

## Compliance overview Dutch Corporate Governance Code NSI 2020

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Documents in which the Dutch Governance Code 2016 has been implemented or in which the Compliance of NSI NV with this Code is explained→	Annual Report 2019	Articles of Association NSI NV	Terms of Reference Management Board	Terms of Reference Supervisory Board	Terms of Reference Audit Committee	Terms of Reference Remuneration Committee	Terms of Reference Selection and Appointment Committee	Terms of Reference Real Estate Committee	Comments about compliancy, applicability and deviation
1.2.1 Risk assessment	30-38		3.16						Compliant
1.2.2 Implementation	30-38		3.17						Compliant
1.2.3 Monitoring of effectiveness	30-38		3.18						Compliant
Principle 1.3 Internal audit function	67, 71								Compliant
1.3.1 Appointment and dismissal	67, 71		8.5.6	8.18	3.16				Deviation. NSI has no separate department to perform the internal audit function. The Supervisory Board assesses annually whether adequate alternative measures have been taken and whether it is necessary to establish an internal audit department. In the meeting of 11 December 2019 the Supervisory Board discussed the report of the Audit Committee about the effectiveness of the internal and external audit function. In line with a recommendation by the Audit Committee issued in consultation with the external auditor and the Management Board, the Supervisory Board has considered that NSI has only 45 FTEs, no activities outside the Netherlands, and operates in a very limited number of market segments. Given the fact that NSI uses external expertise to conduct internal audits based on an internal audit plan that is composed in consultation with the Audit Committee, the Supervisory Board is of the opinion that adequate alternative measures have been taken and that there is therefore no need to establish an internal audit department for this purpose. In accordance with a planning approved by the Supervisory Board a number of internal audits will be conducted under the supervision of the CFO in 2020.

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1.3.2 Assessment of the internal audit function	71		8.5.1	8.13	3.14.1				Compliant
1.3.3 Internal audit plan	71		8.5.2	8.14	3.14.2				Compliant
1.3.4 Performance of work	71		8.5.3	8.15	3.14.3				Compliant
1.3.5 Reports of findings	71		8.5.4	8.16	3.14.4				Compliant
1.3.6 Absence of an internal audit department	67, 71		8.5.5	8.17	3.15				Compliant
Principle 1.4 Risk management accountability									Compliant
1.4.1 Accountability to the non-executives	72		3.1	7.1.c					Compliant
1.4.2 Accountability in the management report	30-38		3.19						Compliant
1.4.3 Statement by the management board	38		3.20						Compliant
Principle 1.5 Role of the supervisory board									Compliant
1.5.1 Duties and responsibilities of the audit committee	72				2,3,4				Compliant
1.5.2 Attendance of the management board, internal auditor and external auditor at audit committee consultations	72				3.2, 4.1				Compliant
1.5.3 Audit committee report				8.19	4.6				Compliant
1.5.4 Supervisory board				8.20					Compliant
Principle 1.6 Appointment and assessment of the functioning of the external auditor									Compliant
1.6.1 Functioning and appointment			8.3	8.2	3.4, 3.5				Compliant

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1.6.2 Informing the external auditor about their functioning				8.3	3.6				Compliant
1.6.3 Engagement				8.4	3.7				Compliant
1.6.4 Accountability				8.5	3.8				Compliant
1.6.5 Departure of the external auditor				8.6	3.9				Compliant
Principle 1.7 Performance of the external auditor's work									Compliant
1.7.1 Provision of information to the external auditor			8.2						Compliant
1.7.2 Audit plan and external auditor's findings	72			8.7	3.10				Compliant
1.7.3 Publication of financial reports				8.8	3.3				Compliant
1.7.4 Consultations with the external auditor outside the management board's presence	72			8.9	4.1				Compliant
1.7.5 Examination of discussion points arising between the external auditor and the management board				8.10	3.11				Compliant
1.7.6 External auditor's attendance of supervisory board meetings				8.11	3.12				Compliant
Chapter 2. Effective Management and Supervision									
Principle 2.1 Composition and size									Compliant
2.1.1 Profile	70			2.5, 2.17					Compliant
2.1.2 Personal information	73-74			9.5					Compliant

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2.1.3 Executive committee	n.a.								Not applicable There is no executive committee
2.1.4 Expertise			3.9	2.7					Compliant
2.1.5 Diversity policy	67			2.5.ii, 2.10					Compliant
2.1.6 Accountability about diversity	67			2.12					Compliant
2.1.7 Independence of the supervisory board	66			2.12					Compliant
2.1.8 Independence of supervisory board members	66			2.4, 2.12.i, 2.12.ii, 2.12.iii, 2.13, 3.4					Compliant
2.1.9 Independence of the chairman of the supervisory board	66			2.4					Compliant
2.1.10 Accountability regarding supervisory board member independence	66								Compliant
Principle 2.2 Appointment, succession and evaluation									Compliant
2.2.1 Appointment and reappointment periods – management board members	70	13.3	2.3						Compliant
2.2.2 Appointment and reappointment periods – supervisory board members	69	16.4		2.3					Compliant
2.2.3 Early retirement in specific circumstances			2.3	2.16, 5.12					Compliant
2.2.4 Succession	69			2.17					Compliant
2.2.5 Duties of the selection and appointment committee	71						3		Compliant

