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## REMUNERATION REPORT 2019

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### Introduction

EU Directive 2017/828 of 17 May 2017, PbEU 2017, L 132, regarding the encouragement of long-term shareholder engagement, - hereafter referred to as SRD-2 -, specifies in article 9b the information to be provided in the remuneration report. Article 9b of SRD-2 has been implemented in Article 2:135b Dutch Civil Code, which article came into force on 1st December 2019. This 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)

Following Article 2:135b paragraph 1 DCC NSI NV is required to draw up a clear and understandable remuneration report, providing a comprehensive overview of all remunerations, awarded or due during the previous financial year to individual directors and containing the information specified in Article 2:135b paragraph 1 DCC under letters a up to and including k. For ease of reference the headings of this remuneration report under a up to and including k follow the order and wording of Article 2:135b paragraph 1.

Following article 2:145 DCC the remuneration for the supervisory board members is also included in this remuneration report.

Following Article 2:135b paragraph 2 DCC this remuneration report will be submitted to the annual general meeting of 24 April 2020 to hold an advisory vote and NSI shall explain in the following (2020) remuneration report how the vote by the general meeting of 24 April 2020 has been taken into account.

### Remuneration of the Management Board

The current remuneration policy with respect to members of the Management Board was adopted at the General Meeting of Shareholders on 17 April 2019. The full text of the remuneration policy can be viewed on NSI's website.

The remuneration policy determines the level of Total Direct Compensation (TDC) for members of the Management Board of NSI based on both the remuneration levels of comparable listed companies in the Dutch market place and the (internal) pay levels within the company.

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.

In the tables below the remuneration policy and its application during 2019 are explained in more detail.

- a. Total remuneration split out by component and
- b. The relative proportion of fixed and variable remuneration

Table 1: Remuneration of Directors for the reported financial year 2019

name and position	Fixed Salary	Variable components (regarding 2018) paid out in 2019 (1)	Social security	Pension Expense	Other (2)	Total Remuneration 2019	Proportion of fixed and variable remuneration
Bernd Stahl CEO	€ 415.000		€ 11.000	€ 13.000	€ 2.000	€ 441.000	100% fixed 0% variable
Anne de Jong CIO	€ 345.000	€ 116.752	€ 11.000	€ 13.000	€ 1.000	€ 486.752	75% fixed 25% variable
Alianne de Jong CFO	€ 275.000	€ 68.846	€ 11.000	€ 11.000	€ -2.000	€ 363.846	80% fixed 20% variable
<b>Total</b>	<b>€ 1.035.000</b>	<b>€ 185.598</b>	<b>€ 33.000</b>	<b>€ 37.000</b>	<b>€ 1.000</b>	<b>€ 1.291.598</b>	<b>85% fixed 15% variable</b>

Note 1: The amounts under 'Variable components' are the amounts that were paid during 2019 under the Long Term Share Plan (LTSP) of the CFO and CIO. The LTAP 2017-2019 for the CEO will pay out in 2020. For this pay out a provision has been made that is specified in table 4 under section k below together with the other provisions that have been made for amounts that have to be paid in the future (2020) in the meaning of article 2:383c paragraph 1, letter b, Dutch Civil Code

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

- c. How the total remuneration complies with the adopted remuneration policy and contributes to the long-term performance of the company and  
d. How the financial and non-financial performance criteria set by or on account of the company were applied

