REMUNERATION REPORT 2023

INTRODUCTION

This remuneration report provides a comprehensive overview of all remunerations, awarded or due during the previous financial year to individual directors[1] and to the supervisory board members[2].

The report will be submitted to the annual general meeting of 19 April 2024 to hold an advisory vote[3]. In the next (2024) remuneration report NSI shall explain how the vote by the general meeting of 19 April 2024 has been taken into account.

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1 This remuneration report is a remuneration report within the meaning of Article 2:135b paragraph 1 Dutch Civil Code (DCC) which article is applicable to Dutch public companies the shares of which have been admitted to trading on a regulated market as mentioned in article 1:1 of the Dutch Financial Supervision Act (Wet Financieel Toezicht)
2 Following article 2:145 Dutch Civil Code
3 Following Article 2:135b paragraph 2 Dutch Civil Code

1. 2023 MANAGEMENT BOARD REMUNERATION AT A GLANCE

- TOTAL REMUNERATION SPLIT OUT BY COMPONENT
- RELATIVE PROPORTION OF FIXED AND VARIABLE REMUNERATION

TABLE 1: REMUNERATION OF DIRECTORS FOR THE REPORTED FINANCIAL YEAR 2023[4]

	Bernd Stahli CEO	Alianne de Jong CFO	Total
Salary	435,750	294,500	730,250
Variable components paid out in 2023	82,052	96,315	178,367
Short Term Incentive 2022	82,052	96,315	202,193
Long Term Incentive 2022	0	0	176,257
Social security	14,844	12,827	27,670
Pension	19,837	14,072	33,909
Other[5]	1,990	-8,877	-6,877
Total	**554,473**	**408,836**	**963,309**
Proportion fixed / variable remuneration	84,15% fixed 15,84% variable	75,35% fixed 24,64% variable	80,36% fixed 19,63%variable
Variable components awarded for 2023 to be paid out in 2024			
Short Term Incentive 2023	€ 98,130.90	€ 99,778.66	
Long Term Incentive 2023	€ 0	€ 0	

4 The amounts under 'Variable components' are the amounts that were paid during 2023 under the 2022 STI and 2022 LTI of the CEO and CFO. The 2023 LTI will not result in a payout. The 2023 STI for the CEO and CFO will pay out in 2024. For this pay out a provision has been made that is specified in table 4 below together with the other provisions that have been made for amounts that have to be paid in the future (2024) in the meaning of article 2:383c paragraph 1, letter b, Dutch Civil Code.

5 Note 2: the item "Other" consists mainly of the movement/change in accrued holiday days (compared to prior year).

2. MANAGEMENT BOARD REMUNERATION POLICY AT A GLANCE

Base fee	• Determined based on a 90% level of the median Total Direct Compensation (TDC) lwithin the reference market of AScX listed companies, (excluding Financial Services organizations and the internal pay differences at NSI. Considering the intended pay mix the remuneration levels of the CEO and the CFO are set as the average of the results of the external benchmark and the internal pay ratios approach.
Short-term incentive	• Performance period: 1 year • Payout incentive zone (threshold – target – maximum): • CEO: 10% - 20% - 24% of base fee • CFO: 15% - 30% - 36% of base fee • Linear payout incentive zone between threshold and target performance, and between target and maximum performance • Payout in cash; one-third of the net payments must be invested in NSI shares until the share-holding requirement has been met • Performance measures could include the occupancy rate, like-for-like net rental income, EPRA cost ratio and the company's earnings over time (expressed as the EPRA Earnings per Share), organizational targets like personnel retention rate and NSI's strategic position and sustainability performance (expressed as the development of the NSI portfolio and the NSI GRESB score) and personal targets • Applicable performance measures and their weights are set annually
Long-term incentive	• Performance period: 3 years • Payout incentive zone (threshold – target – maximum): • CEO: 15% - 60% - 90% of base fee • CFO: 7,5% - 30% - 45% of base fee • Actual payout according to TSR payout table • Payout in cash; two-thirds of the net payments must be invested in NSI shares until the share-holding requirement has been met • Performance measure is Relative TSR within the EPRA Eurozone Index, covering a three-year performance period
Additional pay programs	• Under exceptional circumstances to be assessed by the Supervisory Board
Shareholding requirement	• CEO: 125% of gross base fee • CFO: 75% of gross base fee
Other benefits	• Pension arrangement: Defined Contribution plan, accrual rate is based on 1.875% of the pensionable fee per year of service. The pensionable fee is determined by a NSI specific offset and a cap equal to the fiscal maximum pensionable fee/salary (indexed every year); contributions are paid by the employer • Insured benefits and company car
Contractual arrangements	• Appointment period: four years • Duration board Agreement: definite in alignment with appointment period • Notice period: four months for the members and four months for the company • Severance pay limited to one year's base fee • No Change of Control arrangement

3. ADVISORY VOTES ON THE 2022 REMUNERATION REPORT

In accordance with article 2:135b paragraph 2 DCC we would like to explain how we have taken into account the advisory vote on the previous remuneration report adopted by the last general meeting.

In the general meeting of 21 April 2023 a total of 78,3% of the votes were in favor of adopting the 2022 report.

No questions were submitted before the meeting or raised during the meeting about the 2022 Remuneration Report and no explanations of votes were given.

During the AGM of 21 April 2023 the chairman of the Remuneration Committee has addressed the increasingly strict demands stakeholders and their representatives and NGOs are making on the Remuneration Report and on accountability for the application of the Policy.

He explained that compared to previous years, the report has expanded considerably to provide more accountability about the application of the Policy:

“In order to make it clear that and how the Supervisory Board has applied the policy strictly and fairly, more explanation has been included compared to last year, and the calculations of the Short Term Incentive and of the Long Term Incentive have been reproduced in full.

More text has also been taken from the Remuneration Policy itself to provide context.

4. REMUNERATION POLICY AND APPLICATION IN 2023 [6,7]

- CONTRIBUTION OF THE REMUNERATION TO THE LONG TERM PERFORMANCE OF NSI
- COMPLIANCE OF TOTAL REMUNERATION WITH THE REMUNERATION POLICY
- APPLICATION OF FINANCIAL AND NON-FINANCIAL TARGETS

In this chapter every section starts with a quotation of the relevant section of the Remuneration Policy, followed – where applicable - by an explanation of the application in 2023.

4.1. INTRODUCTION

“The Remuneration Policy for members of the Management Board of NSI (the “**Remuneration Policy**”) intends to align remuneration at NSI with developments in legislation, governance, the market place and the interests of both NSI and its shareholders.

The Remuneration Policy aims to contribute to the company's strategy and to support long-term value creation for shareholders while creating fair pay for the Management Board. The Remuneration Policy enables NSI to offer a competitive remuneration package to attract, reward and retain qualified and seasoned real estate industry professionals, who can achieve the company objectives.

4.2. TOTAL DIRECT COMPENSATION (TDC)

Transparency, simplicity, compliancy and a focus on the long term are at the basis of NSI’s culture and mindset and are guiding principles of the Remuneration Policy.

The Total Direct Compensation for members of the Management Board (TDC) at NSI consists of a base fee, a short-term incentive and a long-term incentive. In determining the TDC, the following aspects have been taken into consideration (see below for further details):
- the identity, mission and values of the company and its related undertaking;
- the wages and employment conditions of the employees of the company;
- the internal remuneration ratios (Dutch:“bezoldigingsverhoudingen”) within the company and its related undertaking; and
- the level of support in society.

