- annual fixed compensation: Euro 225,000;
- compensation in his capacity as Director: according to the rules applicable in the Company, as set out in § 4.2.1.1, p. 273 et seq.

The Chairman of the Board of Directors does not receive variable compensation either in cash or shares, other than the variable component included in his compensation as a director.

Furthermore, it is specified that Mr Éric Le Gentil keeps the benefit of the bonus share plans which were awarded to him in his capacity as Chairman and Chief Executive Officer, provided that he is still a corporate officer at the end of the vesting period.

Lastly, the non-competition clause binding Mr Éric Le Gentil to the Company in respect of his previous executive duties ended on December 31, 2020 and no other clause or benefit is awarded to him.

B. Details of the compensation awarded in respect of fiscal year 2020 or paid in respect of the same fiscal year to Mr Éric Le Gentil, Chairman of the Board of Directors

1. Summary table of compensation payable by Mercialys and the companies it controls or which control it

The compensation and benefits of any kind payable by Mercialys to Mr Éric Le Gentil for fiscal years 2019 and 2020 are as follows; it being specified that he receives no compensation from the companies controlled by Mercialys and that Mercialys is not controlled as defined by Article L. 233-16 of the French Commercial Code. Furthermore, it is specified that compensation for the fiscal years 2019 and 2020 are not comparable, following the separation of the positions of Chairman of the Board of Directors and Chief Executive Officer on February 13, 2019.

2. Compensation paid by Mercialys and the companies it controls

Mr Éric Le Gentil received the following compensation and benefits of any kind from the Company in his capacity as Chairman of the Board of Directors and Chairman and Chief Executive Officer in, and in respect of, fiscal years 2020 and 2019, calculated respectively, on a *pro rata temporis* basis:

TABLE 2 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

(in euros)	Fiscal year 2020		Fiscal year 2019	
	Amounts awarded ⁽⁷⁾	Amounts paid ⁽⁸⁾	Amounts awarded ⁽⁷⁾	Amounts paid ⁽⁸⁾
Fixed compensation ⁽¹⁾⁽²⁾	225,000	210,102 ⁽⁹⁾	225,000 ⁽³⁾	302,762 ⁽³⁾
Annual variable compensation ⁽¹⁾⁽³⁾	-	-	-	504,630
Multi-annual variable compensation ⁽¹⁾	-	-	-	70,313
Exceptional compensation ⁽¹⁾⁽⁴⁾	-	-	-	112,500
Compensation allocated on account of the directorship ⁽¹⁾	40,000	41,211 ⁽⁵⁾	40,000 ⁽⁵⁾	50,000
Benefits in kind ⁽⁶⁾	-	-	-	14,823
TOTAL	265,000	251,313	265,000	1,055,028

(1) Gross compensation before social security contributions and tax.

(2) The amounts indicated for 2019 also include paid leave.

(3) Mr Éric Le Gentil was appointed Chairman of the Board of Directors on February 13, 2019, and his compensation as Chairman of the Board of Directors for the fiscal year 2019 was therefore less than Euro 225,000. However, up until February 12, 2019, Mr Éric Le Gentil received his compensation as Chairman and Chief Executive Officer, and so the amount paid included compensation as Chairman and Chief Executive Officer and compensation as Chairman of the Board of Directors, during the fiscal year 2019.

(4) On February 13, 2019, the Board of Directors decided to modify the 2018 compensation policy in order to be able to pay Éric Le Gentil exceptional compensation paid for in full by Casino, Guichard-Perrachon, as part of the disposal process by Casino, Guichard-Perrachon, of all, or part, of its stake in Mercialys' share capital. The process of the disposal, by Casino, Guichard-Perrachon, of all, or part, of its stake in Mercialys' share capital was a special circumstance for the Company that required major involvement from the Chairman and Chief Executive Officer in fiscal year 2018. This compensation amounting to Euro 112,500 was paid following approval by the Ordinary General Meeting on April 25, 2019.

(5) In accordance with the compensation policy as approved by the Annual General Meeting of April 25, 2019, the Chairman of the Board of Directors lost the benefit of the additional annual compensation of Euro 20,000 which was previously paid to the Chairman and Chief Executive Officer. Since Mr Éric Le Gentil was Chairman and Chief Executive Officer up until February 12, 2019, this additional compensation was calculated on a *pro rata* basis for 2019, resulting in a payment of Euro 41,211 in respect of 2019, paid in January 2020.

(6) Senior executive unemployment insurance, benefit and pension scheme covering all the Company's employees.

(7) Compensation awarded in respect of the fiscal year, regardless of the date of payment.

(8) Compensation paid during the fiscal year, regardless of the allocation date.

(9) The difference in compensation between the amount awarded and paid is due to the reversal in 2020 of a 13th month paid in error in 2019.

The table below summarizes the amounts awarded and paid by the Company to Mr Éric Le Gentil solely in his capacity as Chairman of the Board of Directors and as a director for the fiscal years 2019 and 2020:

TABLE 3 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

(in euros)	Fiscal year 2020		Fiscal year 2019	
	Amounts awarded ⁽³⁾	Amounts paid ⁽⁴⁾	Amounts awarded ⁽³⁾	Amounts paid ⁽⁴⁾
Director's compensation ⁽¹⁾⁽²⁾	40,000	41,211 ⁽⁶⁾	40,000	50,000
Other compensation ⁽¹⁾	225,000	210,102 ⁽⁵⁾	225,000	197,813 ⁽⁷⁾
TOTAL	265,000	251,313	265,000	247,813

(1) Gross compensation before social security contributions and tax.

(2) In accordance with the compensation policy as approved by the Annual General Meeting of April 23, 2020, the Chairman of the Board of Directors receives compensation in his capacity as director.

(3) Compensation awarded in respect of the fiscal year, regardless of the date of payment.

(4) Compensation paid during the fiscal year, regardless of the allocation date.

(5) The difference in compensation between the amount awarded and paid is due to the reversal in 2020 of a 13th month paid in error in 2019.

(6) In accordance with the compensation policy as approved by the Annual General Meeting of April 25, 2019, the Chairman of the Board of Directors lost the benefit of the additional annual compensation of Euro 20,000 which was previously paid to the Chairman and Chief Executive Officer. Since Mr Éric Le Gentil was Chairman and Chief Executive Officer up until February 12, 2019, this additional annual compensation was calculated on a *pro rata* basis for 2019, resulting in a payment of Euro 41,211 in respect of 2019, paid in January 2020.

(7) Mr Éric Le Gentil was appointed Chairman of the Board of Directors on February 13, 2019, and his compensation as Chairman of the Board of Directors for the fiscal year 2019 was therefore less than Euro 225,000.

Mr Éric Le Gentil does not receive any compensation, or benefits of any kind whatsoever from companies controlled by Mercialys.

3. Annual variable compensation

Mr Éric Le Gentil ceased receiving annual variable compensation on February 13, 2019 for subsequent periods. In April 2019, he received annual variable compensation in the

amount of Euro 504,630 corresponding to the position of Chairman and Chief Executive Officer which he held in 2018.

4. Stock warrants or stock options and bonus shares awarded by the Company and/or the companies it controls

No stock warrants or stock options were awarded in 2020 by the Company and/or companies that it controls to Mr Éric Le Gentil.

Mr Éric Le Gentil is the beneficiary of one bonus share plan, according to the following criteria and arrangements:

TABLE 6 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

Bonus shares awarded to Éric Le Gentil						
No. and date of plan	Number of shares awarded during the fiscal year	Valuation of the shares according to the method adopted for the consolidated financial statements	Vesting date	Availability date	Performance conditions	
Plan 27, of 04/26/2018	21,673 ⁽²⁾	€171,433	04/26/2021	04/27/2023 ⁽¹⁾	YES ⁽³⁾	
TOTAL	21,673	€171,433				

(1) The Board of Directors has set at 50% the number of bonus shares definitively awarded which the beneficiary is required to hold in registered form until the end of his corporate mandate within Mercialys.

(2) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mr Éric Le Gentil will be 32,509 shares corresponding to a valuation of Euro 257,146.

(3) Bonus shares become vested only if the beneficiary (in the capacity of corporate officer) is still present at the Company on the vesting date of the shares, and subject to fulfillment of three performance criteria: 1) the relative performance of the Company's share price including dividend (Total Shareholder Return - TSR) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2018, measured between January 1, 2018 and December 31, 2020, for 50% of the initial award; 2) organic growth in rental revenues, including Casual Leasing, excluding indexation, measured as an annual average over three years between January 1, 2018 and December 31, 2020, for 25% of the initial allocation; and 3) FFO growth (excluding the 2019 carrying cost of debt financing for the fiscal year 2018) measured as a three-year annual average between January 1, 2018 and December 31, 2020 for the remaining 25% of the initial award.

In his capacity as Chairman of the Board of Directors, a non-executive corporate officer, Mr Éric Le Gentil no longer benefits from a new bonus share plan.

No shares vested under plan 24, awarded in 2017 and maturing in 2020, as the performance criteria were not met.

Below is a summary of the bonus share plans from which Mr Éric Le Gentil benefited:

TABLE 10 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

	Plan 24	Plan 27
Date of the Annual General Meeting	04/27/2017	04/26/2018
Date of Board of Directors meeting	04/27/2017	04/26/2018
Total number of bonus shares awarded to corporate officers (subject to service and performance conditions)	27,833	31,306 ⁽¹⁾
o/w shares awarded to Mr Éric Le Gentil	19,269	21,673 ⁽¹⁾
Vesting date of shares	04/27/2020	04/26/2021
Holding period end date	04/27/2022	04/26/2023
Total number of shares vested at December 31, 2020, to corporate officers	0	na ⁽²⁾
o/w shares vested to Mr Éric Le Gentil	0	na ⁽²⁾
Number of shares canceled or lapsed at December 31, 2020	27,833	na ⁽²⁾
Number of outstanding bonus shares for plans not yet matured at December 31, 2020	0	31,306

(1) If the performance criteria are exceeded, the maximum number of shares that can be awarded to corporate officers will be 46,959 shares, including 32,509 shares for Mr Éric Le Gentil, corresponding to a valuation of Euro 257,146.

(2) Since the three-year plan has not expired yet, the final allocations at December 31, 2020 cannot be calculated.

5. Employment contract, special pension schemes, severance pay and non-competition clause

TABLE 11 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

Employment contract		Supplementary pension scheme		Allowances or benefits payable or likely to be payable, due to termination of, or a change in position		Compensation linked to a non-competition clause	
Yes	No ⁽¹⁾	Yes	No ⁽²⁾	Yes	No	Yes	No
	○		○		○		○

(1) In accordance with the provisions of the AFEP-MEDEF Code, Mr Éric Le Gentil, as Chairman of the Board of Directors, does not hold an employment contract with Mercialis.

(2) Mr Éric Le Gentil does not benefit from any supplementary pension scheme. He is included in the mandatory group pension scheme (ARRCO and ARGIC) and in the insurance and healthcare benefit scheme covering all the Company's employees.

Note that all the tables in French Financial Markets Authority Position/Recommendation DOC-2021-02 which do not appear in the previous pages do not apply to Mr Éric Le Gentil's compensation for fiscal year 2020, namely:

- table 4, on the stock warrants or stock options awarded in the fiscal year to each executive officer by the issuer and by any Group company;
- table 5, on the stock warrants or stock options exercised in the fiscal year by each executive officer;
- table 7, relating to the free shares awarded during the fiscal year to each executive officer;
- table 8, on the history of granted stock warrants and stock options;
- table 9, on the stock warrants or stock options awarded to the top ten employees who are not corporate officers and options exercised by them.

4.2.2.3 Compensation policy for the Chairman of the Board of Directors, non-executive corporate officer, in respect of the fiscal year 2021

Board of Directors' report on the compensation policy for the Chairman of the Board of Directors for fiscal year 2021

(8th resolution of the Ordinary General Meeting of April 22, 2021)

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the compensation package and benefits of any kind, attributable for 2021 to the Chairman of the Board of Directors, must be submitted for the approval of the Ordinary General Meeting of April 22, 2021.

In this connection, the Board of Directors, at its meeting on February 15, 2021, established, on the basis of the recommendations of the Appointments, Compensation and Governance Committee, the determining principles and the structure of compensation of the Chairman of the Board of Directors. This compensation was set after consideration of the tasks assigned to the Chairman of the Board of Directors outside the general duties provided for by law, which are as follows:

- relations with major shareholders and with major financial and/or industrial partners;

- participation in the development of strategy and oversight of its implementation;
- interface between the Board and Senior Management.

The compensation of the Chairman of the Board of Directors consists of fixed compensation in respect of his position as Chairman, plus specific compensation paid for his participation in the Strategy and Transformation Committee and the Appointments, Compensation and Governance Committee:

- annual fixed compensation: Euro 225,000 (unchanged);
- compensation in his capacity as Director: according to the rules applicable in the Company, as set out in § 4.2.1.1, p. 273 et seq.

The Chairman of the Board of Directors does not receive variable compensation either in cash or shares, other than the variable component included in his compensation as a director.

Furthermore, it is specified that Mr Éric Le Gentil keeps the benefit of the bonus share plans which were awarded to him in his capacity as Chairman and Chief Executive Officer, provided that he is still a corporate officer at the end of the vesting period.

He also benefits from the Company's insurance and healthcare benefit scheme.

4.2.2.4 Compensation of the Chief Executive Officer in respect of fiscal year 2020

A. Principles and criteria for determining, distributing and awarding the compensation components of the Chief Executive Officer in 2020

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the compensation package and benefits of any kind attributable for 2020 to the Chief Executive Officer in respect of his corporate term of office, were submitted for approval by the Ordinary General Meeting on April 23, 2020 (9th resolution).

At the Ordinary General Meeting of April 23, 2020, the shareholders approved the principles and criteria for determining and awarding the compensation of the Chief Executive Officer.

These principles adhere to the recommendations of the AFEP-MEDEF Code, and are detailed in § 4.2.2.1 p. 277 et seq.