Table 2: Management Board Remuneration Policy and application in 2019

Remuneration Policy	Application in 2019
<p><b>Base Salary</b></p> <ul style="list-style-type: none"> <li>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</li> <li>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</li> </ul>	<p><b>Base Salary</b></p> <p>CEO Bernd Stahl €415.000 CIO Anne de Jong €345.000 CFO Alianne de Jong €275.000</p> <p>During the preparation of the 2019 Remuneration Policy an initial benchmark in the reference group was conducted for both the CEO and CFO position on disclosed data of 2017 annual reports of the reference group.</p> <p>Actual TDC at target levels were set in 2019 by aging the results from the reference year of the benchmark assessment to the first year of application of the adjusted TDC levels (2019).</p>
<p><b>Short Term Incentive</b></p> <ul style="list-style-type: none"> <li>Performance period: 1 year</li> <li>Payout incentive zone (threshold – target – maximum): <ul style="list-style-type: none"> <li>CEO: 10% - 20% - 24% of base salary</li> <li>Other members: 15% - 30% - 36% of base salary</li> </ul> </li> <li>Linear payout incentive zone between threshold and target performance, and between target and maximum performance</li> </ul>	<p><b>Short Term Incentive 2019</b></p> <ul style="list-style-type: none"> <li>Performance period 2019</li> <li>Payout incentive zone (threshold – target – maximum): <ul style="list-style-type: none"> <li>CEO: The Transition Arrangement for the new Remuneration Policy adopted at the AGM of 17 April 2019 stipulated that the CEO would complete his Long Term Share Plan 2017 – 2019 and that the new Remuneration Policy – as regards to Short Term and Long Term Incentive would apply to the CEO starting 1 January 2020. As a result no Short Term Incentive was applicable for the CEO during 2019.</li> <li>CIO and CFO: 15% - 30% - 36% of base salary</li> </ul> </li> <li>Linear payout incentive zone between target and maximum performance not applicable for CEO, see comment above</li> <li>Linear payout incentive between target and maximum performance for CIO and CFO will be reported in the 2020 Remuneration Report.</li> </ul>

## Remuneration Policy

- Payout in cash; one-third of the net payments must be invested in NSI shares until the shareholding requirement has been met
- Applicable performance measures and their weights are set annually and 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

### Long-term incentive

- Performance period: 3 years (The Transition Arrangement for the new Remuneration Policy adopted at the AGM of 17 April 2019 stipulates that the Performance period for 2019 would be 2019; for 2020: 2019 – 2020; and as from 2021 3 years (T-2, T-1 and T))
- Payout incentive zone (threshold – target – maximum):
  - CEO: 15% - 60% - 90% of base salary
  - Other members: 7,5% - 30% - 45% of base salary
- Performance measure is Relative TSR within the EPRA Eurozone Index
- Actual payout according to TSR payout table

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

- Payout in cash; two-thirds of the net payments must be invested in NSI shares until the shareholding requirement has been met.

## Application in 2019

- Payout is awarded and effected in 2020 and will be reported in the 2020 Remuneration Report
- Applicable performance measures and their weights set for 2019:
  - Recurring EPS EPRA (20%)
  - Occupancy Rate strategic Portfolio (15%)
  - Net rental Income growth Like for Like Strategic Portfolio (15%)
  - EPRA cost Ratio including vacancy (15%)
  - Portfolio Development (15%)
  - Personal targets (20%)

CIO and CFO 2019 target achievement will be evaluated and set in 2020 and will be reported in the 2020 Remuneration Report.

For this STI pay out a provision has been made that is specified in table 4 under section k below together with the other provisions that have been made for amounts that have to be paid in the future (2020) in the meaning of article 2:383c paragraph 1, letter b, Dutch Civil Code

### Long-term incentive

- Performance period: 2019
- Payout incentive zone (threshold – target – maximum):
  - CEO: The Transition Arrangement for the new Remuneration Policy adopted at the AGM of 17 April 2019 stipulated that the CEO would complete his Long Term Share Plan 2017 – 2019 and that the new Remuneration Policy – as regards to Short Term and Long Term Incentive would apply to the CEO starting 1 January 2020. As a result no Long Term Incentive was applicable for the CEO during 2019.
  - CIO and CFO: 7,5% - 30% - 45% of base salary. The 2019 target achievement will be evaluated and set in 2020 and will be reported in the 2020 Remuneration Report.
- For this pay out a provision has been made that is specified in table 4 under section k below together with the other provisions that have been made for amounts that have to be paid in the future (2020) in the meaning of article 2:383c paragraph 1, letter b, Dutch Civil Code
- Relative TSR 2019 within the EPRA Eurozone Index will be used as performance measure
- Actual 2019 payout according to TSR payout table

TSR percentile score	Payout % of target
47% TSR = 90%	150%
41,79% TSR = 80%	125%
34,67% TSR = 70%	100%
25% TSR = 60%	75%
23% TSR = 50%	50%
19% TSR = 40%	25%
Lower than 40%	0%

NSI 2019 TSR score was 34,76% corresponding with a TSR percentile score of 71,36% and a Payout % of target of 100,341%

- Payout is awarded and effected in 2020 and will be reported in the 2020 Remuneration Report.
- For this pay out a provision has been made that is specified in table 4 under section k below.

