

GENERAL MEETING OF SHAREHOLDERS OF NSI N.V.



Website: www.nsi.nl

to be held on Wednesday, 17 April 2019 at 2.00 pm at Motion Building, Radarweg 60, 1043 NT Amsterdam

AGENDA

1.	Chairman opens the meeting	
2.	Report of the Management Board on the 2018 financial year	
3.	Report of the Supervisory Board on the 2018 financial year	
3a.	Application of the remuneration policy for the 2018 financial year	
4.	Adoption of the financial statements for the 2018 financial year	vote
5.	Dividend policy of NSI	
6.	Declaration of the final dividend for 2018	vote
7.	Discharge of the members of the Management Board for the policy pursued in the 2018 financial year	vote
8.	Discharge of the members of the Supervisory Board for the supervision exercised during the 2018 financial year	vote
9.	Revision of the remuneration policy for the Management Board	vote
10.	Authorisations	
10a.	Proposal to authorise the Management Board to issue ordinary shares (subject to the approval of the Supervisory Board)	vote
10b.	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
10c.	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
11.	Outlook for 2019	
12.	Any other business	
13.	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 Wednesday, 17 April 2019

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 2018 financial year

The Management Board will give a presentation on the developments in 2018, which are also described in the 2018 annual report.

3 Report of the Supervisory Board on the 2018 financial year

The Supervisory Board will report on the main aspects of

its supervisory activities during 2018, as also described in the 2018 annual report.

3a. Application of the remuneration policy for the 2018 financial year

In accordance with Dutch legislation, the application of the remuneration policy for the 2018 financial year will be discussed in the General Meeting of Shareholders. Reference is made to the remuneration report that is published on the company's website and the information in the 2018 financial statements on pages 102-103 of the 2018 annual report.

4. Adoption of the financial statements for the 2018 financial year

The General Meeting of Shareholders will be invited to adopt the financial statements of NSI N.V. for the 2018 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 2018.

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 2018

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 2018 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.

The maximum percentage of the total dividend amount that is available for stock dividend will be determined in accordance with the requirements of the FBI-regime. 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 16 April, 2019.

The shares will be listed ex dividend on 23 April 2019.

The dividend record date will be 24 April 2019.

The period for choosing between a stock dividend and a cash dividend will commence on 25 April and end on 9 May 2019 (3.00 p.m. CET).

Subject to adoption the proposed final dividend will be paid on 14 May 2019.

The proposed final dividend amounts to €20.803.000.

The final dividend is charged to the profit reserves.

7. Discharge of the members of the Management Board for the policy pursued in the 2018 financial year

The General Meeting of Shareholders is invited to discharge the Management Board from liability for the policy pursued during the 2018 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 2018 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 2018 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. 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 in the CEO's remuneration at the General Meeting of Shareholders of 25 August 2016 and the CIO's remuneration at the General Meeting of Shareholders of 20 April 2018 the remuneration policy has not been changed. The remuneration structure has not been revised since 2012.

As announced in the General Meeting of Shareholders of 20 April 2018 the Supervisory Board has revised the remuneration policy and formulated a new remuneration policy in accordance with the provisions of Chapter 3 of the Dutch Corporate Governance Code to bring the remuneration policy 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. The complete text of the new policy can be found at the bottom of this shareholders' circular.

If approved by the General Meeting, the revised remuneration policy would apply as from 1 January 2019.

In the General Meeting of Shareholders the chairman of the Remuneration Committee will explain the new policy and the transition measures the Supervisory Board will take to ensure its application effective 1 January 2019.

10. 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 10 is consistent with the practice at the majority of Dutch listed companies.

10a. 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.

10b. 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.

10c. 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.

11. Outlook for 2019

The Management Board will give a presentation on the outlook for the year 2019.

HOW TO REGISTER FOR THE MEETING

The full agenda for the General Meeting, with supplementary notes and a copy of the 2018 annual report and financial statements are available at the company's offices and via 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.

Registration of meeting rights

Persons who (1) are registered in one of the registers or sub registers mentioned below as of 20 March 2019 (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 21 March 2019 until no later than 5.30 pm CET on 10 April 2019 with the Intermediary whose administration holds their shares or via www.abnamro.com/evoting. No later than at 11 am CET on 11 April 2019, the Intermediaries must provide ABN AMRO with an electronic statement via 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 until 10 April 2019 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 10 April 2019.

Number of issued shares and number of voting rights

As of 6 March 2019, the number of issued shares in the company is 18,574,298.

AANMELDEN VOOR DE VERGADERING

De volledige agenda met toelichting en een exemplaar van het jaarverslag en de jaarrekening 2018 zijn beschikbaar ten kantore van de vennootschap en via de website www.nsi.nl. Tevens zijn afschriften daarvan kosteloos verkrijgbaar via ABN AMRO Bank N.V. ("ABN AMRO") per telefoon: 020 344 2000 of email: corporate.broking@nl.abnamro.com.

