

Minutes of the Annual General Meeting of Shareholders (AGM) of Pepco Group N.V., having its official seat in Amsterdam, the Netherlands, held on 12th March 2025 at 13:00 (CET)

Chair: Andy Bond, Chair of the Board of Directors (the Chair) of Pepco Group N.V. (Pepco Group or the Company)

In-person Attendance: Ned Staple, Stephan Borchert, Willem Eelman and Yves Mann

Virtual Attendance: Andy Bond, Neil Brown

Secretary: Ned Staple, Company Secretary (the Secretary)

Agenda Item 1: Opening

The Chair opened the meeting at 13:00 (CET) and welcomed the persons present to the meeting, either in person or virtually. He then invited the Secretary to run through a few technical considerations. The Secretary explained that the webcast was streamed in 'listen only' mode. The Board members present were Stephan Borchert, Andy Bond and Neil Brown.

The meeting was conducted in English, in accordance with the articles of association of the Company and was recorded for the purpose of preparing minutes of the meeting. Shareholders had had the opportunity to submit questions prior to the meeting; no questions were received. The Secretary acted as secretary of the meeting. *Sanne Geertje Veenstra*, acting as deputy on behalf of the notary *Mr Voogt*, was present to oversee the meeting. Furthermore, in accordance with the provisions of the Dutch Corporate Governance Code, Yves de Mann from Mazars Accountants N.V., the external auditor of the Company, was present to comment on the audit opinion provided on the financial statements. The Secretary notified the meeting that the holders of 450,627,462 shares were present or represented in the meeting, amounting to 78.04% of the issued capital of the Company on the record date and on the date of the meeting. This represented an equal number of votes. He concluded that the requirements relevant to the convening and holding of the meeting had been met and that the meeting could validly resolve on the matters put forward on the agenda.

Agenda Item 2.a: Annual Report and Annual Financial statements for the financial year 2024

The Chair invited Stephan Borchert to discuss the report of the Board and the current state of affairs of the Company.

Stephan Borchert described how Pepco Group delivered a record financial performance, with its highest ever revenue and EBITDA outturn, alongside the opening of 392 net new stores across Europe. During 2024 the business laid solid foundations by re-focusing on driving profitable growth through disciplined investment. This included introducing greater rigour and analysis for investment decisions, with a strict hurdle rate of return for all spend, and reviewing underperforming areas of the business, including exiting the unprofitable Austrian market.

In addition, the attention was focused on the CEE markets, that perform the strongest and generate the highest returns. Hence, the majority of new store growth had been targeted within the CEE region, where there remains ample white space opportunity to grow the business.

During the year, the business faced challenges in driving momentum in like-for-like (LFL) revenues, which was lower across all brands year-on-year. Group LFL declined by 3.2% overall in FY24. Pepco was impacted by a combination of supply chain disruption, affecting the consistent and timely availability of stock, as well as working its way through excess older stock. Trading in Poundland and Dealz was negatively affected as the ranges transitioned to Pepco-sourced clothing and general merchandise.

Despite the challenges the Group reported record revenues which exceeded €6 billion for the first time, growing by 10% over the prior year. In addition, Group EBITDA increased by 25% to €944m, driven by a strong Pepco performance where EBITDA was up by 42% as a result of store expansion and a strong recovery in gross margin within Pepco. This in turn contributed to a Group-level gross margin improvement of 390 basis points year-on-year.

As a result, the Group ended the year with a stronger balance sheet and a significant improvement in free cash flow generation year, allowing the Group to announce an augural dividend of 6.2 cents per share for its shareholders.

Stephan Borchert explained that Pepco's core focus in the year ahead would be to strengthen LFL revenues, for which he was cautiously confident would improve. He explained that Pepco would continue to expand their price leadership position and enhance the core customer proposition. With these foundations, alongside strong brand equity and leading market share in the Group's core CEE markets, as well as a focus on disciplined capital expenditure to drive free cash generation, Pepco expect to deliver further strategic progress going forward.

Agenda item 2.b: Advisory vote on the 2024 Remuneration Report

The Chair explained that the remuneration report details the implementation and execution of the remuneration policy for the Board for the financial year 2024. He invited Neil Brown, incoming Chair of the Remuneration Committee, to give a short explanation.

Neil Brown explained how Executive Directors' pay is comprised and noted that due to his executive duties prior to the arrival of Stephan Borchert, Andy Bond's remuneration would be reported in the same way as Executive Director remuneration. Salaries remained unchanged for Andy Bond and Neil Galloway, and that on 1 October 2024 Andy Bond reverted from his Executive Chair salary to his Chair's fee of £400,000, with a retained 1% participation right in the VCP.

Following an assessment by the Remuneration Committee, Andy Bond received a cash bonus of £821,640, Stephan Borchert received a pro-rated cash bonus of £221,400 based on the same goals as Andy Bond, and Neil Galloway received a cash bonus of £617,400. No share awards had vested during the financial year for Andy Bond or Neil Galloway. The Company had continued a move towards a more standardised and recognizable structure of STIPs and Performance Share Plan as outlined in the previous report, and had introduced a Share Match Plan as approved during the EGM in June 2024.

