

Website: [www.nsi.nl](http://www.nsi.nl)

to be held on Friday, 20 April 2018 at 2.00 pm at HNK Den Haag, Oude Middenweg 17  
2491 AC The Hague

## AGENDA

1.	Chairman opens the meeting	
2.	Report of the Management Board on the 2017 financial year	
2a.	Corporate Governance structure and compliance with the Dutch Corporate Governance Code of 8 December 2016	
3.	Report of the Supervisory Board on the 2017 financial year	
3a.	Application of the remuneration policy for the 2017 financial year	
4.	Adoption of the financial statements for the 2017 financial year	vote
5.	Dividend policy of NSI	
6.	Declaration of the final dividend for 2017	vote
7.	Discharge of the members of the Management Board for the policy pursued in the 2017 financial year	vote
8.	Discharge of the members of the Supervisory Board for the supervision exercised during the 2017 financial year	vote
9.	Composition of the Supervisory Board	vote
9a.	Reappointment of Mr. Luurt van der Ploeg as a member of the Supervisory Board.	vote
10.	Remuneration policy for the Management Board	
10a.	Proposal for an amendment to the Remuneration policy for the Management Board	vote
10b.	Revision of the remuneration policy for the Management Board	
11.	Authorisations	
11a.	Proposal to authorise the Management Board to issue ordinary shares (subject to the approval of the Supervisory Board)	vote
11b.	Proposal to authorise the Management Board to limit or exclude pre-emptive rights upon the issuance of ordinary shares (subject to the approval of the Supervisory Board)	vote
11c.	Proposal to authorise the Management Board to buy back ordinary shares in the company's own capital (subject to the approval of the Supervisory Board)	vote
12.	Outlook for 2018	
13.	Any other business	
14.	Closing	

The language in which the General Meeting of Shareholders will be conducted is Dutch.

The agenda items above are explained in further detail in the shareholders' circular.

## SHAREHOLDERS' CIRCULAR

Notes to the agenda of the General Meeting of Shareholders of NSI N.V. on Friday, 20 April 2018

### Voting procedure

Voting will take place by means of a show of hands. In order to guarantee the privacy of shareholders, on arrival

at the venue and in exchange for their certificate of deposit each shareholder will be handed an envelope containing a card with a number. When voting, you will be asked to cite the number on this card. There is no need to state personal details such as your name or the number of shares you own because the company can trace your shareholding and other details using the number assigned to you. We believe this procedure safeguards your privacy.

## 2. Report of the Management Board on the 2017 financial year

The Management Board will give a presentation on the developments in 2017, as also described in the 2017 annual report.

### 2a. Corporate Governance structure and compliance with the Dutch Corporate Governance Code of 8 December 2016

The Dutch Corporate Governance Code (hereinafter “the Code”) provides guidance on the governance of listed companies. The Code was first adopted in 2003 and amended once in 2008. Ongoing developments, the spirit of the times and overlaps with legislation were reasons to issue an amended Code on 8 December 2016. The revised Code came into force as of the financial year starting on 1 January 2017.

In accordance with the recommendation of the Monitoring Committee Corporate Governance Code the company hereby submits as a separate discussion item on the agenda the Corporate Governance chapter in the Report of the Management Board broadly outlining the corporate governance structure and compliance with the Code.

The Corporate Governance chapter can be found in the 2017 annual report on pages 50-54. A compliance table is published on the company's website

### 3 Report of the Supervisory Board on the 2017 financial year

The Supervisory Board will report on the main aspects of its supervisory activities during 2017, as also described in the 2017 annual report.

### 3a. Application of the remuneration policy for the 2017 financial year

In accordance with Dutch legislation, the application of the remuneration policy for the 2017 financial year will be discussed in the General Meeting of Shareholders. Reference is made to the 2017 remuneration report on pages 62-63 of the 2017 annual report and the information in the 2017 financial statements on pages 104-106.

### 4. Adoption of the financial statements for the 2017 financial year

The General Meeting of Shareholders will be invited to adopt the financial statements of NSI N.V. for the 2017 financial year. Prior to the motion being put to the vote, the shareholders will be given the opportunity to put questions to the Management Board and Supervisory Board regarding the annual report, the financial statements and agenda items 2 and 3, and to the external auditor concerning its opinion on the financial

statements and its audit operations.