Registratie vergadergerechtigden

Aan de vergadering kunnen deelnemen zij die (1) op 20 maart 2019 na verwerking van alle bij- en afschrijvingen per die datum (de "Registratiedatum") zijn ingeschreven in één van de hierna te noemen (deel)registers en (2) zich hebben aangemeld op de wijze zoals hieronder beschreven.

Voor aandeelhouders zijn als (deel)registers aangewezen de administraties van de intermediairs zoals gedefinieerd in de Wet giraal effectenverkeer (de "Intermediair"), waaruit blijkt wie op de Registratiedatum gerechtigd zijn tot deze aandelen.

Registratie en aanmelding

Aandeelhouders of hun gevolmachtigden die aan deze vergadering wensen deel te nemen kunnen zich vanaf 21 maart 2019 tot en met uiterlijk 10 april 2019 om 17.30 uur schriftelijk aanmelden bij de Intermediair waar hun aandelen in administratie zijn of via www.abnamro.com/evoting.

De Intermediairs dienen uiterlijk op 11 april 2019 om 11.00 uur via www.abnamro.com/intermediary aan ABN AMRO een elektronische verklaring te verstrekken waarin is opgenomen het aantal aandelen dat door de betreffende houder op de Registratiedatum gehouden en ter registratie aangemeld wordt. ABN AMRO zal aan deze houders via de Intermediair een toegangsbewijs zenden.

Stemmen bij volmacht

Aandeelhouders die de vergadering niet kunnen bijwonen, kunnen eveneens, onverminderd het hiervoor bepaalde omtrent aanmelding, een steminstructie verlenen aan de vennootschap. Een steminstructie kan tot uiterlijk 10 april 2019 elektronisch worden verleend via www.abnamro.com/evoting. Indien een aandeelhouder niet in de gelegenheid is elektronisch een steminstructie te verlenen, kan een steminstructie ook schriftelijk worden verleend. Hiertoe dient gebruik gemaakt te worden van het formulier dat kosteloos bij de vennootschap verkrijgbaar is en aldaar uiterlijk 10 april 2019 ingevuld getourneerd dient te zijn.

Aantal geplaatste aandelen en aantal stemrechten

Per 6 maart 2019 bedraagt het aantal geplaatste aandelen in de onderneming 18.574.298

Remuneration Policy for the Management Board of NSI N.V. (2019 version)

Introduction

The remuneration policy as outlined in this document was adopted by the Annual General Meeting of Shareholders on 17 April 2019. Any significant changes to the remuneration policy thereafter require approval of the AGM. This policy applies from January 1, 2019 onwards.

This Remuneration Policy for members of the Management Board of NSI intends to further align remuneration at NSI with developments in legislation, governance, the market place and the interests of both NSI and its shareholders. The policy aims at supporting long-term value creation for shareholders while creating fair pay for the Management Board. The remuneration policy enables NSI to attract, reward and retain qualified and seasoned real estate industry professionals, who are able to achieve the company objectives. Simplicity, transparency and compliancy are guiding principles of the policy.

The Management Board members' views regarding the structure and level of their own remuneration have been taken into account in determining this remuneration policy.

Since full compliancy to the Dutch Corporate Governance Code is one of NSI's guiding principles, the remuneration policy will be adjusted accordingly, in case of any relevant changes to the Code.

This document describes the elements of the NSI remuneration policy:

- Total Direct Compensation
 - Reference group and market positioning
 - Internal pay levels NSI
 - Level of Total Direct Compensation at target
- Compensation structure
 - Base salary
 - Short-term incentive
 - Long-term incentive
 - Variable pay conditions
 - Scenario analyses
 - Claw Back
 - Ultimum Remedium
 - Conditions at termination
 - Additional pay programs
- Shareholding requirement
- Other benefits
- Contractual arrangements

At the end of this document, a summary of the remuneration policy is provided in an overview.

Total Direct Compensation (TDC)

The level of Total Direct Compensation (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.

Reference group and market positioning

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 market for NSI is therefore defined as AScX listed companies, excluding Financial Services organizations, and including Wereldhave (AMX listed Real Estate company). This results in a reference group of nineteen companies in total.

Reference companies	
Accell Group	ICT Group
Amsterdam Commodities	Kendrion
Avantium	Nedap
Basic-Fit	Ordina
Beter Bed Holding	Sif Holding
Brunel International	Stern Groep
Eurocommercial Properties	Takeaway.com
Fagron	VastNed Retail
ForFarmers	Wereldhave
Heijmans	

A market positioning of the TDC level at 90% for the CEO and 80% for the CFO 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.

Internal pay levels NSI

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 salary between the CFO and the level below the Board and also for the pay difference on base salary between the CEO to CFO. These ratios are based on the extended responsibilities in the roles and their influence on company performance.