In the absence of any questions, the Chair asked the Secretary to share the voting results. The Secretary stated that the results include votes in favour of the proposal, votes against the proposal and votes abstained. According to the statutory regulations, votes abstained are considered non-casted votes. The Secretary showed that in respect of this agenda item there were 0 abstentions, 23,313,852 votes against the proposal and 427,313,610 votes in favour of the proposal, which means that 94.83% of the votes were cast in favour of the proposal.

Agenda item 2.c: Adoption of the Annual Financial Statements for financial year 2024

The Chair explained that the financial statements were prepared in accordance with Dutch law, and the audit of the Company's financial statements was performed by the external auditor Mazars Accountants N.V. He invited Yves de Mann to present the findings of Mazars. Yves stated that Mazars was engaged to audit the financial year 2024 consolidated financial statements of Pepco Group. He confirmed that the statutory auditor, the audit firm and partners, senior managers and managers conducting the statutory audit, remained independent from the Company in conducting the audit. Mazars' audit procedures were set up to obtain partial control reliance in areas where it deemed control testing relevant for the audit. Otherwise, a full substantive audit approach was used. The materiality, the amount that could potentially influence users of the financial statements, was set at EUR 15.4m, which is based on 7.5% of the net profit before tax. This was higher than in 2023, as the normalised profit before tax of the Company had increased. Mazars' reporting threshold was set at EUR 0.5m.

Mazars used component auditors in several countries to perform the work on local entities. They reviewed all of the auditors' audit files and were involved throughout the audit process in accordance with ISA auditing standard 600. Mazars identified five significant audit areas, where Mazars, or the component auditors, spent a significant amount of time. These risks were: risk of fraud in revenue recognition, management override of controls, risk of fraud and or bribery in relation to the use of agents, valuation of goodwill and intangible assets, cybersecurity and the recognition of lease extensions in relation to IFRS 16 (RoU). Mazars' auditors report is included in the annual report, starting at page 140.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 0 votes against the proposal and 450,627,462 votes in favour of the proposal, which means that 100.00% of the votes were cast in favour of the proposal. The proposal to adopt the Annual Financial Statements for the financial year 2024 was approved.

Agenda item 2.d: An explanation of the dividend policy

The Chair invited Willem Eelman to discuss agenda item 2.d.

Willem explained that in 2024, the Company announced an updated dividend policy, having reviewed its approach to allocation of capital with the overriding objective being to enhance shareholder value.

He explained that the capital allocation framework was centered on maintaining a strong balance sheet and ensuring the business with an ample level of liquidity. The Group generates excess cash and it would continue to prioritise investment to grow its business organically, consistent with attractive returns on capital.

Willem concluded that because of the current strength of the balance sheet and increasingly cash-generative nature of the business, the Board had decided to announce an inaugural full year dividend for financial year 2024. The intention was to pay a dividend initially at a payout of 20% of full-year underlying net profit.

Agenda team 2.e: Dividend proposal

The Chair referred to the proposal of the Board for a dividend of 6.2 Euro cents per share from the profits over the financial year 2024, the details of which could be found in the agenda and explanatory notes.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 0 votes against the proposal and 450,627,462 votes in favour of the proposal, which means that 100.00% of the votes were cast in favour of the proposal. The proposal to adopt the proposed dividend for the financial year 2024 was approved.

Agenda Item 3.a: The discharge of the executive members of the Board in respect of the performance of their duties during the financial year 2024

It was proposed to release the current and former executive directors from liability in relation to the performance of their duties during this period. The discharge would be granted to the extent that such exercise is apparent from the financial statements over the relevant financial year or otherwise publicly disclosed prior to the adoption of the financial statements.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 0 votes against the proposal and 450,627,462 votes in favour of the proposal, which means that 100.00% of the votes were cast in favour of the proposal. The proposal to discharge the executive members of the Board in respect of the performance of their duties during the financial year 2024 was adopted.

Agenda Item 3.b: The discharge of the non-executive members of the Board in respect of the performance of their duties during the financial year 2024

It was proposed to release the current and former non-executive members of the Board from liability in relation to the performance of their duties during this period. The discharge would be granted to the extent that such exercise is apparent from the financial statements over the relevant financial year or otherwise publicly disclosed prior to the adoption of such financial statements.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 2,087,086 votes against the proposal and 448,540,376 votes in favour of the proposal, which means that 99.54% of the votes were cast in favour of the proposal. The proposal to discharge the non-executive members of the Board in respect of the performance of their duties during the financial year 2024 was adopted.

Agenda item 4.a: The compliance with the updated Dutch Corporate Governance Code

The Chair explained that the Dutch Corporate Governance Code provides recommendations for listed Dutch companies on a comply or explain basis.

For a report of Pepco's compliance with the Dutch Corporate Governance Code reference was made to pages 84 and 85 of the annual report for financial year 2024.