A reminder is provided below of the 2020 compensation policy for the Chief Executive Officer. The way in which this policy was followed is set out in point B below.

Fixed compensation

As of February 13, 2019, the compensation for Mr Vincent Ravat in his capacity as Chief Executive Officer was set at Euro 360,000.

Annual variable compensation

It was proposed to maintain the 2019 variable compensation mechanism, which notably includes a CSR objective. In order that Mercialis continues to follow best market practices it was, however, proposed that the proportion of qualitative criteria should continue its reduction and change from 20% to 15%.

The variable compensation is therefore structured around two types of objectives:

1. quantifiable objectives, weighted at 85%, of which two CSR objectives at 15%; and
2. qualitative objectives, weighted at 15%, focused on Human Resources.

The target annual variable compensation of the Chief Executive Officer remains at 70% of his annual fixed compensation if the objectives set are achieved. It could reach 140% of his annual fixed compensation in the case that these objectives are exceeded.

The selected criteria, and their weighting in determining the variable compensation, are as follows:

		% of fixed compensation		
		Minimum	Target	Maximum
Quantifiable objectives (85% of the total variable compensation)	FFO growth (20% of the total variable compensation)	0.0%	14.0%	28.0%
	Organic growth including indexation (15% of the total variable compensation)	0.0%	10.5%	21.0%
	EBITDA margin (15% of the total variable compensation)	0.0%	10.5%	21.0%
	Reduction in greenhouse gas emissions as part of the Mercialis climate strategy (scopes 1 and 2) (5% of the total variable compensation)	0.0%	3.5%	7.0%
	GRESB classification of Mercialis (at constant methodology) (10% of the total variable compensation)	0.0%	7.0%	14.0%
	Asset disposals during the fiscal year (<i>in millions of euros</i>) (10% of the total variable compensation)	0.0%	7.0%	14.0%
	Bond maturity management (<i>in millions of euros</i>) (10% of the total variable compensation)	0.0%	7.0%	14.0%
Qualitative objectives (15% of the total variable compensation)	Human Resources Management: change in employee satisfaction and commitment (measured by an employee survey) (15% of the total variable compensation)	0.0%	10.5%	21.0%
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION		0.0%	70.0%	140.0%

For each quantitative criterion, a minimum achievement threshold is set, as well as a target level corresponding to Mercialis' objectives for a performance that meets objectives, and a performance level that exceeds the target. Variable compensation is calculated in a linear or graduated fashion between the minimum threshold and the maximum threshold.

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, payment of the variable portion of the compensation due for fiscal year 2020, after determining the amount based on the achievement of the objectives defined above, is conditional upon approval by the Ordinary General Meeting to be held on April 22, 2021.

Long-term compensation

In order to associate the Chief Executive Officer over the long-term with the Company's shareholding performance, the Board of Directors has decided, subject to compliance with the provisions of Article L. 22-10-60 of the French Commercial Code, on the principle of bonus share awards.

Bonus shares may only be granted to executive corporate officers if the Company grants one of the following benefits to its employees and to at least 90% of employees in its subsidiaries:

- stock options and/or stock warrants;

- bonus shares;
- the introduction of an incentive agreement or statutory profit-sharing agreement. For companies that already have such an agreement in place, the first allocation authorized by the Annual General Meeting held after the introduction of the Law of December 3, 2008, requires that each company (listed company and relevant subsidiaries) amend the calculation methods relating to one of these agreements, or pay a supplementary incentive or profit-sharing amount.

This award would represent a target of 125% of the annual fixed compensation (*i.e.* Euro 450,000) if the defined objectives are achieved, and up to 187.5% of the annual fixed compensation if each criteria is exceeded. The sum of the 3 criteria would in any event be capped at 160% of the annual fixed compensation (*i.e.* Euro 576,000), in order to comply with best market practices.

The bonus shares awarded will only be fully 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), it being specified that in the event of non-renewal of his corporate office (except in the event of resignation or removal from office), the Board of Directors may decide to maintain the plan benefits. The Company's performance conditions will also apply, said performance

being assessed over a 3-year period using the following criteria and assessment tables:

1. the relative performance of the Mercialisys share, including dividend (Total Shareholder Return – TSR) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2020, measured between January 1, 2020 and December 31, 2022, for 35% of the initial award:

Ranking of the three-year average annual TSR of Mercialisys compared with the companies comprising the index	Multiplier
[0 to 20%]	150%
]20 to 40%]	125%
]40 to 50%]	100%
]50 to 60%]	75%
]60 to 80%]	50%
]80 to 100%]	0%

The Mercialisys ranking will be obtained by dividing the Mercialisys ranking in the index by the number of companies constituting the index as of January 1, 2020.

2. An extra-financial criterion, namely the Company's CDP (Carbon Disclosure Project) rating, for 20% of the initial allocation:

At the end of the three-year period, the number of shares vested on the basis of this performance criterion will be determined in line with the table appearing below:

CDP (1 ranking per year)	Multiplier
Rating 1 x > B at constant standards	0%
Rating 2 x > B at constant standards	100%
Rating 3 x > B at constant standards	150%

3. FFO growth measured as the three-year annual average between January 1, 2020 and December 31, 2022, for the remaining 45% of the initial award.

At the end of the three-year period, the number of shares vested in respect of this performance criterion will be determined, in accordance with the table presented below, it being understood that the multiplier value will be calculated on a linear basis between the defined limits:

Annual three-year average FFO growth	Multiplier
0.00%	0%
1.00%	100%
2.00% or more	150%

The bonus shares awarded in 2020 will only become the beneficiary's property after a vesting period lasting three years which will end in 2023.

At the end of this three-year vesting period, the Chief Executive Officer will be required to keep 100% of his shares for a period of at least 2 years after they are fully vested, and thereafter to hold 50% of them as registered shares until the termination of his position as corporate officer.

Furthermore, in accordance with the provisions of the final sub-paragraph of Article 25.3.3 of the AFEP-MEDEF Code, the Chief Executive Officer undertakes not to make use of risk hedging transactions until the end of the period for holding the shares.

Other compensation components

The Chief Executive Officer does not benefit from any supplementary pension scheme. He participates in the mandatory group supplementary pension scheme (ARRCO and AGIRC) and in the insurance and healthcare benefit scheme in force within the Company for all employees. He also benefits from senior executive unemployment insurance. He does not receive any other benefit of any kind, except a company car.

No severance allowance shall be paid to the Chief Executive Officer resulting from the termination of, or change in, his position.

The Chief Executive Officer may also benefit from an indemnity relating to a non-competition clause. In the event of termination of his position, the Chief Executive Officer will be bound by a non-competition and non-solicitation obligation that would apply for a period not to exceed the time of his employment in the Company, up to a maximum of one year, it being specified that the Company may reduce or waive the application of this clause. In exchange, the Chief Executive Officer would be paid a monthly compensation equivalent to one-twelfth of 50% of his annual fixed compensation, which will be paid in installments during its term.

B. Details of the compensation, in respect of the fiscal year 2020, of Mr Vincent Ravat, Chief Executive Officer

1. Summary table of compensation payable by Mercialys and the companies it controls or which control it

The compensation and benefits of any kind payable by Mercialys and the companies it controls to Mr Vincent Ravat for fiscal year 2020 are as follows. It should be remembered that Mercialys is not controlled within the meaning of Article L. 233-16 of the French Commercial Code.

TABLE 1 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

<i>(in euros)</i>	Fiscal year 2020	Fiscal year 2019
Compensation awarded in respect of the fiscal year (see § 2, below)	647,563	784,967
Valuation of multi-annual variable compensation awarded during the fiscal year	-	-
Valuation of options awarded during the fiscal year	-	-
Valuation of bonus shares awarded (vesting subject to service and performance conditions) ⁽¹⁾	437,318	259,557
Valuation of other long-term compensation plans	-	-
TOTAL	1,084,881	1,044,524

(1) Potential valuation of the shares awarded, not yet vested, under plans 24, 27, 30 and 33 and subject to a condition of presence as a corporate officer as well as performance conditions over 3 years (see § 4 below).

2. Compensation paid by Mercialys and the companies it controls

Mr Vincent Ravat received the following compensation and benefits of any kind from the Company in his capacity as Chief Executive Officer in, and in respect of, fiscal year 2020:

TABLE 2 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

<i>(in euros)</i>	Fiscal year 2020		Fiscal year 2019	
	Amounts awarded ⁽⁷⁾	Amounts paid ⁽⁸⁾	Amounts awarded ⁽⁷⁾	Amounts paid ⁽⁸⁾
Fixed compensation ⁽¹⁾⁽²⁾	360,000	360,000	360,000	316,439 ⁽⁹⁾
Annual variable compensation ⁽¹⁾⁽³⁾	252,000	412,650	412,650	124,960
Multi-annual variable compensation ⁽⁴⁾	-	-	-	-
Exceptional compensation ⁽¹⁾⁽⁵⁾	-	-	-	108,340
Compensation allocated on account of the directorship	-	-	-	-
Benefits in kind ⁽⁶⁾	35,563	35,563	12,317	12,317
TOTAL	647,563	808,213	784,967	562,056

(1) Gross compensation before social security contributions and tax.

(2) The amounts indicated for 2019 also include paid leave.

(3) The methods for determining variable compensation are restated in the 2020 compensation policy, as approved at the Ordinary General Meeting of April 23, 2020, under § 4.2.2.4, A, p. 286 et seq., and clarifications are provided in § 3 below. It should be noted that the payment of this amount will be subject to the approval of the sixth resolution presented to the Ordinary General Meeting of April 22, 2021.

(4) Mr Vincent Ravat does not receive multi-annual variable compensation in cash, but is the beneficiary of bonus share plans, which did not result in any shares vesting in 2019 and 2020.

(5) The Board of Directors, at its meeting of February 14, 2017 and on the recommendation of the Appointments and Compensation Committee, decided to recognize Mr Vincent Ravat's exceptional contribution to the success of the Toulouse Fenouillet project implementation, opened on November 8, 2016, by awarding him an extraordinary cash bonus of Euro 100,000, half of it paid in February 2017 and the other half paid in February 2019, subject to his continued employment. In accordance with the provisions governing the distribution of Mr Vincent Ravat's compensation package, Mercialys paid Mr Vincent Ravat the sum of Euro 33,340 and Mercialys Gestion paid him the sum of Euro 16,660 in February 2017. This distribution was identical for the amount received in February 2019, in view of his continued employment at that date. The Board of Directors decided, on February 13, 2019 to change the 2018 compensation policy to be able to pay Mr Vincent Ravat exceptional compensation fully paid by Casino, Guichard-Perrachon as part of the disposal process by Casino, Guichard-Perrachon of all or some of its equity interest in Mercialys. The sale by Casino, Guichard-Perrachon of all or part of its equity interest in Mercialys constituted a significant special circumstance for the Company which required the major involvement of the Deputy Chief Executive Officer during the 2018 fiscal year. This compensation amounting to Euro 75,000 was paid following approval by the Ordinary General Meeting on April 25, 2019.

(6) Company car, senior executive unemployment insurance and insurance and healthcare benefit scheme covering all the Company's employees. The contribution of the latter is now 24 months, resulting in a larger payment in 2020.

(7) Compensation awarded in respect of the fiscal year, regardless of the date of payment.

(8) Compensation paid during the fiscal year, regardless of the allocation date.

(9) As of February 13, 2019, the fixed compensation for Mr Vincent Ravat in his capacity as Chief Executive Officer will be Euro 360,000 per year instead of Euro 300,000 that he received as Deputy Chief Executive Officer.

3. Annual variable compensation

The variable compensation of Mr Vincent Ravat for fiscal year 2020 was determined by the Board of Directors at its meeting of February 15, 2021, on the proposal of the Appointments, Compensation and Governance Committee, applying the criteria in the table below:

	Assessment	% of fixed compensation				Amount (in euros)
		Minimum	Target	Maximum	Achieved	
Quantifiable objectives (85% of the total variable compensation)	FFO growth (20% of the total variable compensation)	0.0%	14.0%	28.0%	0.0%	0
	Organic growth including indexation (15% of the total variable compensation)	0.0%	10.5%	21.0%	0.0%	0
	EBITDA margin (15% of the total variable compensation)	0.0%	10.5%	21.0%	0.0%	0
	Reduction in greenhouse gas emissions as part of the Mercialis climate strategy (scopes 1 and 2) (5% of the total variable compensation)	0.0%	3.5%	7.0%	7.0%	25,200
	GRESB classification of Mercialis (at constant methodology) (10% of the total variable compensation)	0.0%	7.0%	14.0%	14.0%	50,400
	Asset disposals during the fiscal year (in millions of euros) (10% of the total variable compensation)	0.0%	7.0%	14.0%	14.0%	50,400
	Bond maturity management (in millions of euros) (10% of the total variable compensation)	0.0%	7.0%	14.0%	14.0%	50,400
Qualitative objectives (15% of the total variable compensation)	Human Resources Management: change in employee satisfaction and commitment (measured by an employee survey) (15% of the total variable compensation)	0.0%	10.5%	21.0%	21.0%	75,600
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION		0.0%	70.0%	140.0%	70.0%	252,000

Against a backdrop, and in a sector, that was highly disrupted by an unprecedented crisis, Mr Vincent Ravat was able to safeguard Mercialys' balance sheet positions, offer reassurance regarding the value and liquidity of the portfolio and continue to improve operations at all sites by making structural adaptations in response to the health situation (without resorting to any State aid or short-time working arrangements), whilst maintaining Mercialys' leadership in terms of Corporate Social Responsibility, once again winning multiple awards in 2020. Under Mr Vincent Ravat's leadership, this fiscal year saw the acceleration of the development and deployment across its portfolio of its unified retail platform "Ocitô" and related first and last mile logistics services, as well as the diversification of its real estate projects and their uses (healthcare and co-working spaces). To adapt Mercialys to changes in its shareholder base, Vincent Ravat, against a backdrop of widespread teleworking, also continued to develop and internalize skills, attract new talent, instill a culture of innovation and improve employee commitment and satisfaction.

