Annual report 2024

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Content

Disclaimer

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In case of any discrepancies between the website version and the official annual financial reporting, the aforementioned official annual financial reporting prevails. Note that the auditor's opinion included in the website version does not relate to the website version but only to the official annual financial reporting. No rights can be derived from using the website version, including the unofficial copy of the auditor's report. Our auditors did not determine (nor do they need to) that the website version is identical to the official annual financial reporting.

NSI highlights

Key financial metrics

Revenues and earnings

	2024	2023	Change
Net rental income	61,079	58,421	4.5%
Net rental income - like-for-like	58,349	55,472	5.2%
Direct investment result	41,008	40,402	1.5%
Indirect investment result	-28,636	-182,772	-84.3%
Total investment result	12,372	-142,370	-108.7%
EPRA earnings per share	2.09	2.01	4.2%
Weighted average number of ordinary shares outstanding	19,587,785	20,117,872	-2.6%
EPRA cost ratio (excl. direct vacancy costs)	25.6%	29.1%	-3.5 pp

Balance sheet

	31 December 2024	31 December 2023	Change
Investment property	988,559	1,028,801	-3.9%
Net debt	-337,889	-344,443	-1.9%
Other assets and liabilities	21,675	25,524	-15.1%
Equity	672,344	709,882	-5.3%
EPRA NTA per share	35.27	35.30	-0.1%
Number of ordinary shares outstanding	19,120,592	20,155,221	-5.1%
Net LTV	33.8%	33.0%	0.8 pp

Key ESG metrics (non-financial)

	2024	2023	Change
CRREM building energy intensity (kWh/sqm/year)	126	130	
EPC-label (percentage portfolio with label A or better)	96.0%[1]	95.3%	0.7 pp
GRESB score	93	94	-1

Key portfolio metrics

	31 December 2024				31 December	
	Amsterdam	Other G4	Other NL	Total	2023	Change
Number of properties	21	15	8	44	46	-4.3%
Market value (€ m)[2]	545	330	124	1,000	1,043	-4.1%
Lettable area (sqm k)	162	135	50	346	351	-1.3%
Annualised contractual rent (€ m)[3]	40	27	10	77	77	-0.4%
Estimated rental value (€ m)	44	29	11	84	84	0.4%
EPRA net initial yield	5.7%	5.3%	5.8%	5.6%	5.3%	0.3 pp
Gross initial yield	7.9%	8.2%	8.0%	8.0%	7.9%	0.1 pp
EPRA vacancy	5.0%	6.3%	2.3%	5.1%	5.2%	-0.1 pp
Wault	3.8	3.7	3.0	3.6	3.7	-1.3%

1 Excluding Vitrum and WellHouse. If these assets would be included it would be 75,33%.
2 Reported in the balance sheet at book value including right of use leasehold (IFRS16), excluding lease incentives and part of NSI HQ
3 Before free rent and other lease incentives

NSI at a glance

Profile & Mission

Profile
NSI is a leading Dutch stock-exchange listed commercial property investor with a focus on real estate in Amsterdam and selective other growth locations.

Mission
NSI enables its customers to achieve maximum productivity and growth, providing best-in-class, flexible, space solutions and an unparalleled level of services in modern, healthy, sustainable buildings in prime locations.

Portfolio by segment

City	Assets	Value	%
Amsterdam	21	€ 545m	55%
Other G4	15	€ 330m	33%
Other NL	8	€ 124m	12%
TOTAL	**44**	**€ 1,000m**	**100%**

Highlights 2024

Portfolio

Portfolio value growth
-2.7%
2023: -17.4%

EPRA Loan-to-value
33.8%
2023: 33.0%

Operational

ERV growth (LfL)
+1.4%
2023: 1.9%

Vacancy rate
5.1%
2023: 5.2%

Financial

Earnings per share
€2.09
2023: €2.01

Dividend per share
€1.57
2023: 1.52%

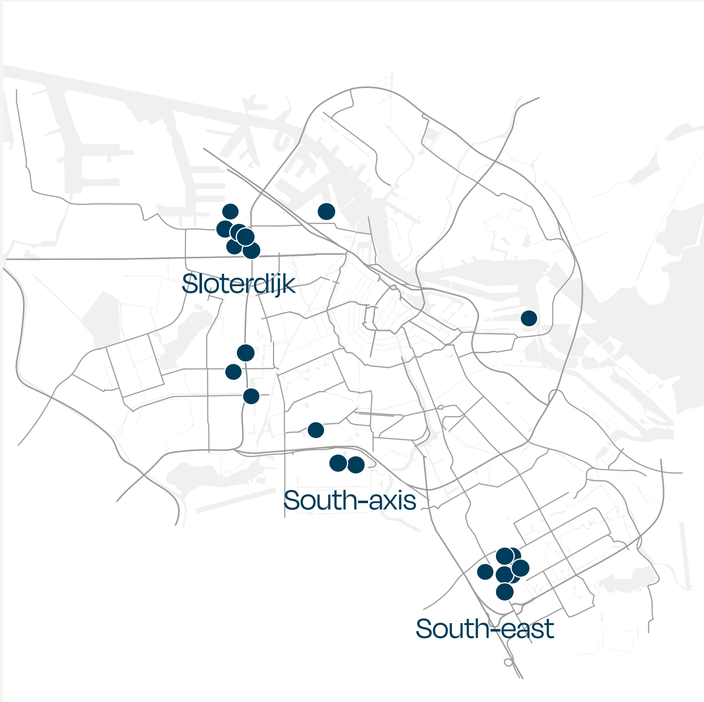
Non-financial

Customer satisfaction (NPS)
13.5
2023: 19.9

Energy (KWh/m²)
110*
2023: 113

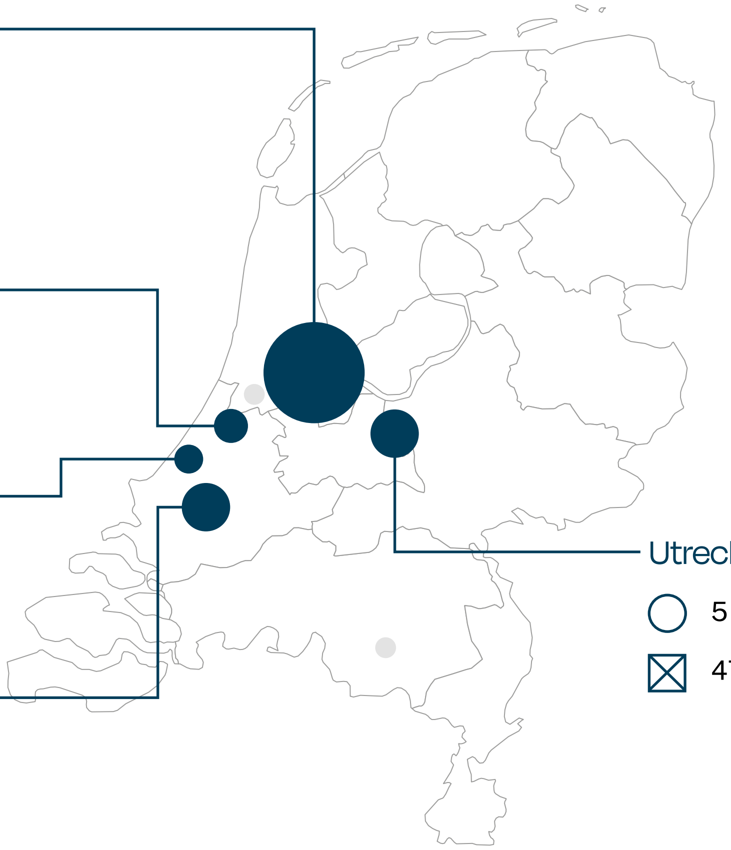
* Excluding Leiden (Life Sciences). If included it would be 126.

Amsterdam overview



The focus on quality assets in vibrant areas next to public transport stations or in inner city locations has resulted in a clear change in our portfolio over the past eight years.

We have increasingly focused on Amsterdam, and selectively on the best locations in other major cities in the Netherlands, being Utrecht, Rotterdam, The Hague and Leiden (Bio Science Park).



Amsterdam

- € 545 million (55%)
- 21 assets
- 161,564 m²

Leiden Bio Science Park

- 5 assets
- 28,020 m²

The Hague

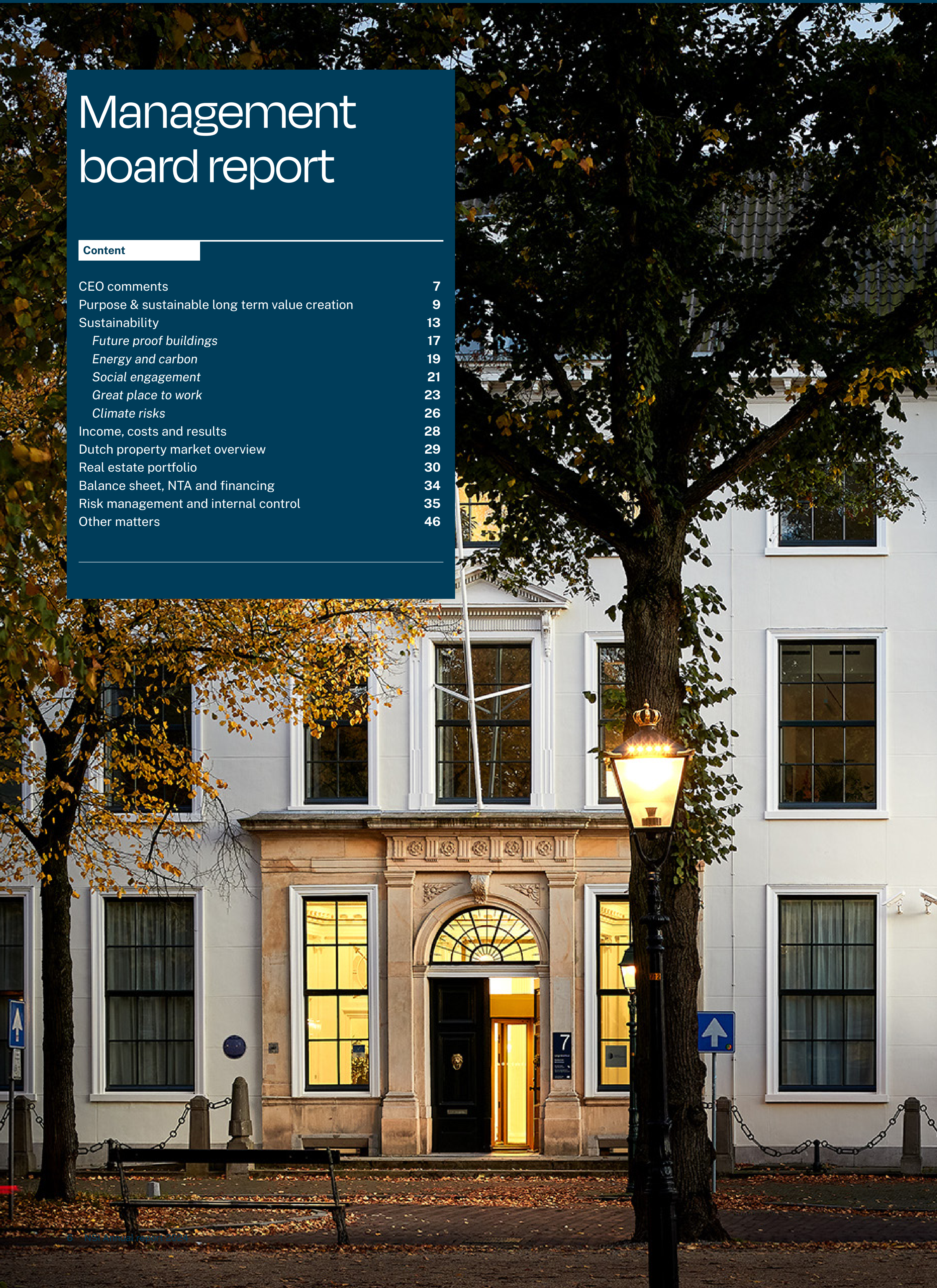
- 3 assets
- 30,884 m²

Rotterdam

- 7 assets
- 56,128 m²

Utrecht

- 5 assets
- 47,535 m²



Management board report

Content

CEO comments

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The December 2024 acquisition of Sypesteyn in Utrecht, our first acquisition in three years, near the end of the down cycle, signals our confidence in the outlook.

Bernd Stahli
CEO

In a strong position to capitalise on upcoming opportunities

NSI has ended 2024 in great shape. The underlying market dynamics are increasingly favourable, as capital values have more or less bottomed out, the majority of post-covid ‘right-sizing’ by customers has taken place, and demand for our product offering remains firm, with pricing power selectively improving as a result.

The December 2024 acquisition of Sypesteyn in Utrecht, our first acquisition in three years, near the end of the down cycle, signals our confidence in the outlook. It is a perfect example of how we see the future for offices, acquiring an excellent position right next to Utrecht Central Station, the busiest train station in The Netherlands, with a clear opportunity to turn it in time into a fully amenitised, serviced, sustainable office building.

2024, another year of excellent operational performance

NSI has ended the year at a low 4.5% EPRA vacancy rate, excluding the December acquisition of Sypesteyn (with a 24% EPRA vacancy rate), down from 5.2% at the end of 2023. The vacancy is reduced to a couple of floors in some of our buildings, i.e. very much at frictional levels.

Helped by the low vacancy, like-for-like net rental growth in 2024 is an attractive 5.2%, well ahead of inflation. In some of the best locations with minimal vacancy we are increasingly able to sign leases ahead of ERV. During 2024 we have signed new leases at an average 14% premium to ERV.

Investment market opportunities

As we have indicated before, we are starting to see deals that meet our investment criteria and we will continue to pursue the most attractive of those. Given our comfortable LTV, at 33.8%, we have the capacity to act when appropriate.

We expect that some legacy owners, which have not sold in recent years and held on for better times, will no longer have the luxury of time, as problematic refinancings loom, capex-intensive upgrades are necessary, or funds just reach the end of their life. Deal flow is set to increase in 2025 as a result.

It is still a buyers’ market, in our view. There is limited interest in non-core locations, whereas for well-located ‘non-green’ office product the cost of upgrading to Paris-proof still mostly falls, by way of price adjustment, to the seller.

Sypesteyn acquisition, a natural fit with our strategy

In December 2024, NSI acquired the 8,500 m2 Sypesteyn office building located directly adjacent to Utrecht Central Station, one of the most attractive, undersupplied office markets in The Netherlands. The asset is a natural fit with our strategy, given its prime location, the attractive cashflow, the immediate value-add opportunities and the long-term potential for renovation or redevelopment to deliver a high-end Paris-proof building.

Since acquisition we have already managed to improve the EPC energy label from C to A+; some minor capex is being prepared to support the leasing of the remaining vacant space.

More clarity on the tax position

Government policy with respect to the wider Dutch real estate sector has changed unfavourably in recent years, both from a legislative and tax position.

NSI has been impacted specifically by the abolishment of the ‘real estate FBI’ regime per January 2025, the increase in transfer tax to 10.4% and, more recently, its proposals with respect to the deductibility of interest for tax purposes.

We have been able to adjust, to mitigate many of the negative effects of these changes, and based on the current available information (and assuming no further legislative changes), we expect a 5-7% effective tax rate in the coming years (instead of the 10-12% tax rate we previously guided in our Q3 2024 report). As it stands NSI will continue to be able to apply the ‘holding company FBI’ regime going forward.

Outlook 2025

We see the accelerating operationalisation of the wider office sector as the key trend – and opportunity – for 2025, for which NSI is perfectly positioned.

There is an increasing preference for turn-key space, especially for smaller floor plates (<1000m2). The burden for customers to self-fit space in terms of time/cost is creating an opportunity for pro-active office owners to provide fitting as a service, paid for in terms of premium rent. This is bread and butter for HNK, and we are now starting to roll out this service to the wider NSI portfolio, following first trials in Amsterdam in 2023 and 2024.

We see that our ongoing actions to further enhance our product offering, in terms of location, flexibility, amenities, services and sustainability are increasingly bearing fruit, as is reflected in our low vacancy and higher rent levels. We expect to continue to further strengthen our competitive positioning in 2025.

The €20 mln redevelopment of Alexanderpoort is underway and is set to offer, on completion later in 2025, a Paris-proof, fully serviced and amenitised HNK in one of the best submarkets of Rotterdam. The upcoming redevelopment of Vitrum is still held up in legal challenges for now.

Our first upcoming debt maturity is in January 2026. Given our strong balance sheet (LTV: 33.8%) we see no major issues, but do expect the overall cost of debt to increase, given current levels of swap rates and margins.

We are optimistic for the outlook of business going into 2025. The positive effects of economic growth on real estate values are likely to outweigh the negative effects of higher interest rates that are expected as a result of this economic growth. We forecast an EPRA EPS for 2025 of €2.05-2.15 per share, subject to further asset rotation.

In line with our policy to pay-out at least 75% of profits, we will propose to the AGM a full year dividend of €1.57 per share, equating to a final dividend of €0.82 per share. Subject to shareholder approval, this dividend will be payable in May and will include an optional stock dividend alternative.

Bernd Stahli

Purpose and sustainable long term value creation

NSI's stated purpose is: "We enable our customers to achieve maximum productivity and growth, providing best-in-class, flexible space solutions and an unparalleled level of services in modern, healthy, sustainable buildings in prime locations".

This purpose has served as a clear guide to all our decisions and initiatives in recent years, both with respect to real estate and services. We have translated this purpose into five clear and concise pillars, which together form the foundation of our strategy and long-term value creation.
These five pillars are:

Five pillars

2.
Amsterdam specialist

4.
Sustainability leader

1.
Customer first

3.
Sector smart

5.
Growth

Sustainable long term value creation

We strive to be the leading Dutch real estate company, by effectively and efficiently utilising the capital entrusted to us to deliver on our strategy. We do this by investing in (and creating) vibrant multifunctional urban areas where people want to work and live, underpinned by sustainability, well-being and services.

We generate long-term attractive returns by investing in real estate in the specific locations that meet these criteria. Our approach aligns with the prevailing trend of tenants upgrading to superior locations, placing an emphasis on sustainability, health, well-being and a robust array of services. Success hinges on delivering the ideal space in precisely the right location, complemented by services that seamlessly meet the changing needs of our discerning tenants.

To execute this strategy effectively, we need an excellent team of ambitious professionals. We aim to be a great place to work, where our employees feel engaged and connected and can help to set and exceed our joint goals and ambitions.

1.

Customer first

Customer behaviour and demands are fundamentally shifting, with flexibility, hospitality, services and amenities increasingly becoming key considerations for our customers. Their focus is shifting more towards a one-stop solution, meaning that providing the right mix of spaces, services and comfort is essential in serving their needs. This is why, over the past decade, we have increasingly put the customer's perspective first. We have gained a deep understanding of what our customers need and want and how we can best serve them.

To enhance the customer experience and continuously improve our offering, our Customer Operations team is always exploring new and better ways to meet our customers' needs. To strengthen our services, we collaborate with high-quality external partners, ensuring a best-in-class experience.

However, not every building warrants the same level of service, as factors such as location, size, tenant profile, and market dynamics play a role. Our in-house team regularly evaluates each asset to determine the appropriate level of service and the best way to structure it. This comprehensive review covers all aspects of our offering that shape the customer experience, including available amenities, service levels, and the personalized approach of our hosts.

Results are measured regularly through customer satisfaction surveys. Our asset managers are also in close contact with our tenants and proactively support them to ensure that they are satisfied with their (office) space.

HNK – our in-house serviced office concept

HNK is our in-house serviced office concept, currently operating a total of 9 buildings owned by NSI, with a tenth location to be opened at the end of 2025. At all HNK locations, we offer a full-service solution, ranging from individual desks to fully furnished offices for larger teams. The upgraded HNK concept, relaunched in 2022, has a strong focus on sustainability, well-being and comfort. The intended customer experience aims to make customers feel welcome, connected, truly supported and energized. After two years of operating under the new brand, we see that these efforts are appreciated – and rewarded – by HNK's tenants in terms of increased rental levels and higher retention rates.

NSI – Expanding on services beyond flex

For multi-tenant buildings where a more tailored mix of services is deemed appropriate, we aim to start introducing NSI as a brand, with a clear promise as owner/operator of the building.

Progress in 2024

NSI has generally maintained the high level of tenant appreciation across its buildings achieved in 2023. NSI continued to actively address feedback obtained from its customer surveys. Sustainability is a key consideration for our tenants. We have invested substantially in sustainability over the years, as it is one of our core strategic pillars, but we have learned from our tenant feedback that we need to communicate better on what we have achieved. In response to this feedback, we have started sharing personalised annual sustainability reports with 89% of our customers, increasing engagement on sustainability.

In addition, we completed the first part of the upgrade of our first ever HNK, Rotterdam Scheepvaartkwartier, in line with our new HNK brand positioning. We initially opened HNK Rotterdam Scheepvaartkwartier in 2012, which at that time was one of the first flexible office space buildings in The Netherlands.

2.

Amsterdam specialist

The focus on quality assets in vibrant areas next to public transport stations or in inner city locations has resulted in a clear change in our portfolio over the past eight years. We have increasingly focused on Amsterdam, and selectively on the best locations in other major cities in the Netherlands, being Utrecht, Rotterdam, The Hague and Leiden (Bio Science Park).

As the economic hub of the Netherlands, Amsterdam, next to the best areas in other major cities, offers our tenants unparalleled access to talent and capital. We believe that in the longer term the combination of strong economic growth, concentration of business activity and lack of supply will positively drive fundamentals in these locations. With limited high quality (re) developments expected to be delivered in the coming years, demand for the best assets is expected to outpace supply, leading to above average rental growth.

The structural shift in customer behaviour to increasingly demand flexibility, services and amenities and sustainability leads to owners of offices having to make larger investments in their buildings. In return, the tenant is willing to pay a premium for the space they use, which is up to 1.5 to 2 times the amount they would have been willing to spend on more traditional space. A logical result of this is that the locations with the highest rent levels will generate the highest absolute rent premiums, often at the same or similar costs.

Additionally, the cost of investments required to improve sustainability performance is largely independent of the location. Therefore, high-value locations, particularly Amsterdam, have a distinct advantage in the transition to Paris-proof assets, as sustainability costs represent a smaller proportion of the asset's total value. As a result, sustainability investments are more viable in Amsterdam than in most other locations. Given the sustainability ambitions of NSI and the growing ambitions of our tenants, Amsterdam and to a slightly lesser degree the other major cities therefore become an obvious choice.

3.

Sector smart

As the leading real estate investment firm in Amsterdam, our ambition expands beyond our core of offices. This does not only allow us to diversify our portfolio to reduce risk without necessarily reducing returns, but also allows us to pursue opportunities that we otherwise would not be able to take advantage of. Concretely, this could mean that we repurpose assets to their best use (non-offices), but also that we may acquire assets in alternative asset classes that help strengthen our overall positioning and offering in certain locations.

In addition to a strong core of 37 office assets, we already offer 5 Life Science buildings located in one of Europe's leading Life Science clusters and we see significant long-term potential to repurpose some of our buildings to their best use, e.g. residential high-rise. Additionally, we own two temporary housing assets and a school, underpinning our dynamic approach to creating value across sectors.

We have already identified 5 assets in Amsterdam for which the long-term best use is changing from offices to residential due to the wide gap between supply and demand for affordable housing in the Netherlands, especially in Amsterdam. Four of these assets are located in Amsterdam Southeast (Hondsrugpark), which is increasingly becoming a vibrant mix-use location adjacent to the Amsterdam Bijlmer ArenA train station. In the coming years a total of 10.500 apartments will be constructed in this area, including a range of new amenities such as schools, parks, shops and childcare. This increases the attractiveness of the location for further residential developments. For the upcoming years, these assets will continue to be used as offices and generate cashflow, but we are actively assessing the viability and timing of potential redevelopments and are in the early stages of discussions with relevant stakeholders.

4.

Sustainability leader

We genuinely believe that the real estate industry has a role to play in reducing the use of the earth's limited resources and leaving a better world for the next generation. The industry currently is known to make up over 30% of all CO2 emissions. To acknowledge our responsibility here, we have positioned the environment and climate as a pre-eminent (albeit silent) and important stakeholder to include in all our considera-tions. As such, sustainability is deeply rooted in all our decisi-on-making and activities, and we have formulated clear goals towards adhering to the Paris Climate agreement.

The only sustainability regulatory requirement for being able to rent out commercial space in the Netherlands is to have an EPC label of at least C. At NSI we are already well ahead of that requirement, as 96%[1] is at label A and only 3% is at C (2 assets), with no assets below C. We continue to invest more, as the environment requires it, our clients demand it, and as regulatory requirements will continue to be raised in the years ahead. We acknowledge that EPC is not a fully Paris-aligned solution, as it focuses on theoretical rather than actual energy usage. Given the urgency in adopting a science-based solution to climate mitigation plus increased energy costs, we see more benefits in choosing a more complete approach.