The level of TDC for members of the Management Board of NSI is determined based on both the remuneration levels of comparable listed companies in the Dutch market place and the (internal) pay levels within the company, as further explained below.”

6 This chapter contains the information specified in Article 2:135b paragraph 1 Dutch Civil Code under letters c and d.
7 The current remuneration policy with respect to members of the Management Board was adopted at the General Meeting of Shareholders on 14 April 2020. The full text of the remuneration policy can be viewed on NSI’s website.

4.3 REFERENCE GROUP AND MARKET POSITIONING

REMUNERATION POLICY

"The relevant remuneration levels in the Dutch market place are determined by referencing to comparable companies. These reference companies are selected based on their market capitalization and, to the extent available, comparable business operations."

The reference companies for NSI have been defined in 2019 as AScX listed companies, excluding Financial Services organizations This group may vary from time to time. In 2022 the Supervisory has reviewed and updated the list of reference companies as several of the companies were no longer part of the AScX and other companies had become part of the AScX, This update has resulted in a reference group of the following twenty companies.

Reference companies per 2022	
Accell Group	Koninklijke BAM Groep (new)
Accsys (new)	Kendrion
Amsterdam Commodities	Nedap
Avantium	Ordina
Lucas Bols (new)	Pharming Group (new)
B&S Group (new)	Sif Holding
Brunel International	Sligro Food Group(new)
CM.COM (new)	TomTom (new)
ForFarmers	VastNed Retail
Heijmans	Wereldhave

For NSI's CEO and CFO, a market positioning of the TDC level at 90% of the median of the reference group is deemed to properly reflect the weights of these functions and the complexity and diversity of NSI's business and revenue levels within the reference group.

APPLICATION IN 2023

In 2023 the list of reference companies has not been reviewed or updated..

4.4 INTERNAL PAY LEVELS NSI

REMUNERATION POLICY

"Next to considering the external positioning in determining the remuneration levels for the Management Board, NSI takes the internal pay ratios within the company into account. This refers in particular to the step differential between the CFO and the internal level just below the Management Board and the step differential between the CEO and the CFO. NSI applies a pay ratio of one and a half as an expression of a fair pay difference on base fee/salary between the CFO and the level below the Board and also for the pay difference on base fee between the CEO to CFO. These ratios are based on the extended responsibilities in the roles and their influence on company performance. For the level below the Management Board pay levels follow function group levels that are set at an 22% interval of each other."

INTERNAL PAY LEVELS NSI

APPLICATION IN 2023

As shown table 5 the salaries of the employees and the level below the Board have increased with 8% in and 2023. The Base fees of the Management Board members have not been increased in 2023.

4.5 LEVEL OF SUPPORT IN SOCIETY

REMUNERATION POLICY

"The Remuneration Policy is in accordance with the principles and best practice provisions of the Dutch Governance Code. The principles of the Dutch Governance Code may be regarded as reflecting widely held general views on good corporate governance. The Remuneration Policy further considers (voting) policies on Board Remuneration that are issued by NSI's major shareholders and by large proxy advisors."

During the AGM of 24 april 2020 the chairman has further elaborated on the topic of public support for the Remuneration Policy among our stakeholders and in society, pointing out a number of considerations not all of which are explicitly mentioned in the remuneration policy:

"The first group of stakeholders we have identified are the Management Board and the staff. The remuneration package must be able to attract and retain good directors and the ratio between the remuneration of the board and the staff must be reasonable so that it is also perceived as fair by the staff and social coherence and the sense of belonging is not at risk.

In accordance with best practice provision 3.2.2. we have expressly asked the Management Board members for their views on the amount of the reward. The remuneration ratio is explained in more detail in the policy. The levels of base fees for CFO and CEO were partly established as a continuation of the salary scale system that applies to the staff. Also in the secondary employment conditions sphere, the conditions of the Management are in line with those of the staff or are identical to them.

In addition to the Management Board and staff, our shareholders are our second group of key stakeholders. NSI's capital providers are predominantly large foreign parties. For them, NSI competes against other European real estate funds and other investments. When compared with other European funds, we see rewards that are far above those of NSI in absolute terms and in size of bonuses and that could meet resistance within the Dutch society.

By choosing a 'reference group' of Dutch companies for the Total Direct Compensation, a conscious connection was sought with Dutch social support and not only with the international shareholders and with what they consider normal or acceptable. In order to ensure that the bonuses granted are nevertheless as recognisable and acceptable as possible in the context of the other European real estate funds and other investments against which NSI competes with its investors, the benchmark for achieving the LTI of the Management Board is not linked to the TSR of the Dutch reference group but to the TSR of the European Real Estate Funds that are part of the EPRA Eurozone index.

The third group of relevant stakeholders are our tenants. For them, the price/quality ratio of our assets and services is decisive. The directors' remuneration has never been part of the discussion with them and is therefore not, in our opinion, a relevant consideration in their decision whether or not to rent space from NSI. We see no material risk here. For parties that - unlike NSI - are not only involved in the rental of commercial real estate but are also active in housing and social housing, this can of course be different.

Finally, we follow the social discussions on executive remuneration in general and those of Executives of listed companies in particular. Part of these discussions has been reflected in the Corporate Governance Code. For example, we see best practice provisions 3.1.2 iii (on the pay ratio) and 3.2.3 (on the maximum termination fee) as standards that also guide the amount of directors' remuneration. Insofar as we base our remuneration policy on these best practices, we believe that there is public support for that policy."

LEVEL OF SUPPORT IN SOCIETY

APPLICATION IN 2023

The level of support for a policy also depends on the way it is executed and accounted for.

In this respect we refer to chapter 3 above where we explained how the report has expanded considerably to provide more accountability about the application of the Policy.

4.6 LEVEL OF TOTAL DIRECT COMPENSATION AT TARGET

REMUNERATION POLICY

“The remuneration levels for the members of the Management Board are determined based on the TDC level ‘at target’. To express an equal importance of external competitiveness and internal fairness, the remuneration levels of the CEO and the CFO are set as the average of the results of the external benchmark and the internal pay ratios approach.

“The Supervisory Board will conduct benchmarks every three years to reassess NSI’s competitiveness in the market place and the fairness of the internal pay differences. The composition of the reference group will also be reviewed every three years to ensure an appropriate market assessment. Substantial changes applied to the composition of the reference group will be proposed to the General Meeting of Shareholders. The Supervisory Board has the authority to replace a reference company in the event that this company becomes delisted.

Pay levels for the Management Board will not be adjusted in the years between benchmarks. Only in case of extraordinary circumstances or developments the Supervisory Board can decide to reassess the pay levels on shorter notice.”

LEVEL OF TOTAL DIRECT COMPENSATION AT TARGET

APPLICATION IN 2023

The latest benchmark has been conducted in 2022. The outcome was that the 2022 TDC levels of NSI were below the defined level (90% of the median level of the reference group) of 2020.

In the 2022 AGM only a partial upward adjustment has been proposed and made.

In the 2023 AGM no adjustments have been proposed to the AGM

During 2023 the Remuneration Committee has looked into the Level of Total Compensation with the aim of establishing a TDC level that is again compliant with the existing Policy (90% of the AScX median level) and an internal pay ratio of 2,25 between the level below the Board and CEO.