## Remuneration Policy

## Application in 2019

### Long Term Share Plan

#### Long Term Share Plan 2017 – 2019 CEO

- The LTSP of the CEO covers the period 2017 – 2019 and stipulates a maximum payment 180% of the average fixed annual salary over the term of the LTSP as a long Term Incentive for these three years
- 80% of the remuneration achievable under the LTSP is based on NSI's total shareholder return (TSR) over the term of the LTSP compared with the TSR of a benchmark group. This benchmark group consists of Wereldhave, VastNed Retail, Alstria, Befimmo, Cofinimmo and Euro-commercial Properties.

The amount of remuneration under the LTSP is determined depending on NSI's outperformance in relation to the benchmark. A sliding scale is applied for this purpose. The maximum payout is achieved when NSI outperforms the peers by 1,5% or more on an annualized average basis and the "share price factor" (share price on the last day of the term divided by the share price on the last day preceding the term) is 1 or more.

- 20% of the LTSP remuneration is based on the achievement of individual targets yearly set and evaluated by the Supervisory Board.

### Long Term Share Plan

#### Long Term Share Plan 2017 – 2019 CEO

During 2017 – 2019 NSI outperformed its peers by 76,2% and the "share price factor" (share price 31.12.2016 €28,68 divided by share price 31.12.2019 €43,40) was 1,51.

As a result, the TSR related part of the LTSP is set to reach the maximum payout of  $80\% \times 1 \times 180\% \times €395.000 = €568.800$

- Payout is awarded and effected in 2020 and will be reported in the 2020 Remuneration Report.  
For this pay out a provision has been made that is specified in table 4 under section k below.

The 2017 individual CEO targets set for the 20% comprised of the following Non-financial targets regarding:

- Organisation
- Portfolio
- Capital Structure
- Sustainability

Overall 2017 individual target achievement was evaluated by the Supervisory Board and set at 75%.

As a result, the LTSP will reach a payout of  $1/3 \times 20\% \times 75\% \times 180\% \times €395.000 = €35.550$  for the part related to the achievement of the 2017 individual targets.

The 2018 individual CEO targets set for the 20% comprised of the following

Financial targets:

- Recurring EPS >2,45
- Occupancy like for like >82%
- EPRA cost ratio excl. vacancy cost < 26,5%

Non-financial targets regarding:

- Organisation
- Portfolio
- Capital Structure

The financial targets were fully achieved. Overall target achievement was evaluated by the Supervisory Board and set at 79,5%.

As a result, the LTSP will reach a payout of  $1/3 \times 20\% \times 79,5\% \times 180\% \times €395.000 = €37.683$  for the part related to the achievement of the 2018 individual targets.

For this pay out a provision has been made that is specified in table 4 under section k below.

The 2019 individual CEO targets and their weights set for the 20% comprised of the following:

Financial Targets

- Recurring EPS EPRA (20%)
- Occupancy Rate strategic Portfolio (15%)
- Net rental Income growth Like for Like Strategic Portfolio (15%)
- EPRA cost Ratio including vacancy (15%)

Non financial targets

- Portfolio Development (15%)
- Personal targets (20%)

## Remuneration Policy

The LTSP is a cash-settled transaction. The LTSP allocation is paid in cash under the condition that the CEO uses 2/3 of the net amount to purchase NSI shares. A lock-up period of three years applies.

### Long Term Share Plan 2018 – 2020 CIO

- The LTSP of the CIO covered the period 2018 – 2020 and stipulated a maximum payment 120% of the average fixed annual salary over the term of the LTSP as a long Term Incentive for these three years

80% of the remuneration achievable under the LTSP is based on NSI's total shareholder return (TSR) over the term of the LTSP compared with the TSR of a benchmark group. This benchmark group consists of Wereldhave, VastNed Retail, Alstria, Befimmo, Cofinimmo and Euro-commercial Properties. The amount of remuneration under the LTSP is determined depending on NSI's outperformance in relation to the benchmark. A sliding scale is applied for this purpose.