Therefore, NSI is using the Carbon Risk Real Estate Monitor's (CRREM) decarbonisation pathway as a point of reference to set energy reduction targets for our portfolio. CRREM is the leading global initiative for operational decarbonisation of real estate assets to avoid stranding risk, address transition risk and comply with climate-science and Paris-aligned decarbonisation targets. We have therefore set our goal in line with CRREM for our Dutch office portfolio to be compliant with the 1.5 C Paris scenario, for which we must achieve 85 kWh/m2/year or lower by 2034.

Progress in 2024

2024 marked the second year of the implementation and monitoring of our Paris-alignment investment plan, which has translated into a further decrease in energy usage: At year-end 2024 the total (tenant + building-related) average energy consumption of our portfolio, excluding the life sciences buil-dings in Leiden, was 110kWh/m2, down from 113 kWh/m2[2] in 2023, well below the CRREM pathway.

1 Excluding Vitrum and WellHouse. If these assets would be included it would be 75,33%.
2 This figure excludes the Leiden Biopark lab and lab adjacent offices, which have a much higher consumption profile, given the nature of the activities carried out there. Including these, the enegy intensity was 126 kWh/m^2/year up from 125 kWh/m^2/year . Given that our CRREM references is Dutch Offices, it is coherent to exclude non-office assets.

5.

Growth

Growth is key to strengthening our leadership in the Dutch real estate market, remaining relevant to all sources of capital, and achieving optimal organisational efficiency. Here, all other pillars of our strategy come together. With a focus on high-quality and sustainable spaces, mainly in Amsterdam and the best locations in other major cities in the Netherlands, we actively seek opportunities to expand our portfolio. The type of opportunity that we prefer is one where we can add value in both the short and long term, for example through active asset management and possibly a redevelopment or repurposing of the asset. These growth ambitions are supported by a strong balance sheet and strong market fundamentals.

Progress in 2024

This year we have made our first acquisition in three years, highlighting our disciplined approach to capital allocation. The office asset, Sypesteyn, is situated directly adjacent to Utrecht Central Station, offers immediate cashflow, can be optimized in the near term through active asset management and holds substantial development potential in the medium to long term. Therefore, it is a natural fit with NSI's strategy and a prime example of our growth ambitions.

Alongside the acquisition of Sypesteyn, at the end of the year we began the redevelopment of HNK Rotterdam Alexander (Alexanderpoort), where we will invest roughly €20 million to create a fully Paris-Proof office, with EPC label A+++ and a BREEAM-NL In-Use Excellent label, that fully aligns with HNK's vision around sustainability, wellbeing and comfort. The redevelopment will be finished in the second half of 2025 and is expected to generate an incremental return on investment of over 10%, making it an attractive opportunity to pursue.

ESG

The Future is here

Sustainability is an integral part of NSI's long term value creation strategy. Our business model is geared towards decarbonising our portfolio by reducing energy usage, owning and developing flexible and adaptive buildings, and creating inspiring, flexible working environments articulated around the health and well-being of our occupants.

We are pleased about our 5-star GRESB rating, for a fifth year running, and our third EPRA sBPR gold award. 2024 marked the second year in our journey towards aligning our portfolio with the 1.5c Paris Agreement and we are satisfied with our reduction in energy intensity over the year.

We have also performed a thorough analysis of our portfolio to determine its alignment with the EU Taxonomy for sustainable investments which we view as the key guideline for the inevitable alignment of economic and environmental interests. 'The Future is here' encapsulates our sustainability strategy which reflects the urgency to act now, our commitment to do what is necessary, and our appreciation for the challenges of today that will shape the industry tomorrow. In light of the secular changes brought on by the last couple of years, we are more convinced than ever that a robust, ambitious and comprehensive sustainability strategy will be a key differentiator for our long-term success.

CSRD Implementation

On February 26, 2025, the European Commission adopted a package of proposals, known as the "Simplification Omnibus," aimed at reducing the regulatory burden on companies under the Corporate Sustainability Reporting Directive (CSRD). These proposals include significant changes to the scope and timeline of CSRD reporting requirements.

NSI aims to embrace this reduction in regulatory burden. As this adopted package has not yet been translated into local legislation in the Netherlands, we will monitor and await its adoption into national law and act accordingly. We will closely follow developments regarding the adoption of this package into local legislation, adjusting our approach if necessary.

At the same time, NSI remains fully committed to sustainability and continues to prioritize responsible and sustainable business practices, regardless of regulatory changes. We will stay focused on improving the sustainability of our assets, enhancing energy efficiency, and reducing our environmental footprint."

ESG – Governance

The oversight of ESG matters is critical. ESG is overseen principally by the Management Board.

Our strategy and targets for the identified material impact, risks and opportunities are set and monitored by the Management Board. The responsibility for overseeing the day-to-day management is delegated to the management team. NSI has formed a dedicated sustainability committee who meets once every month to address (the setting of) targets, implementation and reporting of our ESG strategy which embodies the identified material impacts, risks, opportunities. Both members of the Management Board are part of this committee as well as key personnel from different disciplines in (technical) asset management, finance and reporting. With the composition, we believe that the committee has the appropriate expertise and skills in conducting the exercises required by ESG Governance. However, external experts are engaged supporting the committee in the activities resulting from ESG Governance.

The Supervisory Board is regularly informed about the progress of the CSRD, including updates on the double materiality assessment. For 2024 the focus of the ESG committee was:

- Monitoring non-Financial KPIs
- EU taxonomy

Alignment of performance targets

Alignment of performance targets

Personal and corporate sustainability targets are embedded into the annual performance goals of each employee at NSI. The Management Board also has these annual performance ESG goals.

Some of the sustainability goals include further improvement of ESG knowledge of our employees. NSI also encourages employees to contribute and share knowledge through specific knowledge sharing events.

Disclosure and Reporting

Progress on sustainability is fully disclosed to all stakeholders in the Annual Report and online in our sustainability report. NSI's non-financial performance is measured and communicated considering the following standards, regulation and benchmarking tools:

- GHG Protocol Corporate Standard
- GRI Standards
- EPRA
- GRESB methodology
- CRREM
- EU Taxonomy

NSI aims to continuously improve our internal sustainability governance. This standard will help NSI implement a holistic environmental management system and improve our general sustainability performance.

Other non-financial disclosure

Diversity and inclusion
NSI established a diversity and inclusion policy in 2023 which has been updated in 2024. See page 22 for more information.

Cognitive diversity
NSI welcomes diverse talents and is keen on including multiple perspectives, thereby leveraging inclusion on a cognitive level. NSI strongly believes that collaboration between people with different thinking styles, habits and perspectives brings about better outcomes. NSI has incorporated the 'Profile Dynamics' methodology to measure how different perspectives, competences and value systems are represented in the organization. The Profile Dynamics® tool is also being used as a reference point in appointments and recruitment activities.

Anti-corruption
NSI and its employees must act with integrity, honesty and in compliance with the laws, as stipulated in the company's Code of Conduct. The Code of Conduct also defines how employees should act when presented with gifts and provides guidance on how to prevent conflicts of interest.

NSI's whistle-blower procedure allows employees to report suspected irregularities of various kinds within NSI without jeopardizing their employment. There were no issues reported in 2024.

The Code of Conduct is available on the company website. In 2024 we formalized a Code of Conduct specifically for suppliers, which includes human rights and anti-corruption conducts.

ESG Assurance
NSI's independent auditor PricewaterhouseCoopers Accountants N.V. has provided a limited assurance on a selection of the reported sustainability and non-financial KPIs for the financial year 2024. In scope are 19 KPI's in the field of Energy, Water, Waste, Greenhouse Gas Emissions, Certification and Social (full list outlined in the glossary on page 140 - 141). This limited assurance is an intermediate step in the transition to an integrated annual report, in which the full sustainability information will be in scope in line with the CSRD.

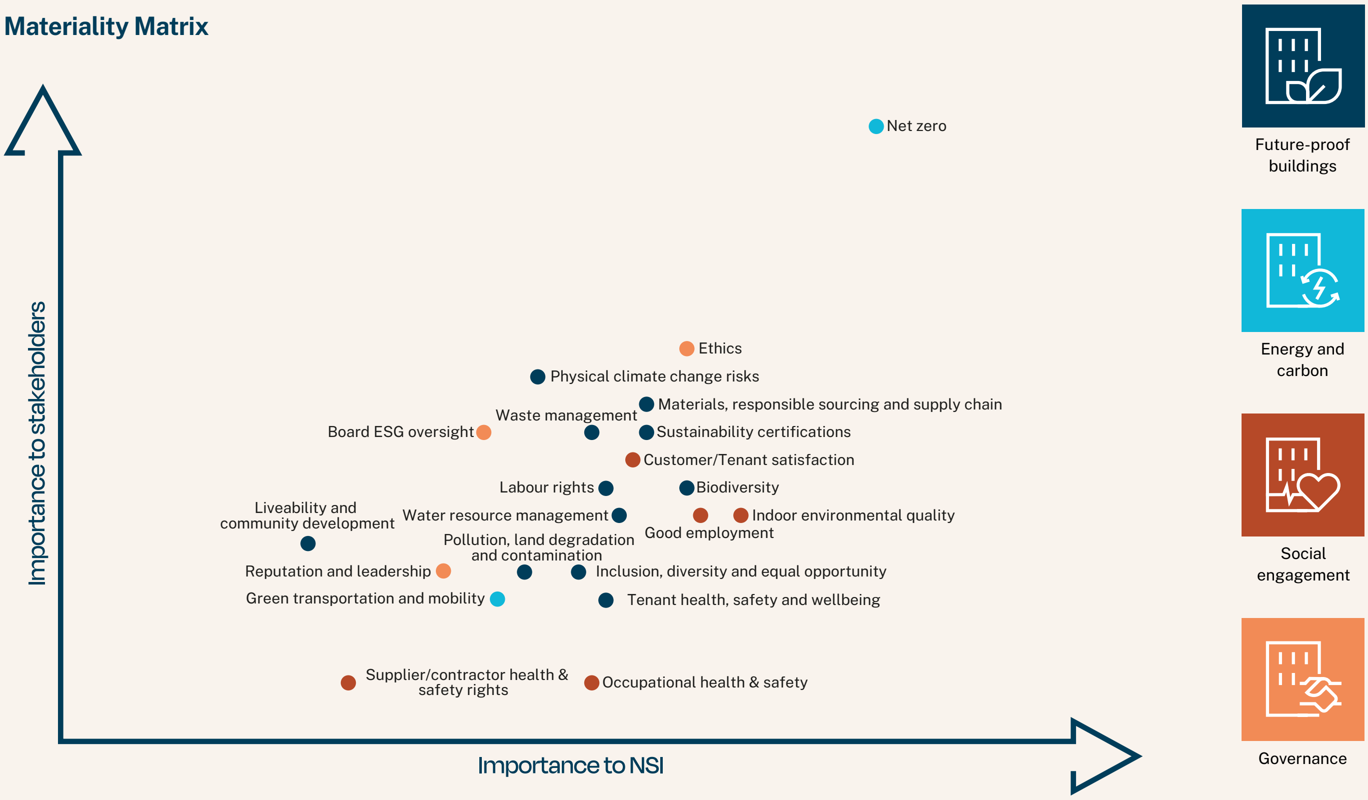
Materiality Matrix
The success of our sustainability strategy and efforts depends on ongoing dialogue and engagement with internal and external stakeholders, through which NSI continuously validates and examines the relevance of the ESG topics on which NSI focuses. The basis for our strategy was an initial extensive assessment performed in 2018, which was recalibrated in 2020. To align with this timeframe, NSI has updated the materiality assessment again in 2022.

The 2022 update of the materiality matrix included a revision of the topics assessed. As the field of climate change is ever-evolving, some topics might have become more urgent or significant to NSI as others. NSI has therefore updated the list of ESG topics in the 2022 revision, to better reflect the topics that are relevant, now and in the future.

In the 2022 update, a survey was held amongst investors (external stakeholders, vertical axis) and NSI's management and employees (internal stakeholders, horizontal axis). The resulting materiality matrix indicates the ranking of importance of the ESG topics, comparing the external and internal focus. The top-right corner of the materiality matrix indicates the ESG topics that are most material to both stakeholder groups and will receive the additional attention from NSI. The assessed topics are categorised following NSI's existing ESG strategy and corresponding themes: Future-proof investments, Energy & Carbon, Health & Wellbeing, and transcending topics (which focus on issues related to governance).

A notable result of the assessment is the high importance of the topic Net Zero Carbon according to both internal and external stakeholders. This underlines the urgency and importance of reducing our carbon footprint and to support the transition to a net zero carbon economy. The materiality matrix also shows a focus on the reduction of the carbon footprint – topics such as material use, our impact on natural systems, as well as climate change related risks, are considered material to both stakeholder groups.

Materiality Matrix



Our Ambition

In line with our revisited strategy, we have also sharpened our existing pillars 'Energy and carbon' and 'Future-proof buildings', while we have expanded and renamed our third pillar, 'Social engagement', to encompass a broader social component. This has allowed us to articulate our commitments more concretely:

Governance

NSI maintains a transparent and ethical governance framework, guided by strong leadership and a commitment to maintaining our reputation. With dedicated ESG Board oversight, we ensure compliance with evolving regulations while integrating sustainability and ethical principles into our decision-making processes.

Future-proof buildings

We aim to own buildings that are resilient, adaptative and aligned with the EU Taxonomy, now or in time.

Our commitment

1. Own assets that are aligned with the EU Taxonomy, now or in time.
2. Strive for a minimum BREEAM rating for assets of "Very Good".
3. Focus on Climate resilience: physical risk assessment with a mitigation plan for every asset.

Energy and carbon

We are committed to aligning our portfolio to a Paris-compliant decarbonisation trajectory and striving towards net-zero:

Our commitment

1. We are striving to decrease our energy intensity in line with the 1.5c scenario decarbonisation pathway.
2. 100% of procured energy from renewable sources.
3. Offset where not economically viable to reduce emissions through energy efficiency gains / renewable energy procurement.

Social engagement

We strive to be a long-term positive influence on our clients, employees and communities.

Our commitment

1. Make health and wellbeing a priority: for our employees and for our clients
2. Strive to have a diverse and inclusive workforce.
3. Give back to our communities and respect our surroundings.

Future proof buildings

We aim to own buildings that are resilient, adaptive and aligned with the EU Taxonomy

1. Own assets that are aligned with the EU Taxonomy, now or in time
2. Strive for a minimum BREEAM "Very Good" rating for assets
3. Focus on climate resilience: physical risk assessment with a mitigation plan for every asset

1.

Own assets that are aligned with the EU Taxonomy, now or in time

For further details on EU Taxonomy, which includes the extensive EPRA taxonomy eligibility and alignment analysis can be found on page 128.

2.

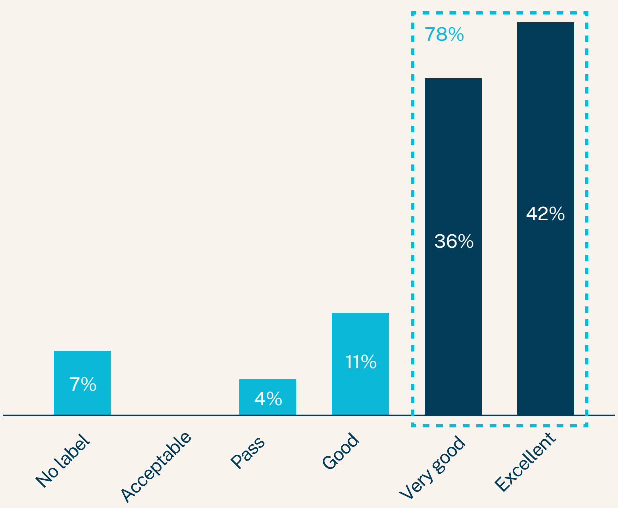
Strive for a minimum BREEAM "Very Good" rating for assets

We value BREEAM's multifaceted contribution to the definition of sustainability and consider the label to be a recognizable sign of validation in terms of sustainability. BREEAM seeks to improve the operational performance of buildings through sustainable improvements, which should ultimately help drive value at the asset level.

The BREEAM assessment method involves eight areas: management, health and wellbeing, energy, transport, water, materials, waste, land use, ecology and pollution. 93%[1] of the assets in NSI's portfolio has a BREEAM certificate where this was 96% in 2023. The decrease in coverage is a result of the disposals, aquisitions and transitions to developments.

In 2024 NSI continued to make progress in its ambition to obtain an at least "Very good" label for its standing assets: a majority of our assets (78%[1], up 5% compared to 2023) now have either a Very Good or Excellent Label.

BREEAM by sqm[1]



1 Excluding Vitrum and WellHouse. Wellhouse is excluded because its a landplot and Vitrum is an investment property under construction. If these assets would be included it would be 90% and 75% respectively.

3.

Focus on climate resilience: physical risk assessment with a mitigation plan for every asset

Assessing and mitigating climate change and the associated risks are an integral part of our approach towards a future-proof portfolio. A further analysis was not only required in view of complying with the EU taxonomy (Do No Significant Harm/DNSH assessment), it also increasingly weighs on investment and portfolio decisions. NSI performed an assessment of the net risks of climate change related heat stress and flooding of its portfolio, also taking individual asset characteristics into consideration. The assessment included which measures can be taken to mitigate these risks.

This assessment was performed in 2022 and it identified that from NSI's 49 assets at the time, 9 assets were potentially exposed to a higher risk of heat stress and 12 assets to a higher risk of flooding. Following disposals, of the 44 assets owned at end 2024, 8 assets are potentially exposed to higher risk of heat stress and 9 to higher flooding risks. Measures to mitigate these risks have been integrated in the asset plans and will be executed in the coming 3 years.For the recently acquired building (van Sypesteyn), no climate risk analysis has been conducted yet. In 2025, a new analysis will be conducted based on newly available data.

More details on climate risk analyses can be found on page 26.

Energy and Carbon

We are committed to aligning our portfolio to a Paris-compliant decarbonisation trajectory and striving towards net-zero:

1. We are striving to decrease our energy intensity in line with the 1.5c scenario decarbonisation pathway (as per the CRREM methodology)
2. All electricity procured by NSI is obtained from renewable sources
3. We will offset remaining carbon emissions only after all other financially viable measures have been exhausted.

1.

Our commitment to We are striving to decrease our energy intensity in line with the 1.5c scenario decarbonisation pathway

NSI is using the Carbon Risk Real Estate Monitor's (CRREM) decarbonisation pathways as a point of reference to set energy reduction targets for our portfolio, balancing our sustainability ambition with our other strategic pillars. CRREM is the leading global initiative for operational decarbonisation of real estate assets in order to avoid stranding risk, address transition risk and comply with climate-science and Paris-aligned decarboni-sation targets. CRREM establishes country and asset-specific energy and GHG reduction pathways.

According to CRREM, for Dutch offices to be compliant with the 1.5c Paris scenario, buildings must achieve 85 kWh/m²/year by 2034, as per the pathway on the next page.

In 2023 we unveiled our roadmap to decarbonising our portfolio. While the decarbonisation process is unlikely to be linear, as incremental impact of improvements declines at higher efficiency levels, we aim to remain below the CRREM Dutch office average. The graph below shows NSI already is and is set to remain significantly below the sector and country target. 2024 marked the second year of the implementation and monitoring of our CRREM-alignment investment plan, which has already translated into a decrease in energy usage: At year-end 2024 the total (tenant + building-related) average energy consumption of our portfolio was 110kWh/m2 for 2024, down from 113 kWh/m2[1] in 2023.

1 This figure excludes the Leiden Biopark lab and lab adjacent offices, which have a much higher consumption profile, given the nature of the activities carried out there. Including these, the enegy intensity was 126 kWh/m²/year up from 125 kWh/m²/year. Given that our CRREM references is Dutch Offices, it is coherent to exclude non-office assets.

Going beyond EPC labels

Formally the only sustainability regulatory requirement in the Netherlands for the renting out of commercial space is to have an EPC label of at least C as of 1 Jan 2023. At NSI we are already well ahead of that target (96%[1] at label A or better, only 1% at C, no assets below C) and we consider a more ambitious goal to be necessary both from the perspective of climate urgency as well as from a client demand and, eventually, a regulatory point of view. Indeed, EPC does not sufficiently represent a Paris-aligned solution as it focuses on theoretical versus actual usage. Given the urgency in adopting a science-based solution to climate mitigation plus increased energy costs, we see more benefits in choosing a more complete approach. That said, the evolution of NSI's portfolio accurately depicts part of NSI's multi-year journey to sustainability.

2.

All electricity procured by NSI is obtained from renewable sources

All electricity procured by NSI is 100% green, procured from renewable sources (European wind). The total average share of renewable energy used is 58.9% (European wind grid energy + solar panel generation of electricity + geothermal energy).

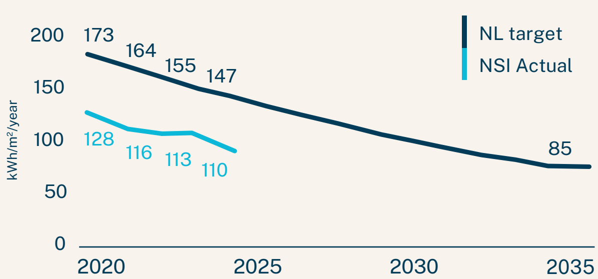
3.

We will offset remaining carbon emissions only after all other financially viable measures have been exhausted

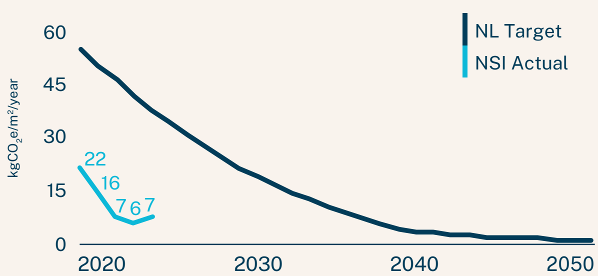
We aim to reduce our (fossil) carbon footprint through an increase in energy efficiency and the procurement, where possible, of energy from renewable sources. Offsets are therefore only a measure of last resort, after all other solutions have been exhausted. Currently, natural gas procurement is fully compensated using Gold Standards CO_2.

1 Excluding Vitrum and WellHouse. If these assets would be included it would be 75,33
2 Excluding Leiden (Life Sciences). If included it would be 126.
3 This figure excludes the Leiden Biopark lab and lab adjacent offices, which have a much higher consumption profile, given the nature of the activities carried out there. Including these, the enegy intensity was 126 kWh/m²/year up from 125 kWh/m²/year. Given that our CRREM references is Dutch Offices, it is coherent to exclude non-office assets.

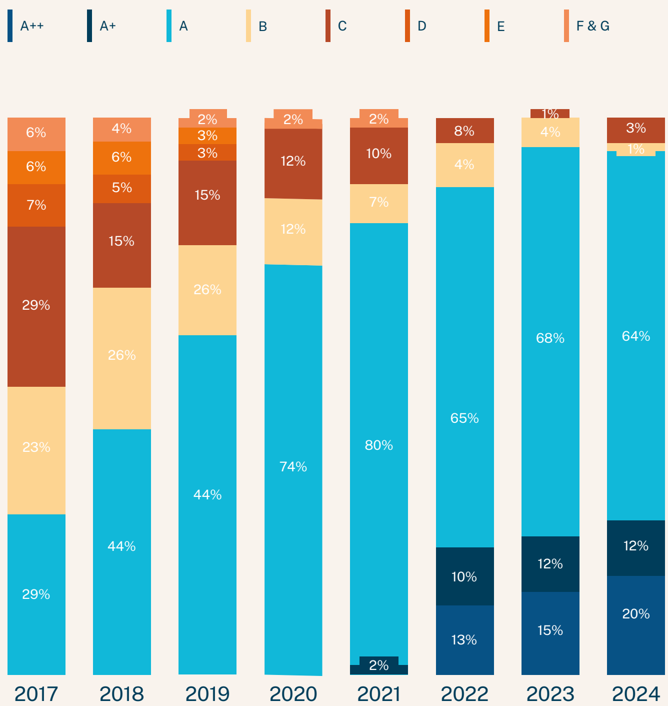
NSI vs. CRREM energy intensity per year[2]



NSI vs. CRREM green house gas emissions per year[3]



EPC energy performance certificates by value[1]



Social Engagement

We strive to have a long-term positive influence on our clients, employees and communities.

1. Make health and wellbeing a priority for our customers and our employees.
2. Strive to have a diverse and inclusive workforce.
3. Giving back to our communities and respect our surroundings.

1a.

Make health and wellbeing a priority for our employees

We believe that the well-being of our employees plays a critical role in fostering a productive and thriving work environment. We provide a nutritious and healthy lunch for our employees and offer fresh fruit throughout the day. In addition, we actively encourage our employees to participate in sports events and adopt a lifestyle that promotes fitness. In 2024, we assembled a team of industry partners and NSI employees who participated together in the cycling race Amstel Gold Race and the running event Dam tot Dam loop.

1b.