Level of Total Direct Compensation at target

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. NSI sets the base salary level for the CIO discretionarily in the middle of the levels of the CEO and CFO, based on the importance of this role for the organization.

An initial benchmark in the reference group was conducted for both the CEO and CFO position on the most recently disclosed data (2017 annual reports). Actual TDC at target levels will be set by aging the results from the reference year of the benchmark assessment to the first year of application of the adjusted TDC levels. Aging will occur based on historical data and expectations of developments in the market.

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 AGM. 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.

Compensation structure

TDC at NSI consists of a base salary, a short-term incentive and a long-term incentive. Due to the nature of the business of NSI, the intention to have longer term trusted board members and to avoid excessive risks, NSI applies a pay mix with a solid base salary and a variable pay level that is high enough to create a drive for excellent performance and low enough to avoid excessive risk-taking. The focus of the CEO should be on NSI's long-term achievements. This is reflected by a target short-term incentive of 20% of base salary and a target long-term incentive of 60% of base salary. For the CIO and 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 target short-term incentive of 30% of base salary and a target long-term incentive of 30% of base salary.

Members of the Management Board are eligible to receive variable compensation upon achieving predetermined (measurable) targets set by the Supervisory Board. Performance measures are predominantly long-term oriented and are linked to both financial and non-financial criteria. To create a strong alignment with the shareholders board members are required to acquire NSI shares and invest 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.

Base salary

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

Short-term incentive

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 salary for the CEO and 30% of base salary for the other Management Board members) will be reached by full achievement of the predetermined target performance levels. 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 salary and the maximum payout for the CIO and CFO is 36% of base salary. 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. Board members 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.

Long-term incentive

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 Board members 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 salary at the moment of the grant for the CEO and at 30% of base salary at the moment of the grant for the other members of the Management Board. 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. Board members 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%

Variable pay conditions

Scenario analyses

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.

Claw Back

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.

Ultimum Remedium

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.

Termination

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.

In case 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 Ultimium Remedium clauses continue to be applicable on all running and past variable pay programs after termination of the appointment.

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

Additional pay programs

The Supervisory Board has the authority to discretionarily add pay programs to the remuneration of the members of the Management Board in case of special circumstances in the market place or at NSI that require such adjustment in order to remain competitive or to keep up to the standards of reasonableness and fairness.

Shareholding requirement

To further 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 salary; a requirement of at least 75% of the applicable annual (gross) base salary applies to the other members of the Management Board. 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.

Other benefits

The Management Board is entitled to other remuneration elements besides those covered by TDC. NSI provides a defined contribution pension plan, capped at the fiscal maximum pensionable 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.

Contractual arrangements

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.

Employment 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 salary. No payment will be made if the agreement is terminated early on behalf of the Management Board member or in case of serious imputable or negligent behavior.

The employment agreements with 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.

Overview of the remuneration policy

To enhance simplicity and transparency, an overview of the remuneration elements is provided below.

Overview remuneration policy for the Management Board of NSI NV

Base salary	<ul style="list-style-type: none"> ▪ Set considering NSI's market positioning within the reference market (90% (CEO) and 80% (other members) of the median TDC level), the internal pay differences at NSI and the intended pay mix ▪ TDC benchmark in the reference group and assessment of internal pay differences conducted every three years; no adjustments to pay levels in the years in between
Short-term incentive	<ul style="list-style-type: none"> ▪ Performance period: 1 year ▪ Payout incentive zone (threshold – target – maximum): <ul style="list-style-type: none"> - CEO: 10% - 20% - 24% of base salary - Other members: 15% - 30% - 36% of base salary ▪ 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 shareholding 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	<ul style="list-style-type: none"> ▪ Performance period: 3 years ▪ Payout incentive zone (threshold – target – maximum): <ul style="list-style-type: none"> - CEO: 15% - 60% - 90% of base salary - Other members: 7,5% - 30% - 45% of base salary ▪ Actual payout according to TSR payout table ▪ Payout in cash; two-thirds of the net payments must be invested in NSI shares until the shareholding requirement has been met ▪ Performance measure is Relative TSR within the EPRA Eurozone Index, covering a three-year performance period
Additional pay programs	<ul style="list-style-type: none"> ▪ Upon discretionary authority of the Supervisory Board
Shareholding requirement	<ul style="list-style-type: none"> ▪ CEO: 125% of gross base salary ▪ Other members: 75% of gross base salary
Other benefits	<ul style="list-style-type: none"> ▪ Pension arrangement: Defined Contribution plan, accrual rate is based on 1.875% of the pensionable salary per year of service. The pensionable salary is determined by a NSI specific offset and a cap equal to the fiscal maximum pensionable salary (indexed every year); contributions are paid by the employer ▪ Insured benefits and company car
Contractual arrangements	<ul style="list-style-type: none"> ▪ Appointment period: four years ▪ Employment contract: 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 salary ▪ No Change of Control arrangement <hr/>