- The maximum payout is achieved when NSI outperforms the peers by 1,5% or more on an annualized average basis and the shareprice-factor (share price on the last day of the term divided by the share price on the last day preceding the term) is 1 or more.
- 20% of the LTSP remuneration is based on the achievement of individual targets yearly set and evaluated by the Supervisory Board.

### Long Term Share Plan 2018 – 2020 CFO

- The LTSP of the CFO covered the period 2018 – 2020 and stipulated a maximum payment 90% of the average fixed annual salary over the term of the LTSP as a long Term Incentive for these three years.

## Application in 2019

2019 target achievement will be evaluated and set in 2020 and will be reported in the 2020 Remuneration Report. Based on an estimated target achievement of the 2019 individual CEO targets a provision has been made for the pay out that is specified in table 4 under section k below.

LTSP 2017 – 2019 payout will be awarded and effected in 2020 and will be reported in the 2020 Remuneration Report. For this pay out a provision has been made that is specified in table 4 under section k below.

### Long Term Share Plan 2018 – 2020 CIO

The LTSP of the CIO was concluded whilst the new Remuneration Policy was already under preparation and contained a clause enabling its closure after one year should the new Remuneration policy be adopted by the AGM of April 2019.

The LTSP of the CIO was closed after one year following the adoption of the new Remuneration policy by the AGM of April 2019.

As a result the maximum payment was reduced to 40% and the Term of the LTSP and the calculation period for the TSR were reduced to one year (2018).

The average fixed salary of the CIO during 2018 was €310.000

During 2018 NSI outperformed its peers by 12,83% and the "share price factor" (share price 31.12.2018 €34,10 divided by share price 31.12.2017 €34,765) was 0,981.

As a result, the LTSP reached a payout of  $80\% \times 0,981 \times 40\% \times €310.000 = €97.036$  for the TSR related part.

The 2018 individual CIO targets set for the 20% comprised of the following:

#### Financial targets

- Recurring EPS >2,45
- Occupancy like for like >82%
- EPRA cost ratio excl. vacancy cost < 26,5%

#### Nonfinancial targets regarding

- Organisation
- Portfolio
- Capital Structure

The financial targets were fully achieved. Overall target achievement was evaluated by the Supervisory Board and set at 79,5%.

As a result, the LTSP reached a payout of  $20\% \times 79,5\% \times 40\% \times €310.000 = €19.716$  for the part related to the achievement of personal targets.

The total LTSP payout (TSR related part + part related to the achievement of personal targets) during 2019 for the CIO was €116.752 and is specified in table 1 under section a above.

### Long Term Share Plan 2018 – 2020 CFO

The LTSP of the CFO was also closed after one year following the adoption of the new Remuneration policy by the AGM of April 2019.

## Remuneration Policy

## Application in 2019

- 80% of the remuneration achievable under the LTSP is based on NSI's total shareholder return (TSR) over the term of the LTSP compared with the TSR of a benchmark group. This benchmark group consists of Wereldhave, VastNed Retail, Alstria, Befimmo, Cofinimmo and Eurocommercial Properties. The amount of remuneration under the LTSP is determined depending on NSI's outperformance in relation to the benchmark. A sliding scale is applied for this purpose. The maximum payout is achieved when NSI outperforms the peers by 1,5% or more on an annualized average basis and the shareprice-factor (share price on the last day of the term divided by the share price on the last day preceding the term) is 1 or more.
- 20% of the LTSP remuneration is based on the achievement of individual targets yearly set and evaluated by the Supervisory Board.

As a result the maximum payment was reduced to 30% and the Term of the LTSP and the calculation period for the TSR were reduced to one year (2018).

The average fixed salary of the CFO during 2018 was €240.000

During 2018 NSI outperformed its peers by 12,83% and the share-pricefactor (share price 31.12.2018 €34,10 divided by share price 31.12.2017 €34,765) was 0,981.

