

1 FEBRUARY 2024

Agenda and Explanatory Notes of the Annual General Meeting

of

Pepco Group N.V.

on

15 March 2024 at 1 p.m. (CET)

Agenda and Explanatory Notes of the Annual General Meeting (the **AGM**) of Pepco Group N.V. (the **Company**) which will be held at 1 p.m. CET on 15 March 2024.

This document provides you with a description of the agenda items to be considered during the AGM. It is indicated on the agenda when an item is for your voting at the AGM. We encourage you to read this information carefully and hope that you will agree with the recommendation of the board of the Company (the **Board**) to vote in favour of the proposals.

All information regarding the AGM can be found at www.pepcogroup.eu.

Agenda

1. Opening
2. Annual Report and Annual Financial Statements 2023
 - a. Report of the Board for the financial year 2023
 - b. Advisory vote on the Remuneration Report for the financial year 2023 (**advisory voting item**)
 - c. Adoption of the Annual Financial Statements for the financial year 2023 (**voting item**)
 - d. Explanation of the dividend policy
3. Discharge of the members of the Board
 - a. Discharge of the executive members of the Board in respect of the performance of their duties during the financial year 2023 (**voting item**)
 - b. Discharge of the non-executive members of the Board in respect of the performance of their duties during the financial year 2023 (**voting item**)
4. Authorisations of the Board
 - a. Authorisation of the Board to have the Company acquire up to 10% of the ordinary shares in its own capital (**voting item**)
 - b. Authorisation of the Board to issue (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 (**voting item**)
5. Cancellation of ordinary shares (**voting item**)
6. Composition of the Board
 - a. Appointment of Sean Mahoney as a non-executive member of the Board for a term of three years (**voting item**)
 - b. Re-appointment of Neil Brown as a non-executive member of the Board for a term of three years (**voting item**)

- c. Re-appointment of María Fernanda Mejía as a non-executive member of the Board for a term of three years **(voting item)**
 - d. Re-appointment of Brendan Connolly as non-executive member of the Board for a term of three years **(voting item)**
 - e. Re-appointment of Grazyna Piotrowska-Oliwa as a non-executive member of the Board for a term of three years **(voting item)**
 - f. Re-appointment of Paul Soldatos as a non-executive member of the Board for a term of three years **(voting item)**
7. Re-appointment of Mazars Accountants N.V. as the Company's external auditor for the financial year 2024 **(voting item)**
 8. Amendments to the long-term incentive plan **(voting item)**
 9. Amendment to the Company's Directors' Remuneration Policy **(voting item)**
 10. Any other business
 11. Closing of the meeting

Explanatory Notes to the Agenda

Item 2 Annual Report and Annual Financial Statements 2023

Item 2a: Report of the Board for the financial year 2023

A presentation is given to the AGM on the performance of the Company in the financial year 2023.

Item 2b: Advisory vote on the remuneration report for the financial year 2023 (advisory voting item)

The remuneration report of the Company for the financial year 2023 which ended on 30 September 2023, is presented to the AGM for an advisory vote. The remuneration report can be found on pages 77 through 81 of the annual report for the financial year 2023 and reports on the implementation and execution of the remuneration policy for the Board for the financial year 2023.

Item 2c: Adoption of the Annual Financial Statements for the financial year 2023 (voting item)

It is proposed to adopt the Company's financial statements for the financial year 2023. The financial statements can be found on pages 87 through 138 of the annual report.

Item 2d: Explanation of the dividend policy

The Company's dividend policy on additions to reserves and dividend is explained to the AGM.

In accordance with the dividend policy, the Board has added all profits over the financial year 2023 to the reserves of the Company. No dividend distribution will be made related to the financial year 2023.

Item 3 Discharge of the members of the Board

Item 3a: Discharge of the executive members of the Board in respect of the performance of their duties during the financial year 2023 (voting item)

It is proposed to release the current and former executive members of the Board from liability in relation to the performance of their duties during the financial year 2023 to the extent that such exercise is apparent from the financial statements for the financial year 2023 or other public disclosures prior to the adoption of the financial statements for the financial year 2023.