Make health and wellbeing a priority for our customers

In collaboration with research agency Customeyes, we conducted the annual tenant satisfaction survey in October and November 2024, receiving over 1,000 responses from NSI and HNK tenants, marking a 35% increase compared to 2023. NSI achieved a Net Promoter Score (NPS) of +13.5 from its tenants, slighter lower than the +19.9 result in 2023. HNK's NPS was +16.8 compared to +23.9 in 2023.The NPS is calculated using the answer to a key question, 'How likely is it that you would recommend NSI to a friend or colleague? using a 0-10 scale. The net promoter score is calculated by detracting the percentage of detractors from the percentage of promoters. In NSI's case, a score of +13.5 is considered positive, indicating more promoters than detractors.

The slightly lower result compared to last year's outcome shows there were fewer net promoters than in 2023. The overall satisfaction rate (on a scale of 0-10) was 7.6 for NSI and 7.8 for HNK. The quality of the communal areas, the professionalism, support and friendliness of the teams, and the services were highly appreciated. Improvements could be made in the cleaning of common areas, communication regarding sustainability initiatives, and catering. Generally, buildings with fewer facilities and services tended to score lower. All tenants received an infographic summarising the overall outcomes, and individual follow-up sessions were held by Asset Managers and Location Managers (HNK) to discuss potential improvements.

2.

Strive to have a diverse and inclusive workforce

NSI is committed to fostering a fair and inclusive working environment. NSI aims to foster a culture where people are respected and appreciated, and perceive equality and fairness of opportunities in their workplace. NSI recognises the benefits of diversity and inclusion, and is fully committed to providing equal opportunities and treatment when it comes to recruitment and selection, training and development, performance reviews and promotion. Our culture is based on the principles of mutual respect and non-discrimination irrespective of nationality, age, disability, gender, religion or sexual orientation. At NSI we currently have 44% male and 56% female workforce. NSI established a Diversity and Inclusion Policy in 2023 which has been updated in 2024 (see page 51 for more information). NSI has set diversity targets for the Management Board, the Supervisory Board and Senior Management (see page 51 for more information on Corporate Governance). These targets were met in 2024 (where applicable).

3.

Giving back to our communities and respect our surroundings

Creating a positive socio-economic impact in local communities in and around our assets is important to us. We aim to play an active role in our communities by building lasting relationships with local stakeholders and by supporting organisations with a social purpose. A non-exhaustive list of initiatives we support include:

Jinc Jinc is an organisation that aims to give children a better starting position in the labour market. They particularly focus on children growing up in an environment with high levels of poverty and unemployment. NSI supports this initiative, among other things by giving lectures and offering insight into what working in different areas of expertise in real estate entails.

Welcoming high school students NSI welcomed second grade students from Kiem Montessori, a high school located in the immediate vicinity of NSI's headquarters, for company visit in November 2024. Through these visits, students from primary schools and secondary vocational education discover the various sectors and professions that exist and what aligns with their interests. In this way, we ensure that children broaden their horizons and prepare them to make an informed choice for further education. NSI employees gave tours and master classes on working in in the field and asset-and leasing management, and the importance of sustainability and safety in property management.

Philips Innovation Awards | Sponsorship to stimulate innovation among students It is important to NSI to promote innovation and contribute to Dutch society. That is why HNK is a partner of the Philips Innovation Award since 2017. The Philips Innovation Award is an entrepreneurship prize awarded to students with an innovative start-up concept.

Donation to Ronald McDonald Kinderfonds NSI donated to the Ronald McDonald Children's Fund. One of the Ronald Mc Donald locations, where hospitalised children and their families can be close to each other, is in Amsterdam Southeast, close to NSI's head office. NSI donates one euro for every completed survey of the customer satisfaction survey.

Green Business Club Zuidas NSI participates in the Green Business Club Amsterdam Zuidas and, starting this year, also in the Green Business Club Rotterdam Alexander. We joined the Green Business Club Rotterdam Alexander because we are investing in the area by transforming our building, Alexanderpoort, into the future flagship location HNK Rotterdam Alexander, which will add many facilities to the area. These networking organisations create impact by initiating sustainable projects in the Amsterdam Zuidas and Rotterdam Alexander areas and aspire to make them the most sustainable, liveable, and workable places in the Netherlands. The network aims to achieve this by collaborating in partnerships and sharing best practices and knowledge.

UPTown Sloterdijk NSI participates with nine other parties in UPTown Sloterdijk to help promote the transformation of this area into an attractive urban district. All participants (APG, BPD, CBRE, EDGE, the municipality of Amsterdam, Heijmans, Synchroon and TMG) are actively linked to the area and have an interest in the development of the neighbourhood.

Ondernemersfonds Utrecht NSI made a donation to Ondernemersfonds Utrecht (Entrepreneurs Fund Utrecht). This fund connects local entrepreneurs, various sectors and organizations with the aim of promoting the quality of business in Utrecht.

Het Rotterdam gala Each year, at the benefit gala 'The Rotterdam Gala,' funds are raised to support various meaningful projects in the city. The Rotterdam Mooier Maken Foundation is dedicated to social projects in the Greater Rotterdam area that face challenges in balancing their budgets. NSI sponsors a table annually to collaborate with partners in raising money for this worthy cause.

Great Place to Work

NSI aspires to be a great place to work. We want our people to enjoy the best work environment, excellent training, fulfilling and diverse career opportunities, and all the support they need to develop to their full potential.

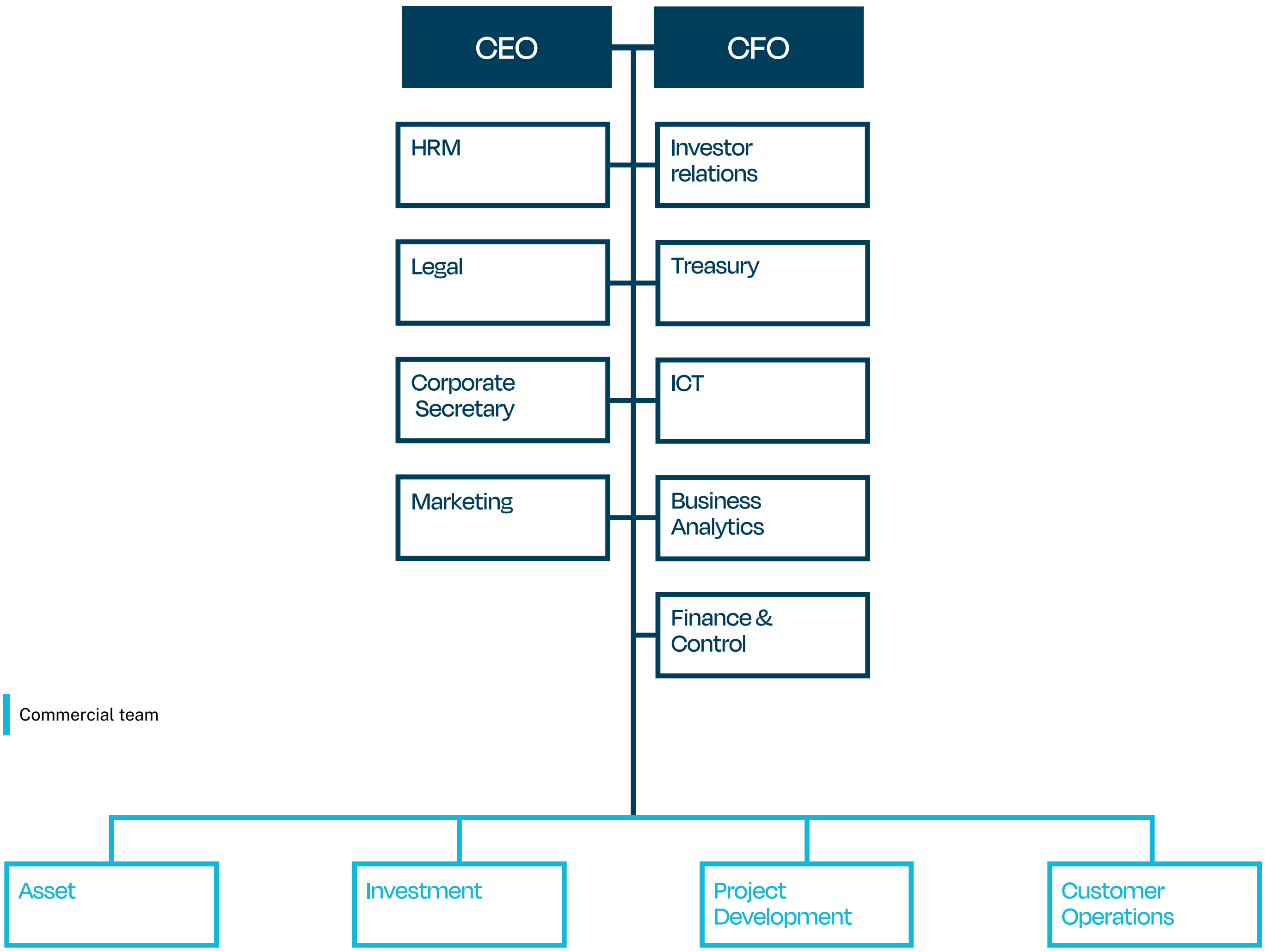
NSI culture and mindset

NSI has an open and inclusive culture in which diversity is considered to be an added value. NSI aims to be a transparent, disciplined, responsible organisation that thinks in terms of opportunities. Furthermore, we like to keep it simple. We have clearly defined our core values, as can be found on page 25. Adhering to these core values will help NSI realise the full potential of its employees, shareholder investments and assets it acquires and operates. NSI incorporates these core values into its organisation and processes by hiring the best talent and by holding itself to the highest standards in an atmosphere of dedicated hard work, team spirit and fun.

NSI encourages its employees to give feedback and urges the whole organisation to actively contribute to our ambition of becoming the leading Dutch real estate company.

Safeguarding our corporate culture has management's ongoing attention and is consistently a significant point of attention in internal meetings. Our ability to live up to these core values is included in our assessment and appraisal methodology and discussed in regular and year-end reviews. Moreover, our core values are integrated in job descriptions and NSI has an onboarding programme in place to familiarise new hires with the company's cultural values.

Organisation structure



Organisation structure

NSI has a lean organisation in place, aligned with its focused strategy.

The organisation is headed by a Management Board consisting of the CEO and CFO and supported by a commercial team. The disciplines represented in the commercial team are (Technical) Asset Management, Investment Management, Development, and Customer Operations.

NSI is characterised by decentralised responsibilities, allowing the organisation to operate efficiently and empowering individuals to develop in their role, supported by a robust IT infrastructure and effective management information systems.

The number of employees (headcount) increased to 69 as of 31 December 2024 (NSI: 42, HNK: 27, 2023: 67, NSI: 43, HNK:24). For the company's legal structure please refer to 'The principles of consolidation' on page 68. We foresee that the current organization is well positioned both in quantity and quality to drive further growth, which should lead to a better efficiency ratio in the years to come.

Healthy workplace

The health and well-being of our employees and tenants is also one of the important pillars of NSI's sustainability strategy. NSI's efforts and ambitions in this respect are reported in more detail in the ESG chapter 'The future is here' (on page 13).

NSI's culture and mindset, in which employees are used to having a great deal of flexibility with regard to how they perform their tasks and taking on responsibilities, supports the health and well-being of our employees. The sickness rate at NSI increased to 5.2% in 2024 (2023: 4.2%) mostly due to long-term sickness absence.

NSI's culture and its commitment to providing a healthy and inspiring working environment to its employees are reflected in NSI's head office; offering a modern, healthy, flexible interior that perfectly matches the experience we want to offer to our tenants, including our employees.

Increasing employee's health and promoting healthy habits in the workplace continues to be a key theme in 2025.

Employee engagement

In 2024 an Employee Engagement Survey was conducted. The eNPS has dropped to 22.5 as opposed to 29.3, last measured in 2021. Other topics such as Employment conditions and Sustainability remained stable at a score of 7.5 and 8.0 (out of 10) respectively. Working atmosphere scored 6.9, a reduction of 1.1 compared to 2021.

Based on the results of the EES several themes are selected that NSI will actively work on in 2025.

To keep employees informed and engaged, the Management Board regularly hosts sessions to inform the staff on the company's performance and to highlight specific topics and projects. These sessions are being held after each quarter to elaborate on the quarterly results, and every mid-quarter to discuss other subjects.

Internal communications are supported by an active use of the intranet, where news articles are being released, and new employees are being introduced.

Training and development

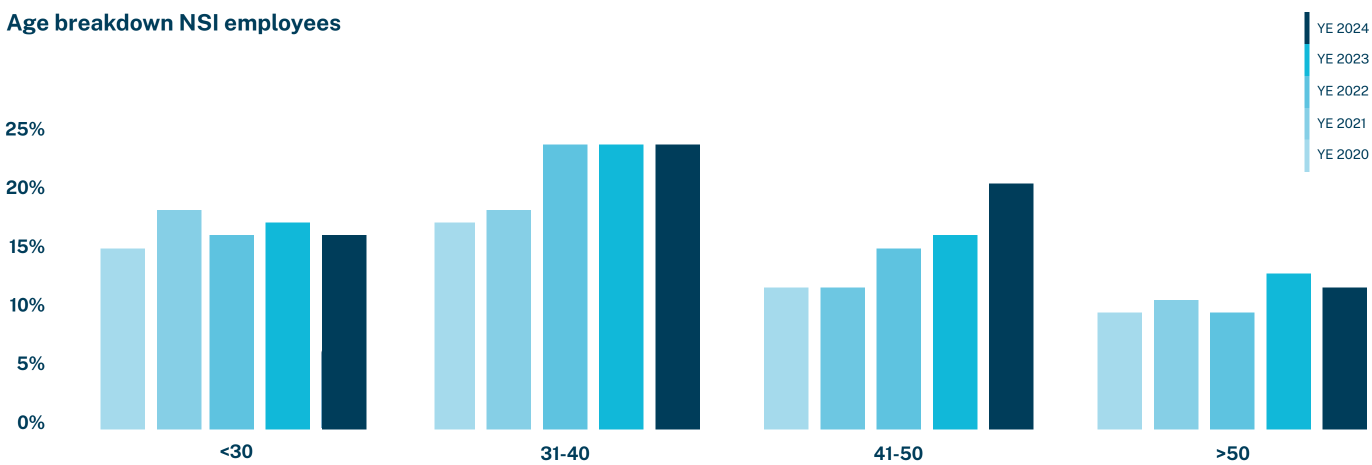
Each individual employee is expected to develop, supported by HR and their manager, their personal development plan, to guide training needs and career perspectives.

NSI provides ample training and development opportunities for all our employees. Employees are encouraged to take externally recognised courses by granting annual individual training budgets.

NSI offers an online training platform offering all employees the possibility to strengthen their capabilities, mainly soft skills. In total employees spent 50 hours on this platform in 2024 (2023: 55).

NSI uses the methodology of Profile Dynamics® to further develop teams into even more effective teams. The analysis is a tool to assess if the profile matches the type of work of an individual or (the composition of) a team and can serve as starting point for coaching. A Profile Dynamics® chart is also part of the onboarding tool kit for new employees.

Age breakdown NSI employees



Gender breakdown NSI at 31 December 2024

Female
58.9%

Male
41.1%

	Female		Male	
	#	%	#	%
Management board	1	50%	1	50%
Senior management	3	25%	9	75%
Operations	31	72.1%	12	27.9%
Support staff	4	33.3%	8	66.7%
Total	**39**	**58.9%**	**30**	**41.1%**
Supervisory board	2	40%	3	60%

Age bracket	Number
<30	20
31-40	20
41-50	19
>50	10

Our values

We believe that a clear set of values creates a common feeling of identity. Our values set out the common behaviours that support our purpose and define our culture:

We are transparent

We recognise that mutual trust can only really exist in an environment of openness, clear communication and consistent actions. Our success as a long-term investor hinges on us gaining and maintaining the trust of all stakeholders and we constantly focus on this.

We are disciplined

Our internal and external procedures are befitting of a small and flexible organisation. The procedures provide clarity on how we act and operate. We only make promises we can keep.

We take responsibility

Our intrinsic motivation at NSI is to always do the right thing. We recognise and fully embrace the high level of responsibility that rests upon our shoulders as a publicly-listed company. As employees we are fully aware of the need to support our customers, colleagues and other stakeholders and we treat them with the utmost respect. We acknowledge and correct any mistakes we make and we learn from them.

We think in terms of opportunities

We have a positive mindset and are always seeking solutions and new opportunities. This makes us versatile and enables us to add value for our customers, whilst we continue to develop ourselves. We will always address the risks associated with an opportunity to come up with well-considered solutions.

We like to keep it simple

Complexity often confuses, creates uncertainty, a fuzzy demarcation of responsibilities and generally results in slowdowns and delays which in turn lead to inefficiency and high costs. We take decisions after thorough and substantiated deliberation, making sure our choice of structure, process and responsibilities are as clear and concise as possible for us and our stakeholders.

We are here to stay

Our focus at NSI is on sustainability and the long term, both when it comes to the relationship with our customer, the perspective of the building, the location and the ever changing needs of users, and, but also with regard to the structure of our organisation and the interests of our shareholders. We are fully aware of short-term interests but will always favour the long term.

Climate risks

Both physical- and transition risk analyses provide insight into the risk profile of NSI's portfolio.

We are using *Carbon Risk Real Estate Monitor (CRREM)* for assessing and addressing transitional risk. More details about our plans to decrease our energy intensity in line with the 1.5c scenario decarbonisation pathway can be find on page 19.

A detailed climate risk assessment was undertaken in recent years, focusing on the most apparent climate-related physical risks in the Netherlands (pluvial flooding, flooding, drought and heat) as well as taking socio-economic consequences and transitional risks (related to the transition to a low-carbon economy) into account.

Climate risks analysis

Drought
Drought is measured according to the potential lack of rainfall over a longer period. As our climate changes, the Netherlands is expected to experience longer periods of warmer weather and a lack of precipitation.

While increased droughts can greatly affect the Dutch ecosystem and the agricultural sector, buildings can also be severely affected through land subsidence and rotting of wooden pile foundations as groundwater levels decrease.

Heat
Heat stress is commonly defined as a physiological condition provoked by extreme heat, causing humans and animals to be unable to shed their heat and thereby overheating. There are several methods to approximate heat stress using geographic modelling. One such method is describing heat using the number of tropical days (≥ 30°C) experienced per year. By 2050, the Netherlands is likely to experience temperatures higher than 35°C at least once or twice a year. Since people spend on average 90% of their time indoors, managing the impact of these heatwaves on the indoor environment and a building's ability to retain a productive working climate and temperature will be crucial.

Pluvial flooding (heavy rainfall)
It is expected that the amount of rainfall and the intensity of rainfall events in the Netherlands will increase significantly in the coming 30 years. Increase in heavy rainfall increases the risk of pluvial flooding. Pluvial flooding causes risks because of inflow of water to buildings as well as potential problems with accessibility of buildings.

Socio-economic risks
The physical hazards that result from climate change, can and will continue to have a significant effect on the quality of human life. In addition to the physical hazards which could potentially affect the resilience and accessibility of assets, there are related socio-economic issues that need to be taken into consideration which could have an impact on an asset's value.

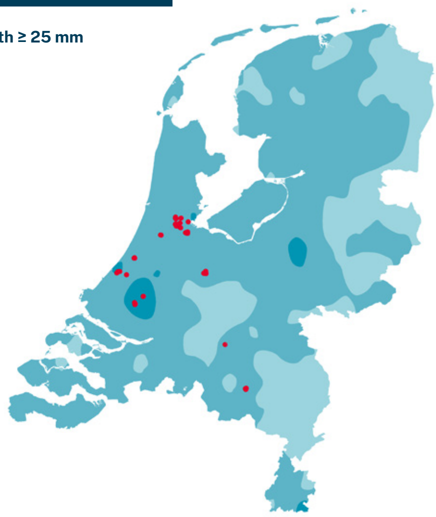
NSI can mitigate and adapt to these impacts through ensuring their assets are well connected and surrounded by green (space) and blue infrastructure (water elements). These measures can not only enhance the workability and usability of their assets but can also help reduce their vulnerability to the physical impacts of climate change. These measures should be taken in cooperation with local governments whenever possible.

Physical climate risks in more detail

Nuisance by precipitation 2024

Amount of days with ≥ 25 mm of precipitation

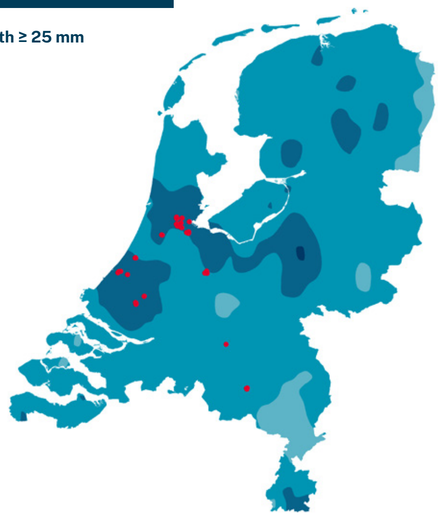
- 1-2
- 2-3
- 3-4
- 4-5
- 5-6



Nuisance by precipitation 2050

Amount of days with ≥ 25 mm of precipitation

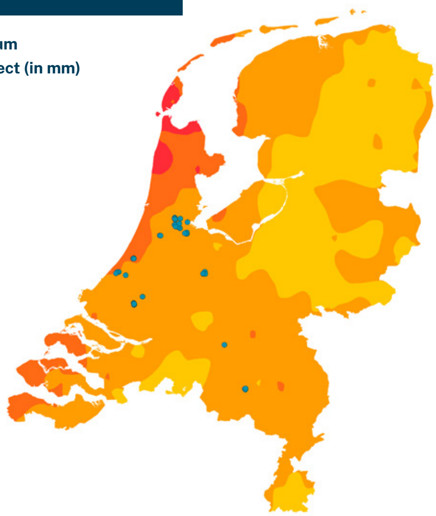
- 1-2
- 2-3
- 3-4
- 4-5
- 5-6



Drought 2024

Potential maximum precipitation defect (in mm)

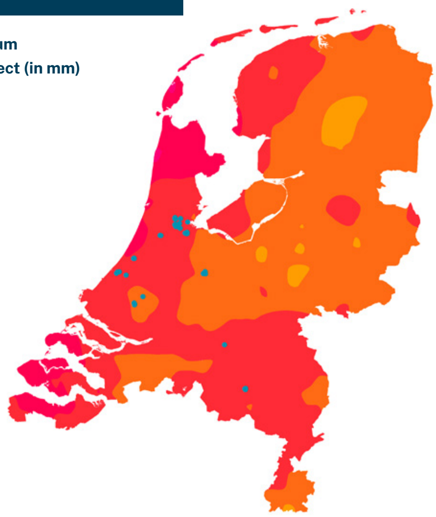
- 120-150
- 150-180
- 180-210
- 210-240
- 240-270
- 270-300



Drought 2050

Potential maximum precipitation defect (in mm)

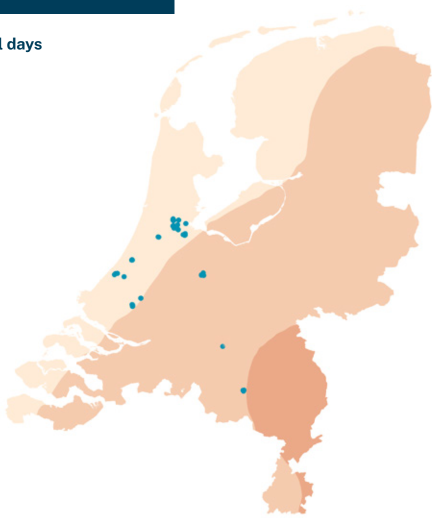
- 120-150
- 150-180
- 180-210
- 210-240
- 240-270
- 270-300



Heat 2024

Amount of tropical days (max ≥ 30 °C)

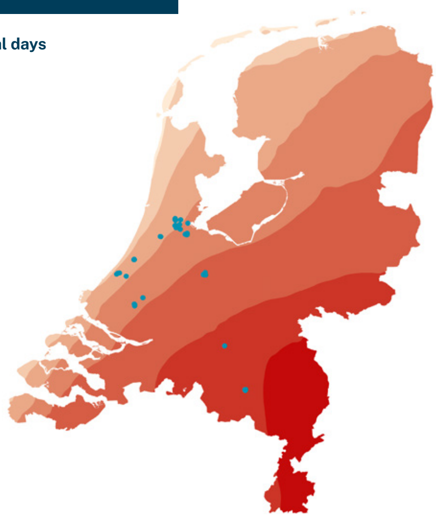
- 0-3
- 3-6
- 6-9
- 9-12
- 12-15
- 15-18
- > 18



Heat 2050

Amount of tropical days (max ≥ 30 °C)

- 0-3
- 3-6
- 6-9
- 9-12
- 12-15
- 15-18
- > 18



Income, costs and result

Introduction

EPRA earnings in 2024 amount to € 41.0m compared to € 40.4m in 2023 (+ 1.5%). The increase in EPRA earnings is the result of lower operating costs and higher gross rental income and was partly offset by higher financing costs and corporate income tax. EPRA EPS is € 2.09, 4.2% higher than last year (2023: € 2.01).