As a result, the LTSP reached a payout of  $80\% \times 0,981 \times 30\% \times €240.000 = €56.498$  for the TSR related part.

The 2018 individual CFO targets set for the 20% comprised of the following:

### Financial targets

- Recurring EPS >2,45
- Occupancy like for like >82%
- EPRA cost ratio excl. vacancy cost < 26,5%

### Non-financial targets regarding

- Organisation
- Portfolio
- Capital Structure
- Processes

The financial targets were fully achieved. Overall target achievement was evaluated by the Supervisory Board and set at 85,75%.

As a result, the LTSP reached a payout of  $20\% \times 85,75\% \times 30\% \times €240.000 = €12.348$  for the part related to the achievement of personal targets.

The total LTSP payout (TSR related part + part related to the achievement of personal targets) during 2019 for the CFO was €68.846 and is specified in table 1 under section a above.

### Additional pay programs

- Upon discretionary authority of the Supervisory Board

### Additional pay programs

No additional pay programs were introduced during 2019. No additional pay was awarded during 2019.

### Shareholding requirement

- CEO: 125% of gross base salary
- Other members: 75% of gross base salary

### Shareholding per 31.12.2019 (NSI closing price €43,40)

- CEO: 14.174 shares; 148,23% of gross base salary
- CIO: 4.172 shares; 52,48% of gross base salary
- CFO: 922 shares; 14,55% of gross base salary

### Other benefits

- 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

### Other benefits

Pension maximum pensionable salary 2019: € 107.593  
Premium paid

- CEO: € 13.000
- CIO: € 13.000
- CFO: € 11.000

Note: The pension premiums paid differ because the CEO and CIO are in another age group as the CFO.

- Insured benefits and company cars  
To contribute to NSI long term sustainability goals all Directors drive fully electric cars.

e. The annual change of remuneration, of the performance of the company, and of average remuneration on a full-time equivalent basis of employees of the company other than directors over at least the five most recent financial years, presented together in a manner which permits comparison

Table 3: Comparative table of the remuneration and the company performance

	2015	2016	2017	2018	2019
<b>Annual change of Directors Remuneration</b>					
Base fee CEO Bernd Stahli (annualized)	na	€ 385.000	€ 385.000	€ 385.000	€ 410.000
Base fee CIO Anne de Jong (annualized)	€ 270.000	€ 300.000	€ 300.000	€ 315.000	€ 345.000
Base fee CFO Alianne De Jong (annualized)	na	na	€ 240.000	€ 240.000	€ 275.000
LTI/LTAP at target as % of base fee CEO Bernd Stahli (annualized)	na	na	60,00%	60,00%	60,00%
Actual payout LTAP 2017-2019 to be determined in 2020)	na	na	tbd	tbd	tbd
LTI/LTAP at target as % of base fee CIO Anne de Jong (annualized)	30,00%	30,00%	30,00%	30,00%	30,00%
Actual payout (LTAP 2015-2017 paid out in 2018, LTAP 2018 in 2019)	tbd	tbd	tbd	88,50%	28,31%
LTI/LTAP at target as % of base fee CFO Alianne De Jong (annualized)	na	na	na	30,00%	30,00%
Actual payout (LTAP 2018 in 2019)	na	na	na	tbd	28,70%
STI at target as % of base fee CEO Bernd Stahli (annualized)	na	na	na	na	na
STI at target as % of base fee CIO Anne de Jong (annualized)	na	na	na	na	30,00%
Actual payout STI CIO (determined in 2020)	na	na	na	na	tbd
STI at target as % of base fee CFO Alianne De Jong (annualized)	na	na	na	na	30,00%
Actual payout STI CFO (determined in 2020)	na	na	na	na	tbd
<b>Annual change of the performance of the company</b>					
Net Rental Income (in million Euro)	€ 91,324	€ 74,205	€ 74,468	€ 69,228	€ 67,227
change vs previous reported year in percent		-18,75%	0,35%	-7%	-3%
Total Investment result	€ 63,794	-€ 17,833	€ 91,602	€ 91,525	€ 196,297
change vs previous reported year in percent		-127,95%	-613,67%	-0,08%	114,47%
Earnings per share	€ 0,44	-€ 0,12	€ 5,05	€ 4,95	€ 10,47
change vs previous reported year in percent		-127,27%	-4308,33%	-1,98%	111,52%
Dividend per share	€ 2,16	€ 2,16	€ 2,16	€ 2,16	€ 2,16
change vs previous reported year in percent		0,00%	0,00%	0,00%	0,00%
EPRA NAV per share	€ 38,32	€ 34,61	€ 36,66	€ 39,75	€ 47,97
change vs previous reported year in percent		-9,6%	5,9%	8,4%	20,7%
Loan to Value (LTV)	43,2%	44,1%	36,9%	36,9%	27,4%
change vs previous reported year in percentpoints		0,9%	-7,3%	0,0%	-9,5%
Total Shareholder Return	14,66%	-3,49%	29,55%	4,29%	34,76%
change vs previous reported year in percentpoints		-18,15%	33,04%	-25,26%	30,47%
<b>Average remuneration on a full time equivalent basis of Directors</b>					
Average monthly Base fee Directors	€ 28.769	€ 30.334	€ 25.694	€ 26.111	€ 28.750
change vs previous reported year in Euro's		€ 1.565	-€ 4.640	€ 417	€ 2.639
change vs previous reported year in percent		5,44%	-15,30%	1,62%	10,11%
<b>Average remuneration on a full time equivalent basis of Employees</b>					
Average monthly Base Salary employees	€ 4.421	€ 4.729	€ 4.779	€ 5.205	€ 5.306
change vs previous reported year in Euro's		€ 308	€ 50	€ 426	€ 100
change vs previous reported year in percent		6,96%	1,07%	8,92%	1,93%
<b>Pay ratio Directors/Employees</b>					
Ratio Base fee Directors/Base Salary employees	6,51	6,42	5,38	5,02	5,42
change vs previous reported year		-1,42%	-16,19%	-6,70%	8,02%