### 5. Dividend policy of NSI

In accordance with best practice provision 4.1.3 iii of the Dutch Corporate Governance Code the policy of the company with regard to additions to the reserves and on dividends shall be dealt with and explained as a separate item on the agenda at the General Meeting. The current dividend policy - as adopted by the General meeting of shareholders of 2014 - is to pay out in cash at least 75% of the direct result (and as of 2017 of the comparable EPRA EPS).

For practical reasons the dividend is distributed twice a year: an interim dividend after the publication of the half year interim results and a final dividend after approval of the dividend by the General Meeting.

NSI will offer shareholders the option of receiving the final dividend in cash, in stock or a combination of both, subject to the General Meeting agreeing to this by adopting the proposed final dividend for 2017.

This voluntary choice allows shareholders to decide what best fits their needs whilst offering NSI the opportunity of keeping liquidity within the company. This liquidity can subsequently be used for investment purposes, cash management or to pay off loans.

### 6. Declaration of the final dividend for 2017

In line with the current dividend policy (a pay out in cash of at least 75% of the EPRA EPS, see also agenda item 5 above) NSI is proposing a final dividend of €1.12 per share. This brings the total dividend for 2017 to €2.16 per share, of which €1.04 has already been distributed as interim dividend.

The distribution will be payable either wholly in cash or in new ordinary shares out of the share premium reserve, at the option of the shareholder.

Dividend in cash will be subject to deduction of 15% Dutch dividend withholding tax. The stock dividend is paid out of the tax-exempt share premium reserve and is thus free from withholding tax in the Netherlands. Where shareholders have opted to receive their dividend in shares, the corresponding cash value of €1.12 per share will be deducted from the profit attributable to shareholders and added to the reserves.

In order to comply with the requirements of the FBI-regime, a maximum of 20% of the total dividend amount is available for stock dividend. If shareholders overall opt to receive an aggregate distribution in shares which exceeds this maximum percentage, those who have opted for distribution in the form of shares will be assigned the stock dividend on a pro rata basis, with the remainder being distributed in cash subject to deduction of the aforementioned 15% Dutch dividend withholding tax.

The exchange ratio for the stock dividend will be published on 18 April, 2018.

The shares will be listed ex dividend on 24 April 2018. The dividend record date will be 25 April 2018. The period for choosing between a stock dividend and a cash dividend will commence on 26 April and end on 9 May 2018 (3.00 p.m. CET). Subject to adoption the proposed final dividend will be paid on 14 May 2018.

The proposed final dividend amounts to €20,569,000. The final dividend is charged to the profit reserves.

#### 7. Discharge of the members of the Management Board for the policy pursued in the 2017 financial year

The General Meeting of Shareholders is invited to discharge the Management Board from liability for the policy pursued during the 2017 financial year, insofar as the policy is apparent from the financial statements or from information otherwise provided to the General Meeting of Shareholders prior to the adoption of the financial statements.

#### 8. Discharge of the members of the Supervisory Board for the supervision exercised during the 2017 financial year

The General Meeting of Shareholders is invited to discharge the members of the Supervisory Board from liability for the supervision they exercised over the policy pursued by the Management Board during the 2017 financial year, insofar as this supervision is apparent from the financial statements or from information otherwise provided to the General Meeting of Shareholders prior to the adoption of the financial statements.

#### 9. Composition of the Supervisory Board

Mr. Luurt van der Ploeg and Mr. Nico Tates, Chairman and Vice-Chairman of the Supervisory Board, will resign as Supervisory Board members at the General Meeting in accordance with the retirement rota.

Mr. Van der Ploeg is eligible for reappointment; Mr. Tates is not eligible for reappointment.

Pursuant to Article 16 of the Articles of Association the exact number of Supervisory Board members shall be determined by the General Meeting. In the past years, this number has been five.

NSI currently has fewer than 50 employees, no significant activities outside the Netherlands and focuses on a limited number of market segments. If the vacancy of Mr. Tates is left open and Mr. Van der Ploeg is reappointed, the Supervisory Board will consist of four members who together cover all relevant fields of expertise and experience required by the profile of the Supervisory Board.

In view of these facts the Supervisory Board proposes to reduce the number of Supervisory Board members to four.

#### 9a. Reappointment of Mr. Luurt van der Ploeg as a

#### member of the Supervisory Board.

Mr. L.A.S. van der Ploeg was appointed as a member of the Supervisory Board of NSI N.V. on 25 April 2014. He was Chairman of the Audit Committee from 11 May 2016 until 21 April 2017. He has been Chairman of the Supervisory Board since 21 April 2017.