Item 3b: Discharge the non-executive members of the Board in respect of the performance of their duties during the financial year 2023 (voting item)

It is proposed to release the current and former non-executive members of the Board from liability in relation to the performance of their duties during the financial year 2023 to the extent that such exercise is apparent from the financial statements for the financial year 2023 or other public disclosures prior to the adoption of the financial statements for the financial year 2023.

Item 4 Authorisations of the Board

Item 4a. Authorisation of the Board to have the Company acquire up to 10% of the ordinary shares in its own capital (voting item)

It is proposed to, with effect of the date of the AGM, authorise the Board for a term of 18 months, to resolve on the acquisition by the Company of its own fully paid-up shares, up to a maximum of 10% of the issued share capital on the date of the AGM, either through purchase on a stock exchange or otherwise, at a price, excluding expenses, not lower than the nominal value of the ordinary shares and not higher than the opening market price of the ordinary shares on the Warsaw Stock Exchange on the day of the repurchase plus 10%.

If adopted, the proposed authorisation will replace the authorisation granted to the Board on 2 February 2023.

Item 4b: Authorisation of the Board to issue (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 (voting item)

It is proposed to, with effect of the date of the AGM, designate the Board as the competent body (i) to issue ordinary shares, or to grant rights to subscribe for ordinary shares, and (ii) to restrict or exclude pre-emptive rights in relation to such issue of ordinary shares, or such grant of rights to subscribe for ordinary shares, in each case for a maximum of 10% of the issued share capital on the date of the AGM and for a term of 18 months. This designation will allow the Board to be flexible and react quickly, if and when deemed appropriate, to circumstances that require the issuance of ordinary shares, without prior approval from the Company's general meeting. The designation can be used for any and all purposes, subject to statutory limitations.

If adopted, the proposed authorisation will replace the general authorisation granted to the Board on 2 February 2023. However, this authorisation will not replace the authorisation granted to the Board to issue ordinary shares at any time during a period of 5 years from 26 May 2021 to enable the Company to comply with its obligations to the participants in the VCP and EAP (each as defined in the Company's prospectus dated 5 May 2021).

Item 5: Cancellation of ordinary shares (voting item)

In order to enable the Board to implement a cancellation of ordinary shares in the share capital of the Company as may be held by the Company from time to time, it is proposed that the general meeting resolves, in the manner further set out in this proposal, to cancel ordinary shares in the share capital of the Company as these may be held by the Company from time to time.

The number of ordinary shares that will be cancelled will be determined by the Board. The cancellation may be implemented by the Board in one or more tranches.

This resolution will lapse 18 months after the date of the AGM.

Item 6: Composition of the Board

The following persons are proposed for appointment or re-appointment, as applicable, as non-executive members of the Board:

Item 6a: Sean Mahoney (American, 1962) (voting item)

In accordance with article 14, section 3, of the Company's articles of association (the **Articles of Association**), the Board has made a binding nomination to appoint Sean Mahoney as a non-executive member of the Board. The nomination is made pursuant to the relationship agreement between Pepco Group N.V and IBEX Topco B.V, together with certain of its affiliate enterprises (**IBEX**) (the **Relationship Agreement**). The terms of the Relationship Agreement include a right to nominate three non-executive members to the Board whilst IBEX hold, in aggregate, 30% or more of the voting rights of the Company.

It is proposed that the general meeting appoints Sean Mahoney as a non-executive member of the Board in accordance with the nomination of the Board with effect from the close of the AGM on 15 March 2024 for a period of three years, ending by close of the Company's annual general meeting to be held in 2027.

Sean is a private investor with extensive experience serving as a board director for large public and private companies in Europe and the US -- including Aptiv plc, Howmet Aerospace Inc., Alcoa Inc.,

Lehman Brothers Holdings (post-bankruptcy), Formula One Holdings, and Tailored Brands Inc. He worked in investment banking for over 20 years, primarily at Goldman Sachs & Co., where he was a partner and Head of the Financial Sponsors Group. Sean contributes significant expertise in business and financial strategy, private equity, capital markets, financing and mergers and acquisitions.

The Company expects to benefit from Sean's extensive experience in finance and capital markets.