Overall, and after weighting, objectives were, on average, 100% achieved, i.e. variable compensation to be paid at 70% of fixed salary, or Euro 252,000.

This variable compensation will be paid subject to the approval of the 6th resolution proposed to the Company's Ordinary General Meeting on April 22, 2021 (see chapter 8, p. 393).

4. Stock warrants or stock options and bonus shares awarded by the Company and/or the companies it controls

In 2020, Mr Vincent Ravat, as Chief Executive Officer, was the beneficiary of a bonus share plan by the Company, as described below (Plan 33).

It is also stated that Mr Vincent Ravat was the beneficiary in 2014 and 2016, of bonus share plans which were awarded to him as an employee, prior to his appointment as Deputy Chief Executive Officer (see chapter 7, § 7.2.5.3, p. 382 et seq.).

Mr Vincent Ravat is also the beneficiary of three bonus share plans according to the following criteria and arrangements:

TABLE 6 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

Bonus shares awarded to Mr Vincent Ravat						
No. and date of plan	Number of shares awarded during the fiscal year	Valuation of the shares according to the method adopted for the consolidated financial statements	Vesting date	Availability date	Performance conditions	
Plan 27, of 04/26/2018	9,633 ⁽²⁾	€76,197	04/26/2021	04/27/2023 ⁽¹⁾	YES ⁽³⁾	
Plan 30, of 04/25/2019	21,329 ⁽⁴⁾	€140,197	04/25/2022	04/25/2024 ⁽¹⁾	YES ⁽⁵⁾	
Plan 33, of 04/23/2020	67,355 ⁽⁶⁾	€220,924	04/23/2023	04/23/2025 ⁽¹⁾	YES ⁽⁷⁾	
TOTAL	98,317	€437,318				

(1) The Board of Directors has set at 50% the number of bonus shares definitively awarded which the beneficiary is required to hold in registered form until the end of his corporate mandate within Mercialys.

(2) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mr Vincent Ravat will be 14,450 shares corresponding to a valuation of Euro 114,299.

(3) Bonus shares only vest only if the beneficiary (in the capacity of corporate officer) is still present at the Company on the vesting date of the shares, and subject to fulfillment of three performance criteria: 1) the relative performance of the Company's share price including dividend (Total Shareholder Return - TSR) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2018, measured between January 1, 2018 and December 31, 2020, for 50% of the initial award. 2) organic growth in rental revenues, including Casual Leasing, excluding indexation, measured as an annual average over three years between January 1, 2018 and December 31, 2020, for 25% of the initial allocation; and 3) FFO growth (excluding the 2019 carrying cost of debt financing for the fiscal year 2018) measured as a three-year annual average between January 1, 2018 and December 31, 2020 for the remaining 25% of the initial award.

(4) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mr Vincent Ravat will be 31,994 shares corresponding to a valuation of Euro 210,200.

(5) Bonus shares only vest if the beneficiary (in the capacity of corporate officer) is still present at the Company on the vesting date of the shares, and subject to fulfillment of three performance criteria: 1) the relative performance of the Mercialys share including dividend (relative Total Shareholder Return) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2019, measured between January 1, 2019 and December 31, 2021, for 40% of the initial award, 2) organic growth in rental revenues, including Casual Leasing, excluding indexation, measured as an annual average over three years between January 1, 2019 and December 31, 2021, for 20% of the initial award, and 3) growth in FFO measured as an annual average over three years between January 1, 2019 and December 31, 2021, for the remaining 40% of the initial award.

(6) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mr Vincent Ravat will be 86,215 shares corresponding to a valuation of Euro 282,785.

(7) Bonus shares only vest if the beneficiary (in the capacity of corporate officer) is still present at the Company on the vesting date of the shares, and subject to fulfillment of three performance criteria: 1) the relative performance of the Mercialys share including dividend (relative Total Shareholder Return) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2020, measured between January 1, 2020 and December 31, 2022, for 35% of the initial award, 2) the Company's CDP (Carbon Disclosure Project) rating, measured once a year over a three-year period between January 1, 2020 and December 31, 2022, for 20% of the initial award and 3) growth in FFO measured as an annual average over three years between January 1, 2020 and December 31, 2022, for the remaining 45% of the initial award.

No shares vested under plan 24, awarded in 2017 and maturing in 2020, as the performance criteria were not met.

Below is a summary of the bonus share plans from which Mr Vincent Ravat has benefited as a corporate officer:

TABLE 10 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

	Plan 24	Plan 27	Plan 30	Plan 33
Date of the Annual General Meeting	04/27/2017	04/26/2018	04/25/2019	04/23/2020
Date of Board of Directors meeting	04/27/2017	04/26/2018	04/25/2019	04/23/2020
Total number of bonus shares awarded to corporate officers (subject to service and performance conditions)	27,833	31,306 ⁽¹⁾	30,414 ⁽²⁾	107,020 ⁽³⁾
o/w number of shares awarded to Mr Vincent Ravat	8,564	9,633 ⁽¹⁾	21,329 ⁽²⁾	67,355 ⁽³⁾
Vesting date of shares	04/27/2020	04/26/2021	04/25/2022	04/23/2023
Holding period end date	04/27/2022	04/26/2023	04/25/2024	04/23/2025
Total number of shares vested at December 31, 2020, to corporate officers	0	na ⁽⁴⁾	na ⁽⁴⁾	na ⁽⁴⁾
o/w number of shares vested to Mr Vincent Ravat	0	na ⁽⁴⁾	na ⁽⁴⁾	na ⁽⁴⁾
Number of shares canceled or lapsed at December 31, 2020	27,833	na ⁽⁴⁾	na ⁽⁴⁾	na ⁽⁴⁾
Number of outstanding bonus shares for plans not yet matured at December 31, 2020	0	31,306	30,414	107,020

(1) If the performance criteria are exceeded, the maximum number of shares that can be awarded to corporate officers will be 46,959, including 14,450 shares for Mr Vincent Ravat, corresponding to a valuation of Euro 114,299.

(2) If the performance criteria are exceeded, the maximum number of shares that can be awarded to corporate officers will be 45,621, including 31,994 shares for Mr Vincent Ravat, corresponding to a valuation of Euro 210,200.

(3) If the performance criteria are exceeded, the maximum number of shares that can be awarded to corporate officers will be 137,779, including 86,215 shares for Mr Vincent Ravat, corresponding to a valuation of Euro 282,785.

(4) Since the three-year plan has not expired yet, the final allocations at December 31, 2020 cannot be calculated.

5. Employment contract, special pension schemes, severance pay and non-competition clause

TABLE 11 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

Employment contract		Supplementary pension scheme		Allowances or benefits payable or likely to be payable, due to termination of, or a change in, position		Compensation linked to a non-competition clause	
Yes	No	Yes	No ⁽¹⁾	Yes	No	Yes ⁽²⁾	No
	○		○		○		○

(1) Mr Vincent Ravat does not benefit from any supplementary pension scheme. He is included in the mandatory group pension scheme (ARRCO and ARGIC) and the insurance and healthcare benefit scheme covering all the Company's employees.

(2) Mr Vincent Ravat may benefit from a payment linked to a non-competition and non-solicitation clause that would apply for a period not to exceed the time of his employment in the Company, up to a maximum of one year; it is specified that the Company may reduce or waive the application of such clause. In exchange, she would be paid a monthly sum equivalent to one-twelfth of 50% of her annual fixed compensation. This compensation will be paid in installments during her term of office.

As mentioned for Mr Éric Le Gentil on p. 286, all the tables in French financial Markets Authority Position-Recommendation DOC-2021-02 that do not appear in the previous pages do not apply to fiscal 2020 as regards Mr Vincent Ravat's compensation (tables 3, 4, 5, 7, 8, 9).

Pursuant to the provisions of Article L. 225-100, III, of the French Commercial Code, the Ordinary General Meeting of April 22, 2021 is called to approve the fixed, variable and exceptional components of the compensation package and the benefits of any kind paid or awarded in respect of the previous fiscal year to the Chief Executive Officer for his mandate in fiscal year 2020. Details and comments about this information can be found in chapter 8, appendix 2, p. 423 et seq.

4.2.2.5 Compensation policy regarding the Chief Executive Officer in respect of fiscal year 2021

Board of Directors' report on the compensation policy for the Chief Executive Officer for fiscal year 2021

(9th resolution of the Ordinary General Meeting of April 22, 2021)

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the compensation package and benefits of any kind attributable for 2021 to the Chief Executive Officer in respect of his corporate term of office must be submitted for approval by the Ordinary General Meeting on April 22, 2021.

In this connection, the Board of Directors, at its meeting on February 15, 2021, established, on the basis of the recommendations of the Appointments, Compensation and Governance Committee, the determining principles and the structure of compensation of the Chief Executive Officer for 2021.

A. Principles

The Board of Directors refers to the principles of the AFEP-MEDEF Code for determining the compensation of the executive corporate officers: completeness, balance among the compensation components, benchmark, consistency, intelligibility of the rules and measurement. Details of the main principles governing its approach are given in § 4.2.2.1 p. 277 et seq.

Note that the Board of Directors always ensures that executive compensation is competitive, is in line with corporate strategy and context and, in particular, aims to drive the Company's medium and long-term performance and competitiveness by incorporating one or more social and environmental criteria. To do so, it ensures that:

1. compensation attracts, retains and motivates high-performing executives. Compensation must be competitive and reflect each individual's scope of responsibility.

Every year, the Appointments, Compensation and Governance Committee employs an independent company to conduct a market survey amongst a panel of comparable stakeholders in terms of type and portfolio size. This keeps the compensation system consistent and maintains a good balance between fixed and variable components;

2. compensation is based on corporate strategy and performance.

The Appointments, Compensation and Governance Committee ensures that the Company's interests are in line with those of its shareholders and sets its executives' objectives. These objectives are subject to measurable and quantifiable performance conditions, over 80% of which must be achieved;

3. compensation incorporates social and environmental responsibility criteria.

Being aware of the major environmental, as well as social and societal, issues, Mercialis sets ambitious and measurable short, and long-term, objectives for its executives;

4. compensation is consistent and in line with employees' compensation.

The Compensation, Appointments and Governance Committee ensures that compensation is consistent throughout the Company. For this reason, some corporate officers' objectives are incorporated into the Group share of employees' variable compensation. In addition, in order to further align their interests, one of the corporate officers' objectives is to develop employee satisfaction and commitment, diversity and to develop effective training.

These principles apply to all compensation components, including long-term compensation.

Note that the concept of compensation for exceptional circumstances is not part of executive compensation policy.

Lastly, in accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors deliberates without the interested party being present.

B. Compensation components of the Chief Executive Officer

Fixed compensation

As of February 13, 2019, the compensation for Mr Vincent Ravat in his capacity as Chief Executive Officer was set at Euro 360,000 and will not be changed in 2021.

Annual variable compensation

Annual variable compensation rewards performance for the year N-1 and aims to establish a link between executives' interests and Mercialis' operational strategy over the period.

This compensation is conditional upon the achievement of specific and ambitious targets.

The target annual variable compensation for Mr Vincent Ravat in 2021 would remain at 70% of his annual fixed compensation if the objectives set are achieved.

The maximum achievement rate for each objective could be as high as 200%.

If these objectives are exceeded, the annual variable compensation would be capped at 140% of his annual fixed compensation.

In the event of leaving the Group, the CEO's variable portion would be calculated *pro rata temporis*, on the basis of service and in his capacity as CEO.

Variable compensation would be structured around two types of objectives: quantifiable objectives weighted at 80% and two qualitative objectives at 20%. As a result, Mercialis' compensation policy would continue to comply with the best market standards, with a very high percentage of quantifiable criteria.

The annual variable compensation proposed is constructed to reflect the Company's major issues in 2021, whilst reflecting the specific context relating to the health and economic crisis which occurred in 2020. As a result, it would cover both aspects of financial, operational and extra-financial performance and balance sheet positions. For the sake of balance, two criteria were used for each type of performance:

1. Financial criteria

- FFO growth, measuring the change in Mercialis' recurrent income;
- EBITDA margin, measuring the efficiency of its operational management.

2. Operational criteria

- change in footfall in shopping centers on a like-for-like basis and for comparable opening weeks, enabling retailers to increase their business and capitalize on their ability to convert footfall into revenue, reflected in a positive trend in Mercialis' rental income outlook;
- acceleration of digital transformation making it possible to measure the Company's ability to adapt to changing consumer expectations and to embrace new retail methods, notably by offering new last mile services.

3. Balance sheet criteria

- partial refinancing of bond debt to lengthen its duration and continue to strengthen the protection of the Company's liquidity and balance sheet positions against an uncertain macro-economic and health backdrop;

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Compensation and benefits of Directors and corporate officers

- asset disposals during the fiscal year also to strengthen the protection of the Company's liquidity and balance sheet positions.
- human resources and talent management to ensure employees' continuous improvement and commitment and to ensure that their skills are constantly adapted to an ever-changing market environment.

4. Extra-financial criteria

- improving sites' performance in terms of Social and Environmental Responsibility to ensure associated value creation and responsible, long-term growth;

The selected criteria, and their weighting in determining the variable compensation, would be as follows:

		% of fixed compensation		
		Minimum	Target	Maximum
Quantifiable objectives (80% of the total variable compensation)	FFO growth (20% of the total variable compensation)	0.0%	14.0%	28.0%
	EBITDA margin on a like-for-like basis (15% of the total variable compensation)	0.0%	10.5%	21.0%
	Difference between the change in footfall at Mercialis shopping centers and that of the national index (on a like-for-like basis and for comparable opening weeks) (10% of the total variable compensation)	0.0%	7.0%	14.0%
	Acceleration of the company's digital transformation: development of last mile activities (<i>retailer members as a % of the total number of retailers in the portfolio, excluding isolated units and minority interests</i>) (15% of the total variable compensation)	0.0%	10.5%	21.0%
	Bond maturity management (<i>in millions of euros</i>) (5% of the total variable compensation)	0.0%	3.5%	7.0%
	Asset disposals during the fiscal year (<i>in millions of euros</i>) (15% of the total variable compensation)	0.0%	10.5%	21.0%
Qualitative objectives (20% of the total variable compensation)	Social and Environmental Responsibility: improving sites' performance, contributing to value creation and responsible, long-term growth (10% of the total variable compensation)	0.0%	7.0%	14.0%
	Human resources and talent management: promoting diversity in the workforce, developing the internal training program, developing and diversifying skills, improving employee satisfaction and commitment (10% of the total variable compensation)	0.0%	7.0%	14.0%
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION		0.0%	70.0%	140.0%

For each quantitative criterion, a minimum achievement threshold is set, as well as a target level corresponding to Mercialis' objectives for a performance that meets objectives, and a performance level that exceeds the target. Variable compensation is calculated in a linear fashion between the minimum threshold and the maximum threshold.