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.

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

- CEO 2019: max 60% of base fee LTAP/ employees max 33,3% of base fee = 1,8 (2015 – 2016 not applicable; 2017 – 2018: 1,8)
- CEO as of 2020: max 90% of base fee LTI and max 24% of base fee STI / employees max 33,3% of base fee = 3,42
- CIO 2019 max 45% of base fee LTI and max 36% of base fee STI / employees max 33,3% of base fee = 2,43 (2015 – 2017: 0,9; 2018: 1,2)
- CFO 2019 max 45% of base fee LTI and max 36% of base fee STI / employees max 33,3% of base fee = 2,43 (2015 – 2017 not applicable; 2018: 0,9)

**f. Any remuneration from any subsidiary of NSI or company NSI consolidates**

No remuneration was paid by any NSI subsidiary or company NSI consolidates.

**g. The number of shares and share options granted or offered, and the main conditions for the exercise of the rights including the exercise price and date and any change thereof;**

No shares or share options were granted.

**h. Information on the use of the possibility to reclaim variable remuneration;**

No variable remuneration was reclaimed.

**i. Information on any deviations from the decision making process followed for the determination, review and implementation of the remuneration policy**

There were no deviations from the decision making process followed for the determination, review and implementation of the remuneration policy.

**j. Information on any derogations applied in accordance with article 2:135a paragraph 4 DCC including the explanation of the nature of the exceptional circumstances referred to in article 2:135a paragraph 5 DCC and the indication of the specific elements derogated from.**

No derogations were applied.

**k. Information as mentioned in article 2:383c, 2:383d and 2:383e DCC not already required on the basis of article 135b paragraph 3 DCC.**

Article 2:383c DCC requires a specification of the remuneration for each Director into periodically paid remuneration, remuneration that has to be paid in future, payments upon termination of employment and profit-sharing and bonus payments.

The periodically paid remuneration and the profit-sharing and bonus payments have been specified in table 1 under section a above.

There were no payments upon termination of employment.

The provisions for remuneration that has to be paid in future is to be found in table 4 below.