During 2023 the Remuneration Committee has further looked into the paymix and the Short Term and Long Term Incentive programs with the aim of establishing a remuneration package competitive enough to attract, reward and retain qualified and seasoned real estate industry professionals, especially in view of the upcoming reappointment of the CEO and the search for a new CFO.

This has led to a revised Remuneration Policy.

For further information on this we refer to the explanations given in the Explanatory Notes to the Agenda of the General meeting of 19 April 2024.

4.7 COMPENSATION STRUCTURE

REMUNERATION POLICY

“Due to the nature of the business of NSI, the intention to have longer term trusted Management Board members and to avoid excessive risks, NSI applies a pay mix with a solid base fee and a variable pay level that is high enough to create a drive for excellent performance and low enough to avoid excessive risk-taking.

Performance measures are predominantly long-term oriented and are linked to both financial and non-financial criteria that support the realization of the company's strategy. To create a strong alignment with the shareholders, Management Board members are required to acquire NSI shares by investing one-third of the net payments resulting from the short-term incentive scheme and two thirds of the net payments resulting from the long-term incentive scheme in NSI shares until the shareholding requirement set out below has been met. The focus of the CEO should be on NSI’s long-term achievements. This is reflected by a at target short-term incentive of 20% of Base fee and a at target long-term incentive of 60% of Base fee. For the CFO the focus is both on objectives and actions that are measured at yearly intervals and on long term achievements. This results in a at target short-term incentive of 30% of Base fee and a at target long-term incentive of 30% of Base fee.”

4.7.1 BASE FEE

REMUNERATION POLICY

“Base fee for the members of the Management Board is derived from the intended TDC level and the chosen pay mix at target.”

BASE FEE APPLICATION IN 2023

	Base fees per 1 January 2023	Base fees paid out in 2023
CEO Bernd Stahli	€435,750	€435,750
CFO Alianne de Jong	€341,000 €294,500 (pro rata time served during 2023)	€294,500

4.7.2 SHORT-TERM INCENTIVE

REMUNERATION POLICY

“The short-term incentive concerns an annual performance-related cash incentive. The collective performance measures in the short-term incentive plan represent short-term results needed for sustainable value creation with respect to the most important achievement areas of the company.

These could include the occupancy rate, like-for-like net rental income, EPRA cost ratio and the company’s earnings over time (expressed as the EPRA Earnings per Share), organizational targets like personnel retention rate and NSI’s strategic position and sustainability performance (expressed as the development of the NSI portfolio and the NSI GRESB score). To guard alignment within the Management Board these measures apply in the same way to each of the members of the Management Board.

Next to these collective measures NSI could also apply individual personal targets for each of the members of the Management Board. These personal targets are related to the individual roles of the members and specific short-term achievements needed for NSI.

The Supervisory Board determines annually which performance measures apply, including their relative weighting. For each of the selected performance measures the Supervisory Board sets challenging, but realistic target performance levels. The target setting and performance review process occur once a year. All the performance levels for the measures are set before or at the beginning of the performance period and remain unchanged during the year.

The target payout level (20% of base fee for the CEO and 30% of base fee for the other Management Board members) will be reached by full achievement of the predetermined target performance levels.

Whenever possible quantitative targets are linked to Company KPI's that are reported to the Supervisory Board, and/or published by the Company and/or audited by the statutory auditor of NSI NV as referred to in article 2:393 paragraph 1 DCC. When determining whether quantitative target performance levels have been the Supervisory Board will rely on reported, published and audited numbers in as far as the numbers are reported, published and audited. In case of qualitative targets the Management Board is invited to submit a narrative substantiated with proof. When determining whether qualitative target performance levels have been met the Supervisory Board will discretionarily assess the performance level, taking into account the narrative submitted by the Management Board.

Achievement of a threshold performance level yields a payout of 50% of the target level and excellent outperformance yields a maximum payout of 120% of the target level. Therefore, the maximum payout for the CEO is 24% of Base fee and the maximum payout for the CFO is 36% of Base fee. Payout is determined using a linear approach between these performance levels. No payout occurs for performance below threshold. The stated incentive zone applies to each individual performance measure. Members of the Management Board are required to invest one-third of the net payments resulting from the short-term incentive scheme to acquire NSI shares until the shareholding requirement has been met."

APPLICATION IN 2023

SUMMARY OF ACHIEVEMENTLEVELS AND PAYOUT

Payout is based on performed threshold/target/maximum plus linear pay out between levels STI over the year in which an appointment terminates, will be based on the performance according to the plan over the full performance year and will be prorated to the actual time of service during the year in which the appointment terminates

The CEO achieved 112,6% of target level
The target payout level is 20% of base fee for the CEO
CEO base fee was €435,750
STI payout is 112,6% x 20% x €435,750 = €98,130.90

The CFO achieved 111,6% of target level
The target payout level is 30% of base fee for the CFO.
CFO base fee was €341,000
Actual time of service of the CFO during 2023 was 1 January – 15 November 2023.
Prorated STI payout is 111,6% x 30% x €341,000 x 319/365 = €99,778.66

Pay out will follow in May 2024 after the adoption of the Annual Accounts by the General meeting of Shareholders.

Target setting and achievements are detailed below.

OPERATIONAL TARGETS

In the 2023 STI target setting the Operational targets (1-3) were kept at their weight of the previous year: EPRA EPS (20%), Vacancy (10%), and Customer Satisfaction (10%).

Management outperformed on all three of these targets.

PORTFOLIO DEVELOPMENT TARGETS

In the 2023 STI target setting a slightly smaller weight was put on Portfolio Development targets (20%, previous year 25%) to allow for a bigger weight in the personal targets of the CEO and CFO.

2023 was the year to move Laanderpoort and Vitrum towards the decision making and execution phase. To avoid a so called 'pay for failure' the development targets were not geared to a commencement of all cost, but to require an (re)evaluation of the business case before a final 'Go'.

As it turned out 2023 called for a continuous revaluation of the Development projects and appropriate counterbalancing actions as the legal and market situation changed significantly during the year.

VITRUM

A ruling of the Dutch High Court in Q1, stipulating owner-associations to have a 100% vote in favour to ratify certain decisions, saw NSI require court approval before it could start its redevelopment plan. A reevaluation of the business case lead to the decision to temporarily lease up the space, to prevent extended vacancies. In Q4 this leasing was successfully implemented.

LAANDERPOORT

By late Q4 NSI was fully ready to start the Laanderpoort project, but decided to agree to the sale of the existing Laanderpoort building, together with the plans, permits and agreements for its redevelopment, to ING for a total amount of €24m.

This transaction not only delivered on the target(4b) to move developments to the execution phase within budget but also on the target(4a) to improve the risk profile of the portfolio through capital recycling as it has released NSI of a sizeable commitment.

A further achievement in terms of improving the risk profile was the sale of the vacant Donauweg building at very favorable conditions. All in all the Supervisory Board deemed a score of very good warranted.

SUSTAINABILITY TARGETS

To set new ambitious levels for 2023 the sustainability targets regarding Paris alignment (5a) and the BREEAM score (5b) were adapted in view of the progress already made in 2022. The total weight of the Sustainability targets was kept at 20%.

In 2022 Management completed a roadmap on a per asset basis to ensure NSI's portfolio is aligned with the Paris agreement. During 2023 this roadmap implementation of this roadmap has been started.