Mr. van der Ploeg (47) is CFO of VolkerWessels Bouw & Vastgoedontwikkeling B.V. Mr. Van der Ploeg previously held the position of CFO at Vesteda Investment Management B.V. and at Multi Corporation B.V., and has held several accountancy positions at EY in the Netherlands, Australia and the United States. He is a member of the Supervisory Board of Dunea N.V., and of Housing association Haag Wonen and is a Member of the permanent education committee of the Dutch Association of Supervisors in Housing Corporations (VTW) and a member of the Curatorium Erasmus School of Accounting & Assurance

Mr. Van der Ploeg complies with all the stipulations of the Dutch Management and Supervision Act. Mr. Van der Ploeg has no shareholding in NSI NV.

Mr. Van der Ploeg is an expert in the field of financial reporting and the financing of large corporations and real estate companies, as well as in risk management and financing structures, tax, legal matters, corporate governance and ICT. Mr. Van der Ploeg has gained most of his experience in real estate. His expertise and experience is a very good fit with the profile of the Supervisory Board. In the event of his reappointment there would be a 50/50 gender split on the Supervisory Board.

Mr. Van der Ploeg is an experienced Supervisory Board member and his contributions to the Supervisory Board of NSI have proven he is eminently suited to this position.

The Supervisory Board proposes to reappoint Mr. L.A.S. van der Ploeg as Supervisory Board member for a second term of four years, to run from 20 April 2018 until the AGM to be held in the spring of 2022.

#### 10. Remuneration policy for the Management Board

##### 10.a Proposal for an amendment to the Remuneration policy for the Management Board

According to article 3 of the remuneration policy, the remuneration comprises a fixed annual salary, a variable remuneration and secondary conditions of employment.

Since 1 May 2016 the CIO's fixed annual salary has been €300,000. In light of the experience, responsibilities and performance of Mr. De Jong, the Supervisory Board has decided to increase the CIO's fixed annual salary from €300,000 to €315,000 with effect from 1 May 2018. This increase fits within the framework of the remuneration policy.

The variable remuneration consists of a long-term share plan. The plan covers a three-year period and is based on the return realised for the shareholders (weighted at 80%) and on personal targets set by the Supervisory Board (weighted at 20%). It provides for a one-off payment to the CIO equalling a maximum of 90% of the average fixed annual salary over the term of the share plan (three years).

The current long term share plan period of the CIO expired on 31 December 2017. The long term share plan for the CIO will be extended for a new three year period with effect from 1 January 2018. The Supervisory Board wishes to increase the payment to the CIO under the new Long Term Share Plan Agreement from a maximum 90% of his average fixed annual salary on a one-off basis over the term of the share plan (three years) to a maximum of 120%.

On an annualized basis the maximum pay out for the CIO would thus increase from €90,000 (based on a fixed remuneration of €300,000) to €126,000. (based on a fixed remuneration of €315,000).

To this end it is proposed to raise the maximum of 90% for the CIO as stated in article 3.3 of the remuneration policy to 120%.

#### 10.b Revision of the remuneration policy for the Management Board

The current remuneration policy for members of NSI N.V.'s Management Board was adopted by the General Meeting of Shareholders of 27 April 2012. With the exception of an adjustment between the CEO's fixed and variable remuneration at the General Meeting of Shareholders of 25 August 2016 and the proposed amendment set out in agenda item 10.a above the remuneration structure and policy has not been revised since 2012.

The Supervisory Board intends to revise the current remuneration policy to bring it more in line with the practice at other listed companies, to synchronize the duration of the long term incentive plans to create more alignment between the members of the Management Board and to introduce a short term incentive component. It is not the intention to increase the total remuneration. Furthermore, the focus of the remuneration policy will remain on long term value creation.

In the course of 2018 the Supervisory Board will formulate a new remuneration policy in accordance with the provisions of Chapter 3 of the Dutch Corporate Governance Code to be submitted to the General Meeting of Shareholders of April 2019. If approved by the General Meeting, the revised remuneration policy would apply as from 1 January 2019.

### 11. Authorisations

The Extraordinary General Meeting of Shareholders of 11 December 2014 discussed the policy with regard to the agenda items set out below. In accordance with that

policy and with best practice provision 4.1.4 of the Dutch Corporate Governance Code the items below are placed on the agenda and explained in the circular every year. The scope of each of the authorisations as requested under this agenda item 11 is consistent with the practice at the majority of Dutch listed companies.