Table 4: Provisions for Remuneration to be paid in the future and their movements during 2019

**Movement of Provisions for Variable Remuneration**

	CEO	CFO	CIO	TOTAL
<b>Balance as per 1 January (Provisions for Long Term Share Plans (LTSP))</b>	<b>369.094</b>	<b>56.343</b>	<b>98.210</b>	<b>523.647</b>
Release prior year provision (provision for LTSP of CFO and CIO)		-56.343	-98.210	-154.553
Provision taken 2019 (for LTSP of CEO, and Short Term Incentive and Long Term Incentive for CIO and CFO)	312.843	165.000	277.000	754.843
<b>Balance as per 31 December 2019</b>	<b>681.937</b>	<b>165.000</b>	<b>277.000</b>	<b>1.123.937</b>
Payments (for LTSP of CIO and CFO)		68.846	116.752	185.599
Release prior year provision		-56.343	-98.210	-154.553
Provision taken 2019 (for LTSP of CEO, and Short Term Incentive and Long Term Incentive for CIO and CFO)	312.843	165.000	277.000	754.843
<b>Result 2019</b>	<b>312.843</b>	<b>177.503</b>	<b>295.543</b>	<b>785.889</b>

Note: During 2019, LTSP-payments over prior years were made to the CFO and the CIO of respectively € 69 thousand and € 117 thousand.

The provision included in the balance sheet as per end of December 2019 amounts to € 1,124 thousand. The provision for the CEO amounts to € 682 thousand, consisting of € 568 thousand based on the TSR (at maximum) and € 114 thousand based on individual targets, of which € 73 thousand already achieved in 2017 and 2018 (for 2019 in line with previous years).

The provisions for the CFO and CIO on 31 December 2019 amount to respectively € 165 thousand and € 277 thousand (both at target). The provision for the CIO includes € 70 thousand for the first four months of 2020.



Article 2:383d DCC requires corporations that have granted (option)rights to Directors, employees or Supervisory Directors to subscribe for or acquire shares in the (share) capital of the Corporation or a subsidiary, to disclose information about these rights.

As mentioned under section g.) above, NSI does not grant such rights.

Article 2:383e DCC requires a specification of the amount of loans, advanced payments and guarantees granted to or on behalf of each Director and each Supervisory Director of the Corporation by the Corporation, its subsidiaries or companies of which it consolidates data.

NSI has not given any loans, made advanced payments or granted guarantees as mentioned in the previous sentence.

## Remuneration for the Supervisory Board

The remuneration policy for the members of the Supervisory Board applicable in 2019 was adopted by the General Meeting of Shareholders on 25 April 2014.

The remuneration of the Supervisory Board members is not dependent on the company's results.

The amount of remuneration is € 30,000 per year for a Supervisory Board member and € 45,000 per year for the chairman. The amount of remuneration for membership of the Audit Committee and the Real Estate Committee of the Supervisory Board is € 7,500 per year. The amount of remuneration for membership of the Selection and Appointment Committee and the Remuneration Committee of the Supervisory Board is € 3,750 per year.

Table 5: Supervisory Board remuneration for the reported financial year 2019

Name and position	Luurt van der Ploeg	Karin Koks – Van der Sluijs	Margreet Haandrikman	Harm Meijer
<b>applicable fees and expenses</b>				
Supervisory Board chair	€45.000			
Supervisory Board member		€30.000	€30.000	€30.000
Audit committee		€7.500	€7.500	
Remuneration committee	€3.750	€3.750		
Selection and Appointment committee	€3.750	€3.750		
Real Estate committee		€7.500		€7.500
<b>Total</b>	<b>€52.500</b>	<b>€52.500</b>	<b>€37.500</b>	<b>€37.500</b>

## Publication

After the general meeting of 24 April 2020 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

PWC Accountants NV, the statutory auditor of NSI NV as referred to in article 2:393 paragraph 1 DCC, has checked that the information required by article 2:135b DCC has been provided in this remuneration report. Reference for this is made to the independent auditor's report on the financial statements 2019 dated 5 march 2020 that is included in the annual report of NSI N.V.

Hoofddorp, 5 March 2020

### NSI NV Supervisory Board

Luurt van der Ploeg, *Chairman*

Karin Koks - van der Sluijs

Margreet Haandrikman

Harm Meijer