In all investment decisions, acquisitions and Asset Business Plans the Paris Aligned cost have been assessed. NSI follows CRREM's definition of Paris Aligned. With an average energy intensity in 2023 of 112 kWh/m2 /year NSI's portfolio is well ahead of the NL target of 155 kWh/m2 /year

The GRESB score gives quantitative insight into the ESG performance over time of a company among its peers in the real estate sector. As all participants make improvements NSI needs to improve continuously to keep its ranking. For this reason we maintained this measure (5c). In 2023 NSI was able to maintain 5 star level, to improve its score in points and to become a regional and global sector leader.

The NSI portfolio fully complies with the mandatory Energy Performance Certificates (EPC). Where currently level C is required, NSI already has 95% of the portfolio at level A or better.

BREEAM labels offer a voluntary scheme for certifying a broader set of environmental credentials of an asset than EPC labels. The BREEAM scheme is widely recognized in the property industry. For this reason the number of BREEAM Excellent labels is used as a measure (5b) to set goals and keep track of the improvements in the standing portfolio. In 2023 Management outperformed the targets we set for this measure. 75% of the portfolio is now at 'Excellent' or 'Very Good'.

STRATEGY AND RESTRUCTURING TARGETS

In the 2023 STI target setting a higher weight was put on the personal targets of the CEO and CFO (20%, previous year 15%), thus allowing the creation of a strategy development target with a weight of 15%.

Given the interdependencies of business and fiscal considerations the CEO and CFO were given an identical personal target to jointly present viable scenarios for adaptation of strategy, of company and tax structure and for new business opportunities taking into account the possible abolishment of the Dutch real estate FBI.

In 2023 legislation has been passed such that as of 2025 FBI's can definitively no longer directly invest in Dutch real estate. During 2023 Management has executed the necessary restructuring to limit the negative impact of this legislative change.

During a comprehensive Strategic Review all relevant options for an adaptation of the strategy have been scrutinized with a view to value maximization and the creation of new business opportunities and have been discussed with a wide range of shareholders and stakeholders. The revised strategy was fully supported by the Supervisory Board and communicated together with the HY results.

OTHER PERSONAL TARGETS

PERSONNEL AND TALENT (CEO 6B)

In a challenging environment and against the backdrop of many setbacks during 2023 the workforce was kept very motivated and able to successfully deal with all the balls that were thrown at them. Vacancies were timely filled and further strides were made towards implementing the Blue print for the HNK customer journey among all HNK staff.

FINANCING (CFO 6B)

The secured Financing with Berlin Hyp has been renewed with favorable conditions and with a number of provisions that kept NSI flexible in preparation for corporate restructuring measures due to the abolishment of the FBI regime.

Table 2 contains a full ex post disclosure of the application of the 2023 STI targets, their weights, performance measures and the achievements in 2023

TABLE 2: SHORT TERM INCENTIVE TARGETS, WEIGHT, MEASURES AND PERFORMANCE

STI 2023 targets & performance	weight	threshold	target	max	achieved	payout
1.-3. Operational targets						
1. Recurring EPRA EPS (targets are based on 'as is' portfolio and current FBI status = 0% corporate income tax)	20%	€1.92	€1.96	€2.16	€2.01	21%
2. Improvement LfL EPRA Vacancy vs Budget 2023	10%	+0.5%	0%	-1%	0.2%	10.4%
3. Customer Satisfaction (Average Score)	10%	>/=7	>/=7,5	>/=8	7.8	11,2%
4. Portfolio Development Targets						
a. Improve the overall quality and risk profile of the portfolio through capital recycling	10%	pass	good	very good	very good	12%
b. Evaluate business case of development projects, decide on proper scope, timing and development commencement. Once commencement decision is made, execute developments on time and on budget.	10%	pass	good	very good	very good	12%
5. Sustainability Targets						
a. Progress in implementation of Paris Aligned roadmap for each asset & Implementation of Paris Aligned cost in all investment decisions, acquisitions and Asset Business Plans	10%	pass	good	very good	good	10%
b. BREEAM Score (measured based on weighted average score of total portfolio expressed in m2 GFA)	5%	40%	45%	>50%	56,6%	6%
c. Sustainability: Maintain GRESB 5* ranking	5%	5* and score >/=88)	5* and score >/=90)	5* and score >/=94)	5* and score 94	6%
Subtotal Company	**85%**					**88,6%**
6. Personal targets CEO						
a. Present viable scenarios for adaptation of strategy, of company and tax structure and for new business opportunities taking into account the possible abolishment of the Dutch real estate FBI	15%	pass	good	very good	very good	18%
b. Attract and Retain personnel and Develop talent and leadership	5%	pass	good	very good	very good	6%
Subtotal CEO	**20%**					**24%**
Total CEO						**112,6%**
6. Personal targets CFO						
a. Present viable scenarios for adaptation of strategy, of company and tax structure and for new business opportunities taking into account the possible abolishment of the Dutch real estate FBI	15%	pass	good	very good	very good	18%
b. Renew Berlin Hyp financing at favorable conditions	5%	pass	good	very good	good	5%
Subtotal CFO	**20%**					**23%**
Total CFO						**111,6%**

4.7.3 LONG-TERM INCENTIVE

REMUNERATION POLICY

"The long-term incentive concerns a rolling cash incentive plan covering a three-year performance period that applies to all members of the Management Board. The performance measure in the long-term incentive plan represents long-term value creation at NSI and is defined as Relative Total Shareholder Return (TSR). This performance measure applies to all members of the Management Board and will remain unchanged for the applicable term of this Remuneration Policy.

Grants under the long-term incentive plan are made every year conditional upon performance on Relative TSR. Conditional grants are based on the target level of the long-term incentive. After the performance period has ended, it will be determined how much of the grant is actually paid out. The target payout level is set at 60% of base fee at the moment of the grant for the CEO and at 30% of base fee at the moment of the grant for the CFO. Excellent performance yields a maximum payout of 150% of the target level. Achievement of a threshold performance level yields a payout of 25% of the target level. The members of the Management Board are required to invest two-thirds of the net payments resulting from the long-term incentive scheme to acquire NSI shares until the shareholding requirement has been met.

LTI Performance measure	Weight
Relative Total Shareholder Return (TSR)	100%

The total shareholder return (TSR) is the average annual return in % for shareholders calculated as the price difference between the closing share price on the last trading day preceding the relevant term and the closing share price on the last trading day of the relevant term divided by the duration of the relevant term in years.

For the purpose of calculating the TSR, dividends are deemed reinvested in shares on the date of distribution. Dividends include not only dividend payments in cash, but also stock dividends and any other distributions to shareholders (e.g. special or one-time dividends or share buybacks). In addition, the share prices will be adjusted to strip out the impact of any rights issues, stock splits or consolidations. The Supervisory Board may in reasonableness and fairness make further adjustments to calculate a fair TSR insofar as price differences of the share prices are merely the consequence of an accounting issue or otherwise do not reflect any change in underlying corporate value. A TSR calculation produced by or made using data and or calculation algorithms from a validated third party such as Bloomberg or Thomson Reuters will be deemed a valid and binding TSR calculation for the purposes of the LTI.

NSI's TSR performance is subsequently assessed compared to those of relevant peer companies. NSI has defined these peer companies as the companies within the EPRA Eurozone Index. Companies which are not part of the EPRA Eurozone Index for the full performance period will be excluded. This applies to both new participants and participants leaving the Index.

Based on each company's TSR performance, a percentile score is computed that determines the relative positioning of each company within the EPRA Eurozone Index. NSI's percentile score then determines the final payout related to the long-term incentive plan. Actual payout is determined linearly between the performance and payout levels as given in the table below."