#### 11a. Proposal to authorise the Management Board to issue ordinary shares (subject to the approval of the Supervisory Board)

The Management Board and Supervisory Board propose that the Management Board be designated as the body authorised to issue ordinary shares, including the granting of rights to acquire ordinary shares (after having obtained approval from the Supervisory Board).

This authorisation is limited to a maximum of 10% of the outstanding number of shares on the date of issue, to be increased by at most 10% of the number of outstanding shares in connection with stock dividend, a merger or a takeover, but also in connection with the acquisition of property assets or property portfolios, and/or refinancing. This authorisation is limited to a period of 18 months, which period can be extended at a meeting of shareholders at the request of the Management Board and Supervisory Board.

#### 11b. Proposal to authorise the Management Board to limit or exclude pre-emptive rights upon the issuance of ordinary shares (subject to the approval of the Supervisory Board)

The Management Board and Supervisory Board propose that the Management Board be designated as the body authorised to limit or exclude the pre-emptive rights that take effect upon the issue of ordinary shares or granting of rights to acquire ordinary shares (after having obtained approval for this from the Supervisory Board).

This authorisation is limited to a maximum of 10% of the outstanding number of shares on the date of issue, to be increased by at most 10% of the number of outstanding shares in connection with stock dividend, a merger or a takeover, but also in connection with the acquisition of property assets or property portfolios, and/or refinancing.

This authorisation is limited to a period of 18 months, which period can be extended at a meeting of shareholders at the request of the Management Board and Supervisory Board.

#### 11c. Proposal to authorise the Management Board to buy back ordinary shares in the company's own capital (subject to the approval of the Supervisory Board)

The Management Board and Supervisory Board propose that the Management Board be designated as the body authorised to buy back the company's own shares on the stock market or otherwise, up to a maximum of 10% of the outstanding number of shares, on condition that the company may not hold more than 10% of the issued



capital (after having obtained approval for this from the Supervisory Board). Ordinary shares can be acquired for a price that lies between the nominal value of a share and 10% above the average closing price of the share calculated over five trading days prior to the day of purchase.

This authorisation is limited to a period of 18 months, which period can be extended at a meeting of shareholders at the request of the Management Board and Supervisory Board.

## 12. Outlook for 2018

The Management Board will give a presentation on the outlook for the year 2018.

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## HOW TO REGISTER FOR THE MEETING

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The full agenda for the General Meeting, with supplementary notes and a copy of the 2017 annual report and financial statements are available at the company's offices and via [www.nsi.nl](http://www.nsi.nl). Copies of these are also available free of charge via ABN AMRO Bank N.V. ("ABN AMRO"), by phoning: + 31 20 344 2000 or by sending an email to: [corporate.broking@nl.abnamro.com](mailto:corporate.broking@nl.abnamro.com).

### Registration of meeting rights

Persons who (1) are registered in one of the registers or sub registers mentioned below as of 23 March 2018 (the "Registration date") after the processing of all new registrations and cancelled registrations as of this date and (2) have signed up in the manner described below can participate in the meeting.

For shareholders, the administrations of the intermediaries as defined in the Securities (Bank Giro Transactions) Act (the "Intermediaries"), which show who is entitled to the particular shares as of the Registration date, are designated as registers or sub registers.

### Registration and sign-up

Shareholders or their authorised representatives who wish to participate in this meeting can sign up in writing from 26 March 2018 until no later than 5.30 pm CET on 13 April 2018 with the Intermediary whose administration holds their shares or via [www.abnamro.com/evoting](http://www.abnamro.com/evoting). No later than at 11 am CET on 16 April 2018, the Intermediaries must provide ABN AMRO with an electronic statement via [www.abnamro.com/intermediary](http://www.abnamro.com/intermediary) stating the number of shares held by the particular holder on the Registration date and being reported for registration. ABN AMRO will send these holders an admission ticket via the Intermediary.

### Voting by proxy

Shareholders who cannot attend the meeting can also grant the company a voting instruction, without prejudice to the provisions concerning sign-up stated above. A voting instruction can be granted electronically via [www.abnamro.com/evoting](http://www.abnamro.com/evoting) until 13 April 2018 at the latest. If a shareholder does not have an opportunity to grant a voting instruction electronically, a voting instruction can also be granted in writing. For this, the form available from the company free of charge must be completed and returned to the company no later than 13 April 2018.

### Number of issued shares and number of voting rights

As of 9 March 2018, the number of issued shares in the company is 18,364,998.