EPRA NTA is €674.4m, down 5.2% compared to the end of 2023, due to the negative revaluation of the investment portfolio during the year. On a per share basis, EPRA NTA was down by only 0.1% or € 0.03 due to the € 20m share buyback that was finalised on 30 September 2024.

Rental income

Gross rental income is up by 2.2% to € 72.7m compared to last year. On a like-for-like basis GRI increased by 3.2%, mainly due to lower vacancy.

Net rental income amounts to € 61.1m, up €2.7m (+ 4.5%) versus 2023. The increases in Amsterdam, Other G4 and Other Netherlands were respectively 8.2%, 0.0% and 2.6%. On a like-for-like basis, net rental income increased by 5.2%.

The NRI margin is 84.0%, 1.9% higher compared to 2023. Operating costs have decreased by € 1.2m (-11.3%) compared to 2023, with lower maintenance costs (-€ 1.0m) and other operating costs (-€ 0.6m) partially offset by higher letting costs (+ € 0.3m) and property management costs (+ € 0.2m).

Administrative costs

Administrative expenses are € 0.8m lower compared to 2023, reflecting lower staff costs, consultancy costs and ICT costs.

Net financing costs

The direct net financing costs increased by 22.5% (€ 1.9m) compared to 2023, caused by higher interest costs (€ 1.1m) due to higher variable interest rates during 2024 and lower capitalised interest related to development projects (€ 0.5m).

Corporate income tax

In 2024 corporate income tax has increased by € 1.0m to €1.5m, due to the year being the first full year following the business restructuring in 2023, resulting in an effective tax rate of 3.6% over the direct investment result before tax.

Indirect result

The investment portfolio incurred a negative revaluation of € 28.1m (-2.7% at market value) compared to the end of 2023. The result on disposals concluded in 2024 amounts to € 2.3m, contributing to a total indirect result before tax of -€ 27.2m.

The indirect effect of corporate income tax amounts to -€ 1.5m in 2024, reducing the deferred tax asset on the balance sheet. The total indirect result amounts to -€28.6m.

Post closing events

There are no post-closing events.

Income segment split

	2024					
	Amsterdam	Other G4	Other NL	Corporate	Total	2023
Gross rental income	37,112	24,294	11,325		72,731	71,199
Service costs not recharged	-670	-1,295	-66		-2,030	-1,926
Operating costs	-4,699	-3,650	-1,274		-9,622	-10,852
Net rental income	**31,743**	**19,349**	**9,986**		**61,079**	**58,421**
Administrative costs				-8,298	-8,298	-9,120
Earnings before interest and taxes	**31,743**	**19,349**	**9,986**	**-8,298**	**52,780**	**49,301**
Net financing result				-10,225	-10,225	-8,349
Direct investment result before tax	**31,743**	**19,349**	**9,986**	**-18,523**	**42,556**	**40,953**
Corporate income tax				-1,548	-1,548	-550
Direct investment result / EPRA earnings	**31,743**	**19,349**	**9,986**	**-20,071**	**41,008**	**40,402**

Dutch property market overview

Economic conditions

In the first quarter of 2024, the economy contracted by 0.6%, but rebounded with growth of 1.0% in the second quarter and 0.8% in the third quarter. This growth was primarily driven by increases in household and public consumption.

Following a stabilization of Dutch inflation at 3.8% in 2023, the average inflation rate decreased to 3.3% in 2024. This decline was primarily due to a significant slowdown in food price increases, which rose by only 1.1% in 2024 compared to 12.1% in 2023. However, in the latter part of 2024, inflation experienced an uptick, reaching 4.0% in November and 4.1% in December. This increase was largely driven by higher costs in housing, water, energy, and tobacco products.

In 2024, the Dutch unemployment rate remained relatively stable between 3.6% and 3.7%, close to historical lows. The labour market demonstrated resilience amid challenges such as deteriorating purchasing power, tighter credit conditions and ongoing geopolitical tensions.

Occupational market

In the past years, the "office vs. WFH" debate has solidified into a hybrid working model. However, rather than a broad reduction in office space, 2024 has shown a continuation in the shift in demand towards high-quality, well-located, and ESG-compliant offices.

Overall, office take-up volumes increased by 20% compared to 2023, signaling stabilisation after several years of declining take-up. While some companies have reduced their overall space requirements, all are prioritizing locations and buildings that attract talent, enhance collaboration, and align with their sustainability goals.

Furthermore, occupiers are restructuring their office footprints, optimizing layouts to maximize collaboration and employee engagement rather than just minimizing costs. While the desk ratio in the Netherlands has decreased to around 0.6 (60 desks per 100 employees) coming from 0.7 pre-Covid, the use of space that facilitates collaboration like meeting rooms has increased. This has limited the reduction in office demand for the Dutch market.

The overall Dutch office vacancy rate remained stable at 8.0%. Prime office markets, particularly in Amsterdam, Utrecht and Rotterdam, continue to tighten, pushing rental levels upwards, while secondary and older assets face longer vacancy periods. Office users unable to secure quality space are often renewing existing leases, further delaying relocations and exacerbating misalignment between supply and demand.

Amsterdam

Office take-up in Amsterdam in 2024 was circa 203.000 m^2 (vs same period 2023: 209.000 m^2), confirming the trend of limited grade A space availability and an economy that remains sluggish.

The office vacancy rate in Amsterdam as of Q4 2024 is 11.1%, up from 8.3% in Q4 2023. Within Amsterdam, West saw the biggest increase to 25.6% (from 7.5% in 2023), which can be explained by the combination of some bigger lease expiries concentrated in a handful of assets and the smaller size of the submarket (circa 200.000 m^2). The bifurcation is clearly visible, as the vacancy in the prime South-axis market is 4.4%, still well below the Dutch average vacancy of 8.0%. Additionally, prime office rents on the South-axis have reached a new record at €585 per m^2, even with significant availability in the wider Amsterdam market.

Other G4

In 2024 take-up in Utrecht increased significantly to 104.000 m^2, up 74% compared to 2023 (60.000 m^2). Part of this increase is explained by the completion of (re-)developments that have since been taken up by the market, as it fits the criteria of more selective occupants. Vacancy increased by 160bps to 5.2% in 2024, while prime rents increased to €335 per m^2 (2022: €325 per m^2).

In Rotterdam prime rents increased by 10% to 330/m^2 (2023: 300) and the vacancy decreased to 6.8% (2023: 7.1%).

In The Hague, where Government is the largest occupier, the overall vacancy slightly decreased by 30 bps to 4.2% (2023: 4.5%).

Investment market

The magnitude of the interest rate hikes has dramatically impacted market valuations, as the investment market effectively came to a standstill 2023, which continued into 2024. According to Cushman & Wakefield, the total volume transaction on office real estate in the Netherlands amounts to €1.7 billion for 2024, flat compared to 2023 and in line with the €1.6 billion projected at the end of 2023. This is a 68% decrease from transaction volumes in 2022.

However, since the peak in 2022 values have declined by an average of 35-50%, creating potential opportunities and leading to a projected volume for 2025 of €2.0 billion according to CBRE. However, institutional and international investors still remains cautious, limiting liquidity on larger ticket sizes.

The anticipated number of forced sales in 2024 has materialized only to a limited extent, largely due to the flexibility of lenders. While redemptions in 2025 are expected to be limited, opportunities may arise as forced sales eventually take place. Additionally, with rental levels having risen significantly in recent years and capital values having declined by up to 50%, attractive opportunities may emerge beyond assets from motivated sellers.

Real estate portfolio

Three assets were sold in 2024: Laanderpoort (Amsterdam), Het Binnenhof (Den Bosch) and Fellenoord (Eindhoven). The combined proceeds of these disposals were € 50.6m (before transaction costs), reflecting a 1.0% discount to December 2023 book values. In December 2024, NSI acquired Sypesteyn (Utrecht) for € 15.3m (before transaction costs).

Portfolio breakdown – 31 December 2024

	# Assets	Market value (€ m)	Market value (%)
Amsterdam	21	545	55%
Other G4	15	330	33%
Other Netherlands	8	124	12%
TOTAL	**44**	**1,000**	**100%**

Vacancy

The EPRA vacancy at the end of 2024 is 5.1%, down from 5.2% at the end of 2023. On a like-for-like basis the vacancy decrease was 0.1%.

The 5.1% vacancy rate at the end of 2024 includes 0.6%-point vacancy resulting from the acquisition of Sypesteyn. Adjusted for this, the vacancy rate at year-end of 2024 is 4.5%.

The tenant retention rate for 2024 was 71.1%.

EPRA vacancy

	Dec. 2023	L-f-l	Other	Dec. 2024
Amsterdam	5.8%	-0.8%	-	5.0%
Other G4	6.0%	0.5%	-0.3%	6.3%
Other Netherlands	1.5%	1.2%	-0.4%	2.3%
TOTAL	**5.2%**	**-0.1%**	**0.0%**	**5.1%**

Rents

On a like-for-like basis, gross rents are up by 3.2% in 2024 due to indexation and lower vacancy compared to 2023.

Like-for-like growth gross rental income

	YTD 2024	YTD 2023	L-f-l
Amsterdam	37.4	35.5	5.1%
Other G4	23.0	22.9	0.6%
Other Netherlands	9.2	9.1	2.1%
TOTAL	**69.6**	**67.5**	**3.2%**

Net rents increased by 5.2% on a like-for-like basis in 2024. The increase is higher than the increase in gross rental growth, mainly as a result of lower maintenance costs in 2024.

Like-for-like growth net rental income

	YTD 2024	YTD 2023	L-f-l
Amsterdam	32.0	29.8	7.2%
Other G4	18.6	18.2	2.2%
Other Netherlands	7.8	7.4	4.6%
TOTAL	**58.3**	**55.5**	**5.2%**

Reversionary potential / ERV bridge

In 2024 ERVs increased by 1.4% on a like-for-like basis. The largest increase was recorded in Rotterdam (5.1%), mainly due to the renovation of HNK Rotterdam Scheepvaartkwartier. In Amsterdam, like-for-like ERVs increased by 1.4%.

Like-for-like growth ERV (€m)

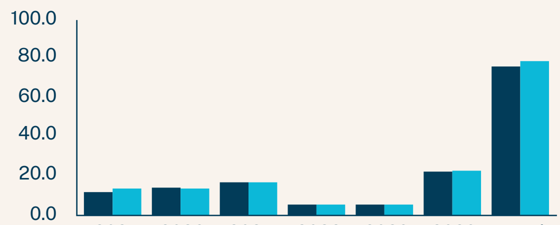
	Dec. 2024	Dec. 2023	L-f-l
Amsterdam	44	44	1.4%
Other G4	25	25	2.2%
Other Netherlands	11	11	-0.3%
TOTAL	**80**	**79**	**1.4%**

As per 2024 the investment portfolio is 3.2% reversionary, up from 2.4% at year-end 2023. This is mainly the result of the reversionary potential on Sypesteyn and partly offset by indexation leading to increased contracted rent.
New lease contracts in 2024 were signed on average at a 13.8% premium to ERV.

Reversionary potential

	Dec. 2024	Dec. 2023
Amsterdam	4.3%	5.2%
Other G4	1.1%	-3.0%
Other Netherlands	4.4%	4.1%
TOTAL	**3.2%**	**2.4%**

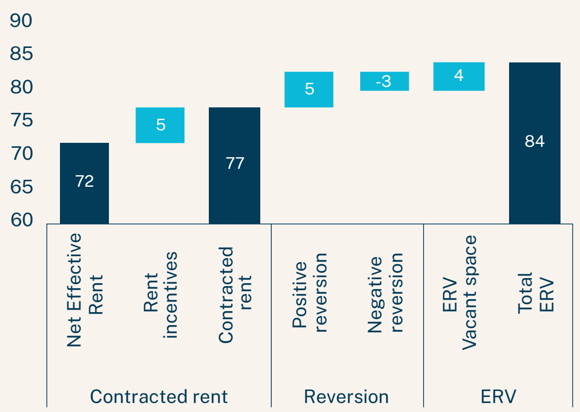
Annual expirations and reversionary potential



	2025	2026	2027	2028	2029	>2029	Total
Contract rent	12.0	14.2	17.0	5.5	5.5	22.7	76.8
ERV	14.1	14.1	17.1	5.5	5.5	23.0	79.3
# Contracts	188	71	102	48	46	48	501
Rev. Potential	16.9%	-0.6%	0.3%	1.0%	1.0%	1.6%	3.2%

The WAULT of the portfolio is 3.6 years. Contracts representing an annualised rental income of € 12.0m (16% of total annualised rental income) are set to expire in 2025. This includes €2.4m in flexible lease contracts with maturities of one to three months, which typically are just rolled over.

Bridge Contracted rent to ERV - 31 December 2024



EPRA yields

The EPRA net initial yield is up by 30bps to 5.6% in 2024. This reflects both yield expansion and the impact of higher rents. The lack of liquidity in the investment market has prompted appraisers to take a more conservative stance on valuations.

Portfolio yields

	EPRA net initial yield		Gross initial yield		Reversionary yield	
	Dec. 2024	Dec. 2023	Dec. 2024	Dec. 2023	Dec. 2024	Dec. 2023
Amsterdam	5.7%	5.2%	7.9%	7.4%	8.7%	8.3%
Other G4	5.3%	5.7%	8.2%	8.6%	8.8%	8.9%
Other NL	5.8%	5.0%	8.0%	8.1%	8.6%	8.6%
TOTAL	**5.6%**	**5.3%**	**8.0%**	**7.9%**	**8.7%**	**8.5%**

Valuations

The portfolio valuation is down by 2.7% over the 12-month period. H1 saw a negative revaluation of -1.7%, with H2 seeing an additional 1.0% fall in values, in part due to asset specific value adjustments and in part to reflect the still existing lack of liquidity in the investment market.

The limited portfolio revaluation in 2024 follows more sizeable adjustments in H2 2022 and in 2023, resulting in a total decline of 26% over the 30-month period.

Negative revaluations in 2024 have partially been offset by positive revaluations, mainly in Rotterdam. This is due to the improved rental situation at the renovated HNK Rotterdam Scheepvaartkwartier and the start of construction activities at HNK Rotterdam Alexander (Alexanderpoort).

Revaluation

	Market value (€ m)	Revaluation Positive	Negative	Total	%
Amsterdam	545	4	-31	-27	-4.6%
Other G4	330	10	-5	4	1.4%
Other NL	124	4	-11	-7	-4.3%
TOTAL	**1,000**	**17**	**-47**	**-29**	**-2.7%**

Capital expenditure

Capex over 2024 totals to € 16.0m of which € 7.2m is defensive. The € 8.8m of offensive capex includes € 2.5m for the development projects.

Capital expenditure

	Offensive	Defensive	Total
Amsterdam	3.9	2.9	6.8
Other G4	4.1	3.3	7.4
Other Netherlands	0.2	1.1	1.3
Total Portfolio	**8.3**	**7.2**	**15.5**

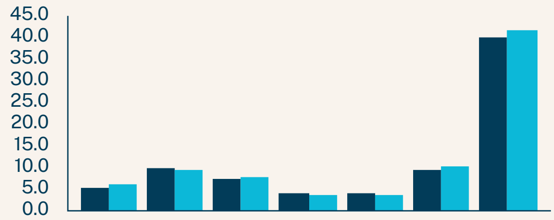
Amsterdam

Vacancy decreased from 5.8% to 5.0% mainly as a result of new lettings at Centerpoint I. The tenant retention rate in 2024 was 69.3%.

Key metrics Amsterdam

	Dec. 2024	Dec. 2023	Change
Number of properties	21	22	-4.5%
Market value (€ m)	545	588	-7.2%
Lettable area (sqm k)	162	161	0.5%
Ann. contract rent (€ m)	40	39	3.0%
Estimated rental value (€ m)	44	44	1.4%
EPRA net initial yield	5.7%	5.2%	0.5 pp
Gross initial yield	7.9%	7.4%	0.5 pp
EPRA vacancy	5.0%	5.8%	-0.8 pp
Wault	3.8	4.1	-8.2%

Annual expirations and reversionary potential



	2025	2026	2027	2028	2029	>2029	Total
■ Contract rent	5.3	9.8	7.6	4.0	4.0	9.4	40.1
■ ERV	6.3	9.6	7.8	4.0	4.0	10.3	41.8
# Contracts	47	26	49	23	23	19	187
Reversion	18.4%	-2.5%	2.4%	-0.6%	-0.6%	9.2%	4.3%

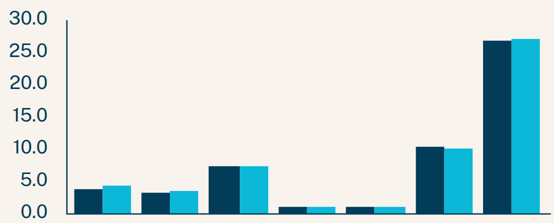
Other G4

The EPRA vacancy rate for Other G4 is 6.3%, slightly up from 6.0% at year-end 2023. The vacancy includes 1.7% of vacancy due to the acquisition of Sypesteyn. The tenant retention rate for 2024 amounts to 60.2% for this segment.

Key metrics Other G4

	Dec. 2024	Dec. 2023	Change
Number of properties	15	14	7.1%
Market value (€ m)	330	301	9.8%
Lettable area (sqm k)	135	125	7.6%
Ann. contract rent (€ m)	27	26	3.8%
Estimated rental value (€ m)	29	27	8.5%
EPRA net initial yield	5.3%	5.7%	-0.4 pp
Gross initial yield	8.2%	8.6%	-0.5 pp
EPRA vacancy	6.3%	6.0%	0.3 pp
Wault	3.7	3.5	7.8%

Annual expirations and reversionary potential



	2025	2026	2027	2028	2029	>2029	Total
■ Contract rent	3.8	3.3	7.4	0.9	0.9	10.4	26.8
■ ERV	4.3	3.4	7.4	0.9	0.9	10.2	27.1
# Contracts	133	38	46	14	14	28	273
Reversion	11.9%	4.2%	-1.0%	2.6%	2.6%	-2.5%	1.1%

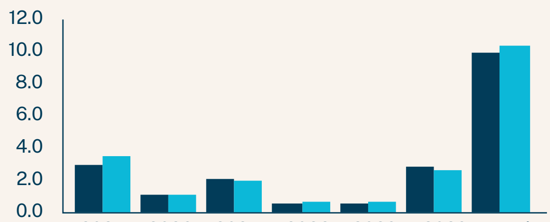
Other Netherlands

The vacancy rate was 2.3%, up from 1.5% at year-end 2023. The vacancy in Life Sciences assets in Leiden remains 0%. The retention rate in this segment is 85.0%.

Key metrics Other Netherlands

	Dec. 2024	Dec. 2023	Change
Number of properties	8	10	-20.0%
Market value (€ m)	124	154	-19.3%
Lettable area (sqm k)	50	65	-22.7%
Ann. contract rent (€ m)	10	12	-20.0%
Estimated rental value (€ m)	11	13	-19.0%
EPRA net initial yield	5.8%	5.0%	0.8 pp
Gross initial yield	8.0%	8.1%	-0.1 pp
EPRA vacancy	2.3%	1.5%	0.8 pp
Wault	3.0	2.9	2.1%

Annual expirations and reversionary potential



	2025	2026	2027	2028	2029	>2029	Total
■ Contract rent	2.9	1.0	2.0	0.6	0.6	2.8	9.9
■ ERV	3.5	1.1	2.0	0.6	0.6	2.6	10.4
# Contracts	8	7	7	9	9	1	41
Reversion	20.8%	2.8%	-2.6%	9.7%	9.7%	-8.7%	4.4%

Development and renovations

Laanderpoort was sold to ING in January 2024 for € 24m, which is the price for the existing Laanderpoort buildings, along with the plans, permits and agreements for its redevelopment. ING has since started the construction.

Vitrum continues to be leased on a flexible basis to generate cashflow whilst the legal process to obtain the necessary permit and title changes continues. The legal process may well be concluded during 2025.

Following the disposal of Laanderpoort in January the decision was made to look afresh at the financial viability of the Well House project. This is an ongoing process. Whilst the business case looks to have improved, no decision has been made to date to restart the project.

In the last quarter of 2024 construction has started at HNK Rotterdam Alexander (previously known as Alexanderpoort), which is expected to complete in the second half of 2025. At year-end 2024 Vitrum and Alexanderpoort were included in investment property under construction, as well as the accumulated capitalised costs for Well House.

Movement table investment property under construction

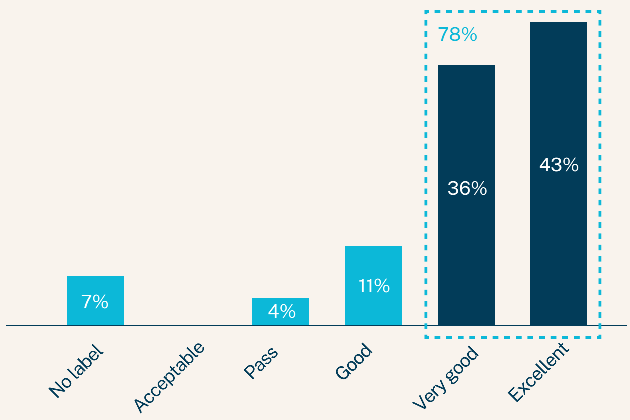
	Total
Balance 1 January 2024	**59.2**
Capital expenditure (Investments)	2.0
Capitalised interest	1.8
Revaluation	0.6
Transfer from / to operation	12.1
Disposals	-23.8
Balance 31 December 2024	**51.9**
Market value 31 December 2024	51.9

Sustainability

The share of EPC label certificates A, A+ or A++ is stable at 96% of assets by value[1] per end 2024, with an increase in A++ labels. The percentage BREEAM labels 'Very Good' and 'Excellent' also remained stable at 78% in 2024[1].

NSI was awarded 5 stars in the annual GRESB sustainability assessment for the fifth year running, with a score of 93 points out of 100.

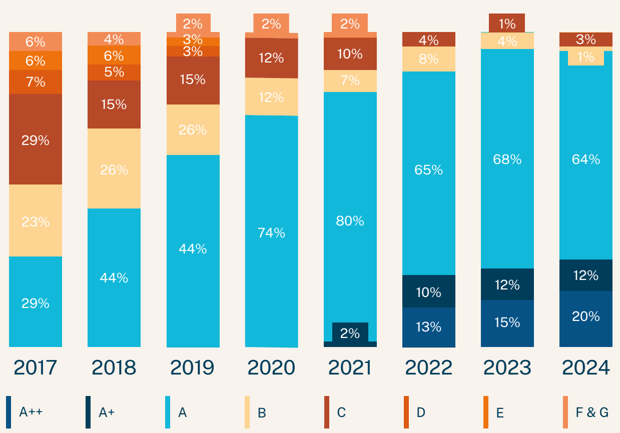
BREEAM by sqm[1]



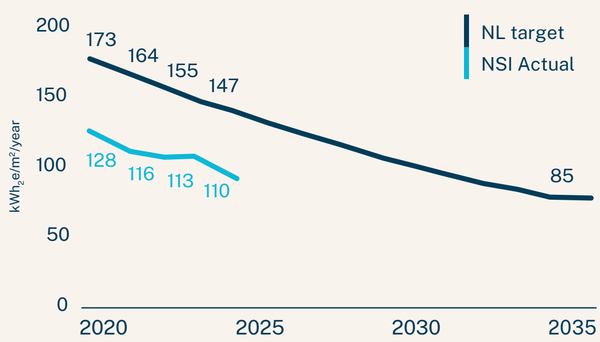
NSI is committed to lower the energy usage of its buildings and continued investing in its assets for this purpose in 2024. These investments, and investments in prior years, explain the fall in energy intensity in 2024 to 110 kWh/m²/year[2], and are expected to result in a further decline in 2025.

The portfolio is already well below the CRREM defined pathway for The Netherlands and is on track to achieve Paris-alignment (85kWh/m2/year) by 2035.

EPC energy performance certificates by value[1]



Staying below the CRREM pathway 85 kWh/m²/year by 2035[2]



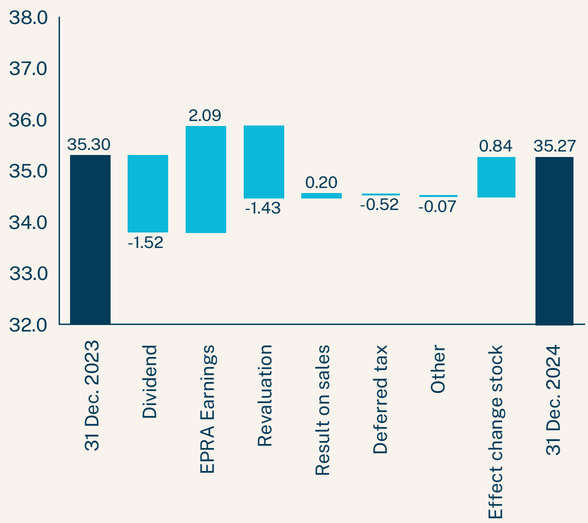
1 Excluding Vitrum and WellHouse. If these assets would be included it would be 75,33%.
2 Excluding Leiden (Life Sciences). If included it would be 126.