The Board of Directors, on the recommendation of the Compensation, Appointments and Governance Committee may, when assessing the achievement of performance objectives, adjust said objectives to recognize the impact of the Covid-19 pandemic-related health emergency, to keep the implementation of the compensation policy in line with performance, in the corporate interest.

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 (in particular, following a merger or disposal, a change of ownership, the acquisition or the creation of a new significant business or the discontinuation of an existing significant business), the Board of Directors, on the recommendation of the Compensation, Appointments and Governance Committee, will be able to use its discretion to adjust, upwards or downwards, one or more performance criteria-related parameters (weighting, trigger thresholds,

objectives, targets, etc.) of 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 any event, and pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, payment of the variable portion of the compensation for 2021 fiscal year, after determination of its amount based on the achievement of the objectives defined above, will be conditional on the approval by the Company's Ordinary General Meeting to be held in 2022.

Long-term compensation

In order to associate the Chief Executive Officer over the long-term with the Company's shareholding performance, the Board of Directors has decided, subject to compliance with the provisions of Article L. 22-10-60 of the French Commercial Code, on the principle of bonus share awards.

Bonus shares may only be granted to executive corporate officers if the Company grants one of the following benefits to its employees and to at least 90% of employees in its subsidiaries:

- stock options and/or stock warrants;
- bonus share plans;

- the introduction of an incentive agreement or statutory profit-sharing agreement. For companies that already have such an agreement in place, the first allocation authorized by the Annual General Meeting held after the introduction of the Law of December 3, 2008, requires that each company (listed company and relevant subsidiaries) amend the calculation methods relating to one of these agreements, or pay a supplementary incentive or profit-sharing amount.

This award would represent a target of 125% of the annual fixed compensation (*i.e.* Euro 450,000) if the defined objectives are achieved, and up to 187.5% of the annual fixed compensation if each criteria is exceeded. The sum of the 3 criteria would in any event be capped at 160% of the annual fixed compensation (*i.e.* Euro 576,000), in order to comply with best market practices.

The bonus shares awarded would only be fully 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), it being specified that in the event of non-renewal of his corporate office (except in the event of resignation or removal from office), the Board of Directors may decide to maintain the plan benefits.

In the event of the Chief Executive Officer's forced departure (except in the event of resignation or dismissal for serious or

gross misconduct) following a change of ownership or change in strategy, any bonus share entitlement that he may have been awarded prior to his effective departure date would be maintained on a *pro rata temporis* basis in relation to his service as a Mercialis executive corporate officer during the vesting period, while remaining subject to the performance conditions of the plan in question. The performance conditions are then calculated on the basis of the plan's performance criteria, assessed at the end of the year in which the Chief Executive Officer ceases to perform his duties (and without taking into account the impact of the year, or years, after the termination of his duties). In such a case, the Chief Executive Officer would also be released from any holding obligation at the end of the aforementioned vesting period.

To measure Mercialis' share performance against that of its market sector peers and bring executives into line with their shareholders, it is proposed that the stock market performance measurement criterion should be maintained in relative terms, but that the panel of companies should be adapted in order to be more comparable and relevant than the EPRA Nareit/Eurozone index used until now. This new panel is made up of companies more like Mercialis in terms not only of business, but also geography or size. It is set up as follows:

Peers constituting the index	ISIN index	Country	Business segment	Geographical exposure	Market capitalization (€M) at March 10, 2021
Atrium European Real Estate	JE00B3DCF752	Austria	Diversified shopping centers	Poland, Slovakia, Czech Republic, Russia	1,087
Carmila	FR0010828137	France	Neighborhood shopping centers	France, Italy, Spain	2,005
Citycon	FI4000369947	Finland	Diversified shopping centers	Northern Europe	1,385
Deutsche Euroshop	DE0007480204	Germany	Diversified shopping centers	Germany, Poland, Czech Republic, Austria, Hungary	1,142
Eurcommercial Properties	NL0000288876	Netherlands	Neighborhood shopping centers	France, Italy, Sweden, Belgium	946
Hammerson	GB00BK7YQK64	Great Britain	Destination shopping centers	France, United Kingdom, Ireland	1,306
Immobiliare Grande Distribuzione	IT0005322612	Italy	Neighborhood shopping centers	Italy, Romania	394
Klépierre	FR0000121964	France	Destination shopping centers	Continental Europe	6,044
New River	GB00BD7XPJ64	Great Britain	Neighborhood shopping centers	United Kingdom	310
Unibail-Rodamco-Westfield	FR0013326246	France	Destination shopping centers	Continental Europe, United Kingdom, United States	9,549
Vastned Retail	NL0000288918	Netherlands	Ground-floor retail premises	France, Netherlands, Belgium, Spain	442
Wereldhave	NL0000289213	Netherlands	Diversified shopping centers	France, Netherlands, Belgium	592

In addition, in order to assess changes in the Company's financial performance, it is proposed to use a criterion of FFO growth measured as an annual average over three years between January 1, 2021 and December 31, 2023 in order to align executives' interests with those of the shareholders to restore the Company's growth trajectory and, as a result, its stock market performance.

Lastly, with regard to the CSR policy, an objective is set to achieve a certification rate under the BREEAM nomenclature of 85% of Mercialis' portfolio in order to ensure the sustainability of the Company's portfolio by managing it according to the best market standards. This rate includes the regular renewal of certifications already obtained, as part of ever increasing requirements, as well as the certification of additional assets.

All initiatives will be subject to the following performance conditions, measured at the end of the three-year period on the basis of three equally weighted criteria.

1. The relative performance of the Mercialis share, including dividend (Total Shareholder Return - TSR), compared to the performance of a pre-defined panel of comparable companies, measured between January 1, 2021 and December 31, 2023, for 33.33% of the initial award:

Mercialys' ranking will be determined by comparing the Company's performance with that of the companies comprising the panel, as follows:

Ranking of the three-year average annual TSR of Mercialis compared with the companies comprising the panel

	Multiplier
1 st place	150%
2 nd place	140%
3 rd place	130%
4 th place	120%
5 th place	110%
6 th place	100%
7 th to 13 th place	0%

No compensation will be paid if the ranking falls below the average, given that the above table is based on the 12 companies comprising the panel at January 1, 2021, which includes Mercialis.

Should the panel of comparable companies no longer comprise these 12 companies at December 31, 2023, in particular, due to takeovers, mergers, bankruptcies or delistings occurring during the securities' acquisition period, Mercialis' ranking would, as a result, be based on other criteria.

In particular, should the panel of comparable companies, including Mercialis, comprise an uneven number of companies, the 100% performance would correspond to the ranking immediately above the arithmetical average. If, for example, only ten companies, *i.e.* a total of eleven companies including Mercialis, were still due to be listed on the panel on December 31, 2023, the coefficient of 100% would correspond to 5th place. All the multipliers would be readjusted accordingly in a linear fashion between the average ranking determined in this way (coefficient of 100%) and 1st place (coefficient of 150%).

2. FFO growth measured as the three-year annual average between January 1, 2021 and December 31, 2023, for the remaining 33.33% of the initial award.

At the end of the three-year period, the number of shares vested on the basis of this performance criterion will be determined in line with the table appearing below:

Annual three-year average FFO growth	Multiplier
0.00%	0%
1.00%	100%
2.00%	150%

The multiplier moves in a linear fashion between the limits set above.

3. The portfolio certification rate as a percentage of its value, for 33.33% of the initial allocation:

At the end of the three-year period, the number of shares vested in respect of this performance criterion will be determined, in accordance with the table presented below, it being understood that the multiplier value will be calculated on a linear basis between the defined limits:

3-year Breeam-In-Use certification rate (as a % of the portfolio value)	Multiplier
75%	0%
85%	100%
95%	150%

In the event of an exceptional event such as the impact of the Covid-19 epidemic, a change in ownership or a significant change in strategy, the Board of Directors, on the recommendation of the Appointments, Compensation and Governance Committee will have discretionary power in particular to reduce, eliminate or postpone the application of TSR and the application of an extra-financial criterion (a maximum of 33.3% of long-term compensation criteria).

The bonus shares awarded in 2021 will only become the beneficiary's property after a vesting period lasting three years which will end in 2024.

In accordance with the provisions of Articles L 225-197-1 and L 22-10-59 of the French Commercial Code, the Board of Directors must either decide that the shares vested to corporate officers may not be sold before the end of their term of office, or set the number of shares they are required to keep in registered form until the end of their term of office. This information is published in the management report.

At the end of this three-year vesting period, the Chief Executive Officer would be required to keep 100% of his shares for a period of at least two years after they are fully vested, and thereafter to hold 50% of them as registered shares until the termination of his position as corporate officer.

Furthermore, in accordance with the provisions of the final sub-paragraph of Article 25.3.3 of the AFEP-MEDEF Code, the Chief Executive Officer undertakes not to make use of risk hedging transactions until the end of the period for holding the shares.

Other compensation components

The Chief Executive Officer does not benefit from any supplementary pension scheme. He participates in the mandatory group supplementary pension scheme (ARRCO and AGIRC) and in the insurance and healthcare benefit scheme in force within the Company for all employees. He also benefits from senior executive unemployment insurance. He does not receive any other benefit of any kind, except a company car.

No severance allowance shall be paid to the Chief Executive Officer resulting from the termination of, or change in, his position.

The Chief Executive Officer may also benefit from an indemnity relating to a non-competition clause. In the event of termination of his position, the Chief Executive Officer will be bound by a non-competition and non-solicitation obligation that would apply for a period not to exceed the time of his employment in the Company, up to a maximum of one year, it being specified that the Company may reduce or waive the application of this clause. In exchange, the Chief Executive Officer would be paid a monthly compensation equivalent to one-twelfth of 50% of his annual fixed compensation, which will be paid in installments during its term.

4.2.2.6 Compensation policy regarding the Deputy Chief Executive Officer in respect of fiscal year 2020

A. Principles and criteria for determining, distributing and awarding the components of the Deputy Chief Executive Officer's compensation in 2020

Pursuant to the provisions of Article L. 22.10.8 of the French Commercial Code, the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the compensation package and benefits of any kind attributable for 2020 to the Deputy Chief Executive Officer in respect of her corporate term of office, were submitted for approval by the Ordinary General Meeting on April 23, 2020 (10th resolution).

At the Ordinary General Meeting of 23 April 2020, the shareholders approved the principles and criteria for determining and awarding the compensation of the Deputy Chief Executive Officer.

These principles adhere to the recommendations of the AFEP-MEDEF Code, and are detailed in § 4.2.2.1, p. 277 et seq.

The 2020 compensation policy for the Deputy Chief Executive Officer is set out below. The way in which this policy was followed is set out in point B below.

Fixed compensation

Élizabeth Blaise's fixed compensation as Deputy Chief Executive Officer is set at Euro 265,000.

Note that the Deputy Chief Executive Officer retains her employment contract as Chief Administrative and Financial Officer. Accordingly, her annual fixed and variable compensation continue to be divided into two parts, half on the basis of her corporate function and half on the basis of her employment contract.

Annual variable compensation

It was proposed to maintain the variable compensation mechanism in force in 2019, which included a CSR objective. In order that Mercialis continues to follow best market practices it was, however, proposed that the proportion of qualitative criteria should continue its reduction and change from 20% to 15%.

The variable compensation is therefore structured around two types of objectives:

1. quantifiable objectives, weighted at 85%, including two CSR objectives and extra-financial communication at 15%; and
2. qualitative objectives, weighted at 15%, linked to the gradual reinstatement of support functions and related human organization.

The target annual variable compensation of the Deputy Chief Executive Officer is set at 40% of her annual fixed compensation if the objectives set are achieved. It could reach 80% of her annual fixed compensation in the case that these objectives are exceeded.

The selected criteria, and their weighting in determining the variable compensation, are as follows:

		% of fixed compensation		
		Minimum	Target	Maximum
Quantifiable objectives (85% of the total variable compensation)	FFO growth (20% of the total variable compensation)	0.0%	8.0%	16.0%
	Organic growth including indexation (15% of the total variable compensation)	0.0%	6.0%	12.0%
	EBITDA margin (15% of the total variable compensation)	0.0%	6.0%	12.0%
	Reduction in greenhouse gas emissions as part of the Mercialis climate strategy (scopes 1 and 2) (5% of the total variable compensation)	0.0%	2.0%	4.0%
	EPRA and Transparency Awards (with constant methodology) (10% of the total variable compensation)	0.0%	4.0%	8.0%
	Asset disposal during the fiscal year (<i>in millions of euros</i>) (10% of the total variable compensation)	0.0%	4.0%	8.0%
	Bond maturity management (<i>in millions of euros</i>) (10% of the total variable compensation)	0.0%	4.0%	8.0%
Qualitative objectives (15% of the total variable compensation)	Gradual reinstatement of support functions and related human organization (15% of the total variable compensation)	0.0%	6.0%	12.0%
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION		0.0%	40.0%	80.0%

For each quantifiable criterion, a minimum threshold of achievement has been set, along with a target level corresponding to the objectives of Mercialis for a performance that meets objectives, and a level of outperformance of the targets. Variable compensation is calculated in a linear or graduated fashion between the minimum threshold and the maximum threshold.

