

Klépierre SA
ANNUAL MEETING OF SHAREHOLDERS
11TH MAY 2023
QUESTIONS FROM DWS INVESTMENT GMBH

Dear Mr David Simon,
Dear Ms Béatrice de Clermont-Tonnerre,
Dear members of the Board,

DWS Investment GmbH (DWS) is one of the largest asset managers in Europe. As a responsible investor in Klépierre SA, it is part of our fiduciary duty to express our expectations in the best interest of our clients. Our commitment to environmental, social and governance practices (ESG) is a crucial element of our responsibilities and forms an integral part of our investment process.

Ahead of your 2023 annual general meeting of shareholders (AGM), we would like to share our questions with you. We would greatly appreciate your answers in written form. Please note that we will also share our questions on our website (www.dws.com) on the day of your AGM. Thank you for your consideration.

Independence of the Board and Committees

Qualified, experienced and independent directors are essential for competent and efficient decision making processes at Board and committee level. Having a majority of independent members serving on the board as well as independent chairpersons is important for us to ensure challenging Board discussions.

We appreciate the work of Ms. Catherine Simoni and Ms. Rose-Marie Van Lerberghe, however, as their tenure with the Company has exceeded 10 years as on the ensuing AGM, it contradicts our Corporate Governance and Proxy Voting Policy with respect to director Independence. As a result, the Board's independence percentage would fall to 33%. Additionally, the Chairman of the Board is also a Non-Independent Director.

Our Corporate Governance and Proxy Voting Policy requires that the Board and key committees must have a majority of independent directors.

QUESTION 1: Will you consider appointing additional independent directors in near future to ensure majority of Independent Directors on the Board?

QUESTION 2: Will you consider appointing a lead independent director to counterbalance the role of a non-independent chair?

Our expectations on independence also extends to the board's committees. Having a majority of independent members serving on the board's committees is important for us to ensure challenging discussions and decision making. We observe that independence of nomination and remunerations committee would reduce to 0%, due to tenure of Ms. Catherine Simoni and Ms. Rose-Marie Van Lerberghe, as explained above.

QUESTION 3: Do you have any plans to reconstitute the composition of the nominations and the remuneration committee to ensure majority of Independence with an Independent chair in the near future?

Overboarding

In our opinion, directors should not hold excessive number of mandates. Directors must ensure that they have sufficient time and capacities to fulfill their board commitments. DWS considers directors overboarded in case they hold more than five external non-executive mandates. In case a director also holds any external Executive Board, more than 3 mandates are considered excessive. Further, due to their extended responsibilities, DWS attributes an additional mandate to members assuming the chair position of the board. In principle, internal board seats are counted as one as long as they are clearly indicated as such.

In this regard, we noticed that Mr. David Simon is currently overboarded according to our Corporate Governance and Proxy Voting Policy.

QUESTION 4: Are there any plans for Mr. David Simon to reduce his mandates to our expected level by the next AGM?

Independence of External Auditors

We place high value on the quality and the independence of auditors. A strong degree of transparency regarding the audit fees, the proportionality and limitations on audit and non-audit fees, the tenure of the audit firm and the lead audit partner is key for DWS to assess whether ratifications for audit firms are deemed responsibly. We regard regular rotation of both the audit firm (after ten years at the latest) and the lead audit partner (after five years at the latest) as a reasonable measure to ensure reliable, independent and critical evaluation of a firm's accounts.

We observe that one of the audit firms (Deloitte) has been associated with the company since 2006, which is over ten years.

QUESTION 5: When can we expect a rotation of the audit firms?

QUESTION 6: How do you evaluate and ensure the objectivity and independence of the lead audit partner and the audit firms?

Remuneration

Executive pay is one of the most important aspects of good corporate governance as it is one of the signals for a well-operated and supervised business. Our expectation is that the board ensures full transparency, clear and plausible key performance indicators for investors, the structure of the incentives encourages the achievement of corporate financial, social and environmental objectives and the amount ultimately granted is in line with performance.

We still see room for improvement in the disclosures. The report does not provide much details regarding the clawback clauses. We regard relevant and adequate bonus-malus mechanisms (including clawbacks) and reasonable deferral periods for executives as key elements of a sustainable, long-term oriented compensation structure. A robust clawback mechanism sets out the scope of and defines the conditions under which parts of the remuneration are to be reclaimed by the board. This should include cash and equity-based elements and should cover not only restatements, compliance breaches or misconduct but also performance-related restatements that may also extend to sustainability aspects.

QUESTION 7: Would you consider incorporating clawback provisions as part of your remuneration policy in the near future?

Net Zero

Corporations and investors have a key role to play towards the need for emissions to be reduced in the mutual goal of coping with the impacts of global warming. In this regard, we support the Climate Action 100+ and the Net Zero Asset Managers initiatives with the aim to enhance the governance of climate change risk and opportunities, to curb emissions and to strengthen climate-related financial disclosures.

You have set the Net-Zero carbon portfolio target for scope 1 and 2 GHG emissions by 2030. Additionally you have also provided relative reduction targets for Scope 3 (indirect) emissions. However, you have not provided information on the reduction targets for Scope 3 (direct) emissions.

QUESTION 8: Please provide clear guidance on how you intend to incorporate reduction of Scope 3 (direct) emissions into your value chain?

QUESTION 9: Could you also provide information on CapEx allocation for on attaining reduction in Scope 3 (direct & indirect) emission?

To conclude, we would like to thank all members of the Board and all the employees of Klepierre SA on their commitment and dedication.

Thank you in advance for your answers.