EPRA Eurozone TSR percentile score	Payout as % of target
At least 90%	150%
80%	125%
70%	100%
60%	75%
50%	50%
40%	25%
Lower than 40%	0%

APPLICATION IN 2023

SUMMARY OF ACHIEVEMENTLEVELS AND PAYOUT

NSI's absolute TSR over 2021 – 2023 was -29,17%
NSI's EPRA Eurozone TSR percentile score was 22,86%
This was below the threshold percentile score of the 40th percentile
Therefor there no LTI payout was awarded.

The CEO achieved 0% of target level
The target payout level is 60% of base fee for the CEO
CEO base fee was €435,750
LTI payout is 0% x 60% x €435,750 = €0

The CFO achieved 0% of target level
The target payout level is 30% of base fee for the CFO.
CFO base fee was €341,000
Actual time of service of the CFO during 2023 was 1 January – 15 November 2023.
Prorated LTI payout is 0% x 30% x €341,000 x 319/365 = €0

The following companies and their respective TSR scores were taken into account for the calculation of the LTI:

Company name	Ticker	TR 2021	TR 2022	TR 2023	TR 2021-2023	Percentile	Rank ('21-'23)	Group
Eurocommercial Properties NV	ECMPA NA	33,70%	28,60%	5,63%	81,62%	**100,00%**	**1**	**≥90%**
Mercialys	MERY FP	23,46%	26,61%	14,01%	78,22%	**97,14%**	**2**	**≥90%**
Lar Espana	LRE SM	16,16%	-11,57%	63,25%	67,71%	**94,29%**	**3**	**≥90%**
Carmila S.A.	CARM FP	26,57%	2,99%	26,82%	65,32%	**91,43%**	**4**	**≥90%**
Klepierre SA	0F4I LI	16,92%	13,53%	23,53%	63,98%	**88,57%**	**5**	**80%**
Merlin Properties Socimi S.A.	MRL SM	29,04%	3,56%	21,03%	61,72%	**85,71%**	**6**	**80%**
Wereldhave NV	WHA NA	23,14%	4,22%	25,78%	61,42%	**82,86%**	**7**	**80%**
Deutsche EuroShop AG	DEQ GR	-20,50%	57,47%	15,17%	44,19%	**80,00%**	**8**	**70%**
CA Immobilien Anlagen AG	CAI AV	16,18%	-6,35%	29,80%	41,23%	**77,14%**	**9**	**70%**
Shurgard Self Storage SA	SHUR BB	66,37%	-23,34%	7,76%	37,43%	**74,29%**	**10**	**70%**
Retail Estates	RET BB	28,69%	-7,01%	12,16%	34,22%	**71,43%**	**11**	**70%**
Ascencio SCA	ASCE BB	20,44%	5,01%	1,75%	28,68%	**68,57%**	**12**	**60%**
Intervest Offices & Warehouses NV	INTO BB	34,02%	-27,67%	17,41%	13,81%	**65,71%**	**13**	**60%**
Vastned Retail NV	VASTN NA	13,19%	-5,28%	3,85%	11,33%	**62,86%**	**14**	**60%**
WDP NV	WDP BB	53,26%	-35,23%	10,77%	9,97%	**60,00%**	**15**	**50%**
Unibail-Management	URW FP	-4,58%	-21,08%	37,61%	3,62%	**57,14%**	**16**	**50%**
Montea NV	MONT BB	46,26%	-48,07%	35,23%	2,71%	**54,29%**	**17**	**50%**
Gecina	GFC FP	1,65%	-18,20%	21,83%	1,30%	**51,43%**	**18**	**50%**
Inmobiliaria Colonial Socimi S.A.	COL SM	5,30%	-24,19%	13,87%	-9,11%	**48,57%**	**19**	**40%**
Hamborner REIT	HABA GY	16,96%	-29,26%	7,84%	-10,78%	**45,71%**	**20**	**40%**
Irish Residential Properties REIT Plc	IRES ID	16,36%	-30,94%	4,75%	-15,82%	**42,86%**	**21**	**40%**
Citycon Oyj	CTY1S FH	-5,32%	-3,79%	-9,35%	-17,43%	**40,00%**	**22**	**<40%**
Immobiliare Grande Distribuzione SIIQ SpA	IGD IM	7,22%	-11,95%	-17,59%	-22,21%	**37,14%**	**23**	**<40%**
Covivio	COV FP	0,54%	-19,01%	-5,64%	-23,17%	**34,29%**	**24**	**<40%**
Aedifica	AED BB	19,25%	-31,62%	-8,91%	-25,71%	**31,43%**	**25**	**<40%**
ICADE Management	ICAD FP	6,80%	-30,55%	-2,31%	-27,54%	**28,57%**	**26**	**<40%**
Kojamo plc	KOJAMO FH	20,09%	-33,88%	-10,68%	-29,08%	**25,71%**	**27**	**<40%**
NSI N.V.	***NSI NA***	***13,40%***	***-29,33%***	***-11,62%***	-29,17%	***22,86%***	***28***	***<40%***
Cofinimmo	COFB BB	20,65%	-37,47%	-7,98%	-30,57%	**20,00%**	**29**	**<40%**
Xior Student Housing NV	XIOR BB	5,12%	-39,04%	6,53%	-31,73%	**17,14%**	**30**	**<40%**
LEG Immobilien SE	LEG GR	-0,40%	-48,33%	30,33%	-32,93%	**14,29%**	**31**	**<40%**
TAG Immobilien-AG	TEG GR	-1,43%	-72,95%	118,28%	-41,79%	**11,43%**	**32**	**<40%**
Vonovia SE	VNA GR	-10,86%	-52,50%	35,93%	-42,44%	**8,57%**	**33**	**<40%**
Deutsche Wohnen SE	DWNI GY Equity	-13,65%	-46,14%	20,62%	-43,91%	**5,71%**	**34**	**<40%**
Grand City Properties	GYC GY	3,31%	-53,14%	10,77%	-46,37%	**2,86%**	**35**	**<40%**
Aroundtown SA	AT1 GY	-10,13%	-55,85%	13,38%	-55,02%	**0,00%**	**36**	**<40%**
EPRA Europe Index	**EPEU INDEX**	**4,42%**	**-36,47%**	**19,83%**	-20,50%		**36**	

8 This chapter contains the information specified in Article 2:135b paragraph 1 Dutch Civil Code under letter h.

The following companies and their respective TSR scores were not taken into account for the calculation of the LTI as they were not part of the EPRA Eurozone Index during the entire 2020-2022 period.

ENTERED AFTER START DATE

Company name	Ticker	TR 2021	TR 2022	TR 2023	TR 2021-2023
VGP NV	VGP BB	113,69%	-66,42%	39,01%	-0,26%
Home Invest Belgium REIT Ord Shs	HOMI BB Equity	10,07%	-6,45%	-28,01%	-25,87%
Branicks Group AG	BRNK GR	19,60%	-47,91%	-51,48%	-69,77%
ARGAN	ARG FP Equity	42,90%	-33,38%	17,29%	11,66%

LEFT SINCE START DATE

Company name	Ticker	TR 2021	TR 2022	TR 2023	TR 2021-2023
Befimmo SA	BEFB BB	-1,81%	41,88%	N/A	N/A
Nextensa	NEXTA BB	7,00%	-30,85%	-0,37%	-26,28%
Alstria office REIT AG	AOX GR	36,82%	-39,23%	-34,54%	-45,58%
TLG Immobilien AG	TLG GR	35,46%	-34,00%	-16,73%	-25,56%
Adler Group SA	ADJ GY	-61,66%	-87,66%	-60,59%	-98,14%
Hibernia Real Estate Group Limited	HBRN ID	17,79%	N/A	N/A	N/A

PAY OUT TABLE AND PAYOUT CEO & CFO

EPRA Eurozone Index members TSR percentile score (2020-2022)	Payout % of target	EPRA Eurozone Index NSI percentile score	Payout % of target for CEO & CFO
At least 90%	150%		
80%	125%		
70%	100%		
60%	75%		
50%	50%		
40%	25%		
Lower than 40%	0%	22.86%	0%

- No LTI Payout was awarded to the CEO or the CFO.