As announced on 28 January 2025, effective as of the end of the AGM a number of governance changes would be implemented. Certain of these changes are expected to affect how the Company complies with the Dutch Code in financial year 2025. The Company would detail deviations from the Dutch Code in its annual report over the financial year 2025.

Agenda item 4.b: The partial amendment of the Company's articles of association

The Chair referred to the partial amendment of the Company's articles of association in accordance with the draft deed of amendment had been made available for inspection within the AGM section of the Company's website.

He explained that the following changes had been proposed:

- Allowing newly issued shares to be paid up from distributable reserves.
- Updating the statutory indemnification clause for members of the Board.
- Several clerical changes.

The proposed resolution to amend the Company's articles of association also included the authorization of each member of the board of the Company as well as each lawyer and paralegal practicing with De Brauw Blackstone Westbroek N.V. to execute the notarial deed of amendment of the Company's articles of association.

The Secretary showed that in respect of this agenda item there were 6,251,417 abstentions, 7,388,147 votes against the proposal, 436,987,898 votes in favour of the proposal, which means that 96.97% of the votes were cast in favour of the proposal. The proposal to adopt the partial amendment of the Company's articles of association was approved.

Agenda item 5.a: Authorisation of the Board to have the Company acquire up to 10% of the ordinary shares in its own capital

The Chair referred to the agenda and explanatory notes for this agenda item.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 13,639,564 votes against the proposal and 436,987,898 votes in favour of the proposal, which means that 96.97% of the votes were cast in favour of the proposal. The proposal to authorise the Board to have the Company acquire up to 10% of the ordinary shares in its own capital was adopted.

Agenda item 5.b: Authorisation of the Board to issue or grant rights to subscribe for up to 10% of the ordinary shares in the Company's capital and to restrict or exclude related pre-emptive rights for a term of 18 months

The Chair referred to the agenda and explanatory notes for this agenda item.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 15,619,684 votes against the proposal and 435,007,778 votes in favour of the proposal, which means that 96.53% of the votes were cast in favour of the proposal. The proposal to designate the Board as the competent body to issue up to 10% ordinary shares in the Company's capital, including the rights to subscribe for shares, and to restrict or exclude related pre-emptive rights was adopted.

Agenda item 6: Cancellation of ordinary shares in the share capital of the Company as may be held by the Company from time to time

The Chair referred to the agenda and explanatory notes for this agenda item.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 0 votes against the proposal and 450,627,462 votes in favour of the proposal, which means that 100% of the votes were cast in favour of the proposal. The proposal to cancel ordinary shares in the share capital of the Company as may be held by the Company from time to time was adopted.

Agenda item 7: Amendment of the Company's Directors' Remuneration Policy

The Chair invited Neil Brown to remark on the proposal.

Neil Brown referred to the agenda and explanatory notes for full details but highlighted that the changes include:

- a right for Non-Executive Directors to participate in the Pepco Group N.V. Non-Executive Equity plan; and
- an amendment to the Pepco Group N.V. Share Matching Plan.

He explained that the changes were proposed to ensure the Company's Director's Remuneration Policy allows the Company to attract and retain the best global talent.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 26,756,241 votes against the proposal and 423,871,221 votes in favour of the proposal, which means that 94.06% of the votes were cast in favour of the proposal. The proposal to amend the Company's Director's Remuneration Policy was approved.

Agenda item 8: Approval of the Company's Non-Executive Equity plan

The Chair explained that under the proposed Pepco Group N.V. Non-Executive Equity plan, it was intended that the Non-Executive Directors - excluding those Non-Executive Directors that are nominated by the Company's majority shareholder - would be granted awards over shares in the capital of the Company, which would vest subject to continued service. The Chair referred to the agenda and explanatory notes for full details of the plan.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 23,983,289 votes against the proposal and 426,644,173 votes in favour of the proposal, which means that 94.68% of the votes were cast in favour of the proposal. The proposed Pepco Group N.V. Non-Executive Equity plan was approved.

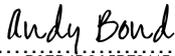
Agenda item 9: Appointment of EY Accountants B.V. as the Company's external auditor for the financial year 2025

The Chair referred to the agenda and explanatory notes for full details of the proposed appointment.

The Secretary showed that in respect of this agenda item there were 0 abstentions, 0 votes against the proposal and 450,627,462 votes in favour of the proposal, which means that 100.00% of the votes were cast in favour of the proposal. The proposal to appoint EY Accountants B.V. as the Company's external auditor for the financial year 2025 was approved.

Agenda item 10: Closing

The Chair continued and concluded that there were no other questions or other items to discuss under "Any other business". The voting results of the meeting would be published on the website shortly after the meeting. He stated that the draft minutes of the meeting would be available on the Company's website at the latest three months after the date of the meeting. After this date, shareholders have another three months to submit their comments prior to the adoption of the minutes. The Chair thanked Maria Fernanda Mejia and Neil Galloway for their exceptional efforts and wished them well with their future endeavours. The Chair further noted that he would be stepping down as chair of the Board of Directors of the Company as of the end of the AGM and thanked all Pepco employees for their hard work and efforts. The Chair closed the meeting at 13:23 CET.

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Andy Bond

Chair