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, payment of the variable portion of the compensation due for fiscal year 2020, after determining the amount based on the achievement of the objectives defined above, is conditional upon approval by the Ordinary General Meeting to be held on April 22, 2021.

Long-term compensation

In order to associate the Deputy Chief Executive Officer over the long term with the Company's shareholding performance, the Board of Directors has decided, subject to compliance with the provisions of Article L. 225-10-60 of the French Commercial Code (as mentioned on p. 262 for the Chief Executive Officer), on the principle of bonus share awards.

This award would represent a target of 100% of the annual fixed compensation (*i.e.* Euro 265,000) if the defined objectives are achieved, and up to 150% of the annual fixed compensation if each criteria is exceeded. The sum of the 3 criteria would in any event be capped at 130% of the annual fixed compensation (*i.e.* Euro 344,500), in order to comply with best market practices.

The bonus shares allocated would only be vested by the Deputy Chief Executive Officer at the end of a three-year vesting period, subject to service conditions (as a corporate officer and/or employee). The Company's performance conditions will also apply, said performance being assessed over a 3-year period using the following criteria and assessment tables:

1. The relative performance of the Mercialis share, including dividend (Total Shareholder Return – TSR) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2020, measured between January 1, 2020 and December 31, 2022, for 35% of the initial award:

Ranking of the three-year average annual TSR of Mercialis compared with the companies comprising the index	Multiplier
[0 to 20%]	150%
]20 to 40%]	125%
]40 to 50%]	100%
]50 to 60%]	75%
]60 to 80%]	50%
]80 to 100%]	0%

The Mercialis ranking will be obtained by dividing the Mercialis ranking in the index by the number of companies constituting the index as of January 1, 2020.

2. An extra-financial criterion, namely the Company's CDP (Carbon Disclosure Project) rating, for 20% of the initial allocation:

At the end of the three-year period, the number of shares vested on the basis of this performance criterion will be determined in line with the table appearing below:

CDP (1 ranking per year)	Multiplier
Rating 1 x > B at constant standards	0%
Rating 2 x > B at constant standards	100%
Rating 3 x > B at constant standards	150%

3. FFO growth measured as the three-year annual average between January 1, 2020 and December 31, 2022, for the remaining 45% of the initial award.

At the end of the three-year period, the number of shares vested in respect of this performance criterion will be determined, in accordance with the table presented below, it being understood that the multiplier value will be calculated on a linear basis between the defined limits:

Annual three-year average FFO growth	Multiplier
0.00%	0%
1.00%	100%
2.00% or more	150%

The bonus shares awarded in 2020 will only become the beneficiary's property after a vesting period lasting three years which will end in 2023.

At the end of this three-year vesting period, the Deputy Chief Executive Officer will be required to keep 100% of her shares for a period of at least two years after they are fully vested, and thereafter to hold 50% of them as registered shares until the termination of her corporate office.

Furthermore, in accordance with the provisions of the final sub-paragraph of Article 25.3.3 of the AFEP-MEDEF Code, the Deputy Chief Executive Officer undertakes not to make use of risk hedging transactions until the end of the period for holding the shares.

Moreover, it should be noted that Mrs Élisabeth Blaise is the beneficiary of bonus share plans which were awarded to her as a Mercialis employee, prior to her appointment as Deputy Chief Executive Officer.

Other compensation components

The Deputy Chief Executive Officer does not benefit from any supplementary pension scheme. She participates in the mandatory group supplementary pension scheme (ARRCO and AGIRC) and in the insurance and healthcare benefit scheme in force within the Company for all employees. She also benefits from senior executive unemployment insurance. She does not receive any other benefit of any kind.

No severance allowance shall be paid to the Deputy Chief Executive Officer resulting from the termination of, or change in, her position.

The Deputy Chief Executive Officer may also benefit from an indemnity relating to a non-competition clause. In the event of the termination of her position, the Deputy Chief Executive Officer would be bound by a non-competition and non-solicitation obligation that would apply for a period not to exceed the time of her employment in the Company, up to a maximum of one year, it being specified that the Company may reduce or waive the application of such clause. In exchange, the Deputy Chief Executive Officer would be paid a monthly compensation equivalent to one-twelfth of 50% of her annual fixed compensation as a corporate officer which will be paid in installments during its term.

B. Details of the compensation, in respect of the fiscal year 2020, of Mrs Élizab eth Blaise, Deputy Chief Executive Officer

1. Summary table of compensation payable by Mercialys and the companies it controls or which control it

The compensation and benefits of any kind payable by Mercialys and the companies it controls to Mrs Élizab eth Blaise for fiscal year 2020 are as follows. It should be remembered that Mercialys is not controlled within the meaning of Article L. 233-16 of the French Commercial Code.

TABLE 1 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

<i>(in euros)</i>	Fiscal year 2020	Fiscal year 2019
Compensation awarded in respect of the fiscal year (see § 2, below)	386,725	375,728
Valuation of multi-annual variable compensation awarded during the fiscal year	-	-
Valuation of options awarded during the fiscal year	-	-
Valuation of bonus shares awarded (vesting subject to service and performance conditions) ⁽¹⁾	189,789	59,688
Valuation of other long-term compensation plans	-	-
TOTAL	576,514	435,416

(1) Potential valuation of the shares awarded, not yet vested, under plans 30 and 33 and subject to a condition of presence as a corporate officer and/or employee as well as performance conditions over 3 years (see § 4 below).

2. Compensation paid by Mercialys and the companies it controls

Mrs Élizab eth Blaise received the following compensation and benefits of any kind from the Company in her capacity as Deputy Chief Executive Officer in, and in respect of, fiscal year 2020:

TABLE 2 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

<i>(in euros)</i>	Fiscal year 2020		Fiscal year 2019	
	Amounts awarded ⁽⁶⁾	Amounts paid ⁽⁷⁾	Amounts awarded ⁽⁶⁾	Amounts paid ⁽⁷⁾
Fixed compensation ⁽¹⁾⁽²⁾	132,500	132,500	115,000	100,434
Annual variable compensation ⁽¹⁾⁽³⁾	53,000	72,864	72,864	-
Multi-annual variable compensation ⁽⁴⁾	-	-	-	-
Exceptional compensation	-	-	-	-
Compensation allocated on account of the directorship	-	-	-	-
Benefits in kind ⁽⁵⁾	12,581	12,581	-	-
TOTAL	198,081	217,945	187,864	100,434

(1) Gross compensation before social security contributions and tax.

(2) The amounts indicated for 2019 also include paid leave.

(3) The methods for determining variable compensation are restated in the 2020 compensation policy, as approved at the Ordinary General Meeting of April 23, 2020, under § 4.2.2.6, A, p. 297 et seq., and clarifications are provided in § 3 below. It should be noted that the payment of this amount will be subject to the approval of the 7th resolution presented to the Ordinary General Meeting of April 22, 2021.

(4) Mrs Élizab eth Blaise does not receive multi-annual variable compensation in cash, but is the beneficiary of bonus share plans, which did not result in any shares vesting in 2019 and 2020 for her corporate office.

(5) Executive unemployment insurance and healthcare and pension plan.

(6) Compensation awarded in respect of the fiscal year, regardless of the date of payment.

(7) Compensation paid during the fiscal year, regardless of the allocation date.

In addition, Mrs Élizab th Blaise performs the duties of Chief Financial Officer at Mercialys. In this respect, the amounts of compensation and benefits of any kind paid for the fiscal year 2020 are as follows:

TABLE 2 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

<i>(in euros)</i>	Fiscal year 2020		Fiscal year 2019	
	Amounts awarded ⁽⁶⁾	Amounts paid ⁽⁷⁾	Amounts awarded ⁽⁶⁾	Amounts paid ⁽⁷⁾
Fixed compensation ⁽¹⁾⁽²⁾	132,500	132,500	115,000	126,279
Annual variable compensation ⁽¹⁾⁽³⁾	53,000	72,864	72,864	117,325
Multi-annual variable compensation ⁽⁴⁾	-	671	-	-
Exceptional compensation ⁽¹⁾⁽⁵⁾	-	-	-	48,500
Compensation allocated on account of the directorship	-	-	-	-
Benefits in kind ⁽⁶⁾	3,144	3,144	-	-
TOTAL	188,644	209,179	187,864	292,104

(1) Gross compensation before social security contributions and tax.

(2) The amounts indicated for 2019 also include paid leave.

(3) The methods for determining the variable compensation are given in § 4.2.2.6, A, p. 297 et seq., and details are provided in § 3 below.

(4) Mrs Élizab th Blaise does not receive multi-annual variable compensation in cash, but is the beneficiary of bonus share plans, which did not result in any shares vesting in 2019 and 2020 for her corporate office. The amount of Euro 671 paid in 2020 corresponds to the benefit, as an employee of the Company, of democratic bonus share plan No. 29 awarded on 04/26/2018, under which the 87 shares it comprised fully vested to Mrs Élizab th Blaise on 04/26/2020.

(5) To compensate Mrs Élizab th Blaise's involvement, as Chief Financial Officer, in the process of disposal by Casino, Guichard-Perrachon of all or part of its equity interest in Mercialys, a process that constituted a significant special circumstance for the Company and required the major involvement of the Deputy Chief Executive Officer during the 2018 fiscal year, Mrs Élizab th Blaise received exceptional compensation. This compensation amounting to Euro 48,500, received in respect of her employment contract, was paid in 2019.

(6) Benefit plan covering all the Company's employees.

(7) Compensation awarded in respect of the fiscal year, regardless of the date of payment.

(8) Compensation paid during the fiscal year, regardless of the allocation date.

3. Annual variable compensation

The variable compensation of Mrs Élisabeth Blaise for fiscal year 2020 was determined by the Board of Directors at its meeting of February 15, 2021, on the proposal of the Appointments, Compensation and Governance Committee, applying the criteria in the table below:

	Assessment	% of fixed compensation				Amount (in euros)	
		Minimum	Target	Maximum	Achieved		
Quantifiable objectives (85% of the total variable compensation)	FFO growth (20% of the total variable compensation)	0.0%	8.0%	16.0%	-23.1%		
			0.5%		0.0%	0	
	Organic growth including indexation (15% of the total variable compensation)	0.0%	6.0%	12.0%	-7.0%		
			2.25%		0.0%	0	
	EBITDA margin (15% of the total variable compensation)	0.0%	6.0%	12.0%	0.0%		
			84.0%		74.8%	0	
	Reduction in greenhouse gas emissions as part of the Mercialys climate strategy (scopes 1 and 2) (5% of the total variable compensation)	Even though all sites stayed open during both lockdowns, the operational measures put in place reduced emissions in KgCO ₂ eq/sq.m. by 6.5% compared with 2019	0.0%	2.0%	4.0%	4.0%	
				-4.0%		-6.5%	10,600
	EPRA and Transparency Awards (using a fixed methodology) (10% of the total variable compensation)	Achieved EPRA Gold ranking and came first in the Labrador ranking for the third consecutive year	0.0%	4.0%	8.0%	8.0%	
				EPRA Gold + Top 15		EPRA Gold and 1 st place All Categories	21,200
Asset disposals during the fiscal year (in millions of euros) (10% of the total variable compensation)	Euro 30.9 million sale to Picture AM and Euro 120 million net sale to Amundi Immobilier	0.0%	4.0%	8.0%	8.0%		
			€70M		€151M	21,200	
Bond maturity management (in millions of euros) (10% of the total variable compensation)	Successful bond issue in June 2020 followed by a Euro 181 million tender offer	0.0%	4.0%	8.0%	8.0%		
			€100M		€181M	21,200	
Qualitative objectives (15% of the total variable compensation)	Gradual reinstatement of support functions and related human organization (15% of the total variable compensation)	Particular mobilization on the issues of internalization of fund management, real estate management control, and payroll functions and preparation for the internalization of accounting and insurance functions	0.0%	6.0%	12.0%	12.0%	
							31,800
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION		0.0%	40.0%	80.0%	40.0%	106,000	

Élisabeth Blaise efficiently managed and optimized financial indicators and balance sheet positions, guaranteeing the Company, its governance and stakeholders maximum visibility, participating in rapid and appropriate decision-making in a shifting environment. In a very challenging environment for shopping center real estate companies, she maintained an effective and productive dialog with financial counterparties: rating agencies, bondholders and bank creditors, helping to consolidate balance sheet liquidity and rating, key safety factors in an industry that uses a significant level of leverage. Discussions with investors and analysts were very high quality, supporting a relationship of trust, including in a downward cycle.

In addition to crisis management, the Deputy Chief Executive Officer dealt with key issues contributing not only to the management of the Company's risk profile but also to its long-term footprint: risk mapping, renewal of the CSR policy and compliance. These issues have positively affected all services.

Lastly, Élisabeth Blaise was particularly involved in various initiatives to internalize functions. On the one hand, some activities were brought in-house in 2020: fund management and real estate management control, with major impacts both for the business as a going concern and for Mercialys' industrial partners, such as Amundi and BNPP REIM. The Deputy Chief Executive Officer was also fully involved in

preparing for the internalization of major functions: HR and payroll (internalization in January 2021), preparation for the internalization of the accounting, corporate finance and tax functions (internalization planned for Q1 2022) and the insurance function (internalization at the end of 2021, although insurance cover was taken out in 2020).

This variable compensation will be paid subject to the approval of the 7th resolution proposed to the Company's Ordinary General Meeting on April 22, 2021 (see chapter 8, p. 394).

4. Stock warrants or stock options and bonus shares awarded by the Company and/or the companies it controls

In 2020, Mrs Élizab eth Blaise, as Deputy Chief Executive Officer, was the beneficiary of a bonus share plan by the Company, as described below (Plan 33).

It is also stated that Mrs Élizab eth Blaise was the beneficiary of bonus share plans which were awarded to her as an employee, prior to her appointment as Deputy Chief Executive Officer (see chapter 7, § 7.2.5.3, p. 382 et seq.).