Relevant external appointments:

- Aptiv plc
- Tailored Brands Inc.
- Lehman Brothers Holdings Inc.

Sean is not independent within the meaning of the Dutch Corporate Governance Code and the Code of Best Practice for WSE Listed Companies.

Sean does not currently hold shares in the capital of the Company.

No remuneration is payable by the Company in respect of this appointment.

Item 6b: Neil Brown (British, 1959) (voting item)

In accordance with article 14, section 3, of the Articles of Association, the Board has made a binding nomination to re-appoint Neil Brown as a non-executive member of the Board.

It is proposed that the general meeting re-appoints Neil Brown as a non-executive member of the Board in accordance with the nomination of the Board with effect from the close of the general meeting on 15 March 2024 for a period of three years, ending by close of the Company's annual general meeting to be held in 2027.

Neil has extensive global experience in corporate restructurings, private equity and dispute resolution and wide international commercial board experience. He has held a number of chairman, director and committee positions in international organisations including Magma Fincorp India, Gategroup, Iceland Foods and Islandsbanki. Earlier in his career Neil helped to build the successful financial services arm of Apax Partners. He acted as a special advisor to the Senior Oversight Committee of the Asset Protection Scheme, operated by an executive arm of HM Treasury. Neil is a qualified Chartered Accountant and a former corporate finance partner at PwC and Deloitte.

Neil has made valuable contributions to the Board since his appointment in 2021, and the Board expects to continue to benefit from his extensive experience.

Relevant external appointments:

- Directorships within the IBEX Group of companies
- Commercial Parts UK Holdco Limited
- Lanista Partners Limited
- Still On the Hill Limited
- Verve Partners Holdings Limited
- Wigwellnook Limited

Neil is not independent within the meaning of the Dutch Corporate Governance Code and the Code of Best Practice for WSE Listed Companies.

Neil does not currently hold shares in the capital of the Company.

No remuneration is payable by the Company in respect of this appointment.

Item 6c: María Fernanda Mejía (American, 1963) (voting item)

In accordance with article 14, section 3, of the Articles of Association, the Board has made a binding nomination to re-appoint María Fernanda Mejía as a non-executive member of the Board.

It is proposed that the general meeting re-appoints María Fernanda Mejía as a non-executive member of the Board in accordance with the nomination of the Board with effect from the close of the general meeting on 15 March 2024 for a period of three years, ending by close of the Company's annual general meeting to be held in 2027.

María Fernanda has broad and deep experience and expertise in general management including strategy development, operations, supply chain and talent development. She stepped down as CEO International at Newell Brands in February 2023. Until February 2020, she served for more than eight years as corporate officer and executive committee member at the Kellogg Company, with her final roles being senior vice president and president of Kellogg Latin America. Prior to this, María Fernanda spent 23 years at the Colgate-Palmolive Company in global marketing and senior management roles within developed and emerging markets. Until February 2022, María Fernanda was a non-executive director of Bunzl plc, where she was a member of the audit, remuneration and nomination committees; and a non-executive director and member of the audit and risk committee at Grocery Outlet, a US discount detailer. Prior to this, she served as a non-executive director of International Consolidated Airlines Group from 2014 to 2020, including as a member of the audit and compliance and remuneration committees.

María Fernanda has made valuable contributions to the Board since her appointment in 2021, and the Board expects to continue to benefit from her extensive experience.

María Fernanda has no relevant external appointments.

María Fernanda is independent within the meaning of the Dutch Corporate Governance Code and the Code of Best Practice for WSE Listed Companies.

María Fernanda currently holds 18,067 shares in the capital of the Company.

María Fernanda and Pepco Group N.V entered into a letter of appointment to the role of non-executive member of the Board with effect from 24 May 2021, and a further letter of appointment to the role of Chair of the Nomination Committee with effect from 2 October 2023. The agreed remuneration is in accordance with the Company's remuneration policy.

The main conditions are as follows:

- Fixed annual fee: £63,000
- Nomination Committee Chair fee: £12,000

Item 6d: Brendan Connolly (British, 1956) (voting item)

In accordance with article 14, section 3, of the Articles of Association, the Board has made a binding nomination to re-appoint Brendan Connolly as a non-executive member of the Board.