Balance sheet, NTA and financing

Net tangible assets

EPRA NTA per end of December 2024 is € 674.4m, down 5.2% compared to the end of 2023 (€ 711.5m), largely as a result of a negative revaluation of the investment portfolio. Due to a € 20m share buyback finalised on 30 September 2024, EPRA NTA per share decreased by only 0.1% from € 35.30 at the end of 2023 to € 35.27 at the end of 2024.

Bridge EPRA NTA per share (in €)



Funding

In July 2024, NSI terminated its secured financing with Berlin Hyp (€ 55m). The loan has been repaid using the existing revolving credit facility.

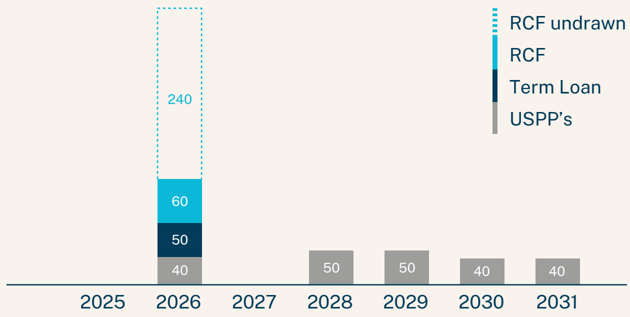
Net debt

	Dec. 2024	Dec. 2023	Change
Debt outstanding	330.0	335.0	-5.0
Amortisation costs	-0.8	-1.4	0.6
Book value of debt	**329**	**334**	**-4.4**
Cash and cash equivalents	-8.5	-0.2	-8.2
Debts to credit institutions	17.1	11.0	6.1
Total Portfolio	**337.9**	**344.4**	**-6.6**

Net debt is down by € 6.6m compared to the end of 2023. This is primarily due to disposals totalling € 50.5m (net of transaction costs) and mostly offset by the € 20m share buyback, the acquisition of Sypesteyn (€ 15.3m excluding transaction costs) and capital expenditure (€ 15.5m).

At the end of 2024 NSI has circa € 240m of committed undrawn credit facilities at its disposal. The average loan maturity is 3.5 years (2022: 4.5 years), with no loans maturing until 2026. This ensures sufficient flexibility and capacity.

Maturity profile



At year-end all debt is unsecured due to the termination of the BerlinHyp loan. The average cost of debt at the end of 2024 has decreased from 3.2% to 2.9% as the cost of variable rate debt has declined at the end of 2024 compared to the end of 2023 and a slightly lower margin on the RCF relative to the terminated secured loan.

Leverage and hedging

The LTV is 33.8% at the end of 2024, 80 basis points higher compared to December 2023 (33.0%), driven by negative revaluations of assets in 2024 and the share buy back, and partly offset by lower net debt.

The ICR stands at 5.1x at the end December 2024, compared to 5.5x at the end of December 2023. This is the result of higher net financing expenses during 2024, due to higher average variable interest rates over 2024. The ICR remains firmly above the 2.0x covenant.

Major covenants

	Covenant	Dec. 20	Dec. 21	Dec. 22	Dec. 23	Dec. 24
LTV	≤ 60.0%	29.2%	28.2%	28.7%	33.0%	33.8%
ICR	≥ 2.0x	7.2x	6.5x	6.3x	5.5x	5.1x

NSI is using swaps to hedge interest rate risk on variable rate loans. The volume hedge ratio has increased to 83.3% (internal target range: 70-100%) from 82.1% in December 2023. The weighted average maturity for the fixed rate loans is 4.2 years at the end of December 2024. The maturity hedge ratio is 112.1% (internal target range 70-120%).

Risk management and internal control

Governance

The Management Board is responsible for the organisation, implementation and functioning of the internal risk management and control systems that are geared to NSI's business activities. NSI has an adequate risk management and internal control system in place. The Board is however aware that risk management and control systems cannot provide an absolute guarantee with respect to achieving the business objectives and preventing significant errors, losses, fraud or the violation of laws or regulations.

The scope of the Supervisory Board's supervision includes the design and operation of the internal risk management and control systems. The Audit Committee supports the Supervisory Board in the performance of this supervision. The Management Board and the Supervisory Board consider effective risk management to be a critical success factor whereby the 'tone at the top' is crucial.

Ownership and management of all (identified) risks is assigned to the Management Board and is managed and monitored during the year in cooperation with senior management.

Strategy

Risk acceptance

Risk sectors

Strategic

- Macro-economic environment;
- Market value of properties;
- Change in tenant demand;
- Cost of capital and stock exchange listing;
- Concentration;
- Competition;
- Sustainability – transition;
- Sustainability – physical risk of climate change.

Operational

- Quality of employees;
- Execution development projects;
- Supply chain and project sourcing;
- Maintenance;
- Tenant satisfaction;
- Data integrity and cyber security;
- Calamities;
- Pandemic diseases.

Compliance

- Integrity code and rules;
- Fraudulent transactions;
- Sustainability and health and safety legislation;
- Governance.

Financial

- Reporting;
- Liquidity;
- Interest rate volatility;
- Credit and counterparty;
- Tax.

Risk and control framework
Policy and procedures

Risk assessment and monitoring

Strategy
NSI has a long-term investment strategy for its real estate investments and monitors the risks associated with its investment policy. Control measures have been implemented with regard to this policy and the monitoring of the ensuing results and effects. A system safeguarding the policy, guidelines, reporting systems and segregation of duties has been set up and put into operation in order to execute these control measures. The organisational structure and corporate strategy are focused on balancing maximisation of shareholder returns and serving the interests of all other stakeholders, with a balanced risk appetite.

Sustainability is an integral part of NSI's long term value creation strategy. Our business model is geared towards minimising our energy intensity and associated carbon footprint, offering and developing future-proof buildings and creating healthy, inspiring and flexible working environments for our tenants, guests and employees.

Risk acceptance and risk appetite
In general, the total risk appetite of NSI is cautious, weighing all risk sectors, namely strategic, operational, financial and compliance considerations. This is in line with the company's objective to generate consistent long-term results for its shareholders and other stakeholders such as its employees, tenants and suppliers.

NSI has a clear strategy whereby it is active in high-growth Dutch locations in selected key cities in The Netherlands. Its primary focus is on Amsterdam, in line with the global trend of urbanisation, with a well-defined asset strategy using clear acquisition and divestment criteria. NSI is selectively looking to acquire new office assets noting the initial signs of recovery of the real estate market, is progressing on its development pipeline and is considering investments beyond its core of offices with its "sector smart" strategic pillar. Inevitably, the implementation of the strategy involves incurring risk, hence the risk appetite in terms of strategy is open. The open risk appetite to commercial opportunities does not suggest an open risk appetite to leverage, as the company has an internal policy to stay well within the externally imposed limits.

Within this framework, NSI is prepared to accept risks associated with doing business in the constantly changing property market environment in a responsible and well-considered way, as well as in line with the interests of its stakeholders. Operational risks must be kept under control as much as possible, and NSI regularly reviews the effectiveness and efficiency of its operational processes for this purpose. The risk appetite for operational matters is cautious.

The overall risk appetite regarding financial risks is minimal. In matters like reporting, liquidity management, covering interest rate volatility, credit-and counterparty default and tax matters, NSI is strict on procedures and prudent in risk taking.

The risk appetite in terms of compliance is averse. NSI and its employees must act with integrity, honesty and in compliance with laws and regulations. NSI has also formulated clear principles for this which are laid down in various codes and regulations.

In summary, NSI's risk appetite is as follows:

Risk sector	Risk Appetite
Strategic	Open
Operational	Cautious
Compliance	Averse
Financial	Minimal

Risk and control framework
The NSI risk and control framework is based on the Enterprise Risk Management (ERM) model and the related COSO framework (developed by the Committee of Sponsoring Organizations of the Treadway Commission). The risk and control framework is assessed regularly; changes are made if required.

NSI has an adequate risk management and internal control system in place. An important element of the internal control system is a management structure that enables effective decision-making. Strict procedures are followed for the preparation of quarterly and annual reporting of results based on the company's accounting principles. Annual budgets are prepared and set by the Management Board and approved by the Supervisory Board. On a quarterly basis, updated forecast are prepared and discussed with the Supervisory Board. Based on an integrated ERP system combined with a data warehouse, Business Intelligence tools and other applications, the internal management reporting system is designed to track developments in all relevant parts of the financial and operational results, as well as monitoring company performance using key performance indicators.

A back-up and recovery plan is in place, making use of external data centres, to ensure that data is not lost in the event of a calamity or cyberattack.

The Audit Committee discusses the findings of the external auditor regarding the company's internal control environment with the Management Board and the external auditor. It also monitors compliance with recommendations and follow-up actions on comments made by the external auditor. Throughout the year, the findings of the internal audits were also discussed with the Audit Committee.

In the year under review all important decisions with regard to the acquisition, redevelopment and divestment of properties were discussed and assessed during regular meetings of the Supervisory Board.

In 2024 the risk and control framework was reviewed by the Management Board. Based on this review, the assessment of impact and likelihood was adjusted in some instances. Some risks have been redefined to better reflect the actual risk. The completeness of the identified risks was discussed with the Audit Committee.

Risk assessment and monitoring

NSI measures and assesses risks using tools including scenario analysis models in which the impact of variables can be set. The outcome of these models results in more awareness of the sensitivity of our business model and strategy. In addition, budgets and the periodically updated forecasts are based on the actual state of affairs in order to generate scenarios containing the most up-to-date information.

High-impact risks are risks that could have a material impact on NSI's income statement and / or the balance sheet, the company's financing covenants or its reputation.

Low impact risks have a limited impact on the company's results or financial position. Risks that have an average impact could have a large enough impact to require an explanation should they occur, although not large enough to have a material impact on results.

The likelihood of a risk occurring may be low but the possible impact may be high, as may be the case in the event of a large calamity. For this reason, NSI actively monitors risks that are less and more likely to occur. NSI monitors the high-impact risks more frequently. By monitoring throughout the year, NSI also assesses whether the estimated impact of all identified risks is still in line with the actual situation.

Risk management and control in 2024

In line with stabilising market conditions with, however, still lack of liquidity in the market, the valuation of NSI's properties was about at par with 2023.

Balance sheet management is well installed. In January 2024, the development project Laanderpoort, Amsterdam, was sold to ING.

Due to lower required funding, NSI terminated its secured loan with BerlinHyp. The first loan set to expire is now in January 2026, the average loan maturity is 3.5 years at 31 December 2024.

At the end of 2024 NSI reported an LTV of 33.8% and an ICR of 5.1x, well within the covenants of respectively maximum 60.0% for LTV and higher than 2.0x for ICR.

Internal audit

NSI appointed a third party to assist (co-sourcing) in fulfilling the internal audit function and engaged a specialized firm to do a scan on Treasury. This is not in line with best practice provision 1.3.1 of the Dutch Corporate Governance Code and a deliberate choice to balance audit expertise, relatively low required hours for internal audit activities, independence of the auditor to other activities at NSI and cost efficiency.

At the end of 2021, a new internal audit plan was drawn for the period 2022 to 2024. The plan is based on a high-level risk assessment of NSI's primary and supporting processes. The risk factors applied are based on qualitative factors like sensitivity to fraud, manual input, nature of the process, possible impact and number of transactions. This internal audit plan was discussed with and approved by the Audit Committee. For 2025 – 2027, an overall internal audit plan was also discussed and approved by the Audit Committee.

For key and / or high-risk processes, this was a full scope review, aimed at the effectiveness of the design of the process as well as the effectiveness of the control measures. For a full scope audit, extensive testing of control measures and transactions took place.

For medium or low risk processes a limited scope review was done, with a focus on reviewing the design of the control measures with limited testing of these measures.

Based on the outcome, an action plan was made to make adjustments or improvements to the internal control procedures. Follow-up audits were performed on an annual basis to review whether prior year management actions were indeed taken.

In 2024, the following processes were reviewed:
- Procurement to payment (full scope);
- Tax (limited scope);
- Governance and compliance (limited scope);
- Treasury (full scope / deepdive).

Overall, no significant findings were found in the audit of the design, implementation and operational effectiveness of the internal controls of the respective processes. Furthermore, a review of fraud risks in relation to the above-mentioned processes is also in scope of these audits. Also, no significant findings came out of this review process.

A follow-up review on the findings and recommendations of the processes reviewed from 2021 to 2023 (and not being part of review 2024) was also performed. The progress with respect to the follow-up of the prior year audits was: 85% of the recommendations were completed, whereas 15% is still in progress. None of the recommendations that are still pending are considered significant.

The results and findings of the audits were discussed with the Audit Committee, after which the outcome was shared with the external auditor.

Fraud risk assessment

The management of fraud risks is an integral part of NSI's risk management. In 2024, NSI has conducted a separate fraud risk analysis in order to assess whether potential fraud risks are adequately mitigated or controlled within NSI's internal control environment, to identify if there are any risks that are not (yet) adequately mitigated, and if there are shortcomings for which additional measures should be taken. Amongst others, for the fraud risk analysis, NSI used the information as presented in the publication by IVBN 'Beheersing van frauderisico's in de vastgoedsector' *(February 2018).*

As part of the fraud risk analysis, NSI organised a brainstorm session with all of its employees on the matter, leading to both input for the fraud overview and heightened awareness amongst the employees on acceptable behaviour. The fraud themes most mentioned by our employees relate to misuse of the expense policy, the procurement to pay process, possible theft of company property and dealings with suppliers in the investments and asset management process. No fully new topics were identified.

In the further fraud risk analysis, for each process / activity, the potential fraud risks that could apply, and the control measures that are already in place, were identified. Activities were categorized in three main categories for this purpose:

- General: Culture and Governance
- Primary processes/activities (including acquisitions and dispositions of assets, commercial and technical asset management and development of real estate);
- Supporting activities.

The main potential fraud risks related to our business are: anti-bribery and corruption (e.g. money laundering), transactions with fraudulent parties, self-enrichment and manipulation risk. This fraud risk analysis shows that, to the best of our knowledge, adequate mitigating measures are in place with respect to several fraud risks. The implemented segregation of duties and the way in which decision-making and power of attorney are embedded in a small organisation like NSI, contribute significantly to this. Furthermore, the assignment of external appraisers in the valuation process and the standardisation of processes and formats in general are also important mitigating measures in this regard.

The outcome and conclusions of the fraud risk assessment have been discussed in both the management board as the audit committee. As a result of this fraud risk assessment no major issues were observed.

Integrity code and rules

New employees and temporary staff receive NSI's Code of Conduct ((based on the Code of Conduct published by the IVBN), for which they have to sign-off. All employees need to (re-)confirm the Code of Conduct on an annual basis.

The Code of Conduct of NSI is also applicable to suppliers with respect to chain responsibility.

There have been no known incidents in relation to fraud or integrity in 2024.

Sustainability, health and safety

Sustainability is an integral part of NSI's long term value creation strategy. As a real estate company, our business is exposed to both transition and physical risks and opportunities related to climate change. NSI deems that both climate change risks could become more material due to rapidly changing (compliance and reporting) legislation. As part of our risk assessment process these climate risks are fully integrated and NSI has identified the possible mitigating measures to implement to control the climate and financial consequences of those risks.

Our sustainability ambitions are geared towards minimising our carbon footprint, offering and developing future-proof buildings and create healthy, inspiring and flexible working environments for our clients and employees.

Transition risks

For each individual asset the level of sustainability has been assessed, including the identification of further required improvements (including the financial impact) in line with our ambition. This also applies to all transformation and renovation projects.

We have improved the BREEAM credentials of our existing assets over the past years; as per yearend 2024 already 78% of the portfolio has a BREEAM score of 'Excellent' or 'Very Good'. NSI's portfolio is fully compliant with the energy label C obligation which has become effective as from 1 January 2023. As per yearend 2024 96.0% of NSI's operational portfolio has energy label A or better.

Physical risks

Based on the risk assessment on property level done in prior years, existing mitigating measures were mapped and measures that are needed additionally to mitigate the risks were determined and prioritised. Additional costs needed are included in the financial planning for the coming years.

Further detailed information on sustainability can be found on pages 13 to 27 on environmental, social and governance performance.

Reporting

Similar to the past three years, NSI's auditor PwC has provided a limited assurance opinion on the reported sustainability and non-financial KPIs (pages 116 to 117) for the financial year 2024. This limited assurance is an intermediate step in the transition to an integrated annual report, in which the full sustainability information will be in scope in line with the Corporate Sustainability Reporting Directive (CSRD) which is applicable for NSI as from reporting year 2025.

After having performed a high level gap analysis on CSRD readiness in 2022, NSI started with the double materiality assessment to determine its material ESG-topics in 2023. During 2024 this process was finalised, after which an in detail gap analysis is performed and a planning will be made to close the gaps before the CSRD reporting directive will be fully applicable to NSI .

Data and cyber security

The key applications supporting our business operation activities are SaaS solutions. The outcome of our review is that the risk of business interruption due to system failures is considered as low. Given the upgrade to a full cloud based IT-environment and the absence of any local servers, the added value to perform a penetration test again is low.

In 2024, NSI selected and changed to a new SOC / SIEM-provider (Security Information and Event Management / Security Operations Center). Having a strong SOC acts as a monitoring control for detecting and reporting any possible ransomware attacks or cyber security breaches. In 2024 no major issues were reported.

Dutch real estate tax regime - FBI

Legislation has now been passed such that as of 2025 FBI's can no longer directly invest in Dutch real estate. In 2023 NSI executed a necessary restructuring to limit the negative impact of this change.

NSI N.V. remained an FBI over 2024, yet as a result of the restructuring the group will pay tax in 2024 on its activities in the taxable entities.

Throughout 2024, the implementation of the restructuring was completed by amongst others a completed transfer pricing framework and tight corporate housekeeping. NSI has kept in contact with tax authorities on further implementation and fiscal regulations.

Strategic risk

Appetite	NSI pursues focus and growth (in defined locations) with a well-defined portfolio strategy by applying clear acquisition and divestment criteria. Within the framework, NSI is prepared to take risk inherent in the chosen strategy in a responsible way and in line with the interests of its stakeholders. Risk appetite can here be qualified as open.

Risk category	Description of risk	Mitigating measure	Assessment	
			Impact	Probability
Macro-economic environment **Executive responsible: CEO**	The wider macro-economic and geo-political landscape and outlook has structural and cyclical implications for overall business activity in the country. Real estate is a cyclical industry that is impacted by these changes in business activity, potentially impacting tenant demand and investment demand. In turn this may impact property valuations and so our balance sheet. It may also impact our occupancy rates and thereby also our earnings and cashflow position. A structural or temporary imbalance between global supply and demand dynamics at the macro level in general could result in high levels of inflation, with a possible impact on revenues and level of costs.	NSI invests only in the Netherlands, which historically has been politically and economically stable, and within the Netherlands NSI invests mostly in the G4 cities (Amsterdam, Utrecht, Rotterdam and The Hague) and Leiden (life sciences real estate). These cities are seen as most robust in terms of economic outlook and tenant demand and generally have the best levels of transparency and liquidity in the transaction market. Most of NSI's rental contracts include an indexation clause. With respect to expenses NSI has fixed price contracts for electricity and gas.	**Below average**	**High**
Market value of properties **Executive responsible: CFO**	The market value of properties is fundamental to a capital intensive business as NSI, in particular in the calculation of NAV. There is an inherent risk that the properties in the portfolio are incorrectly valued, which may result in a misstated equity position, misstated indirect results, reputational damage and the potential for claims due to false expectations being generated among stakeholders. In the markets in which NSI operates property yields are lower as a result of which valuations have become more sensitive to yield shifts. Appraisals currently hardly reflect any transition costs (sustainability capex) to Paris-proof. The risk is that this will increasingly happen the coming years, which for certain assets may lead to lower valuations.	The NSI property portfolio is externally appraised twice a year (on 30 June and 31 December) in line with the RICS valuation standards. NSI uses only a select number of reputable valuers to appraise its assets. NSI is focusing predominantly on high-quality properties in the G4, Eindhoven and Leiden which are the most liquid markets, so that relevant and up to date comparable transaction evidence generally exists. NSI also ensures its internal asset data information is up to date so that all the relevant data is available to support the valuation process. NSI uses an internal LTV target range as average over the cycle of between 35% - 40%, which is lower than the LTV debt covenant of 60%. This ensures that NSI has the capacity to absorb sudden adverse movements in asset valuations. For every asset in its portfolio, NSI has calculated the (financial) impact and has set a realistic timeline to stay below the CRREM-pathway. This is incorporated in a long term capex and maintenance plan. The effects are also included in asset business plans and buy/hold decisions as part of regular asset rotation. In the underwriting of potential new property acquisitions, as part of the due diligence, NSI will perform an impact analysis of costs and benefits to upgrade the respective property to Paris proof.	**Above average**	**High**
Change in tenant demand **Executive responsible: CEO**	Our clients recognise that in addition to facilitating, where appropriate, working from home, a high quality and healthy workplace environment is key to attracting and retaining talent. As a result, the focus is increasingly on better locations, better services, more flexibility and adherence to the highest ESG standards. Working from home may also result in our clients selectively using less space overall. Furthermore, continued urbanisation will see tenant demand structurally concentrate in fewer locations. Not being able to meet future tenant demand may result in structurally high vacancy levels, resulting in lower financial results and lower valuations of NSI's properties.	NSI is constantly evaluating whether its properties continue to meet the need of (potential) clients and whether changes are needed. NSI is focusing on high-quality, larger, efficient and sustainable properties in vibrant inner city locations or near transport hubs, mainly in the G4. We believe this is where our potential customers want to be located and can find the relevant talent to run their businesses and where NSI, because of the multi-functional, vibrant location and size of the properties is able to provide relevant services on a profitable basis.	**Below average**	**High**

Risk category	Description of risk	Mitigating measure	Assessment	
			Impact	Probability
Cost of capital / stock exchange listing **Executive responsible: CEO**	Any listed company, in particular in real estate, is to a certain extent dependent on its shareholders to provide it with an attractive cost of capital. There is a risk that elements of the business are deemed structurally unattractive or that any small cap discount might be applicable resulting in a structurally high overall cost of capital, which could impair the ability of the business to be further developed.	NSI has a clear strategy focused on long term value creation for all stakeholders. NSI runs a focused high quality portfolio on a cost efficient basis that should result in an attractive stable dividend. Furthermore NSI looks to generate value by active asset management, interesting acquisitions and by pursuing , value-add opportunities and a pipeline of profitable (re-) development opportunities. Furthermore, NSI follows an active Investor Relations strategy and focuses to provide transparency to contribute to an optimized cost of capital.	**High**	**High**
Concentration **Executive responsible: CEO**	A concentration of assets or activities in one market segment may result in a high correlation in the performance of these assets or activities.	Whilst concentration can have a significantly adverse impact on the overall business in certain unforeseen circumstances, NSI takes the view that concentration does not have to be a negative. it is better to be good in a few things in the most promising locations and develop regional market knowledge than being moderate in lots of markets. Whilst NSI's portfolio has become more concentrated in terms of location in recent years, there is still plenty of diversity in terms of micro-locations, tenant profile, size, lease terms and lease conditions.	**Low**	**Low**
Competition **Executive responsible: CEO**	By focussing on selective high-demand economic growth markets there is a risk that other investors see the same attractiveness of these locations and that competition for assets can be fierce. NSI offers a mix of space and services in locations where other landlords and serviced office operators are active. The risk is that the space / product of competitors is better, or more attractively priced.	NSI has built up an extensive local network in the industry. This, in combination with our execution power and financing capacity, means we see most to market opportunities. NSI believes property is about location, sustainability and services. We pursue leading positions in all of these, to make sure our product offering is competitive. NSI also pursues a strong relationship with its customers and tracks its NPS score to understand if it still meets customer needs.	**Below average**	**Above average**
Sustainability - transition **Executive responsible: CEO**	The risk whether a property is and will continue to be aligned to current and future sustainability requirements, be it customer-led or regulatory-led. NSI will have to be able to anticipate and respond to changing legislation and changing needs and expectations of our stakeholders with regard to sustainability standards, although these have not yet crystallised out. The risk of not being able to meet sustainability requirements could reduce the attractiveness of our properties (and as such the demand for and value of our properties) and impact our reputation, as well as the ability to attract new employees and the attractiveness of NSI's shares to (potential) shareholders. Worst case this could (for specific properties) result in the loss of our 'license to operate'.	The cost of sustainability and the transition to Paris Alignment is not solely a risk to the business, it is as much an opportunity. We identified this opportunity some time ago and sustainability has since been an integral part of our long-term value creation strategy. Sustainability is an opportunity for NSI as not all investors will have the knowledge, team or the capital to successfully transition their assets to Paris-aligned, in a way that we have prepared for this. Sustainability has many perspectives. Our efforts are geared towards minimising the energy intensity of our portfolio and our carbon footprint. NSI actively tracks the status of its portfolio with respect to (new) codes and rules in the field of sustainability. For potential acquisitions (and for all new developments), the due diligence process includes an assessment of whether the asset complies with all the relevant codes and rules. We operate all properties in line with our ISO 50001 Energy Management system ensuring we measure, manage and monitor our energy performance. NSI is has established a roadmap for each individual property, to stay below the Dutch office CRREM pathways, to reach our ambition of being Paris-aligned by 2035. NSI uses external parties to set-up and review its ESG reporting requirements. The external auditor provides limited assurance on the reported ESG data.	**Above average**	**Above average**
Sustainability - physical risk of climate change **Executive responsible: CEO**	Due to unfavourable climate changes there is an increasing risk of physical damage to our properties (which cannot be fully covered by insurance) and the inability to offer the required quality and comfort level to the occupiers of the properties. The risk of not being able to meet the climate challenges could reduce the competitiveness and as such the demand for our properties, which could have a negative impact on asset valuations and could result in reputational damage.	NSI regularly performs an assessment of the current and future impact of the four relevant physical risks with respect to our real estate portfolio (on an individual asset level) and the health and wellbeing of the occupiers of these properties. These physical risks consist of heavy rainfall and surface level flooding, river flooding and coastal surges, drought and heat stress. Based on this assessment to ensure risk mitigation, we redefine (improve) the building specifications & requirements (like quality of climate systems and water management systems) for both all refurbishments and new developments.	**Below average**	**Below average**

Operational risk

Appetite	NSI is actively managing its real estate portfolio, driving returns for shareholders through income generation and the pursuit of long term value-add. This comes in a mix of a stable pool of income-generating assets, in combination with asset rotation and the acquisition of potential (re-)development opportunities to provide potential growth. This implies a cautious risk appetite.