TABLE 6 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

Bonus shares awarded to Élizab�eth Blaise						
No. and date of plan	Number of shares awarded during the fiscal year	Valuation of the shares according to the method adopted for the consolidated financial statements	Vesting date	Availability date	Performance conditions	
Plan 30, of 04/25/2019	9,085 ⁽²⁾	�59,688	04/25/2022	04/25/2024 ⁽¹⁾	YES ⁽³⁾	
Plan 33, of 04/23/2020	39,665 ⁽⁴⁾	�130,101	04/23/2023	04/23/2025 ⁽¹⁾	YES ⁽⁵⁾	
TOTAL	48,750	�189,789				

(1) The Board of Directors has set at 50% the number of bonus shares definitively awarded which the beneficiary is required to hold in registered form until the end of his corporate mandate within Mercialisys.

(2) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mrs Élizab eth Blaise will be 13,627 shares corresponding to a valuation of Euro 89,529.

(3) Bonus shares become vested only if the beneficiary (in the capacity of corporate officer and/or employee) is still present at the Company on the vesting date of the shares, and subject to fulfillment of three performance criteria: 1) the relative performance of the Mercialisys share including dividend (relative Total Shareholder Return) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2019, measured between January 1, 2019 and December 31, 2021, for 40% of the initial award, 2) organic growth in rental revenues, including Casual Leasing, excluding indexation, measured as an annual average over three years between January 1, 2019 and December 31, 2021, for 20% of the initial award, and 3) growth in FFO measured as an annual average over three years between January 1, 2019 and December 31, 2021, for the remaining 40% of the initial award.

(4) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mrs Élizab eth Blaise will be 51,564 shares corresponding to a valuation of Euro 169,129.

(5) Bonus shares become vested only if the beneficiary (in the capacity of corporate officer) is still present at the Company on the vesting date of the shares, and subject to fulfillment of three performance criteria:

1) the relative performance of the Mercialisys share including dividend (relative Total Shareholder Return) compared to the performance of the companies in the EPRA/NAREIT Eurozone index at January 1, 2020, measured between January 1, 2020 and December 31, 2022, for 35% of the initial award,

2) the Company's CDP (Carbon Disclosure Project) rating, measure once a year over a three-year period between January 1, 2020 and December 31, 2022, for 20% of the initial award, and

3) growth in FFO measured as an annual average over three years between January 1, 2020 and December 31, 2022, for the remaining 45% of the initial award.

No shares became available in fiscal year 2020 for her corporate office.

Below is a summary of the bonus share plans granted to Élizab  th Blaise as a corporate officer:

TABLE 10 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

	Plan 30	Plan 33
Date of the Annual General Meeting	04/25/2019	04/23/2020
Date of Board of Directors meeting	04/25/2019	04/23/2020
Total number of bonus shares awarded to corporate officers (subject to service and performance conditions) ⁽¹⁾	30,414 ⁽¹⁾	107,020 ⁽²⁾
o/w number of shares awarded to Mrs Élizab��th Blaise	9,085 ⁽¹⁾	39,665 ⁽²⁾
Vesting date of shares	04/25/2022	04/23/2023
Holding period end date	04/25/2024	04/23/2025
Total number of shares vested at December 31, 2020, to corporate officers	na ⁽³⁾	na ⁽³⁾
o/w number of shares vested to Mrs Élizab��th Blaise	na ⁽³⁾	na ⁽³⁾
Number of shares canceled or lapsed at December 31, 2020	na ⁽³⁾	na ⁽³⁾
Number of outstanding bonus shares for plans not yet matured at December 31, 2020	30,414	107,020

(1) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mrs Élizab  th Blaise will be 13,627 shares corresponding to a valuation of Euro 89,529.

(2) If the performance criteria are exceeded, the maximum number of shares that can be awarded to Mrs Élizab  th Blaise will be 51,564 shares corresponding to a valuation of Euro 169,129.

(3) Since the three-year plan has not expired yet, the final allocations at December 31, 2020 cannot be calculated.

Moreover, it should be noted that Mrs Élizab  th Blaise is the beneficiary of bonus share plans which were awarded to her as a Mercialis employee, prior to her appointment as Deputy Chief Executive Officer.

5. Employment contract, special pension schemes, severance pay and non-competition clause

TABLE 11 - FRENCH FINANCIAL MARKETS AUTHORITY POSITION/RECOMMENDATION DOC-2021-02

Employment contract		Supplementary pension scheme		Allowances or benefits payable or likely to be payable, due to termination of, or a change in, position		Compensation linked to a non-competition clause	
Yes ⁽¹⁾	No	Yes	No ⁽²⁾	Yes	No	Yes ⁽³⁾	No
<input type="radio"/>			<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	

(1) Mrs Élizab  th Blaise, as Chief Financial Officer, holds an employment contract with Mercialis SA.

(2) Mrs Élizab  th Blaise does not benefit from any supplementary pension scheme. She is included in the mandatory group pension scheme (ARRCO and ARGIC) and in the insurance and healthcare benefit scheme covering all the Company's employees.

(3) Mrs Élizab  th Blaise may benefit from a payment linked to a non-competition and non-solicitation clause that would apply for a period not to exceed the time of her employment in the Company, up to a maximum of one year; it is specified that the Company may reduce or waive the application of such clause. In exchange, she would be paid a monthly sum equivalent to one-twelfth of 50% of her annual fixed compensation. This compensation will be paid in installments during her term of office.

As mentioned for Éric Le Gentil on p. 286, note that all of the French Financial Markets Authority Position/Recommendation DOC-2021-02 tables which do not appear in the previous pages do not apply for fiscal year 2020 as regards Mrs Élizab  th Blaise's compensation (tables 3, 4, 5, 7, 8, 9).

Pursuant to the provisions of Article L. 225-100, III, and L. 22-10-34 of the French Commercial Code, the Ordinary General Meeting of April 22, 2021 is called to approve the fixed, variable and exceptional components of the compensation package and the benefits of any kind paid or awarded in respect of the previous fiscal year to the Deputy Chief Executive Officer for her mandate in fiscal year 2020. Details and comments about this information can be found in chapter 8, appendix 3, p. 425 et seq.

4.2.2.7 Compensation policy regarding the Deputy Chief Executive Officer in respect of fiscal year 2021

Board of Directors' report on the compensation policy for the Deputy Chief Executive Officer for fiscal year 2021

(10th resolution of the Ordinary General Meeting of April 22, 2021)

Pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the compensation package and benefits of any kind, attributable for 2021 to the Deputy Chief Executive Officer in respect of her corporate term of office must be submitted for approval by the Ordinary General Meeting on April 22, 2021.

In this connection, the Board of Directors, at its meeting on February 15, 2021, established, on the basis of the recommendations of the Appointments, Compensation and Governance Committee, the determining principles and the structure of compensation of the Deputy Chief Executive Officer for 2021.

A. Principles

The Board of Directors refers to the principles of the AFEP-MEDEF Code for determining the compensation of the executive corporate officers: completeness, balance among the compensation components, benchmark, consistency, intelligibility of the rules and measurement. Details of the main principles governing its approach are given in § 4.2.2.1 p. 277 et seq.

Note that the Board of Directors always ensures that executive compensation is competitive, is in line with corporate strategy and context and, in particular, aims to drive the Company's medium and long-term performance and competitiveness by incorporating one or more social and environmental criteria. To do so, it ensures that:

1. Compensation attracts, retains and motivates high-performing executives. Compensation must be competitive and reflect each individual's scope of responsibility.

Every year, the Appointments, Compensation and Governance Committee employs an independent company to conduct a market survey amongst a panel of comparable stakeholders in terms of type and portfolio size. This keeps the compensation system consistent and maintains a good balance between fixed and variable components;

2. Compensation is based on corporate strategy and performance.

The Appointments, Compensation and Governance Committee ensures that the Company's interests are in line with those of its shareholders and sets its executives' objectives. These objectives are subject to measurable and quantifiable performance conditions, over 80% of which must be achieved;

3. Compensation incorporates social and environmental responsibility criteria.

Being aware of the major environmental, as well as social, issues, Mercialis sets ambitious and measurable short, and long-term, objectives for its executives;

4. Compensation is consistent and in line with employees' compensation.

The Appointments, Compensation and Governance Committee ensures consistency between compensation across the Company. For this reason, some corporate officers' objectives are incorporated into the Group share of employees' variable compensation. In addition, in order to further align their interests, one of the corporate officers' objectives is to develop employee satisfaction and commitment, diversity and to develop effective training.

These principles apply to all compensation components, including long-term compensation.

Note that the concept of compensation for exceptional circumstances is not part of executive compensation policy.

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors deliberates without the interested party being present.

B. Compensation components of the Deputy Chief Executive Officer

Fixed compensation

The compensation for Mrs Élisabeth Blaise as Deputy Chief Executive Officer has been set at Euro 265,000 since January 1, 2020, and will be unchanged in 2021.

Deputy Chief Executive Officer keeps her employment contract as Chief Financial Officer. Accordingly, her annual fixed and variable compensation will continue to be divided into two parts, half on the basis of her corporate function and half on the basis of her employment contract.

Annual variable compensation

Short-term variable compensation rewards performance for the year N-1 and aims to establish a link between the interests of executives and Mercialis' operational strategy for the period.

This compensation is conditional upon the achievement of specific and ambitious targets.

Following the benchmark studies conducted by the Appointments, Compensation and Governance Committee, it was decided to increase Mrs Élisabeth Blaise's target annual variable compensation to 55% of her annual fixed compensation if the objectives set are achieved. In fact, in a specific market panel made up of 18 companies selected by a specialized firm in January 2021, the position of Deputy Chief Executive Officer was compared to the position of CEO in smaller companies in terms of size, revenue and market capitalization, or to the Deputy Chief Executive Officer or Business Line Manager in similar or larger companies in terms of size, revenue and market capitalization. It was noted that the target variable in 2020 (40% of fixed compensation in the event of objectives being 100% achieved, *i.e.* Euro 106,000) was, on average, 45% lower than the panel's average target variable and 37% below the panel's median target variable. The proposed change would reduce the 12% gap observed between Mrs Élisabeth Blaise's target fixed and variable compensation (excluding LTI) and the average target fixed and variable compensation of the market analyzed.

The list of companies used for this benchmark is as follows:

- Altarea Cogedim
- Bouygues
- Carmila
- Compagnie des Alpes
- Covivio
- FFP (formerly Société foncière Financière et de Participation)
- Gecina
- Icade
- Klépierre
- La Française
- Les Nouveaux Constructeurs (Bassac)
- Nexity
- Pichet
- Prologis
- Quartus
- Société de la Tour Eiffel
- Société Foncière Lyonnaise
- Unibail

The maximum achievement rate for each objective could be as high as 200%. If these objectives are exceeded, the annual variable compensation would be capped at 110% of annual fixed compensation.

In the event of leaving the Group, the Deputy Chief Executive Officer's variable portion will be calculated *pro rata temporis* on the basis of service as Deputy Chief Executive Officer.

Variable compensation would be structured around two types of objectives: quantifiable objectives weighted at 80% and two qualitative objectives for 20%. As a result, Mercialis' compensation policy would continue to comply with the best market standards, with a very high percentage of quantifiable criteria.

The annual variable compensation proposed is constructed to reflect the Company's major issues in 2021, whilst reflecting the specific context relating to the health and economic crisis which occurred in 2020. As a result, it would cover both aspects of financial, operational and extra-financial performance and balance sheet positions. For the sake of balance, two criteria were used for each type of performance.

1. Financial criteria:

- FFO growth, measuring the change in Mercialis' recurrent income;
- EBITDA margin, measuring the efficiency of its operational management.

2. Operational criteria:

- maintenance of the Company's best financial reporting practices, as assessed by market bodies such as EPRA and Transparency Awards, contributing to Mercialis'

ability to enhance its KPIs and create value for its shareholders;

- internalization, by end-2021, of functions terminated by Mercialis under the Service agreement: corporate legal and insurance functions, which are decisive both for the governance of the listed company and for business continuity.

3. Balance sheet criteria:

- partial refinancing of bond debt to lengthen its duration and continue to strengthen the protection of the Company's liquidity and balance sheet positions against an uncertain macro-economic and health backdrop;
- asset disposals during the fiscal year to strengthen the protection of the Company's liquidity and balance sheet positions.

4. Extra-financial criteria:

- deployment of the new sustainable development plan so that Mercialis continues to follow best market practices in terms of CSR;
- human resources and talent management to ensure that employees' skills are constantly being adapted to a changing market.

The selected criteria, and their weighting in determining the variable compensation, would be as follows:

		% of fixed compensation		
		Minimum	Target	Maximum
Quantifiable objectives (80% of the total variable compensation)	FFO growth (20% of the total variable compensation)	0.00%	11.00%	22.00%
	EBITDA margin on a like-for-like basis (15% of the total variable compensation)	0.00%	8.25%	16.50%
	EPRA and Transparency Awards (10% of the total variable compensation)	0.00%	5.50%	11.00%
	Implementation of action plans for the deployment of the new CSR strategy by 2030 <i>(as a % of the number of predefined objectives)</i> (10% of the total variable compensation)	0.00%	5.50%	11.00%
	Bond maturity management <i>(in millions of euros)</i> (15% of the total variable compensation)	0.00%	8.25%	16.50%
	Asset disposals during the fiscal year <i>(in millions of euros)</i> (10% of the total variable compensation)	0.00%	5.50%	11.00%
Qualitative objectives (20% of the total variable compensation)	Internalization of functions terminated by Mercialis under the Service agreement, by the end of 2021 (10% of the total variable compensation)	0.00%	5.50%	11.00%
	Human resources and talent management: promoting diversity in the workforce, developing the internal training program, developing and diversifying skills, improving employee satisfaction and commitment (10% of the total variable compensation)	0.00%	5.50%	11.00%
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION		0.00%	55.00%	110.00%

For each quantitative criterion, a minimum achievement threshold is set, as well as a target level corresponding to Mercialis' objectives for a performance that meets objectives, and a performance level that exceeds the target. Variable compensation is calculated in a linear or graduated fashion between the minimum threshold and the maximum threshold.