It is proposed that the general meeting re-appoints Brendan Connolly as a non-executive member of the Board in accordance with the nomination of the Board with effect from the close of the general meeting on 15 March 2024 for a period of three years, ending by close of the Company's annual general meeting to be held in 2027.

With extensive executive and non-executive experience, Brendan brings extensive operational, commercial, and strategic expertise and insights to Pepco Group. He is a non-executive director at Victrex and Synthomer, where he is also senior independent director and chair of the remuneration committee, respectively. Brendan has more than 30 years' experience in the oil and gas and the testing and inspection industries. He was a senior executive at Intertek Group having been chief executive officer of Moody International, which was acquired by Intertek in 2011. Brendan was managing director of Atos in the UK after spending more than 25 years with Schlumberger in senior international roles.

Brendan has made valuable contributions to the Board since his appointment in 2021, and the Board expects to continue to benefit from his extensive experience.

Relevant external appointments:

- Applus Services SA
- Certino Limited
- Fit-Fur-Life Limited
- NES Global Talent Limited
- Victrex Plc

Brendan is independent within the meaning of the Dutch Corporate Governance Code and the Code of Best Practice for WSE Listed Companies.

Brendan currently holds 26,700 shares in the capital of the Company.

Brendan and Pepco Group N.V entered into a letter of appointment to the role of non-executive member of the Board with effect from 24 May 2021. The agreed remuneration is in accordance with the Company's remuneration policy.

The main conditions are as follows:

- Fixed annual fee: £63,000
- Remuneration Committee Chair fee: £15,750

Item 6e: Grazyna Piotrowska-Oliwa (Polish, 1969) (voting item)

In accordance with article 14, section 3, of the Articles of Association, the Board has made a binding nomination to re-appoint Grazyna Piotrowska-Oliwa as a non-executive member of the Board.

It is proposed that the general meeting re-appoints Grazyna Piotrowska-Oliwa as a non-executive member of the Board in accordance with the nomination of the Board with effect from the close of the general meeting on 15 March 2024 for a period of three years, ending by close of the Company's annual general meeting to be held in 2027.

Grazyna has strong experience across government and business both in Poland and Central and Eastern Europe. At the start of her career, Grazyna spent four years at the Polish Ministry of the State Treasury, where she headed two different divisions. With a proven track record in some of Poland's WIG20 companies, Grazyna brings 20 years' experience working on C-level for Telekomunikacja Polska and PTK Centertel (now Orange Polska), PZU (on the supervisory board), PKN Orlen, PGNiG, as well as chief executive officer and president of the management board of Virgin Mobile Poland/CEE, following a period advising private companies and private equity funds. Grazyna is co-owner and CEO/Chairman of renowned e-commerce platforms Grupa Modne Zakupy and RentPlanet.

Grazyna has made valuable contributions to the Board since her appointment in 2021, and the Board expects to continue to benefit from her extensive experience.

Relevant external appointments:

- Grupa Modne Zakupy (intymna.pl), Koszalin
- RentPlanet, Wroclaw

Grazyna is independent within the meaning of the Dutch Corporate Governance Code and the Code of Best Practice for WSE Listed Companies.

Grazyna currently holds 20,651 shares in the capital of the Company.

Grazyna and Pepco Group N.V entered into a letter of appointment to the role of non-executive member of the Board with effect from 24 May 2021. The agreed remuneration is in accordance with the Company's remuneration policy.

The main conditions are as follows:

- Fixed annual fee: £63,000

Item 6f: Paul Soldatos (American/British, 1949) (voting item)

In accordance with article 14, section 3, of the Articles of Association, the Board has made a binding nomination to re-appoint Paul Soldatos as a non-executive member of the Board.

It is proposed that the general meeting re-appoints Paul Soldatos as a non-executive member of the Board in accordance with the nomination of the Board with effect from the close of the general meeting on 15 March 2024 for a period of three years, ending by close of the Company's annual general meeting to be held in 2027.