4.8 VARIABLE PAY CONDITIONS

REMUNERATION POLICY

"The criteria for the award of the Short Term Incentive and Long Term Incentive have been specified above as part of the description of the STI and LTI.

In addition the following conditions apply."

4.8.1 SCENARIO ANALYSES

REMUNERATION POLICY

"Scenario analyses of the possible outcomes of the short-term and long-term incentives have been conducted. These analyses did not reveal any uncontrollable risks for the company."

APPLICATION IN 2023

Scenario analyses of the possible outcomes of the short-term incentives 2023 have been conducted. These analyses did not reveal any uncontrollable risks for the company.

The outcomes of the LTI are fixed as per the Remuneration Policy and cannot be set discretionary. Therefore no further scenario analyses have been performed for the 2023 LTI.

4.8.2 RECLAIMING VARIABLE REMUNERATION (CLAW BACK)[8]

REMUNERATION POLICY

Grants under both the short-term and long-term incentive scheme are subject to a claw back provision. The Supervisory Board has the authority to claw back all or some part of a bonus payout insofar it has been awarded based on incorrect information about achieving the underlying targets or about the circumstances that the bonus was made subject to.

APPLICATION IN 2023

No variable remuneration was reclaimed.

4.8.3 ULTIMUM REMEDIUM

REMUNERATION POLICY

“Grants under both the short-term and long-term incentive scheme are subject to an Ultimum Remedium clause. The Supervisory Board has the authority to discretionary revise the bonus payout retrospectively to a deemed appropriate amount in case the calculated payout would be unacceptable according to the standards of reasonableness and fairness.”

APPLICATION IN 2023

No bonus pay out was revised retrospectively during 2023.

4.8.4 TERMINATION

REMUNERATION POLICY

“Any severance payment arrangement for members of the Management Board will be limited to one year of base fee.

STI over the year in which an appointment terminates, will be based on the performance according to the plan over the full performance year and will be prorated to the actual time of service during the year in which the appointment terminates. LTI granted in the year in which termination takes place, will be based on the performance according to the plan over the full three-year performance period and will be prorated to the actual time of service during the year in which the appointment terminates. LTI granted in the years before the year in which the appointment terminates, will be based on the performance according to the plan over the full three-year performance period and will be paid in full; pay-out will take place in the year after the three-year performance period has ended.

If it is known by the end of the calendar year before the year in which the appointment period of a participant ends, that the participant will not be nominated for a new term or is not available for such a nomination, the participant will not participate in the variable pay programs in the year in which the appointment ends; for this year the participant will be entitled to a target payout set by the Supervisory Board for both STI and LTI, prorated to the actual time of service during the year of termination.

Claw Back and Ultimum Remedium clauses continue to be applicable on all running and past variable pay programs after termination of the appointment.

In the case of termination for cause all rights on running variable pay programs are waived; Claw Back and Ultimum Remedium clauses will continue to be applicable after termination for cause of the participant.”

APPLICATION IN 2023

CFO Alianne de Jong was reappointed in the AGM of 21 April 2021 with effect from 15 September 2021. Her term of office was set to expire on 14 September 2025.

On 13 July 2023 Alianne de Jong tendered her resignation per 15 November 2023 thereby observing the contractual notice period of 4 months. The Board Agreement with Alianne was terminated on 15 November 2023.

The specific provisions of the Remuneration Policy and the board agreement regarding benefits upon termination have been applied.

No severance payment was made since made the agreement was terminated early on the initiative of the Management Board member. Base fee was paid out over the actual time of service.

STI over 2023, has been based on the performance according to the plan over the full performance year and has been prorated to the actual time of service during 2023.

No LTI was granted or paid out in 2023. No LTI was granted in 2022. LTI granted in the years 2021 and before 2021 have been paid in the years 2022 and before.

8 This chapter contains the information specified in Article 2:135b paragraph 1 Dutch Civil Code under letter h.

4.9 SHAREHOLDING REQUIREMENT

REMUNERATION POLICY

“To stimulate long-term value creation, NSI applies a shareholding requirement to align the interests of the members of the Management Board with the interests of the Company’s shareholders. The CEO is required to hold NSI shares with a value of at least 125% of the applicable annual (gross) base fee; a requirement of at least 75% of the applicable annual (gross) base fee applies to the CFO.

Board members are required to invest respectively one-third and two-thirds of the net payments resulting from the short-term and long-term incentive schemes to acquire NSI shares until the shareholding requirement has been met. Before reaching the required value in shares, members of the Management Board are not allowed to sell any of the NSI shares they have acquired by investing these net payments. This shareholding requirement continues to be applicable during one year after the end of the membership of the Management Board of NSI. The Supervisory Board will evaluate at the end of each financial year the extent to which the shareholding requirement is met.”

APPLICATION IN 2023

DEVELOPMENT OF SHAREHOLDINGS DURING 2023

Shareholding per 31.12.2022 (calculated using NSI 30.12.2022 closing price of €23.25)
CEO: 17,000 shares = 90,71% of annual gross Base fee (€435,750)
CFO: 7,722 shares = 52,65% of annual gross Base fee (€341,000)

Shareholdings per 31.12.2023 (calculated using NSI 31 december 2023 closing price of €18.76)
CEO: 17,700 shares = 76,20% of annual gross Base fee (€435,750)
CFO: 8,522 shares = 47,05% of annual gross Base fee (€341,000)

4.10 OTHER BENEFITS

REMUNERATION POLICY

“The Management Board is entitled to other remuneration elements besides those covered by TDC. These are in line with the (secondary) employment conditions of the employees of the Company.

NSI provides a defined contribution pension plan, capped at the fiscal maximum pensionable fee/salary in the Netherlands. Participants do not pay a contribution to this plan. Furthermore, NSI provides insured benefits that are also applicable to regular staff members and a company car.

The Company does not award any share-based remuneration to the members of the Management Board.”

APPLICATION IN 2023

- Maximum fiscal pensionable salary 2023: € 128,810
  Premium paid for CEO: € 19,837
  Premium paid for CFO: € 14,072[9]
- Insured benefits and company cars
  To contribute to NSI long term sustainability company cars are fully electric.

4.11 CONTRACTUAL ARRANGEMENTS

REMUNERATION POLICY

“Members of the Management Board are appointed for a period of four years. A notice period of four months for the members of the Management Board and four months for the company is applicable.

The board agreements with members of the Management Board contain specific provisions regarding benefits upon termination of those agreements. Severance arrangements are limited to one year’s base fee. No payment will be made if the agreement is terminated early on the initiative of the Management Board member or in the case of serious imputable or negligent behavior.