The Board of Directors, on the recommendation of the Compensation, Appointments and Governance Committee may, when assessing the achievement of performance objectives, adjust said objectives to recognize the impact of the Covid-19 pandemic-related health emergency, to keep the

implementation of the compensation policy in line with performance, in the corporate interest.

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 (in particular, following a merger or disposal, a change of ownership, the acquisition or the creation of a new significant business or the discontinuation of an existing significant business), the Board of Directors, on

the recommendation of the Compensation, Appointments and Governance Committee, will be able to use its discretion to adjust, upwards or downwards, one or more performance criteria-related parameters (weighting, trigger thresholds, objectives, targets, etc.) of 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.

In any event, and pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, payment of the variable portion of the compensation for 2021 fiscal year, after determination of its amount based on the achievement of the objectives defined above, will be conditional on the approval by the Company's Ordinary General Meeting to be held in 2022.

Long-term compensation

In order to associate the Deputy Chief Executive Officer over the long term with the Company's shareholding performance, the Board of Directors has decided, subject to compliance with the provisions of Article L. 22-10-60 of the French Commercial Code (as mentioned on p. 294 for the Chief Executive Officer), on the principle of bonus share awards.

This award would represent a target of 100% of the annual fixed compensation (*i.e.* Euro 265,000) if the defined objectives are achieved, and up to 150% of the annual fixed compensation if each criteria is exceeded. The sum of the 3 criteria would in any event be capped at 130% of the annual fixed compensation (*i.e.* Euro 344,500), in order to comply with best market practices.

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 conditions of presence (in her capacity as corporate officer and/or employee), it being specified that in the event of non-renewal of her corporate office (except in the event of resignation or removal from office), the Board of Directors may decide to maintain the plan benefits.

In the event of the Deputy Chief Executive Officer's forced departure (except in the event of resignation or dismissal for serious or gross misconduct) following a change of ownership or change in strategy, any bonus share entitlement that she may have been awarded prior to her effective departure date would be maintained on a *pro rata temporis* basis in relation to her service as a Mercialis executive corporate officer during the vesting period, while remaining subject to the performance conditions of the plan in question. The performance conditions are then calculated on the basis of the plan's performance criteria, assessed at the end of the year in which the Deputy Chief Executive Officer ceases to perform her duties (and without taking into account the impact of the year, or years, after the termination of her duties). In such a case, the Deputy Chief Executive Officer would also be released from any holding obligation at the end of the aforementioned vesting period.

To measure Mercialis' share performance against that of its market sector peers and bring executives into line with their shareholders, it is proposed that the stock market performance measurement criterion should be maintained in relative terms, but that the panel of companies should be adapted in order to be more comparable and relevant than the EPRA Nareit/Eurozone index used until now. This new panel is made up of companies more like Mercialis in terms not only of business, but also geography or size. It is set up as follows:

Peers constituting the index	ISIN index	Country	Business segment	Geographical exposure	Market capitalization (€M) at March 10, 2021
Atrium European Real Estate	JE00B3DCF752	Austria	Diversified shopping centers	Poland, Slovakia, Czech Republic, Russia	1,087
Carmila	FR0010828137	France	Neighborhood shopping centers	France, Italy, Spain	2,005
Citycon	FI4000369947	Finland	Diversified shopping centers	Northern Europe	1,385
Deutsche Euroshop	DE0007480204	Germany	Diversified shopping centers	Germany, Poland, Czech Republic, Austria, Hungary	1,142
Eurcommercial Properties	NL0000288876	Netherlands	Neighborhood shopping centers	France, Italy, Sweden, Belgium	946
Hammerson	GB00BK7YQK64	Great Britain	Destination shopping centers	France, United Kingdom, Ireland	1,306
Immobiliare Grande Distribuzione	IT0005322612	Italy	Neighborhood shopping centers	Italy, Romania	394
Klépierre	FR0000121964	France	Destination shopping centers	Continental Europe	6,044
New River	GB00BD7XPJ64	Great Britain	Neighborhood shopping centers	United Kingdom	310
Unibail-Rodamco-Westfield	FR0013326246	France	Destination shopping centers	Continental Europe, United Kingdom, United States	9,549
Vastned Retail	NL0000288918	Netherlands	Ground-floor retail premises	France, Netherlands, Belgium, Spain	442
Wereldhave	NL0000289213	Netherlands	Diversified shopping centers	France, Netherlands, Belgium	592

In addition, in order to assess changes in the Company's financial performance, it is proposed to use a criterion of FFO growth measured as an annual average over three years between January 1, 2021 and December 31, 2023 in order to align executives' interests with those of the shareholders to restore the Company's growth trajectory and, as a result, its stock market performance.

Lastly, with regard to the CSR policy, an objective is set to achieve a certification rate under the BREEAM nomenclature of 85% of Mercialis' portfolio in order to ensure the sustainability of the Company's portfolio by managing it according to the best market standards. This rate includes the regular renewal of certifications already obtained, in the context of increasing requirements, as well as the certification of additional assets

All initiatives will be subject to the following performance conditions, measured at the end of the three-year period on the basis of three equally weighted criteria.

1. The relative performance of the Mercialis share, including dividend (Total Shareholder Return - TSR), compared to the performance of a specific panel of comparable companies measured between January 1, 2021 and December 31, 2023, for 33.33% of the initial award:

Mercialis' ranking will be determined by comparing the Company's performance with that of the companies comprising the panel, as follows:

Ranking of the three-year average annual TSR of Mercialis compared with the companies comprising the panel

	Multiplier
1 st place	150%
2 nd place	140%
3 rd place	130%
4 th place	120%
5 th place	110%
6 th place	100%
7 th to 13 th place	0%

No compensation will be paid if the ranking falls below the average, given that the above table is based on the 12 companies comprising the panel at January 1, 2021, which includes Mercialis.

Should the panel of comparable companies no longer comprise these 12 companies at December 31, 2023, in particular, due to takeovers, mergers, bankruptcies or delistings occurring during the securities' acquisition period, Mercialis' ranking would, as a result, be based on other criteria.

In particular, should the panel of comparable companies, including Mercialis, comprise an uneven number of companies, the 100% performance would correspond to the ranking immediately above the arithmetical average. If, for example, only ten companies, i.e. a total of eleven companies including Mercialis, were still due to be listed on the panel on

December 31, 2023, the coefficient of 100% would correspond to 5th place. All the multipliers would be readjusted accordingly in a linear fashion between the average ranking determined in this way (coefficient of 100%) and 1st place (coefficient of 150%).

2. FFO growth measured as the three-year annual average between January 1, 2021 and December 31, 2023, for the remaining 33.33% of the initial award:

At the end of the three-year period, the number of shares vested on the basis of this performance criterion will be determined in line with the table appearing below:

Annual three-year average FFO growth	Multiplier
0.00%	0%
1.00%	100%
2.00%	150%

The multiplier moves in a linear fashion between the limits set above.

3. Portfolio certification rate as a percentage of its value, for 33.33% of the initial allocation:

At the end of the three-year period, the number of shares vested in respect of this performance criterion will be determined, in accordance with the table presented below, it being understood that the multiplier value will be calculated on a linear basis between the defined limits:

3-year Breem-In-Use certification rate (as a % of the portfolio value)	Multiplier
75%	0%
85%	100%
95%	150%

In the event of an exceptional event such as the impact of the Covid-19 epidemic, a change in ownership or a significant change in strategy, the Board of Directors, on the recommendation of the Appointments, Compensation and Governance Committee may use its discretionary power in particular to reduce, eliminate or postpone the application of extra-financial criteria on TSR (a maximum of 33.3% of long-term compensation criteria).

The bonus shares awarded in 2021 will only become the beneficiary's property after a vesting period lasting three years which will end in 2024.

In accordance with the provisions of Articles L 225-197-1 and L. 22-10-59 of the French commercial code, the Board of Directors must either decide that the shares vested to corporate officers may not be sold before the end of their term of office, or set the number of shares they are required to keep in registered form until the end of their term of office. This information is published in the Management Report.

At the end of this three-year vesting period, the Deputy Chief Executive Officer will be required to keep 100% of her shares for a period of at least two years after they are fully vested, and thereafter to hold 50% of them as registered shares until the termination of her corporate office.

Furthermore, in accordance with the provisions of the final sub-paragraph of Article 25.3.3 of the AFEP-MEDEF Code, the Deputy Chief Executive Officer undertakes not to make use of risk hedging transactions until the end of the period for holding the shares.

Other compensation components

The Board of Directors, during its meetings of February 13, 2019 and March 5, 2019, planned to take out executive unemployment insurance (*Garantie Sociale des Chefs et Dirigeants d'Entreprise* or "GSC") for Mrs Élizabéth Blaise which covers her net compensation as (i) Deputy Chief Executive Officer and (ii) under her employment contract (the "GSC Allowance").

Note that the GSC cover was taken out in February 2020. The GSC has a 12-month waiting period (deferral of the period covered by the insurance). As a result, on February 12, 2020, the Board of Directors of the Company authorized payment of the subscription and expenses for GSC, formula 55, cover taken out for an initial period of 12 months from February 28, 2020. In order to cover any consequences of the aforementioned waiting period, the Board of Directors has decided to make a commitment to Mrs Elizabeth BLAISE to pay her, in the event of involuntary loss of work between the months of February 2020 and February 28, 2021, an amount equal to the GSC Allowance.

In addition, the GSC only accepts liability for payment of 24-months compensation after two years of contributions⁽¹⁾. On the proposal of the Appointments, Compensation and Governance Committee, the Company's Board of Directors decided, on February 15, 2021, to cover the subscription and costs associated with the GSC, formula 55, for a 24-month compensation period, and in the event of her removal from office between January 1, 2021 and December 31, 2021, inclusive, to pay Mrs Élizabéth Blaise severance pay of equivalent to what she would have received by way of GSC for a maximum of 12 months following the 12-month compensation period paid by the GSC and under the same terms. The operative event triggering the implementation of this commitment will be the expiry of Mrs Élizabéth Blaise's GSC cover.

No deductible period will be applied to the termination of the office for the payment of the indemnity.

This severance payment will be paid monthly for as long as Mrs Élizabéth Blaise is involuntarily out of work. Any resumption of work will result in the cessation of payment of this compensation. The payment of compensation will cease in any case at the end of the 12-month period of compensation not covered by the GSC. Note that this compensation will not be due if Mrs Élizabéth Blaise resigns from her directorship, nor if her directorship is converted into a single employment contract.

No severance allowance shall be paid to the Deputy Chief Executive Officer resulting from the termination of, or change in, her position.

The Deputy Chief Executive Officer does not benefit from any additional pension plan. She participates in the mandatory group supplementary pension plan (ARRCO and AGIRC) and in the pension plan in force within the Company for all employees. She does not receive any other benefit of any kind.

(1) Since the contractual amendment can only be made at the end of an initial contribution period of one year, a one-year waiting period is then applied under the GSC for this new level of cover.

The Deputy Chief Executive Officer may also benefit from an indemnity relating to a non-competition clause. In the event of the termination of her position, she would be bound by a non-competition and non-solicitation obligation that would apply for a period not to exceed the time of her employment in the Company, up to a maximum of one year, it being specified that the Company may reduce or waive the application of such clause. In return, the Deputy Chief Executive Officer would be paid a monthly allowance equivalent to one-twelfth of 50% of her annual fixed compensation.

Note that, in accordance with the terms of Articles 24.6 and 25.5.1 of the AFEP-MEDEF Code, the aggregate amount of any severance allowances (including compensation relating to termination of employment contract) and compensation for the non-compete clause potentially paid by the Company would not exceed 24 months.

Appendix: AFEP-MEDEF cross-reference table

Article number	Recommendations	Implementation by Mercialis	Comments
1 Duties of the Board of Directors			
1.1	Carrying out the duties assigned by law and acting, under all circumstances, in the Company's best interest	Yes	Art. 5 of the IR, p. 449
1.2	Setting strategic guidelines	Yes	Art. 12.2 of the IR, p. 454
1.3	Compliance with the main duties assigned by law	Yes	Art. 5 and 11.2.1 of the IR, p. 449 and 453
1.4	Information on the Board of Directors	Yes	Art. 6 of the IR, p. 449 and 450
1.5	Review of opportunities and risks in line with directors' strategy and information	Yes	Art. 6 of the IR, p. 449 and 450
1.6	Oversight of the anti-corruption and influence-peddling system	Yes	Art. 5 of the IR, p. 449
1.7	Non-discrimination and diversity policy within ruling bodies	Yes	§ 4.1.1.2, B, p. 238 et seq. § 4.1.2, B, p. 259 et seq.
1.8	Corporate governance report on the Board's activities	Yes	§ 4.1.3.2, p. 263 et seq.
1.9	Clarifications required incorporated in the Internal rules	Yes	Art. 5 and 6 of the IR, p. 449 et seq. § 4.1.2, A, p. 259
2 The Board of Directors: collegiate body			
2.1	Collegiate body mandated by all shareholders	Yes	§ 4.1.1, p. 236
2.2	Adaptation of the Board's composition and organization - Publication of Internal Rules	Yes	Last update: February 15, 2021 § 9.1.5, p. 447 et seq.
2.3	Limitation of the representation of specific interests	Yes	§ 4.1.1.2, B, p. 238 et seq.
2.4	Prevention of conflicts of interest in the event of a company controlled by a majority shareholder	Not applicable	No majority shareholder
3 Diversity of governance organization methods			
3.1	Choice between a one or two-tier structure	Yes	One-tier structure § 4.1.2, p. 259
3.2	Governance organization methods	Yes	Separation of duties - Appointment of a Lead Director not applicable
3.3	Resources and prerogatives of the Lead Director	Not applicable	No Lead Director
3.4	Information on the organization of management and control powers	Yes	§ 4.1.2, p. 259
4 The Board and reporting to shareholders and the markets			
4.1	Rigorous financial reporting policy	Yes	§ 7.1.4, p. 370 et seq.
4.2	Fair reporting	Yes	§ 7.1.4, p. 370 et seq.
4.3	Relevance, balance and educational aspect of information	Yes	§ 7.1.4, p. 370 et seq. Chap. 2, p. 82 et seq.
4.4	Shareholder relations on governance issues entrusted to the Chairman of the Board of Directors or the Lead Director	Yes	Art. 7 RIC, p. 450
4.5	Reliable procedures to identify, control and assess commitments and risks	Yes	Chap. 5, p. 316 et seq.
4.6	Relevant information in this area for shareholders and investors	Yes	Off-balance sheet commitments, note 23, p. 190 et seq. Credit rating: § 1.2.5.5, B, p. 59 et seq.
The Board of Directors and the Annual General Shareholders' Meeting			
5			
5.1	Board of Directors appointed by the shareholders to which it reports on the performance of its duties	Yes	§ 4.1.1.2, p. 237 et seq.
5.2	Compliance with the holding and authority of the Annual General Shareholders' Meeting	Yes	Chap. 8, p. 384 et seq.
5.3	Management of conflicts of interest in the event of large-scale transactions	Yes	§ 4.1.4.2, p. 266
5.4	Consultation of shareholders on major transactions	Not applicable	No major transaction in progress