Risk category	Description of risk	Mitigating measure	Assessment	
			Impact	Probability
Quality of employees **Executive responsible: CEO**	An active real estate company relies on highly skilled employees to execute its strategic objectives. The risk is that NSI is unable to attract and retain talent (in particular key personnel) to further the business, due to the business strategy or wider reputation of NSI, but also due to shortages of qualified employees. A high employee satisfaction level and a good mental health of employees is key to the durable success of NSI.	NSI recognises recruiting and retaining the right employees is of the utmost importance. Management constantly evaluates the level and composition of staff in light of its strategy and execution thereof and takes action if / when needed. NSI encourages employees to invest in themselves, offering both in-house and external training programs, providing regular feedback on performance, and offering competitive levels of remuneration. On a regular basis, NSI performs an employee satisfaction survey to obtain insight on how employees experience the working environment and culture. Based on the outcomes, actions for improvement are identified and rolled-out. NSI recognises that a healthy work-life balance and having a meaningful role is the basis to having happy and productive employees. NSI recognises that selective work from home can contribute to this.	**Above average**	**Above average**
Execution development projects **Executive responsible: CEO**	This is the risk that NSI may not be able to successfully turn the development plans into profitable, attractive investment assets on completion related to factors like project management, stakeholder management, timing of activities, unidentified issues and / or inappropriate product and service offering to meet evolving occupier needs (including sustainability expectations and requirements). This may result in weak leasing performance, reduced or delayed property returns and below target asset values at completion.	NSI has established an internal development department to ensure adequate project development skills, know-how and experiences. Before any (re-)development project is started, all potential project risks are identified and assessed and - where possible - quantified in a risk budget. This risk assessment is periodically updated at the end of each project phase. External advisors / specialists are consulted as part of this risk assessment. When the return prospect of a project meets the internal hurdle rate, taking into account all costs (including a risk provision) and planning timelines, a project will receive approval for proceeding to the next phase. NSI could also decide to pause or to terminate a project before construction start based on the risk assessment. For each phase, NSI is evaluating whether the planning has to be adjusted and what the consequences may be on quality, timing, execution and profitability of the project. During construction, NSI will use an external party for construction management to monitor timing, quality and costs of the development project against the planning. Finally, NSI regularly reviews the medium and long term development pipeline and prioritises planning and execution of potential projects based on potential profitability, complexity and current market circumstances.	**Above average**	**Below average**
Supply chain and project sourcing **Executive responsible: CEO**	During execution of development and maintenance activities, unexpected circumstances in the supply chain may occur like scarcity of materials, lack of resources (e.g. labour, advisors and contractors) and increasing market prices. Supply chain disruption may also result in the default of financially weaker (sub)contractors. This may have a negative consequence in terms of timing and profitability of these activities.	External advisors / specialists are regularly consulted to monitor (changing) market conditions. The financial standing and quality of references of contractors and subcontractors is reviewed prior to awarding contract(s). Within reason NSI aims to build in sufficient margin to absorb possible price changes or delays in projects or maintenance.	**Above average**	**Below average**

Risk category	Description of risk	Mitigating measure	Assessment	
			Impact	Probability
Maintenance **Executive responsible: CEO**	Real estate requires regular maintenance and needs to be kept up to modern standards to remain attractive for potential tenants or buyers. Potentially there is a trade-off between delaying maintenance to drive short term profits and long term value creation at a short term cost to results, with the risk that necessary maintenance is delayed.	NSI prepares a multi-year maintenance planning for all assets. This is based on the input of tenants, suppliers, inspections (by third parties) and NSI's own technical department, taking into account NSI's sustainability ambitions. A minimum precondition is that all properties have to comply with all prevailing laws and regulations. NSI complies with the minimum C-label EPC requirement as per January 2023. NSI is using suppliers with a good reputation in order to safeguard the quality and reliability of the building works.	**Below average**	**Below average**
Tenant satisfaction **Executive responsible: CEO**	The risk that rental income is impacted as a result of tenants not extending their contracts upon expiry, or by not signing leases to begin with, as a result of a low tenant satisfaction score that is widely acknowledged in the industry, increasing the vacancy ratio.	To mitigate vacancy risk, NSI pursues a multi-tenant strategy, aiming for long term contracts and a staggering of lease maturities to reduce vacancy risk. NSI is actively engaging with its customers and timely anticipates maturing lease contracts, whilst regularly monitoring tenant satisfaction. NSI is investing in its assets and its services in order to attract, retain and satisfy clients. When tenants do not renew their lease contract, NSI aims to have exit interviews to get valuable insights in the reasons why tenants are leaving.	**Below average**	**Below average**
Data integrity and cyber security **Executive responsible: CFO**	Professionally managing and controlling risks associated with the continuity, availability, functioning and security (including compliance with prevailing privacy legislation) of the internal and external IT infrastructure and applications is of vital importance to NSI. The implication of not fully controlling IT risks (such as disruptions due to cybercrime) is that systems supporting the primary business processes may not be available and lead to the loss of relevant information or unauthorised access to information by third parties, with damage to reputation and image as a consequence. One consequence is that NSI may not be able to report internally or externally in a timely or correct way, which may have a negative impact on the decision-making process.	NSI focuses extensively on the security, continuity, quality, and availability of its information systems and data whereby it is advised by external parties. In the unlikely event of a calamity, there are procedures in place outlining regularly tested fallback and recovery scenarios, minimising the impact of disruption on the organisation. Business continuity and security are further supported by all core applications being cloud based.	**Below average**	**Above average**
Calamities **Executive responsible: CEO**	The risk of a calamity giving rise to extensive damage to one or more properties or to personal injury of people in the property, resulting in the potential loss of rental income, a lower direct and indirect result, and claims and legal proceedings by tenants. Reputational damage is also a risk.	Internal processes and procedures have been set up by NSI which are firstly aimed at preventing calamities. Regular checks of the processes and procedures by internal and external experts ensure constant improvement and reducing the probability of calamities. Fire protection and access / security procedures are in place in all of our properties. Furthermore NSI is insured against damage to its real estate, liability and loss of rent during periods of reconstruction and rental lease terms common in the industry. Coverage against terrorism, floods and earthquakes is limited due to current market practice. The cover of risks is compared against the premium cost on an annual basis. Local insurance policies on a property are covered by an overall uniform umbrella insurance policy.	**Below average**	**Low**
Pandemic diseases **Executive responsible: CEO**	Pandemic diseases, such as the Covid-19 outbreak, could lead to economic recession and affects both people and assets. This risk can threaten the safe operation of NSI's properties, cause disruption of business activities and impact the well-being of our tenants as well as our staff. This may negatively impact the demand for office space, or the ability of our tenants to meet their rental obligations and may also result in a delay in the execution of development projects. As such the risk can have a material adverse effect on our earnings, cash flow and financial condition.	We seek to obtain the best possible information to enable us to assess the impact of such threats and risks. We conduct assessments for all our properties and activities, and implement appropriate measures to avoid, detect and respond to such risks.	**Below average**	**Below average**

Compliance risk

Appetite	NSI strives to fully comply with laws and regulations, meaning the risk appetite is averse.

Risk category	Description of risk	Mitigating measure	Assessment	
			Impact	Probability
Integrity code and rules **Executive responsible: CEO**	Unethical behaviour and breaches of applicable legislation and regulations, both by NSI staff as well as in NSI's supply chain, could result in reputational damage, claims and legal proceedings, leading to higher costs and a lower result.	NSI has a general Code of Conduct and related regulations in place. NSI complies with the Dutch Corporate Governance Code and the Financial Supervision Act (Wet op het financieel toezicht). The Internal codes are updated regularly in line with new legislation or other relevant changes in the market place. All employees are regularly trained in the applicable rules, including the Code of Conduct, the Compliance Code, the regulations applying to the Management Board and the regulations applying to the Supervisory Board and its committees. Procedures have been set up to ensure compliance, including signing an attestation by all employees on an annual basis.	**Below average**	**Low**
Fraudulent transactions **Executive responsible: CEO**	The risk of NSI doing business with parties that are found not to operate in good faith, are fraudulent or have a bad reputation. It also concerns the risk of our employees being part of a fraudulent transaction. Both can have a negative impact on the results and reputation of NSI.	NSI only wishes to do business with parties of good standing and reputation. A KYC check is a fixed element in the due diligence process for acquisitions and divestments, as well as for new lease contracts, new suppliers or for entering new partnerships. NSI has a Code of Conduct, which periodically has to be signed by each individual employee. Furthermore, NSI has a whistle-blowers' policy to enable employees to report any activity that he / she considers dishonest or illegal.	**High**	**Low**
Sustainability and health and safety legislation **Executive responsible: CEO**	The risk that the portfolio does not comply with prevailing laws and regulations in the field of Sustainability and Health and Safety. This could result in a situation in which properties can no longer be used (occupied) and/or fines are imposed resulting in a negative impact on the value and marketability of the real estate properties. It could also result in reputational damage.	NSI is continuously checking the status of its current property portfolio with respect to (new) codes and rules in the field of Sustainability and Health and Safety. In the case of new acquisitions or developments, the due diligence process also includes an assessment of whether the asset complies with all the relevant codes and rules. NSI includes a standard provision in its lease contracts that tenants must obtain owner's approval before embarking on internal renovations (so that NSI can assess if the plans allow it to meet its own obligations such as fire safety). Lease contracts also stipulate that the tenant is responsible for any consequences as a result of these renovation works.	**Above average**	**Below average**
Governance **Executive responsible: CEO**	In 2024, First Sponsor Group Limited has attained a significant shareholding in NSI (> 15%) and its CEO has been appointed to the Supervisory Board of NSI. There is a risk of potential conflict of interest with an SB member who is simultaneously CEO of a direct competitor. Also, there is a risk that FS – through its SB position - gains access to confidential information of NSI and uses this information to gain a competitive advantage over NSI in a bid for an acquisition or a leasing transaction.	To manage and prevent negative consequences for the company due to potential conflicts of interest, First Sponsor and NSI have entered into a relationship agreement to clarify how it will cooperate to serve the interest of all stakeholders.	**Above average**	**Below average**

Financial risk

Appetite	NSI has a conservative financial policy, meaning the risk appetite is minimal.

Risk category	Description of risk	Mitigating measure	Assessment	
			Impact	Probability
Reporting **Executive responsible: CFO**	The reporting risk relates to the impact of incorrect, incomplete or untimely available information (internal and external), amongst others caused by constantly evolving requirement and legislation, which may impact decision making or lead to reputational damage and potential claims due to late or misleading statements to stakeholders.	NSI prepares and monitors a budget, investment budget and liquidity forecast, all of which are compared and updated with actual results on a quarterly basis. Reports are reviewed by management, as well as by finance and operational teams. Systems have been devised in such a way that checks can be performed on the data to safeguard the consistency and reliability of information. The half-year results are assessed by an external auditor prior and the full annual accounts are audited by the independent auditor. NSI employees regularly attend courses and meetings to be informed of all relevant laws and regulations so that all information produced by NSI complies with prevailing laws and regulations.	**Low**	**Below average**
Liquidity **Executive responsible: CFO**	Debt financing carries refinancing risks. The risk is that there is insufficient liquidity in place to meet the company's obligations at the moment of interest payment or repayment, meaning that the company suffers reputational damage or is subject to potential additional financing costs, which may lead to a lower direct result. In the worst case, such a situation may lead to the default of one or more loans, or bankruptcy of the company. Risks related to not meeting financial covenants applicable to the various debt arrangements. The risk is also a lack of (re)financing availability due to increased ESG-requirements as a condition for providing funding by our financing partners, which NSI may not be able to meet. Furthermore the limited depth of the local Dutch financial industry in terms of number of actors in connection with NSI's own relatively small size potentially limits the possibility to attract new unsecured funding.	To limit liquidity risk, NSI has a strategy to diversify its external financing in terms of loan types, types of lenders, the maturity profile of its loans and repayment dates. NSI also has access to a flexible revolving credit facility (under which penalty-free redemption and drawdown of funds to agreed amounts are permitted). NSI addresses upcoming (re)financing maturities timely in order to decrease the risk associated with (re)financing and maintains a good and transparent working relationship with its financiers. NSI prepares a liquidity forecast at least on a quarterly basis, in which it performs stress tests and uses scenario analyses to closely monitor its performance and financial indicators in relation to its financial and non-financial covenants and reports on this by means of compliance certificates. In extreme cases additional equity may be issued to deal with impending liquidity issues.	**Above average**	**Above average**
Interest rate volatility **Executive responsible: CFO**	Interest rate risks result from fluctuations in market interest rates. These fluctuations could potentially affect the interest expense in its financial reports and the market value of its derivative financial instruments.	NSI, as a long term investor in real estate, is aiming to secure debt financing on similarly long maturities. NSI is using hedging instruments to manage the interest rate risks on variable rate debt. NSI does not intend to speculate on interest rates.	**Above average**	**Above average**
Credit and counterparty **Executive responsible: CFO**	Credit/counterparty risk exists when parties which have a debt to NSI are unable to meet their obligations to the company.	In general, the risk is mitigated by the fact that NSI has a large number of tenants throughout a variety of sectors. For every tenant NSI performs a creditworthiness check before entering into a lease. NSI is pro-actively monitoring its current tenant roster based on external information, on a regular basis, to assess whether changing circumstances have an impact on the overall tenant risk profile. NSI is pro-actively managing its debtor outstanding balances. In the case of financial counterparty risk, NSI only works with reputable financial institutions for its funding and hedging. In the case of suppliers a credit check is done in advance and furthermore NSI only works with reputable partners.	**Low**	**Below average**

Risk category	Description of risk	Mitigating measure	Assessment	
			Impact	Probability
Tax **Executive responsible: CFO**	NSI has the status of a Dutch REIT (known in The Netherlands as an FBI) in accordance with section 28 of the Dutch Corporate Income Tax Act 1969 (Wet op de Vennootschapsbelasting 1969). This means that NSI is subject to corporate income tax at a rate of 0%, provided that certain conditions are met. In January 2025 legislation will come into effect that an FBI can no longer directly invest in real estate. As a result, as of 2025, NSI will have to hold all its real estate in subsidiary entities that are subject to normal corporate income tax. The FBI status remains conditional to specifics of regulations and dependent on NSI continuing to fulfil all necessary requirements. In 2019 section 2.9a of the Dutch Corporate Income Tax Act 1969 was updated to include a generic limitation on the deductibility of interest cost for tax purposes. Since January 2022 interest cost can only be deducted up to the higher of 20% of adjusted profit, or EUR1m. Many of NSI NV's subsidiary entities which are subject to normal corporate income tax are impacted by this 'earnings stripping' measure. A material change in the tax legislation could have a significant adverse effect on NSI, its results or financial position.	In 2023 NSI restructured its activities in anticipation of the upcoming 2025 legislation change, introducing both a transfer pricing framework and an intercompany financing framework. As a result, NSI NV already started paying tax at an effective rate of 3-5% in 2023 and again in 2024, yet a € 38m deferred tax asset was accounted for because of this restructuring. This deferred tax asset is a significant positive to the business in the long term. Further changes on the legislative front by the Dutch government in 2025 or later cannot be excluded. Legislative changes relate to 'anti-fragmentation' with respect to the 'earnings stripping' measure. NSI follows the ongoing debate intensely and will act, when necessary, in the best interest of its stakeholders.	**Above average**	**High**

IFRS Accounting Standards

In accordance with European and Dutch laws and regulations NSI has prepared its financial statements for the 2024 financial year based on IFRS Accounting Standards as adopted in the European Union. The IFRS result after tax includes unrealised movements in the value of real estate as well as changes in the fair value of derivatives.

NSI has decided to continue to report both its direct and indirect investment results in addition to its IFRS result as it believes that these figures provide an important distinction.

In the view of the Management Board the direct investment result is relevant information for investors and shareholders which provides a better insight into structural, underlying results than the IFRS result which also includes unrealised movements. Furthermore, NSI reports figures and indicators based on the guidelines published by the European Public Listed Real Estate Association (EPRA). These results are included in the overview that is not a part of the IFRS statements.

Management statement

The effectiveness and functioning of the internal risk management and control systems are discussed each year with the Audit Committee and the Supervisory Board. Taking into account the aforementioned risks and the measures designed to manage them, and in accordance with the best practice provision I.4.3. of the Dutch Corporate Governance Code, the Executive Board declares that to the best of its knowledge:

- the report provides sufficient insights in the effectiveness of the internal risk management and control systems and into any failings thereof;
- the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and
- the section on risk management in the report states those material risks and uncertainties that are relevant to the expectation of the company's continuity for the period of twelve months after the preparation of the report."

With reference to Section 5.25c(2c) of the Financial Supervision Act (Wft), the Management Board declares that to the best of its knowledge:

- the financial statements give a true and fair view of the assets, liabilities, financial position and profit of NSI and the companies included in the consolidation;
- the management report gives a true and fair view of the situation on 31 December 2024, the state of affairs at NSI and its affiliated companies during 2024, the details of which are presented in the financial statements, and that the management report describes the fundamental risks facing the company.

Other matters

Information specified in Article 10 section 1 a - k of the EU Takeover Directive

EU Directive 2004/25/EC of 21 April 2004 (Takeover Directive) requires that companies the securities of which are admitted to trading on a regulated market publish detailed information in their annual report about the matters listed in paragraph 1 of Article 10 of the Directive. The following section contains this information about NSI.

a Capital structure, classes of shares, rights and obligations attached to shares

The authorised capital of the company is EUR 99,568,556.46 and is divided into 27,056,673 ordinary shares, each with a nominal value of EUR 3.68). At 31 December 2024, 20,155,221 shares were issued and fully paid up. Of these shares, 1,034,629 have been repurchased by the company during 2024, and which are held by the company as treasury shares per year-end 2024. The capital does not include securities which are not admitted to trading on a regulated market in a Member State.

Classes of shares

There are no different classes of shares. All shares have equal entitlement to the company's profit and reserves. Shareholders have the right to cast one vote for each ordinary share held. The treasury shares have no voting rights, nor any entitlement to dividend distributions.

Rights attached to shares

The rights vested in the shares are laid down in the Company's Articles of Association, which may be inspected on NSI's website. All shareholders shall be authorised – either in person or through a person with a written proxy – to attend the General Meeting, speak at the meeting and vote at the meeting. This does not apply to treasury shares held by NSI. Shareholders who individually or jointly represent at least three percent (3%) of the company's issued share capital may request that items be added to the agenda of the General Meeting of Shareholders. Such a request is granted if it is received in writing at least 60 days before the meeting, stating the reasons for said request.

Obligations attached to shares

Unless the provisions of article 2:80 of the Dutch Civil Code apply, the nominal amount shall be paid on a share when subscribing for that share, as well as the difference between the nominal amount and a higher amount if the share is subscribed for that higher amount.

Payments on shares must be made in cash unless an alternative contribution has been agreed upon. Payments in another currency than in which the nominal value of the shares is denominated can only be made upon approval by the company.

b Restrictions on the transfer of shares

NSI has not placed any restrictions on the transfer of its shares.

c Significant shareholdings

Notifications pursuant to the Dutch Disclosure of Major Holdings and Capital Interests in Securities-Issuing Institutions Act were received from holders of ordinary shares representing more than 3% of the company's capital. According to the most recent notifications, these interests were as follows:

	31 December 2024	31 December 2023
First Sponsor Group Limited	22.0%	<3.0%
Compass Asset Management SA	5.1%	<3.0%
NSI N.V. (Treasury shares)	5.0%	0.0%
BlackRock, Inc.	3.0%	5.8%

d Securities with special control rights

No securities with special control rights have been issued.

e The system of control of employee share schemes

There is no employee share scheme granting rights to employees to acquire shares in the company or any of its subsidiaries.

f Restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities

Shareholders may cast their votes in person or by proxy. All resolutions of the General Meeting of Shareholders are passed with an absolute majority of the votes cast, unless a larger majority is required by law or under the Articles of Association.

Deadlines for attending and exercising voting rights in General Meetings of Shareholders

Shareholders – and those deriving their right to attend or to attend and vote from shares for other reasons – shall notify the Management Board of their intention to attend no later than the date stated in the notice convening the meeting and in the manner stated in that notice in order to be allowed to attend the General Meeting and (to the extent that they have a vote) to be allowed to participate in voting.

The notice convening the meeting shall state the date by which the Management Board must have received the notification and the manner in which this notification must be given; this date may not be earlier than on the seventh day before the day of the General Meeting.

NSI does not cooperate with the issuance of depositary receipts for its shares.

g Shareholder agreements resulting in transfer or voting restrictions

The company is not aware of any agreements between shareholders that may result in restrictions on the transfer of shares or restrictions on the exercise of voting rights within the meaning of Directive2001/34/EC.

h The rules governing the appointment and replacement of board members and the amendment of the articles of association;

Appointment and replacement of management board members

The company is managed by a Management Board consisting of two members.

The General Meeting shall appoint and dismiss the members of the Management Board. Each member of the Management Board will be appointed for a term of not more than four (4) years, and shall be eligible for re-election.

The General Meeting may suspend or dismiss a member of the Management Board at any time, providing the resolution to that effect is passed with a majority of at least two thirds of the votes cast that also represents more than half of the issued capital.

The Supervisory Board shall be authorised to suspend any member of the Management Board at any time.

Appointment and replacement of Supervisory Board members

The members of the Supervisory Board shall be appointed by the General Meeting. A Supervisory Board member is appointed for a period of four years and may then be reappointed once for another four-year period. The Supervisory Board member may then be reappointed again for a period of two years, which appointment may be extended by at most two years.

At the General Meeting only candidates whose names are stated on the agenda of the meeting can be voted on for appointment as member of the Supervisory Board.

Each member of the Supervisory Board can at all times be suspended or removed from office by the General Meeting. A resolution to suspend or remove a member of the Supervisory Board requires a majority of two thirds of the votes cast, representing more than one half of the issued capital of the company.

Amendment of the Articles of Association

If a proposal to amend the Articles of Association is put to the General Meeting, that proposal shall always be stated in the notice convening the General Meeting.

The shareholders shall be given the opportunity to obtain a copy of the proposal, from the day when the proposal is filed at the company's offices until the day of the General Meeting. These copies shall be provided free of charge.

A resolution to amend the Articles of Association may only be passed by a simple majority of the votes cast at a General Meeting.

i The powers of board members, and in particular the power to issue or buy back shares

The Management Board is tasked with managing the company, in accordance with the law and the articles of association which may require the Management Board to obtain prior approval of the general meeting or of the Supervisory Board before making a decision or perform legal actions. The Management Board shall represent the company, unless Dutch law provides otherwise.

Issuing of shares in general

Shares can only be issued pursuant to a resolution of the General Meeting if the General Meeting has not designated this authority to another corporate body of the company for a period not exceeding five years. Unless otherwise decided, the designation cannot be revoked. The designation may be extended from time to time, for periods not exceeding five years. A resolution of the General Meeting to issue shares or to designate another corporate body of the company authorised to do so can only take place at the proposal of the Management Board and after prior approval of the Supervisory Board.

The resolution to issue shares shall stipulate the price and further conditions of the issue of the relevant shares.

Upon the issue of shares, each holder of shares shall have a preferential right to subscribe for shares being issued in proportion to the aggregate nominal amount of his existing shares, unless such right is withheld by mandatory provisions of the law.

The preferential right can be limited or excluded by the General Meeting subject to the formalities prescribed by law or by the corporate body of the company authorised to issue shares if it has been given this authority.