Paul is a Board member and senior advisor in the industrial, service and consumer/retail sectors. He has international experience in M&A, strategic assessment, organisational transformation and financial restructuring with a focus on the US and Europe. Paul has served and is serving as chairman or member of the audit, remuneration, governance, and nomination committees for a number of companies for which he is a board member. Paul previously was a partner and member of the management committee of AEA Investors LP in AEA's London office.

Paul has made valuable contributions to the Board since his appointment in 2021, and the Board expects to continue to benefit from his extensive experience.

Relevant external appointments:

- Directorships within the IBEX Group of companies
- McDermott International Limited
- Mattress Firm Group Inc
- Tailored Brands, Inc

Paul is not independent within the meaning of the Dutch Corporate Governance Code and the Code of Best Practice for WSE Listed Companies.

Paul does not currently hold shares in the capital of the Company.

No remuneration is payable by the Company in respect of this appointment.

Item 7: Re-appoint Mazars Accountants N.V. as the Company's external auditor for the financial year 2024 (voting item)

The Audit Committee has reviewed the performance of the independent auditor. Based on such review, the Audit Committee has recommended the re-appointment of Mazars Accountants N.V. as the Company's external auditor for the financial year 2024.

The Board concurs with the Audit Committee's recommendation and submits to the general meeting the proposal to reappoint Mazars Accountants N.V. as the Company's independent auditor for the financial year 2024.

The Audit Committee has confirmed that its recommendation is free from influence by a third party and that no clause of a contract as referred to in article 16, paragraph 6, of the EU regulation no. 537/2014 restricts the resolution of the general meeting.

Item 8: Amendments to the long-term incentive plan (voting item)

This voting item seeks approval from the general meeting to amend the implementation of the Long-Term Incentive Plan of the Company, as approved by the annual general meeting in 2022.

The Company's Long Term Incentive Plan (the **LTIP**) was approved by the Company's general meeting on 27 January 2022 on the basis of a summary of the key terms of the LTIP shared in the convocation notice of the 2022 annual general meeting (the **Summary**).

The amendments now proposed are to the change of control provisions.

The LTIP rules currently provide that all unvested LTIP awards will be subject to time pro-rating on a change of control. The proposed amendment is that:

- if a change of control occurs before the first anniversary of grant, unvested LTIP awards will be subject to time pro-rating unless the Board exercises its discretion to disapply time pro-rating (in full or in part); and
- if a change of control occurs after the first anniversary of grant, no time pro-rating will apply to unvested LTIP awards unless the Board in its absolute discretion determines otherwise.

Further, the LTIP rules currently provide that the Board will take into account the extent to which performance conditions have been achieved over the period up to the change of control. The proposed amendment is that the Board has discretion to take into account any other factors it believes to be relevant in determining the extent to which an LTIP award vests on a change of control (which may result in an increase or decrease in the extent to which an LTIP award vests).

The Board's rationale for the changes is to give the Remuneration Committee greater flexibility on the treatment of LTIP awards in the event of a change of control and bring the LTIP in line with market practice, which generally allows a greater use of discretion.

Item 9: Amendments to the Company's Directors' Remuneration Policy (voting item)

The non-executive members of the Board have decided to propose to amend selected items of the existing remuneration policy for the members of the Board (the **Director's Remuneration Policy**) in accordance with article 14, paragraph 9, of the Articles of Association.

The existing Director's Remuneration Policy was approved by the annual general meeting held in 2023.

It is proposed that the general meeting amends the Directors' Remuneration Policy as follows:

- an increase in the base fee for independent non-executive directors to £78,000 gross per annum;
- an increase in the additional fee for the chair of the Audit Committee to £28,000 gross per annum;
- an increase in the additional fee for the chair of the Remuneration Committee to £23,000 gross per annum;
- a new additional fee for the chair of the Nomination Committee of £18,000 gross per annum;
- a new additional committee membership fee per committee the independent non-executive director sits on of £7,000 gross per annum; and
- a new additional fee for the senior independent director of £18,000 gross per annum.

The Board's rationale for the changes is to reflect the time and effort spent by the non-executive directors in their role and as members of the various committees on which they sit.