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2.2.6 Evaluation by the supervisory board	70			2.18, 5.2					Compliant
2.2.7 Evaluation of the management board	70		3.10	2.19, 5.2					Compliant
2.2.8 Evaluation accountability	70			2.2.8					Compliant
Principle 2.3 Organisation of the supervisory board and reports									Compliant
2.3.1 Supervisory board's terms of reference	69	17.7		1.1					Compliant
2.3.2 Establishment of committees	71-72			3.4					Compliant
2.3.3 Committees' terms of reference	71-72			3.4	1,2,3,4,5&6	1,2,3,4,5&6	1,2,3,4,5&6	1,2,3,4,5,6 &7	Compliant
2.3.4 Composition of the committees	71-72			3.4	2	2	2	2	Compliant
2.3.5 Committee reports	71-72			3.4					Compliant
2.3.6 Chairman of the supervisory board				3.3					Compliant
2.3.7 Vice-chairman of the supervisory board				3.2					Compliant
2.3.8 Delegated supervisory board member				3.5					Compliant
2.3.9 Temporary management board function of a supervisory board member				3.6					Compliant
2.3.10 Company secretary			3.11	3.7					Compliant
2.3.11 Report of the supervisory board	69-74			9.5					Compliant
Principle 2.4 Decision-making and functioning				3.1					Compliant
2.4.1 Stimulating openness and accountability	69-74			6.1					Compliant









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Principle 4.1 The general meeting				7.1.f					Compliant
4.1.2 Proper conduct of business at meetings				10.4					Compliant
4.1.3 Agenda	64	23.3, 25.4		10.2					Compliant The agenda of the General meeting of Shareholders of 17 April 2019 was placed on the company's website
4.1.4 Proposal for approval or authorisation	64		3.27						Compliant The proposals for authorization that were put on the agenda of the General meeting of Shareholders of 17 April 2019 were explained in the shareholders circular
4.1.5 Shareholder's explanation when exercising the right to put items on the agenda			3.28						Compliant
4.1.6 Placing of items on the agenda by shareholders			3.29						Compliant
4.1.7 Stipulation of the response time			3.30						Compliant
4.1.8 Attendance of nominated Board members			2.2	2.2					Compliant
4.1.9 External auditor's attendance				10.7					Compliant The external auditor was present at the General meeting of Shareholders of 17 April 2019
4.1.10 General meeting's report				10.13					Compliant The report of the General meeting of Shareholders of 17 April 2019 was placed on the company's website within three months after the meeting.

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Principle 4.2 Provision of information									Compliant
4.2.1 Substantiation of invocation of overriding interest				10.8					Compliant
4.2.2 Policy on bilateral contacts with shareholders			3.34						Compliant The policy is placed on the company's website
4.2.3 Meetings and presentations			3.35						Compliant Presentations are placed on the company's website
4.2.4 Posting information in a separate section website			3.36						Compliant Information is posted in section " Investor Relations"
4.2.5 Board contacts with press and analysts			3.37						Compliant
4.2.6 Outline of anti-takeover measures									Compliant There are no anti-takeover measures
Principle 4.3 Casting votes									Compliant
4.3.1 Voting as deemed fit				10.9					Compliant
4.3.2 Providing voting proxies or voting instructions			3.38	10.10					Compliant
4.3.3 Cancelling the binding nature of a nomination or dismissal				10.11					Compliant
4.3.4 Voting right on financing preference shares	n.a.								Not applicable The company has not issued financing preference shares
4.3.5 Publication of institutional investors' voting policy	n.a.								Not applicable The company is not an institutional investor and does not hold shares or voting rights in listed companies

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4.3.6 Report on the implementation of institutional investors' voting policy	n.a.								Not applicable The company is not an institutional investor
Principle 4.4 Issuing depositary receipts for shares	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.1 Trust office board	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.2 Appointment of board members	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.3 Board appointment period	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.4 Attendance of the general meeting	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.5 Exercise of voting rights	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.6 Periodic reports	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.7 Contents of the reports	n.a.								Not applicable The company has not issued depositary receipts for shares
4.4.8 Voting proxies	n.a.								Not applicable The company has not issued depositary receipts for shares
Chapter 5. One-tier Governance Structure									
Principle 5.1 One-tier governance structure									Not applicable NSI has a two tier Board
5.1.1 Composition of the management board	n.a.								Not applicable NSI has a two tier Board

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5.1.2 Chairman of the management board	n.a.								Not applicable NSI has a two tier Board
5.1.3 Independence chairman of the management board	n.a.								Not applicable NSI has a two tier Board
5.1.4 Composition of committees	n.a.								Not applicable NSI has a two tier Board
5.1.5 Accountability for supervision by non-executive directors	n.a.								Not applicable NSI has a two tier Board