Buyback of shares in general

The company may acquire shares in its own share capital for no consideration. The company may also acquire shares in its own share capital for valuable consideration if and in so far as:

- **a** its shareholders equity less the purchase price for these shares is not less than the aggregate amount of the paid up and called up capital and the reserves which must be maintained pursuant to the law;
- **b** the aggregate par value of the shares in its capital which the company acquires, already holds or on which it holds a right of pledge, or which are held by a subsidiary company, amounts to no more than one-tenth of the aggregate par value of the issued share capital; and
- **c** the General Meeting has authorised the Management Board to acquire such shares, which authorization may be given for no more than eighteen months on each occasion.

Any acquisition by the company of partly paid-up shares in its own capital or depositary receipts for those shares shall be null and void, notwithstanding the provisions of article 2:98 paragraph 6 of the Dutch Civil Code.

Powers of board members, to issue or buy back shares
In the General Meeting of Shareholders of 19 April 2024 the Management Board was authorised to:

- issue ordinary shares including the granting of rights to acquire ordinary shares after having obtained approval from the Supervisory Board limited to a maximum of 10% of the outstanding number of shares on the date of issue. This authorisation was 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. The Management Board was also 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 to do so from the Supervisory Board).

- 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 was 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.

j Change of control agreements
The agreements that NSI has with its financiers include the provision that in the event of a change in the control of NSI, the financiers have the possibility of demanding that the loans be redeemed early. This could for instance come into effect after a successful public offer for the NSI shares.

k Agreements between the company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid
The board agreements with members of the Management Board contain specific provisions regarding benefits upon termination of those agreements. Severance arrangements are limited to one year's base fee. No severance payment will be made if the agreement is terminated early on the initiative of the Management Board member or in the case of serious imputable or negligent behavior.

The draft 2025 Remuneration Policy - which will be put up for voting in the 17 Apil 2025 AGM - contains a change of control clause, which provides for immediate vesting at 100% (i.e. "at target", irrespective of the actual performance) and lifting of the holding period, to enable the Members of the Management Board to dispose of their shares in the situation of a change of control. The immediate vesting at 100% will be pro rata for the time passed in the plan during the vesting period of three years (i.e. 1/3 in year one, 2/3 in year two, full in year three).

This change of control clause applies irrespective of whether or not the employment ceases and if it ceases whether or not it ceases because of a takeover bid**.**

The Company has made no other agreements with members of the Management Board or employees that provide for remuneration upon termination of employment resulting from a public bid within the meaning of Article 5:70 of the Financial Supervision Act.

Amsterdam, 6 March 2025

The Management Board
Bernd Stahli, *CEO*
Elke Snijder, *CFO*

Governance

Content

Corporate governance

Introduction
In this section NSI sets out a broad outline of the company's corporate governance and publishes detailed information about the matters specified in Article 10 section 1 a-k of the EU Takeover Directive.

Corporate Governance Code
As a public limited liability company in the Netherlands, NSI is subject to the Dutch Corporate Governance Code. The current Code was published on December 20th, 2022. A detailed overview of the manner in which NSI complies with the provisions of the Dutch Corporate Governance Code and an explanation why or where NSI derogates from best practice provisions is published on the company website. NSI complies with all best practice provisions of the Dutch Corporate Governance Code, apart from best practice provision 1.3.1. The following section gives a broad outline of the company's corporate governance following the principles stated in the Dutch Corporate Governance Code.

Outline of NSI's corporate governance
NSI N.V. is a Dutch public limited liability company listed on Euronext Amsterdam and has its registered seat in Amsterdam, the Netherlands. NSI has a two-tier structure, with a Management Board and a non-executive Supervisory Board. The company's highest authority is the General Meeting of Shareholders which is held at least once a year.

1. Sustainable long-term Value Creation

1.1 Introduction
The management board is responsible for the continuity of the company and its affiliated enterprise and for sustainable long-term value creation by the company and its affiliated enterprise. The management board takes into account the impact the actions of the company and its affiliated enterprise have on people and the environment and to that end weighs the stakeholder interests that are relevant in this context. The supervisory board monitors the management board in this regard. In the management board report, the management board gives a more detailed explanation of its view on sustainable long-term value creation and the strategy for its realisation, as well as describing which contributions were made to sustainable long-term value creation in the past financial year.

1.2 Risk management
The company has adequate internal risk management and control systems in place which are described in more detail in the chapter Risk management and control. The Management Board is responsible for complying with relevant laws and regulations, for identifying and managing the risks associated with the company's strategy and activities and for financing the company.

The Management Board reports to the Supervisory Board and the General meeting of Shareholders.

1.3 Internal audit function
The task of the internal audit function is to assess the design and the operation of the internal risk management and control systems. The management board is responsible for the internal audit function. The supervisory board oversees the internal audit function and maintains regular contact with the persons fulfilling this function.

NSI has a comprehensive Internal Audit program and yearly executes several Internal Audits that are conducted by BDO accountants and reported to and discussed with the Audit committee. As is the case with many small, listed companies in the Netherlands, NSI has no separate department for the internal auditor function as specified in best practice provision 1.3.1. The Supervisory Board assesses annually whether the alternative set up and measures that have been taken by the Company are adequate, partly on the basis of a recommendation issued by the audit committee and considers whether it is necessary to establish an internal audit department and includes the conclusions, along with any resulting recommendations and alternative measures, in the report of the Supervisory Board.

1.4 Risk management accountability
The management board discusses the effectiveness of the design and operation of the internal risk management and control systems with the Audit committee and renders account of this to the Supervisory Board.

1.5 Role of the Supervisory Board
The primary duty of the Supervisory Board is to supervise the policies carried out by the management board and the general affairs of the company and its affiliated enterprise, as well as to advise the Management Board. In the performance of its duties, the Supervisory Board focuses on the interests of the company and its affiliated enterprise and on the effectiveness of the company's internal risk management and control systems and the integrity and quality of the financial reporting.

1.6 Appointment and assessment of the functioning of the external auditor
The external auditor is appointed by the General Meeting of Shareholders and attends the meeting of the Supervisory Board at which the financial statements are discussed and adopted in the presence of the Management Board. With respect to the financial year 2024, NSI publishes audited annual figures and reviewed semi-annual figures. NSI publishes a trading update for the first and third quarters, neither of which is reviewed or audited by the external auditor. PricewaterhouseCoopers Accountants N.V. was appointed as NSI's external auditor in 2016.

1.7 Performance of the external auditor's work
The audit committee and the external auditor discuss the audit plan and the findings of the external auditor based on the

work the external auditor has undertaken. The Management Board and the Supervisory Board maintain regular contact with the external auditor.

2. Effective Management and Supervision

2.0 Policy on Diversity & Inclusion(D&I)

The company has a D&I policy for the enterprise. The D&I policy sets targets in order to achieve a good balance in gender diversity and the other D&I aspects of relevance to the company with regard to the composition of the management board, the supervisory board, and senior management.

For the degree of diversity in gender and gender identity in the Management Board, NSI applies a target of 50%. The target is that at least 50% of the Management Board consists of women or persons who identify themselves as women in terms of gender and that at least 50% of the Management Board consists of men or persons who identify themselves as men in terms of gender.

This target is based on the current target size of the Executive Board of two people.

In the event of a vacancy in the Management Board, when the Management Board consists of one person, the target figure does not apply.

From January 1, 2024, to April 30, 2024, there was a vacancy in the CFO position, during which time the Management Board consisted of one person and the target figure did not apply.

As of May 1, 2024, the Management Board comprises of 50% male and 50% female members.

For the degree of diversity in gender and gender identity in the Supervisory Board, NSI applies a target of 33.3%, in accordance with Paragraph 2:142b Dutch Civil Code. The target is that at least 33.3% of the Supervisory Board consists of women or persons who identify themselves as women in terms of gender and that at least 33.3% of the Supervisory Board consists of men or persons who identify themselves as men in terms of gender.

As per 31st December 2024, the Supervisory Board is comprised of 40% female and 60% male members.

For the degree of diversity in gender and gender identity in Senior Management, NSI applies a target of 25%. The target is that at least 25% of Senior Management consists of women or persons who identify themselves as women in terms of gender and that at least 25% of Senior Management consists of men or persons who identify themselves as men in terms of gender. As per 31st December 2024, Senior management was 33.3% female and 66.6% male.

2.1 Management Board Composition, size and division of duties

The Management Board consists of two directors: a CEO and a CFO.

Directors are appointed by the General Meeting.

The procedure for appointment and reappointment is specified in section (h) below.

The division of duties within the Management Board as well as the Board's operating procedures are set out in the Articles of Association and the Management Board regulations which are made available on the company's website. The functioning of the Management Board as a collective and the functioning of individual members is evaluated yearly.

2.2 Supervisory Board Composition and size

In accordance with the company's Articles of Association, the Supervisory Board consists of at least three members. Members are appointed by the General Meeting of Shareholders. The Supervisory Board currently comprises five members. The procedure for appointment and reappointment is specified in section (h) below.

The profile of the Supervisory Board specifies the size, diversity and independence of the board and the desired expertise and background of the Supervisory Board members and which competencies should be represented in the Board. The profile is published on the company's website. The Supervisory Board strives to achieve a situation in which the experience and expertise of its members are appropriate in relation to the strategy and business activities of NSI, and cover specific areas of expertise, like financial management, sustainability and IT. The experience and expertise of the individual Supervisory Board members is detailed on pages 60 and 61 of this annual report.

Pursuant to Paragraphs 3.2 and 3.5 of the Relationship Agreement between First Sponsor Group and NSI FS may propose a person to be nominated to the AGM for appointment as member of the Supervisory Board, which proposal shall then be assessed by the NSI Supervisory Board on the basis of the profile of the Supervisory Board, the pertaining diversity requirements and other considerations following from applicable laws and regulations, including Dutch (corporate) law, the Dutch Corporate Governance Code, and NSI's policies

The Supervisory Board is composed in such a way that its members can operate independently and critically with regard to each other, the Management Board and any interests involved. As a group, the Supervisory Board is currently independent within the meaning of best practice provisions 2.1.7 and 2.1.8 of the Dutch Corporate Governance Code. One member of the Supervisory Board is a Board Member with a company holding more than 10% of the shares of NSI (actual 22%). With this composition, the majority of the Supervisory Board is independent (compliance with provision 2.1.7ii) and of the shareholder holding more than 10% of the shares, one board member is part of the Supervisory Board (compliance with provision 2.1.7iii).

2.3 Supervisory Board organisation and division of duties

The division of duties within the Supervisory Board as well as its operating procedures are laid down in the company's Articles of Association and the Supervisory Board regulations, both of which are made available on the company's website. In addition, the dynamics with the dependant Supervisory

Board member have been further agreed upon in a relationship agreement. This agreement is available on the website. The Supervisory Board has appointed an Audit Committee, a Remuneration Committee and a Selection and Appointment Committee from within its ranks. The regulations of these committees are also available on the website.

Pursuant to Paragraph 3.3 of the Relationship Agreement, for as long as the FS Supervisory Board Member is in office, FS shall have the right to appoint an observer to the Supervisory Board (the "Observer"). FS may at its discretion and at all times dismiss the Observer. The Observer may join and participate in Supervisory Board meetings, and any meetings of NSI Supervisory Board committee(s) on which the FS SB Member serves, if the FS Supervisory Board Member is unable to attend such meeting (excluding, for the avoidance of doubt, where the FS Supervisory Board Member is excluded from participating in the Supervisory Board or Supervisory Board committee deliberation and decision-making, for instance as a result of a conflict of interests). The Chairperson of the Supervisory Board may at his discretion invite the Observer to be present for Supervisory Board meetings even in the presence of the FS Supervisory Board Member. The Observer does not have any voting or other governance rights.

2.4 Decision-making and functioning

In its monitoring, the Supervisory Board focuses on the strategy for realizing sustainable long-term value creation which has been established for this purpose, as well as on the targets derived from this strategy. The Supervisory Board also monitors the process of acquiring, divesting, and investing in real estate, the financial reporting process, and compliance with laws and regulations.

The Supervisory Board monitors the internal control structure and procedures and the assessment of the risks faced by the company and its subsidiaries. During 2024, the systems and procedures functioned in accordance with their intended purpose and there were no issues that raised doubt as to whether the internal control structure and procedures functioned adequately.The Supervisory Board reports to the General meeting of Shareholders.

The functioning of the Supervisory Board as a collective and the functioning of the individual members is evaluated yearly.

2.5 Culture

NSI has a mature, open culture that encourages employees to speak up. The culture is aimed at sustainable long-term value creation for the company and its affiliated enterprise.

The NSI Code of Conduct outlines the core values, the main integrity risks NSI may encounter in its business and the way it wishes to deal with these risks. The Code of conduct is published on the company's website and signed by all employees on a yearly basis.

2.6 Compliance

The Code of Conduct contains a procedure for reporting actual or suspicion of misconduct or irregularities. The Management Board monitors the effectiveness and compliance with the Code and reports about this regularly in the Audit Committee.

2.7 Preventing conflicts of interest

In accordance with its regulations, the Supervisory Board is responsible for decision-making in dealing with existing or potential conflicts of interest between Management Board members, Supervisory Board members and the external auditor, on the one hand; and the company, on the other. Under the provisions of the Dutch Financial Supervision Act (Wet op het financieel toezicht or Wft) and EU-IFRS, the item 'related parties' in the annual financial statements specifies transactions between the company and related parties, including members of the Management Board and the Supervisory Board, as well as transactions involving one or more related parties. The item also states to what extent such transactions were entered into at market conditions. No such transactions between the company and related parties took place in the 2024 financial year.

In May 2024, First Sponsor Group has attained a significant (>10%) shareholding in NSI. Subsequently First Sponsor and NSI have entered into a relationship agreement to agree on certain arrangements relating to the governance of NSI and to manage the relationship between NSI and FS as a shareholder of NSI, all in accordance with the laws and regulations applicable to NSI and FS as companies listed on Euronext Amsterdam, a regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**") and the Mainboard of the Singapore Exchange Securities Trading Limited ("**Singapore Exchange**"), respectively. First Sponsor's Group CEO has been appointed to the Supervisory Board of NSI at the Extraordinary General Meeting of 30 September, 2024.

There is a risk of potential conflict of interests with a Supervisory Board member who is simultaneously CEO of a direct competitor. For example, there is a risk that First Sponsor – through its Supervisory Board position - gains access to confidential information of NSI and uses this information to gain a competitive advantage over NSI in a bid for an acquisition or a leasing transaction. The relationship agreement specifically addresses these risks to manage and prevent negative consequences for the company due to potential conflicts of interest.

3. Remuneration

3.1 Remuneration policy – Management Board

The General Meeting determines the remuneration policy for the Management Board, in accordance with the relevant statutory provisions. The Supervisory Board makes a proposal to that end. The remuneration policy focusses on sustainable long-term value creation for the company and its affiliated enterprise and takes into account the internal pay ratios within the enterprise. The 'Remuneration Policy for Members of the Management Board of NSI' is published on the website.

3.2 Determination of Management Board remuneration

The Supervisory Board establishes the remuneration and other terms of service for members of the Management Board in accordance with the remuneration policy for the Management Board.

3.3 Remuneration – Supervisory Board
The Supervisory Board members receive a remuneration in accordance with the 'Remuneration Policy for Members of the Supervisory Board of NSI' which is published on the company's website. The General Meeting determines the remuneration policy for the Supervisory Board, in accordance with the relevant statutory provisions.

3.4 Accountability for implementation of remuneration policy
In the remuneration report, the Supervisory Board renders account of the implementation of the remuneration policy. The report is posted on the company's website.

4. The general meeting
At least one General Meeting is held every year within six months of the end of the company's financial year. General Meetings of Shareholders are convened by the Management Board or the Supervisory Board. A legal term of at least 42 days applies between the convocation date of a General Meeting of Shareholders and the actual date of the meeting.

The agenda of the general meeting shall list which items are up for discussion and which items are to be voted on. Listed items that are mentioned in best practice provision 4.1.3 of the Governance Code shall be dealt with as separate agenda items. The topics mentioned in article 23 section 3 of the Articles of Association are discussed when applicable.

Extraordinary General Meetings are held as often as the Management Board or the Supervisory Board deems necessary. Extraordinary General Meetings will also be held if the Management Board or the Supervisory Board is requested to that effect in writing by one or more holders of shares individually or jointly representing one-tenth or more of the issued capital, specifying in detail the subjects to be discussed.

The 2024 Annual General Meeting of Shareholders took place on 19 April. The agenda specifying the topics addressed by this meeting, the explanatory notes and the minutes of this meeting are published on the company's website. Two Extraordinary General Meetings were held in 2024, each for the appointment of a Supervisory Board member.

Details Management Board

Bernd Stahli

Chief Executive Officer

Bernd Stahli joined NSI in September 2016 as Chief Executive Officer. Under his leadership, NSI has formulated a new strategy, restructured the organisation, transacted over 100 buildings, acquired better buildings in the right locations, and made significant strides in sustainability and customer excellence.

Bernd has extensive knowledge and experience in capital and investment markets within the national and international real estate sector. He held various positions at international financial institutions, most recently at merchant bank van Lanschot Kempen, where he served as Managing Director of Securities – European Real Estate from 2013.

His previous roles include Head of European Property Securities Research at Bank of America Merrill Lynch in London. Bernd holds a master's degree in economics from the Vrije Universiteit, Amsterdam.

First appointment	1 September 2016
Current term	To 31 August 2028

Elke Snijder

Chief Financial Officer

Elke Snijder joined NSI in May 2024 as Chief Financial Officer. She brings extensive expertise in finance, management, and real estate. Prior to this role, she was CFO at Landal GreenParks, one of the biggest bungalow park companies in Europe.

She held various management positions within ING (Real Estate), both on the business side and within Finance. Elke holds a bachelor's degree in Business Administration from the University of California, Berkeley, a master's degree in Business Economics from the University of Groningen, and an executive master's in Finance & Control from Nyenrode.

First appointment	1 May 2024
Current term	To 1 May 2028

Report of the Supervisory Board

Composition of the Supervisory Board

Appointment and Reappointment periods

	First appointment	End of current term	End of Second term
Jan Willem de Geus (chair)	25.11.2021	25.11.2025	2029
Jan Willem Dockheer (vice chair)	24.04.2020	24.04.2028	2028
Margreet Haandrikman	21.07.2017	21.07.2025	2025
Marlies Janssen	28.02.2024	28.02.2028	2032
Neo Teck Pheng	30.09.2024	30.09.2028	2032

At the start of 2024 the Supervisory Board consisted of four members.

In the EGM of 28 February 2024 Mrs. Marlies Janssen was appointed as a Supervisory Board member.

From 28 February until 19 April 2024, the Supervisory Board consisted of five members.

At the AGM of 19 April 2024, Mrs. Karin Koks having served two terms as a member of the Supervisory Board rotated off as a member of the Supervisory Board. The Supervisory Board is very grateful for Mrs. Koks' support and the many contributions she has made to NSI since 2016.

From 19 April until 30 September 2024, the Supervisory Board consisted of four members.

In the EGM of 30 September 2024, Mr. Neo Teck Pheng was appointed as a Supervisory Board member.

From 30 September until 31 December 2024, the Supervisory Board consisted of five members.

On 21 July 2025, Mrs. Margreet Haandrikman will have served two terms as member of the Supervisory Board and rotate off as member of the Supervisory Board and chair of the Audit committee. The Supervisory Board intends to propose to the AGM of 17 April 2025 to appoint Ms. Petra van Hoeken as a member of the Supervisory Board. The Supervisory Board intends to subsequently appoint her as chair of the Audit committee.

Independence

In the opinion of the Supervisory Board, the independence requirements referred to in best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code have been fulfilled. In relation to best practice provision 2.1.8.vi, it is noted that Mr. Neo is the CEO of First Sponsor Group Limited., a legal entity holding at least 10% (circa 22% at year end 2024) of the issued shares in NSI. As of the date of publication of this report, Mr. Neo held no shares in NSI.

Duties

The role and responsibilities of the Supervisory Board, its composition and how it carries out its duties are specified in the Supervisory Board regulations which are posted on the company's website. A summary of the duties of the Supervisory Board can be found in the Corporate Governance section (see pages 50-53).

Meetings of the Supervisory Board and attendance

The Supervisory Board convened ten regular meetings and four extra meetings during the year under review. The attendance (rate) at these meetings and calls was as follows:

Attendance during 2024	De Geus	Koks*	Dockheer	Haan-drikman	Janssen*	Neo*
Supervisory Board meetings	100%	100%	85,7%	100%	98,8%	100%
Committee meetings	100%	100%	100%	100%	100%	n.a.

* The 2024 attendance percentages of Mrs. Koks, Mrs. Janssen and Mr. Neo were calculated on the basis of the meetings during which they were a member.

Report of the activities of the Supervisory Board

The Supervisory Board convened ten regular meetings. These commence with a preparatory meeting which is held without the Management Board being present, after which the members of the Management Board attend the rest of the meeting. During these regular meetings, the general state of affairs and the company's operational performance and financial position were discussed.

The Supervisory Board convened four extra meetings. The extra meetings related to specific topics such as:

- The Remuneration Policy for the Management Board and the performance review of the members of the Management Board with respect to their targets for 2023 under the Short-Term and Long Term Incentives and the target setting for 2024.
- The profile of the Supervisory Board.
- Discussion of a request from First Sponsor Group Limited for a seat at the Supervisory Board and of the terms for a Relationship Agreement between First Sponsor Group Limited and NSI on governance related topics.

The Supervisory Board has a good working relationship with the Management Board. The Chair of the Supervisory Board is in regular contact with the CEO and the chair of the Audit committee with the CFO.

Strategy based on sustainable long-term value creation

The Supervisory Board engaged on several occasions in discussions with the Management Board regarding the implementation and further development of the sustainable long-term value creation strategy. These discussions encompassed various aspects, such as the implementation of the business plan, the budget and targets, the ambition to reduce the actual energy intensity of all our buildings in line with the aims of the Paris agreement, customer satisfaction surveys, shareholder relations, proposals for acquisitions and disposals, development projects and the main risks associated with the company and the measures taken to mitigate them. Market developments and the effects on the composition of the real estate portfolio as well as the occupancy rate were frequently discussed and assessed. Matters including the value of real estate and valuation methodologies, the system of internal controls and risk control procedures, and corporate governance also had the Supervisory Board's constant attention.

During meetings on 23 and 24 January, 16 and 17 April, 15 and 16 July and 14 and 15 October 2024, the Supervisory Board convened to monitor the implementation of the company's strategy, to approve the quarterly, half year or full year results and (interim) dividends, and to discuss the pertaining press releases, making sure our shareholders and the broader market were adequately informed about the state of affairs and financial position of the company and its outlook.

On 20 November 2024, the Supervisory Board convened to discuss the asset business plan, and portfolio strategy and investment plan with the Management Board, with the participation of the relevant members of the Asset Management, Development and Investment Teams. In this meeting, the Management Board discussed and agreed with the Supervisory Board on plans for the investment portfolio including preferred investments in sustainability, required maintenance and options for property divestments.

Business Plan & Budget

The five-year business plan (period 2025-2029) and the Budget for the following year (2025) were discussed in the meetings of 16 December 2024 and 23 January 2025 of the Supervisory Board.

In these discussions about the strategy, the Board focussed on the implementation of the strategy and feasibility of different scenarios, the company's operational, financial and ESG goals and their impact on NSI's future position in the real estate market, the company's main risks and challenges and the interests of stakeholders and other aspects important to the company, such as sustainability and integrity.

In the meeting of 23 January 2025, the Supervisory Board discussed the 2025 – 2029 business plan and approved the Budget 2025. The business plan is based on a total return and cost efficiency approach, focusing on the "as-is" real estate portfolio, on the (re)-development of existing locations and on the implementation of the Paris aligned investment roadmap. The budget for 2025 is in accordance with this plan.

Risk management, internal and external auditing

Throughout 2024, the Audit Committee maintained regular contact with the external auditor, primarily during the meetings of the Audit Committee.

In the meeting of 16 December 2024, the Audit Committee reported on the draft 2024 management letter of the external auditor and the risk and control framework of the company, in particular the analysis of the identified risks associated with the strategy and activities of the company, the risk appetite and the mitigating measures that have been put in place to manage the risks.

In the same meeting, the audit committee reported on the functioning of, and the developments in the relationship with the external auditor. The discussion of the effectiveness of the internal risk management and control systems during the year took place on 23 January 2025.

In anticipation of the legally required change of auditor per year end 2025, the Management Board and the Audit Committee have invited a number of major audit firms to submit a proposal for the audit of the financial statements from the financial year 2026 onwards. Their proposals were evaluated on the basis of expertise and relevant experience, projected costs and the presentations by the various teams. The Management Board and the Supervisory Board are of the opinion that KPMG Accountants N.V. is the most suitable candidate to become the new auditor of NSI. We will submit a proposal to the AGM of 17 April 2025 to appoint KPMG Accountants N.V. as auditor with effect from the financial year 2026.

Internal Audit function

The Internal Audit function is established by, and positioned independently under, the Management Board. The Internal Audit function is part of the portfolio of the Chief Financial Officer, the execution of the Internal Audit function is outsourced to a qualified service provider. The Management Board reviews the services provided by the external service provider and appoints the external service provider after obtaining advice from the Audit Committee.