The board agreements of the members of the Management Board do not contain Change of Control provisions.

NSI does not grant any loans or guarantees to any of the members of the Management Board.”

9 The pension premiums paid differ because the CEO is in another age group as the CFO

APPLICATION IN 2023

As mentioned in more detail in section 4.8.4 above CFO Alianne de Jong tendered her resignation on 13 July 2023 per 15 November 2023 thereby observing the contractual notice period of 4 months.

No severance payment was made since made the agreement was terminated early on the initiative of the Management Board member.

No new appointments were made during 2023.

CEO Bernd Stahli was reappointed in the AGM 24 April 2020 with effect from 1 September 2020. His term of office expires on 31 August 2024.

During 2023 no loans or guarantees were granted to any of the members of the Management Board.

4.12 DEROGATION AND ADDITIONAL PAY PROGRAMS[10]

REMUNERATION POLICY

"Under exceptional circumstances, the Supervisory Board can temporarily and ultimately until the new Remuneration Policy is adopted, deviate from the Remuneration Policy. For this purpose, exceptional circumstances are limited to those circumstances that require deviation to serve the long-term interests and sustainability of the Company as a whole or to assure its viability.

E.g. special circumstances in the market place or at NSI may require a deviation in order to remain competitive or to keep up to the standards of reasonableness and fairness. In such a case the Supervisory Board has the authority to discretionarily add pay programs to the remuneration of the members of the Management Board

In the event of relevant circumstances, NSI's Remuneration Committee will assess the situation and make a proposal to the Supervisory Board, who may decide whether derogation of the Remuneration Policy is allowed in the relevant circumstances, or not. The deviation will be reported in the remuneration report."

APPLICATION IN 2023

No derogations of the remuneration policy were applied.
No additional pay programs were introduced during 2023.
No additional pay was awarded during 2023.

4.13 REVISION OF THE REMUNERATION POLICY

REMUNERATION POLICY

"The Remuneration Policy shall be reviewed and adjusted in the event of relevant changes (e.g. to the Dutch Corporate Governance Code, or otherwise).

In the absence of such changes, the Remuneration Policy shall be reviewed and submitted to the General Meeting of Shareholders for adoption in any event within four years after its adoption by the General Meeting of Shareholders. To this end, and when changes to the Remuneration Policy are considered, the Remuneration Committee will draw up a proposal, including a description and explanation of the main changes, and submit this proposal to the Supervisory Board. The Supervisory Board will present the proposal to the General Meeting of Shareholders no later than the moment the General Meeting of Shareholders is convened. After its adoption, the Remuneration Policy will be published on the Company's website.

When reviewing and/or considering amendments to the Remuneration Policy, the Remuneration Committee and Supervisory Board will be mindful of shareholders views. In this regard, they commit to consulting with shareholder representatives prior to any significant changes to the Remuneration Policy. In addition, the Management Board members' views regarding the structure and level of their own remuneration will be taken into account.

When reviewing and/or considering amendments to the Remuneration Policy scenario analyses of the possible outcomes of the short-term and long-term incentives will be conducted to reveal any uncontrollable risks for the company."

APPLICATION IN 2023

Following the announcement in the Agenda of the AGM of 15 April 2022 the Supervisory Board has started a review of the policy and has sought external advice to map out which new developments have taken place in the social discussion about rewards, and what relevant developments among the peers of NSI. In the 2022 Remuneration Report the Supervisory Board has reported on its preliminary findings about areas for improvement.

At that stage no proposal for an amendment of the Policy was submitted to the 2023 General Meeting of Shareholders. The areas for improvement have been taken into account in the preparation of the policy reviewed policy that will be submitted for adoption to the General Meeting of Shareholders of 19 April 2024.

10 This paragraph contains the information specified in Article 2:135b paragraph 1 Dutch Civil Code under letter j.

5. EVOLUTION OF REMUNERATION AND COMPANY PERFORMANCE

TABLE 3: COMPARATIVE TABLE OF THE REMUNERATION AND THE COMPANY PERFORMANCE[11]

Under the Variable Income Plan NSI employees are entitled to a maximum of 33.3% per year of their fixed salary. The Variable Income Plan pays out every year.

Comparative table of the remuneration and company performance over the last five reported financial years (RFY)

	2018	2019	2020	2021	2022	2023
Annual change of Directors Remuneration						
Base fee CEO Bernd Stahli (annualized)	€ 385.000	€ 410.000	€ 415.000	€ 415.000	€ 435.750	€ 435.750
Base fee CFO Alianne De Jong (annualized)	€ 240.000	€ 275.000	€ 298.333	€ 310.000	€ 341.000	€ 341.000
LTI at target as % of base fee CEO Bernd Stahli (annualized)	60,00%	60,00%	60,00%	60,00%	60,00%	60,00%
Actual payout (Note: 2020 amount was for LTAP 2017-2019)	tbd	tbd	175,70%	18,61%	27,87%	0,00%
LTI at target as % of base fee CFO Alianne De Jong (annualized)	30,00%	30,00%	30,00%	30,00%	30,00%	30,00%
Actual payout	tbd	28,70%	30,10%	17,66%	22,24%	0,00%
STI at target as % of base fee CEO Bernd Stahli (annualized)	na	na	20,00%	20,00%	20,00%	20,00%
Actual payout STI CEO (STI 2022 in 2023)	na	na	na	15,26%	22,95%	18,83%
STI at target as % of base fee CFO Alianne De Jong (annualized)	na	30,00%	30,00%	30,00%	30,00%	30,00%
Actual payout STI CFO (STI 2022 in 2023)	na	na	31,02%	22,89%	34,50%	28,24%
Annual change of the performance of the company						
Net Rental Income (in million Euro)	€ 69,228	€ 67,227	€ 60,466	€ 63,272	€ 59,325	€ 58,421
change vs previous reported year in percent	-7%	-3%	-10,06%	4,64%	-6,24%	-1,52%
Total Investment result	€ 91,525	€ 196,297	-€ 20,424	€ 120,961	-€ 31,370	-€ 142,370
change vs previous reported year in percent	-0,08%	114,47%	-110,40%	-692,25%	-125,93%	353,84%
Earnings per share	€ 4,95	€ 10,47	-€ 1,07	€ 6,20	-€ 1,58	-€ 7,08
change vs previous reported year in percent	-1,98%	111,52%	-110,22%	-679,44%	-125,48%	348,10%
Dividend per share	€ 2,16	€ 2,16	€ 2,16	€ 2,16	€ 2,16	€ 1,52
change vs previous reported year in percent	0,00%	0,00%	0,00%	0,00%	0,00%	-29,63%
EPRA NAV per share (as of 2020 EPRA NTA)	€ 39,75	€ 47,97	€ 44,44	€ 48,23	€ 44,17	€ 35,30
change vs previous reported year in percent	8,4%	20,7%	-7,36%	8,53%	-8,42%	-20,08%
Loan to Value (LTV)	36,9%	27,4%	29,2%	28,2%	28,7%	33,0%
change vs previous reported year in percentpoints	0,0%	-9,5%	1,80%	-1,0%	0,5%	15,0%
Total Shareholder Return	4,29%	34,76%	-19,55%	13,40%	-29,33%	-11,6%
change vs previous reported year in percentpoints	-25,26%	30,47%	-54,31%	32,95%	-42,73%	-60,4%
Average remuneration on a full time equivalent basis of Directors						
Average monthly Base fee Directors	€ 26.111	€ 28.611	€ 29.398	€ 30.208	€ 32.365	€ 32.365
change vs previous reported year in Euro's	€ 417	€ 2.500	€ 787	€ 810	€ 2.156	€ 0,00
change vs previous reported year in percent	1,62%	9,57%	2,75%	2,76%	7,14%	0,0%
Average remuneration on a full time equivalent basis of Employees						
Average monthly Base Salary employees	€ 5.205	€ 5.306	€ 5.646	€ 5.853	€ 6.360	€ 6.869
change vs previous reported year in Euro's	€ 426	€ 100	€ 340	€ 207	€ 507	€ 508,89
change vs previous reported year in percent	8,92%	1,93%	6,41%	3,67%	8,66%	8,0%
Pay ratio Directors/Employees						
Ratio Base fee Directors/Base Salary employees	5,02	5,39	5,21	5,16	5,09	4,71
change vs previous reported year	-6,70%	7,50%	-3,44%	-0,88%	-1,40%	-7,4%

