



**Paris, 5 May 2022**

Response to Proxy Advisors' recommendation concerning Resolutions 4, 5, 17 and 19 proposed to Nexity's 2022 Annual General Shareholders' Meeting to be held on 18 May 2022.

Dear Nexity Shareholder,

The Board of Directors is pleased to invite you to Nexity's 2022 Annual General Shareholders' Meeting ("AGM") that will take place on Wednesday, 18 May at 10:00 am.

We have been informed that a prominent proxy advisor has expressed some concerns or recommended to vote against a minority of proposals submitted to our shareholders. We wish to take this opportunity to provide you with detailed comments in support of these proposals, whose approval we deem important for Nexity's good governance and successful development in 2022.

The growing dialogue with stakeholders on environmental footprint, and especially with our shareholders, on carbon emissions has led our Board of Directors to highlight the ambitious commitment we have made in resolution 19. Nexity's low-carbon commitment is a key element of the strategy. Based on this logic and on its original business model, the Group had an ambitious trajectory aligned with the Paris agreements "well below 2°C" by 2030 approved by the SBTi (Science-Based Targets initiative) in 2021. On 11 April 2022, aware that it has the triggers on the climate emergency, at its own scale and that of its ecosystem, Nexity has taken a new step: the Group has set new, particularly ambitious targets for reducing its carbon emissions and commits to an approved 1.5°C-aligned carbon trajectory. This step represents a doubling of the objectives compared to the previous trajectory. It is 10% more ambitious than the one made mandatory by the French 2020 Environmental Regulation (RE2020), which is already very demanding in Europe.

Nexity's commitment to both business excellence and corporate social and environmental responsibility will be stronger than ever.

Nexity will also uphold its policy of open and active communications towards investors and shareholders.

As such, we remain at your disposal should you have any questions or concerns with regards to the questions discussed in this letter or to the upcoming AGM.

***Resolution 4:***





French corporate law provides that any related party transaction should be authorised by the Board of Directors if one of the Directors is also a manager of the other company (French Code de commerce, art. L 225-38). The purpose is to prevent and avoid any conflict of interest between any Director of the company and the company itself. The Director is expressly excluded from the vote. The transaction might be deemed as void if (i) the Board of Directors does not comply with the legal procedure (French Code de commerce, L 225-40) i.e. fails to authorise the transaction and (ii) the company undergoes a damage.

Accordingly, the Board authorised the advisory service agreement between the Company and Lazard Frères in connection with the sale of a portion of the Company's equity interest in Aegide. The financial conditions were disclosed in the auditors' special report.

Mr. Charles-Henri Filippi as a "concerned person" did not take part in the Board vote nor shall he take any part in the vote as a shareholder on resolution 4 during the next SGM.

In this regard, the Company fully complied with French law and its internal charter on related-party and current agreements described in the 2021 URD (section 4.3.2).

Furthermore, when considering the criteria of independence (section 4.2.5. Independent Directors of Universal Registration Document) *"the Board of Directors noted that none of the independent directors had any material business relationships with the Company or the Group, and that the application of the procedure to authorise regulated agreements enabled conflicts of interest to be avoided."*

Mr Charles-Henri Fillippi should thus be considered as independent.

### ***Resolution 5 (Appointment of La Mondiale as Director)***

The next AGM is to vote on the appointment of La Mondiale as a new Director. Considering the independence of Mr Charles-Henri Filippi, and excluding the employee representatives and the employee shareholder representative, the board's level of independence would be 55% (6 out of 11 Directors).

### ***Resolutions 17 and 18 (Remuneration policies of CEO and Deputy CEO)***

The rationale for the increase in pay packages for the CEO and deputy CEO is peer realignment to remain competitive as supporter by the remuneration survey conducted by Mercer in Q1 2022 (report and incidentally ISS' own Pay for Performance quantitative screening pages 11 & 12 of the report). It is also worth noting that these pay increases were not proposed in the recent past or at the beginning of the CEO and Deputy CEO's mandates in 2021, as the Board of Directors was mindful to moderate their remunerations, to be aligned with the concerns of our wider stakeholders. Proposed remunerations in cash would remain below the medians of Nexity's peers.

Furthermore, and importantly, despite the proposed increases, the aggregate remuneration of the Chairman, the CEO and deputy CEO would be up 3% only.



Finally, as to the level of disclosure of performance conditions:

- they are not disclosed ex ante for confidentiality reasons. Disclosing the targets and the performance scales would indeed result in giving our competitors, information not disclosed before.
- The 2021 targets were not reached at 100% and the variable amounts were strictly determined in order to comply with the “pay for performance” principles.


As a conclusion, we would like to emphasise that Nexity has always shown a willingness to comply with the governance and remuneration principles recommended for French listed companies and an openness to constructively engage with our shareholders on these topics.

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

While we understand that ISS is used as a research tool, given the explanations above and the support received notably from Glass Lewis, we encourage you to arrive at your own conclusions and we reiterate here the Board’s recommendation that you vote FOR all resolutions, at Nexity’s 18 May AGM.

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

With our best personal regards,

DocuSigned by:  
  
C958B87AE46444C...

Alain Dinin

Chairman

PS: for any questions, please contact D.F.King David Chase Lopes (Managing Director +33 6 84 57 96 46 / David.chaselopes@dfkingltd.co.uk or directly Nexity Domitille Vielle – Head of Investor relations / +33 (0)6 03 86 05 02 – investorrelations@nexity.f