Article number	Recommendations	Implementation by Mercialys	Comments
6	Composition of the Board of Directors: guiding principles		
6.1	Balance of the composition of the Board - Competence and ethics of the members	Yes	§ 4.1.1, p. 236 et seq.
6.2	Composition of the Board of Directors - Diversity policy	Yes	§ 4.1.1.2, p. 237 et seq.
7	Gender diversity policy within ruling bodies		
7.1	Gender equality targets for ruling bodies	Yes	§ 4.1.1.2, p. 237 et seq. § 4.1.2, p. 259 et seq.
7.2	Description of ruling bodies' gender diversity policy	Yes	§ 4.1.2, p. 259 et seq.
8	Representation of employee shareholders and employees		
8.1	Board's application of the provisions of this Code to matters related to directors representing employees	Not applicable	No director representing employees, since Mercialys does not exceed legal thresholds
8.2	Voting by directors representing employees	Not applicable	No director representing employees, since Mercialys does not exceed legal thresholds
8.3	Equal rights and obligations of directors representing employees	Not applicable	No director representing employees, since Mercialys does not exceed legal thresholds
9	Independent directors		
9.1	Integrity, competence, proactivity, attendance and involvement of independent directors	Yes	§ 4.1.1.2, A, p. 237 et seq.
9.2	Definition of independent directors	Yes	§ 4.1.1.2, B, p. 240
9.3	Percentage of independent directors	Yes	§ 4.1.1.2, B, p. 238 et seq.
9.4	Review of the independence of directors and reporting to shareholders	Yes	§ 4.1.1.2, B, p. 240
9.5	Director independence review criteria	Yes	§ 4.1.1.2, B, p. 240 The independence criterion relating to the significance or otherwise of the relationship with the company was the subject of a special analysis by the Appointments and Compensation Committee following the appointment of Mrs. Élisabeth Cunin as Chairwoman of Kiabi, one of Mercialys' tenant retailers
9.6	No variable compensation linked to Company performance for non-executive corporate officers	Yes	§ 4.2.2.2, p. 283 et seq.
9.7	Analysis of the independence of directors representing shareholders holding more than 10% of the share capital or voting rights	Not applicable	The permanent representatives of the Casino group are not considered independent
10	Assessment of the Board of Directors		
10.1	Compliance with the principle of assessment by the Board of its ability to meet shareholder expectations	Yes	§ 4.1.1.1, p. 236 et seq. § 4.1.5, p. 269
10.2	Compliance with the three objectives of the assessment	Yes	§ 4.1.5, p. 269 An independent firm was contacted in October 2020 to assess the operation of the Board of Directors. The conclusions of its assessment were presented to the Appointments, Compensation and Governance Committee
10.3	Compliance with methods of assessment	Yes	§ 4.1.5, p. 269
11	Board meetings and committee meetings		
11.1	Publication of the number of meetings and attendance of directors	Yes	§ 4.1.1.2, A, p. 237
11.2	Frequency and appropriate length of meetings	Yes	§ 4.1.3.1, p. 261

Article number	Recommendations	Implementation by Mercialis	Comments
11.3	Meetings without the presence of executive corporate officers	Yes	Art. 17 of the IR, p. 455 The independent directors meet at least once a year without the presence of the Chairman of the Board of Directors and Senior Management
11.4	Clear minutes of meetings	Yes	Art. 3, p. 449
12 Access to information for directors			
12.1	Directors' right to information and duty of confidentiality included in the Internal Rules	Yes	Art. 6, 15 and 19 of the IR, p. 449, 454 and 455
12.2	Diligent transmission of useful information to Directors, even between Board meetings	Yes	Art. 6 of the IR, p. 449 and 450
12.3	Director's duty to seek the information needed to perform related duties	Yes	Art. 15 of the IR, p. 454
12.4	Ability of directors to meet with the Company's key executives	Yes	Art. 6 of the IR, p. 450
13 Director training			
13.1	Benefit for all directors of training in the specifics of the company, its business lines, its sector and its CSR challenges	Yes	Art. 15 of the IR, p. 454
13.2	Reporting on members of the Audit Committee and their appointment, as well as on special features of company accounting, finance or operations.	Yes	Art. 1.3 of the Audit, Risks and Sustainable Development Committee Charter, available at: www.mercialis.com
13.3	Specific training for directors representing employees	Not applicable	No director representing employees, since Mercialis does not exceed legal thresholds
14 Directors' term of office			
14.1	Term of directorships	Yes	Art. 1 of the IR, p. 447
14.2	Staggering of directorships	Yes	Art. 1 of the IR, p. 447
14.3	Information on the directors	Yes	§ 4.1.1.2, A, p. 237
14.4	Grounds for the candidacy of a director submitted for appointment or renewal	Yes	Annual General Meeting brochure
15 Board committees: general principles			
15.1	Existence and composition of committees	Yes	§ 4.1.1.2, A, p. 237 No cross-directorships
15.2	Scope of responsibility of committees	Yes	§ 4.1.4, p. 265 et seq.
15.3	Committee operating procedures and rules	Yes	Committee charters, available at: www.mercialis.com
16 Audit Committee			
16.1	Existence and composition	Yes	§ 4.1.1.2, A, p. 237
16.2	Powers	Yes	§ 4.1.4.1, p. 265 et seq.
16.3	Operating procedures	Yes	§ 4.1.4.1, p. 265 et seq. Audit, Risks and Sustainable Development Committee Charter, available at: www.mercialis.com
17 The Appointments Committee			
17.1	Existence and composition	Yes	§ 4.1.1.2, A, p. 237 Mercialis has an Appointments, Compensation and Governance Committee
17.2	Powers	Yes	§ 4.1.4.3, p. 267 et seq. The presence of a Deputy Chief Executive Officer mitigates any unforeseen succession of the Chief Executive Officer

Article number	Recommendations	Implementation by Mercialis	Comments
17.3	Operating procedures	Yes	§ 4.1.4.3, p. 267 et seq. The Chairman of the Board of Directors is a member of the Appointments, Compensation and Governance Committee and is, therefore, involved in the process of selecting and appointing directors
18 The Compensation Committee			
18.1	Existence and composition	Yes	§ 4.1.1.2, A, p. 237 Mercialis has an Appointments, Compensation and Governance Committee
18.2	Powers	Yes	§ 4.1.4.3, p. 267 et seq.
18.3	Operating procedures	Yes	§ 4.1.4.3, p. 267 et seq.
19 The number of terms of office of executive corporate officers and directors			
19.1	Director involvement	Yes	Art. 18 of the IR, p. 455
19.2	Limit on the number of terms of office of the executive corporate officer	Yes	Art. 18 of the IR, p. 455 § 4.1.1.2, C, p. 243 The Chief Executive Officer does not hold any other office in a listed company outside the Group
19.3	Specific recommendations regarding non-executive corporate officers' terms of office	Yes	§ 4.1.1.2, C, p. 242 The Chairman does not hold any other office in a listed company outside the Group
19.4	Restriction on the number of directorships	Yes	Art. 18 of the IR, p. 455 § 4.1.1.2, C, p. 242 et seq. According to the information submitted by the directors to the Company, none of them holds more than four other directorships in listed companies outside the Group, including foreign ones
19.5	Information submitted by the directors on the other directorships held	Yes	Art. 18 of the IR, p. 455 § 4.1.1.2, C, p. 242 et seq. According to the information submitted by the directors to the Company, none of them holds more than four other directorships in listed companies outside the Group, including foreign ones
20 Ethics for directors			
20	Fundamental obligations to be met by the directors	Yes	Art. 14 et seq. of the IR, p. 454 et seq.
21 Directors' compensation			
21.1	Attendance-based compensation	Yes	§ 4.2.1, p. 273 et seq.
21.2	Additional compensation possible, particularly in the event of attendance at, or chairmanship, of specialized committees	Yes	§ 4.2.1, p. 273 et seq.
21.3	Adjustment of compensation to the level of responsibilities and time spent on the role	Yes	§ 4.2.1, p. 273 et seq.
21.4	Publication of compensation rules and individual amounts paid	Yes	§ 4.2.1, p. 273 et seq.
22 Termination of employment contract in the event of corporate office			
22.1	End of employment contract if an employee becomes an executive corporate officer	Yes	§ 4.2.2.6, B, 5, p. 303 The Deputy Chief Executive Officer receives compensation as a corporate officer. Since she continues to perform the duties of CFO, she also has a paid employment contract in this capacity

Article number	Recommendations	Implementation by Mercialis	Comments
22.2	Scope of the recommendation	Yes	§ 4.2.2.2, B, 5, p. 286 § 4.2.2.4, B, 5, p. 292 The Chairman of the Board of Directors and the Chief Executive Officer do not have an employment contract
22.3	Exclusions	Not applicable	Only the Mercialis Group executive corporate officers are executive corporate officers of subsidiaries
23 Executive corporate officers' share ownership obligation			
23	Definition of a minimum number of shares that executive corporate officers must hold in registered form until the end of their term of office	Yes	The Board of Directors has not set minimum shares for executive corporate officers. As part of the compensation policy for executive corporate officers, however, since 2017, long-term variable compensation has systematically been based on the allocation of bonus shares, subject to performance conditions. 100% of the vested shares must be held for a minimum of two years, then 50% until the end of their duties as corporate officer § 4.2.2.4, B, 4, p. 291 et seq. § 4.2.2.6, B, 4, p. 302 et seq.
24 The signing of a non-competition agreement with an executive corporate officer			
24.1	Definition of non-competition agreement	Yes	§ 4.2.2.4, A, p. 288 § 4.2.2.4, B, 5, p. 292 § 4.2.2.6, A, p. 298 § 4.2.2.6, B, 5, p. 303
24.2	Board's authorization of the non-competition agreement and its publication	Yes	§ 4.2.2.4, A, p. 288 § 4.2.2.4, B, 5, p. 292 § 4.2.2.6, A, p. 298 § 4.2.2.6, B, 5, p. 303
24.3	Board's option to waive the implementation of this agreement upon the executive officer's departure	Yes	§ 4.2.2.4, A, p. 288 § 4.2.2.6, A, p. 298
24.4	Payment of non-competition indemnity excluded when executives exercise their entitlement to retire and when they are over the age of 65	Not applicable	Executives are significantly younger than 65 years of age
24.5	Prohibition of non-competition agreements signed at the time of the executive corporate officer's departure and not previously specified	Not applicable	Non-competition agreements are included in compensation policies
24.6	Amount of non-competition indemnity and terms of payment	Yes	§ 4.2.2.4, A, p. 288 § 4.2.2.6, A, p. 298
25 Compensation of executive corporate officers			
25.1	Principles for determining the compensation of executive corporate officers and role of the Board of Directors	Yes	§ 4.2.2, p. 277 et seq.
25.2	Principles for determining the compensation of non-executive corporate officers	Yes	§ 4.2.2, p. 277 et seq.

Article number	Recommendations	Implementation by Mercialis	Comments
25.3	Components of the compensation of executive corporate officers	Yes	§ 4.2.2.4 et seq. p. 286 et seq. Resolution 29 which will be submitted for approval at the Annual General Meeting of April 22, 2021, sets the total number of bonus shares that may be allocated over a period of 26 months at 1.0% of the share capital, 0.5% of which for executive corporate officers and 0.5% for employees This equal distribution is due to the fact that, as a result of its type of business, Mercialis' total workforce has very few employees (109 staff on permanent contracts at the end of December 2020) and so complies with the principle of non-concentration of bonus share plans
25.4	Allowance paid to executive corporate officers upon taking office	Not applicable	§ 4.1.1.2, C, p. 243 and 244 No recent changes in terms of executives
25.5	Severance pay in the event of the departure of executive corporate officers	Not applicable	§ 4.2.2.4, A, p. 288 § 4.2.2.6, A, p. 298 Not provided for by compensation policies
25.6	Supplementary pension plans for executive corporate officers	Not applicable	§ 4.2.2.4, A, p. 288 § 4.2.2.6, A, p. 298 Not provided for by compensation policies
26	Information on the compensation of corporate officers and policies for granting stock options and performance shares		
26.1	Constant flow of information	Yes	https://www.mercialis.com/investors/regulated-information/remuneration-of-senior-executives
26.2	Annual information - Content and presentation	Yes	§ 4.2, p. 273 et seq. Diligent use of AMF tables
27	Implementation of recommendations		
27.1	Application of the "comply or explain" rule	Yes	Appendix 1, p. 310 et seq.
27.2	Monitoring of recommendations from the High Committee in charge of Corporate Governance	Not applicable	No comments received by Mercialis in 2020
28	Review of the Code		
28	Periodic review of the Code at Afep and Medef's initiative	Not applicable	Compliance of Mercialis practices with the AFEP-MEDEF Code in its updated version of January 2020

Terminology: IR - Internal rules of the Board of Directors