The relative pay ratio of the (maximum possible) variable income of Directors and employees can be calculated as follows:

- CEO: 3,42
  (max 90% of base fee LTI + max 24% of base fee STI)/ employees max 33,3% of base fee = 3,42 (for 2017 – 2018: 1,8; for 2019-2022 3,42)
- CFO: 2,43
  (max 45% of base fee LTI + max 36% of base fee STI)/employees max 33,3% of base fee = 2,43 (2017 not applicable; for 2018: 0,9; for 2019 -2022 2,43)

11 Table 3 contains the information specified in Article 2:135b paragraph 1 Dutch Civil Code under letter e

TABLE 4: PROVISIONS FOR REMUNERATION TO BE PAID IN THE FUTURE AND THEIR MOVEMENTS DURING 2023

MOVEMENT OF PROVISIONS FOR VARIABLE REMUNERATION

	CEO			CFO			TOTAL		
	LTI	STI	Total	LTI	STI	Total	LTI	STI	Total
Balance as per 1 Jan 2023	**0**	**87,150**	**87,150**	**0**	**102,300**	**102,300**	**0**	**189,450**	**189,450**
Release prior year provision	0	-87,150	-87,150	-0	-102,300	-102,300	0	-189,450	-189,450
Provision taken 2022	0	87,150	87,150	0	102,300	102,300	0	189,450	189,450
Balance as per 31 Dec 2023	**0**	**87,150**	**87,150**	**0**	**102,300**	**102,300**	**0**	**189,450**	**189,450**
Payments	0	82,052	82,052	0	96,315	96,315	0	178,367	178,367
Release prior year provision	0	-87,150	-87,150	0	-102,300	-102,300	0	-189,450	-189,450
Provision taken 2023	0	87.150	87.150	0	102.300	102.300	0	189.450	189.450
Result 2023	**0**	**82,052**	**82,052**	**0**	**96,315**	**96,315**	**0**	**178,367**	**178,367**

6. REMUNERATION OF THE SUPERVISORY BOARD

The current remuneration policy for the members of the Supervisory Board was adopted by the General Meeting of Shareholders on 24 April 2020. The remuneration is fixed and no shares or share options are granted.

The remuneration of the Supervisory Board members is not dependent on the company's results.
The remuneration for the chairman is € 48,000 per year
The remuneration for a Supervisory Board member is € 36,000 per year
The remuneration for the membership of the Audit Committee and for the membership of the Real Estate Committee is € 7,500 per year
The remuneration for membership of the Selection and Appointment Committee and for the membership of the Remuneration Committee is € 3,750 per year

TABLE 5: SUPERVISORY BOARD REMUNERATION FOR THE REPORTED FINANCIAL YEAR 2023

REMUNERATION OF THE SUPERVISORY BOARD

Remuneration of the Supervisory Board	2018	2019	2020	2021	2022	2023
Jan Willem de Geus	na	na	na	€ 5.580	€ 62.400	€ 59.492
change vs previous reported year in Euro's				na	€ 56.820	-€ 2.908
change vs previous reported year in percent				na	1018,25%	-4,66%
Jan Willem Dockheer	na	na	€ 26.000	€ 43.500	€ 43.500	€ 43.500
change vs previous reported year in Euro's			na	na	€ 0	€ 0
change vs previous reported year in percent			na	na	0,00%	0,00%
Margreet Haandrikman	€ 38.000	€ 38.000	€ 41.000	€ 42.500	€ 43.250	€ 43.500
change vs previous reported year in Euro's	€ 21.000	€ 0	€ 3.000	€ 1.500	€ 750	€ 250
change vs previous reported year in percent	123,53%	0,00%	7,89%	3,66%	1,76%	0,58%
Karin Koks - van der Sluis	€ 49.000	€ 53.000	€ 58.000	€ 56.125	€ 53.750	€ 47.975
change vs previous reported year in Euro's	€ 9.000	€ 4.000	€ 5.000	-€ 1.875	-€ 2.375	-€ 5.775
change vs previous reported year in percent	22,50%	8,16%	9,43%	-3,23%	-4,23%	-10,74%
Harm Meijer (SB member up to 19 June 2023)	€ 38.000	€ 38.000	€ 42.000	€ 41.625	€ 44.875	€ 20.435
change vs previous reported year in Euro's	-€ 7.000	€ 0	€ 4.000	-€ 375	€ 3.250	-€ 24.440
change vs previous reported year in percent	-15,56%	0,00%	10,53%	-0,89%	7,81%	-54,46%
Supervisory Board	€ 189.000	€ 180.000	€ 221.000	€ 221.705	€ 247.775	€ 214.902
change vs previous reported year in Euro's	-€ 21.000	-€ 9.000	€ 41.000	€ 705	€ 26.070	-€ 32.873
change vs previous reported year in percent	-10,00%	-4,76%	22,78%	0,32%	11,76%	-13,27%

7. FURTHER INFORMATION[12]

With regard to any Director or any Supervisory Board member:
- No remuneration was paid by any NSI subsidiary or by any company that NSI consolidates.
- No shares or share options were granted.
- No variable remuneration was reclaimed.
- There were no deviations from the decision-making process followed for the determination, review and implementation of the remuneration policy.
- No derogations of the remuneration policy were applied.
- There were no payments upon termination of employment.
- NSI has not given any loans, made advanced payments or granted guarantees.

PUBLICATION

After the general meeting of 19 April 2024 NSI NV shall keep this remuneration report publicly available on its website for a period of 10 years. If NSI NV chooses to keep the remuneration report available for a longer period it will no longer contain the personal data of directors.

AUDIT OF INFORMATION PROVIDED IN THIS REMUNERATION REPORT

PriceWaterhouseCoopers Accountants NV, the statutory auditor of NSI NV as referred to in article 2:393 paragraph 1 Dutch Civil Code, has checked that the information required by article 2:135b and article 2:145 subsection 2 Dutch Civil Code has been provided in this remuneration report. Reference for this is made to the independent auditor’s report on the financial statements 2023 dated 7 March2024 that is included in the annual report of NSI N.V.

Amsterdam, 7 March 2024

NSI NV Supervisory Board

Jan Willem de Geus, *Chairman*
Karin Koks - van der Sluijs, *Vice chairman*
Jan Willem Dockheer
Margreet Haandrikman
Marlies Janssen

12 This chapter contains the information specified in Article 2:135b paragraph 1 Dutch Civil Code under letters f, g, i, j and k.