The Chief Financial Officer is the delegated principal for the Internal Audit function on behalf of the Management Board. The Internal Audit function (external service provider as executor of the Internal Audit function) has a functional (escalation) reporting line towards the Audit Committee.

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 Supervisory Board meeting of 16 December 2024, the Audit Committee reported 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 a compact organization, 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 there is therefore no need to establish an internal audit department for this purpose. In accordance with an internal audit plan approved by the Supervisory Board a number of internal audits will be conducted under the supervision of the CFO in 2025.

Prior approval of decisions by the Management Board

Important decisions above a certain threshold require prior approval from the Supervisory Board.

During the approval process, the Supervisory Board assesses amongst others whether the proposed decision contributes to the implementation of the strategy including the ESG ambitions and criteria. In various meetings during the year, the Supervisory Board dealt with acquisition opportunities of offices and with various development and redevelopment opportunities.

Development

In 2024, several Supervisory Board meetings - especially the meeting of 30 September 2024 - focussed mainly on the development projects to allow a broader, more holistic reflection and control.

“Phase”-documents prepared by the Development department were submitted for discussion and approval of the budgets by the Supervisory Board, and functioned as a basis for entering into the next phase of the specific Development project.

Share buy back

The AGM of 21 April 2023 had authorised the Management Board to buy back the company’s own shares up to a maximum of 10% of the outstanding number of shares after having obtained approval from the Supervisory Board. This authorisation was limited to a period of 18 months. On 6 March 2024, the Supervisory Board discussed and gave its approval to the share buyback programme submitted by the Management Board. The buyback programme was announced on 7 March 2024 and completed on 30 September 2024. Under the share buyback programme, a total of 1,034,629 ordinary shares were repurchased, representing 5.13% of issued shares, at an average price of EUR 19.33 for a total amount of EUR 20,000,024.

Evaluation and Education

On 24 January 2024, the Supervisory Board convened to discuss the functioning of the Management Board as a whole and of the individual members of the Management Board. The conclusions drawn from these evaluations were shared with the Management Board, used to assess the attainment of personal targets under the Short-Term Incentive for the CEO and (former) CFO and used as input for setting targets for the Management Board for 2024 under the Short-Term Incentive plan.

On 20 July 2024, the Supervisory Board conducted an evaluation of its own performance, along with the functioning of the various committees of the Supervisory Board and looked into its succession planning in view of current and future vacancies and evaluated the existing and required composition, competencies expertise, experience and diversity of the Board as defined in its profile.

The Supervisory Board concluded that in 2025, at the end of Mrs. Margreet Haandrikman’s second term, the Supervisory Board would need to be strengthened in the following competencies:

- knowledge and experience in the corporate governance of a Dutch listed company, possibly from a financial sector background;
- tax and legal matters, respect for human rights and the fight against corruption and bribery.

In addition, the Supervisory Board considered it desirable to strengthen the competencies:

- direct investment in, operation and development of real estate in the market area in which NSI operates;
- optimising service levels, customer processes and customer satisfaction in the service sector.

In a number of meetings during the year, the Supervisory Board has been instructed about the application of the Corporate Governance Code. During 2024, the members of the Supervisory Board further attended individual trainings in the context of their permanent education on matters such as governance, finance, and real estate.

At the meeting of 16 December 2024, the Supervisory Board discussed any other positions held by the members of the Management Board and Supervisory Board.

Supervisory Board committees

During 2024, the Supervisory Board had three committees in place to optimise the operation of the Board: a Remuneration Committee, a Selection and Appointment Committee and an Audit Committee.

Remuneration Committee

During 2024, the Remuneration Committee consisted of Mr. Jan Willem Dockheer (Chair) and Mr. Jan Willem de Geus (member).

The role and responsibilities of the Remuneration Committee, its composition and how it carries out its duties are specified in the Remuneration Committee regulations which are posted on the company's website.

Performance review

The Remuneration Committee met to prepare the Supervisory Board discussion of the performance of the CEO and (former) CFO with respect to their targets for 2023.

The Remuneration Committee further met to prepare the Supervisory Board discussion regarding the establishment of collective and individual targets for 2024 linked to the Short-Term Incentive plan of the members of the Management Board.

The applicable performance measures were set to foster short-term results needed for sustainable value creation with respect to the most important achievement areas of the company. The targets and the performance levels were based on the business plan and budget and included a mix of financial and non-financial KPI's including ESG related targets. The targets were aligned with the targets set for the employees and fixed after scenario planning's had been carried out to ensure a proper relation between performance and remuneration levels.

Remuneration Policy

Following the implementation of the EU SRD-2 Directive into Dutch law, companies are required to submit their remuneration policy for a binding vote at least once every four years. The current policy was proposed to and adopted by the General Meeting of Shareholders of 24 April 2020. The Remuneration Committee prepared a proposal for a revised 2024 Remuneration Policy. This was put forward in the 19 April 2024 AGM for approval, but failed to acquire the qualified majority of 75% of the votes cast required by Dutch law.

Following the 2024 AGM, the Remuneration Committee reached out to NSI's larger shareholders and to large shareholders that had voted against the proposal to hear their reasons and views on management remuneration. The Remuneration Committee had meetings with representatives of 13 shareholders to take on board their views.

In addition, the Remuneration Committee conducted a benchmark analysis of NSI's reference group and had four meetings with the Management Board to take note of their views on the amount and structure of their own remuneration.

A proposal for a revised 2025 Remuneration Policy, describing how the views of all stakeholders have been considered will be put forward in the 17 April 2025 AGM for approval.

Remuneration report

For a detailed overview of the Remuneration Policy and the way this has been executed in the year under review, please refer to the separate Remuneration Report 2024.

The remuneration report (dated 6 March 2025) is posted on the company's website. The report will be presented to the AGM of 17 April 2025 for an advisory vote.

Selection and Appointment Committee

During 2024, the Selection and Appointment Committee consisted of Mr. Jan Willem Dockheer (Chair) and Mr. Jan Willem de Geus (member).

The role and responsibilities of the Selection and Appointment Committee, its composition and how it carries out its duties are specified in the Selection and Appointment Committee regulations which are posted on the company's website.

The Selection and Appointment Committee met on four occasions during the year and had several selection meetings and calls.

Together with an executive search firm, the Selection and Appointment Committee discussed the progress made in the recruitment and selection procedure for a new CFO and spoke to individual candidates. The focus was on finding a seasoned CFO with extensive experience, preferably in real estate, complementing the profile of the CEO whilst maintaining the Management Board's level of diversity. This search has resulted in the appointment of Mrs. Elke Snijder as CFO in the AGM of 19 April 2024.

In consultation with the full Supervisory Board, the Selection and Appointment Committee drafted a profile for the recruitment and selection procedure of a new Supervisory Board member and Audit Committee chair. Together with an executive search firm, a longlist and shortlist of candidates was drafted, and a recruitment and selection process was started, during which the Selection and Appointment Committee spoke to a number of candidates.

The focus was on finding a candidate who could complement the existing members of the Supervisory Board, especially in Financial and Audit and Governance competencies, whilst maintaining the Supervisory Board's level of diversity. This search has resulted in the selection of a candidate that will be proposed for appointment in the AGM of 17 April 2025. We refer to the Agenda and Explanatory Notes of this AGM for further details.

Audit Committee

During 2024, the Audit Committee consisted of chair Mrs. Margreet Haandrikman (full 2024), member Mrs. Karin Koks-Van der Sluijs (until 19 April 2024) and member Mrs. Marlies Janssen (as from 28 February 2024).

The role and responsibilities of the Audit Committee, its composition and how it carries out its duties are specified in the Audit Committee regulations which are posted on the company's website.

The Audit Committee met on six occasions in the year under review. Audit Committee meetings pay special attention to the opportunities and risks that the company faces.

The Audit Committee regularly conferred with the external auditor, of which once was without the presence of the Management Board.

The Audit Committee made a recommendation to the Supervisory Board to enable the Supervisory Board to assess – as there is no separate department for the internal audit function - whether adequate alternative measures have been taken and whether it is necessary to establish an internal audit department.

In 2024, the Audit Committee discussed and was particularly involved in the assessment and/or monitoring of:

a the operation and effectiveness of the internal risk management and control systems, as well as the probability and impact of certain risks;
b risk and reporting requirements in relation to development activities;
c the fraud risk analysis;
d compliance with relevant legislation and regulations as well as compliance with the internal regulations;
e the provision of financial information by the company, including the discussion of position papers on the proper application of accounting standards;
f ESG reporting, in particular reporting on Sustainability KPI's and the implementation of the CSRD;
g the yearly evaluation of the internal audit charter, the evaluation of the internal audit plan for 2024 which was approved in the Supervisory Board meeting of 8 March 2024 and the internal audit findings; in 2024 the internal audits focussed on the Purchase processes, the Payment processes, Governance and Tax;
h evaluation of the functioning of the external auditor and the relationship with the external auditor, reporting the results of the evaluation to the Supervisory Board and informing the external auditor about the main topics of the evaluation;
i the selection of a new external auditor firm to succeed PricewaterhouseCoopers Accountants N.V. in view of them reaching the end of the maximum allowed term;
j discussions with the external auditor about the 2024 audit plan, the audit report and the management letter of the external auditor, compliance with recommendations from and the follow-up of remarks by the external auditor, also with regard to ICT systems;
k the application of information and communication technology and measures to improve cybersecurity;
l the extension of one of the Private Placements, the Term Loan and the RCF that will all mature in 2026.

Financial statements and dividend

The Management Board prepared the annual report for the 2024 financial year and discussed it with the Supervisory Board in the presence of the external auditor. PricewaterhouseCoopers Accountants N.V. has audited the financial statements and has issued an unqualified opinion (see pages 107-115). We will recommend that the financial statements be adopted at the General Meeting of Shareholders on Thursday 17 April 2025. The discharge of the Management Board in respect of the policy pursued in 2024 and of the Supervisory Board from the supervision it provided in 2024 will be addressed as separate agenda items at this General Meeting of Shareholders.

On 16 July 2024, the Supervisory Board approved an interim dividend for 2024 of € 0.75 per share in which was distributed in August 2024. In line with the applicable dividend policy (i.e. a pay-out of at least 75% of the direct result), NSI is proposing a final dividend for 2024 of € 0.82 per share. That brings the total dividend for 2024 to €1.57 per share. Provided that the General Meeting of Shareholders approves this dividend proposal, the final dividend will be payable in May 2025 and will include an optional stock dividend alternative.

Appreciation

2024 was in many ways a challenging year for the Management Board and employees of NSI requiring creativity, hard work and resilience. The Supervisory Board wishes to express its gratitude for the efforts the entire team has made and the successes they realised in the year under review.

Amsterdam, 6 March 2025

The Supervisory Board
Jan Willem de Geus, *Chair*
Jan Willem Dockheer, *Vice Chair*
Margreet Haandrikman
Marlies Janssen
Neo Teck Pheng

Details of the supervisory board

Mr J.W.A. de Geus (1966) *Chair*

Nationality Dutch

Current position Senior Advisor Proprium Capital Partners

Additional positions Non-Executive Board member of AVID Property Group

First appointment 2021

Current term To 2025

Mr J.W. Dockheer (1973) *Vice Chair*

Nationality Dutch

Current position Managing Director BMN Groep Netherlands

Additional positions Member of the Supervisory Board of 2theLoo

First appointment 2020

Current term To 2028

Mrs G.M. Haandrikman (1965)

Nationality Dutch

Current position Independent supervisory board member and advisor

Additional positions Chair of the Supervisory Board of Onderlinge van 1719 UA, Chair of the Supervisory Board of Lemonade NV., Member of the Supervisory Board NV Schade, Member of the Supervisory Board Monuta Holding and Monuta Verzekeringen NV, Member of the Supervisory Board and chair of the Audit Committee Stichting RADAR Inc, Member of the Supervisory Board OOM Zorgverzekeringen, Member of the Board Stichting for the holding and administration of shares under the RDS employee shareplans, External member of the audit committee of the Dutch Ministry of Justice and Security, external member of the audit committee of ABP.

First appointment 2017

Current term To 2025

Mrs M.S. Janssen (1973)

Nationality Dutch

Current position Chief Financial Officer at GMB Holding B.V.

Additional positions Member of the Supervisory Board of Erasmus Q Intelligence BV

First appointment 2024

Current term To 2028

Neo Teck Pheng (1970)

Nationality Singaporean

Current position Group Chief Executive Officer First Sponsor Group Limited

Additional positions Director of a number of subsidiaries and affiliate companies of the First Sponsor group in Singapore, China, Hong Kong, Australia, Germany, The Netherlands, Cayman Islands and the British Virgin Islands.

First appointment 2024

Current term To 2028

Financial statements

Content

Consolidated statement of comprehensive income

For the year ended 31 December 2024

(x € 1,000)

	Note		2024		2023
Gross rental income	2		72,731		71,199
Service costs recharged to tenants		13,287		13,475	
Service costs		-15,318		-15,402	
Service costs not recharged	2		-2,030		-1,926
Operating costs	2,3		-9,622		-10,852
Net rental income			**61,079**		**58,421**
Revaluation of investment property	4		-28,063		-223,959
Net result on sale of investment property	5		2,337		5,388
Net result from investments			**35,352**		**-160,150**
Administrative costs	6		-8,298		-9,120
Impairment of tangible and intangible fixed assets	7		-627		-
Other income and costs	8		-166		-81
Financing income		2		37	
Financing costs		-10,880		-8,385	
Movement in market value of financial derivatives		2		-2,771	
Net financing result	9		-10,876		-11,120
Result before tax			**15,384**		**-180,471**
Corporate income tax	10		-3,012		38,101
Total result for the year			**12,372**		**-142,370**
Other comprehensive income / expense			**-**		**-**
Total comprehensive income / expense for the year			**12,372**		**-142,370**
Total comprehensive income / expense attributable to:					
Shareholders			12,372		-142,370
Total comprehensive income for the year			**12,372**		**-142,370**
Data per average outstanding share:					
Diluted as well as non-diluted result after tax	18		0.63		-7.08

The notes on pages 67 to 98 form an integral part of these consolidated financial statements.

Consolidated statement of financial position

For the year ended 31 December 2024

(x € 1,000)

	Note	31 December 2024	31 December 2023
Assets			
Investment property	11	988,559	1,028,801
Intangible fixed assets	12	29	32
Tangible fixed assets	13	3,190	3,835
Financial fixed assets		-	-
Deferred tax assets	14	38,514	38,654
Other non-current assets	15	10,427	12,069
Non-current assets		**1,040,719**	**1,083,389**
Debtors and other receivables	16	2,237	3,963
Deferred tax assets	14	-	70
Cash and cash equivalents	17	8,451	202
Current assets		**10,687**	**4,235**
Total assets		**1,051,406**	**1,087,625**
Shareholders' equity			
Issued share capital	18	70,364	74,171
Share premium reserve	18	898,876	915,068
Other reserves	18	-309,267	-136,988
Total result for the year		12,372	-142,370
Shareholders' equity		**672,344**	**709,882**
Liabilities			
Interest bearing loans	19	324,206	333,632
Derivative financial instruments	23	1,606	1,608
Deferred tax liabilities	14	429	2
Other non-current liabilities	20	5,648	4,533
Non-current liabilities		**331,889**	**339,775**
Redemption requirement interest bearing loans	19	5,000	-
Debts to credit institutions	21	17,134	11,012
Creditors and other payables	22	25,039	26,956
Current liabilities		**47,172**	**37,968**
Total liabilities		**379,062**	**377,743**
Total shareholders' equity and liabilities		**1,051,406**	**1,087,625**

The notes on pages 67 to 98 form an integral part of these consolidated financial statements.

Consolidated cash flow statement

For the year ended 31 December 2024

(x € 1,000)

	Note		2024		2023
Total result for the year			12,372		-142,370
Adjusted for:					
Revaluation of investment property	4	28,063		223,959	
Net result on sale of investment property	5	-2,337		-5,388	
Net financing result	9	10,876		11,120	
Corporate income tax	10	3,012		-38,101	
Impairment of tangible and intangible fixed assets	7	627			
Depreciation and amortisation	6	601		638	
			40,843		192,228
Movements in working capital:					
Debtors and other receivables		2,629		-626	
Creditors and other payables		-823		3,403	
			1,807		2,777
Cash flow from operations			**55,022**		**52,635**
Financing income received			2		37
Financing costs paid			-12,516		-11,012
Tax paid			-2,848		-15
Cash flow from operating activities			**39,660**		**41,645**
Purchases of investment property and subsequent expenditure	11		-33,094		-19,469
Proceeds from sale of investment property	11		50,493		34,052
Investments in intangible fixed assets	12		-21		-
Cash flow from investment activities			**17,377**		**14,583**
Issuance / repurchase of shares	18		-20,000		-
Dividend paid to the company's shareholders	18		-29,910		-34,757
Proceeds from interest bearing loans	19		75,000		10,000
Transaction costs interest bearing loans paid			-		-242
Repayment of interest bearing loans	19		-80,000		-28,200
Cash flow from financing activities			**-54,910**		**-53,199**
Net cash flow			**2,127**		**3,030**
Cash / cash equivalents - balance as per 1 January			202		196
Debts to credit institutions - balance as per 1 January			-11,012		-14,037
Cash / cash equivalents and debts to credit institutions - balance as per 1 January			**-10,810**		**-13,840**
Cash / cash equivalents - balance as per 31 December			8,451		202
Debts to credit institutions - balance as per 31 December			-17,134		-11,012
Cash / cash equivalents and debts to credit institutions - balance as per 31 December			**-8,683**		**-10,810**

The notes on pages 67 to 98 form an integral part of these consolidated financial statements.

Consolidated statement of changes in shareholders' equity

For the year ended 31 December 2024

(x € 1,000)

2024

	Issued share capital	Share premium reserve	Other reserves	Result for the year	Shareholders' equity
Balance as per 1 January 2024	**74,171**	**915,068**	**-136,988**	**-142,370**	**709,882**
Total result for the year	-	-	-	12,372	12,372
Other comprehensive income / expense	-	-	-	-	
Total comprehensive income / expense for the year	**-**	**-**	**-**	**12,372**	**12,372**
Profit appropriation - 2023	-	-	-142,370	142,370	-
Issuance / repurchase of shares	-3,807	-16,193	-	-	-20,000
Distribution final dividend - 2023	-	-	-15,296	-	-15,296
Interim dividend - 2024	-	-	-14,614	-	-14,614
Contributions from and to shareholders	**-3,807**	**-16,193**	**-172,280**	**142,370**	**-49,910**
Balance as per 31 December 2024	**70,364**	**898,876**	**-309,267**	**12,372**	**672,344**

2023

	Issued share capital	Share premium reserve	Other reserves	Result for the year	Shareholders' equity
Balance as per 1 January 2023	**73,800**	**915,447**	**-70,868**	**-31,370**	**887,008**
Total result for the year	-	-	-	-142,370	-142,370
Other comprehensive income / expense	-	-	-		
Total comprehensive income / expense for the year	**-**	**-**	**-**	**-142,370**	**-142,370**
Profit appropriation - 2022	-	-	-31,370	31,370	-
Distribution final dividend - 2022	372	-379	-19,633	-	-19,640
Interim dividend - 2023	-	-	-15,116	-	-15,116
Contributions from and to shareholders	**372**	**-379**	**-66,120**	**31,370**	**-34,757**
Balance as per 31 December 2023	**74,171**	**915,068**	**-136,988**	**-142,370**	**709,882**

The notes on pages 67 to 98 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

Reporting entity

NSI N.V. (registration number Chamber of Commerce: 36040044; hereinafter 'NSI', or the 'company'), with its principal place of business in Hoogoorddreef 62, 1101 BE Amsterdam, the Netherlands and its registered office in Amsterdam, the Netherlands is a real estate company, primarily focussing on offices.

These consolidated financial statements are presented for the company and its subsidiaries (together referred to as the 'Group').

The company is licensed pursuant to the Dutch Financial Supervision Act (Wet op het financiële toezicht). NSI N.V. is listed on Euronext Amsterdam.

Basis of preparation

Significant accounting policies

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for 2023.

Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as adopted in the European Union and with Title 9 of Book 2 of the Dutch Civil Code.

The financial statements were prepared by the Company's Management and approved by the Supervisory Board on 6 March 2025. The financial statements will be submitted to the General Meeting of Shareholders on 17 April 2025 for adoption.

Unless stated otherwise, all amounts in the financial statements are in thousands of euros, the euro being the company's functional currency, and are rounded off to the nearest thousand. There could be minor rounding off differences between in the figures presented.

The statement of comprehensive income, the statement of financial position, the cash flow statement and the statement of changes in shareholders' equity make reference to the notes in the financial statements to provide more information. The financial year of NSI presents the period from 1 January until 31 December.

Assumptions and estimation uncertainties

The preparation of the financial statements requires that the Management Board forms opinions, estimates and assumptions that affect the application of accounting principles and reported figures for assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023. The most significant assumption relates to the unobservable information used in the valuation of the investment property. Other judgements are made relating to the deferred tax assets, the feasibility of the investment properties under construction and timing of capitalisation of interest for the development projects, determination of ground lease terms

Valuation principles

The financial statements have been prepared on the basis of historical cost except for investment property, investment property under construction and derivative financial instruments, which are subsequently measured at fair value.

The accounting principles applied to the valuation of assets and liabilities and the determination of results in financial statements are based on the assumption of continuity (going concern) of the company.

These financial statements are drawn up based on a going concern whereby the assumption of continuity is, amongst others, based upon the overall financial position, the cashflow forecast and the availability of funding under the committed credit facility (reference is made to note 18 and 23).

Measurement at fair value

A number of accounting policies and disclosures require the measurement of fair value for both financial and non-financial assets and liabilities.

Significant valuation issues are reported to the company's audit committee.

In measuring the fair value of an asset or a liability, the company uses observable market data as much as possible. Fair value measurements are categorized into different levels of a fair value hierarchy based on the inputs applied to the valuation techniques.

The different levels are defined as follows:

- Level 1: valuation on the basis of quoted prices in active markets for identical assets or liabilities;
- Level 2: valuation of assets or liabilities based on (external) observable information;
- Level 3: valuation of assets or liabilities based wholly or partially on (external) unobservable information.

If the input parameters used to measure the fair value of an asset or a liability may be categorised into different levels of the fair value hierarchy, the fair value measurement is categorised entirely in the level of the lowest level input that is significant to the entire measurement.

The company recognises reclassifications between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The company has established a control framework with regard to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values. The valuation process is supervised by the Management Board.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third-party information is used to measure fair value, NSI assesses and documents the third-party data to verify that the valuations and their classification into different levels of the fair value hierarchy comply with IFRS, including their level in the fair value hierarchy.

Further information about the assumptions made in measuring fair value is included in the following notes:

- Note 11 - Investment property;
- Note 23 - Financial instruments;
- Note 24 - Remuneration Management Board

Main principles for financial reporting

Principles for consolidation

Subsidiaries

Subsidiaries are entities over which NSI has decisive control. There is a situation of control if the company's involvement in the entity exposes or entitles it to variable returns and the company has the ability to influence such returns using its control in the entity.

In 2023 the legal structure of NSI was adjusted in order to limit the effects of the forthcoming abolishment of the corporate tax regime for fiscal investment funds in 2025. As a result NSI has transferred its properties, at the fair value at that time, into separate legal entities whereby NSI N.V. acts as an FBI with indirect investments in property.

The results of subsidiaries are included in the consolidated financial statements from the date of commencement of control until the date on which the control ends.

A full list of subsidiaries included in the consolidated financial statements can be found in note 25.

Elimination of intragroup transactions

Intragroup balances and transactions as well as any unrealised profits and losses on intragroup transactions are eliminated, except where there are indications for impairment.

Foreign currency

Foreign currency translation

Assets and liabilities denominated in foreign currency are converted into euros using the exchange rate prevailing on the balance sheet date. Transactions in foreign currency are converted into euros at the exchange rate prevailing on the transaction date. Exchange rate differences arising from conversion are recognised in the consolidated statement of comprehensive income.

Investment property

Investment property consists of investment property in operation and investment property under construction.

Investment property in operation

Investment property in operation consists of real estate that is held to generate rental income or value, or a combination of both, but that is not intended for sale in the ordinary course of business.

Investment property is initially recognised as from the date of transfer of the legal title at cost (including all costs relating to the purchase, such as legal costs, transfer tax, estate agent fees, costs of due diligence and other transaction costs). Subsequent measurement of investment property is at fair value.

The fair value of the right of use of leasehold is added to the fair value of the investment property and as such included in the balance sheet value of investment property in operation. Future leasehold obligations are valued at net present value of the future lease payments.

For all properties in the portfolio the fair value of the investment property is appraised by external registered appraisers twice a year. In principle, valuations may only be performed and provided by appraisers registered with the Dutch register of property appraisers (Nederlands Register van Vastgoed Taxateurs). Valuations are performed on the basis of the guidance of the RICS Red Book. NSI works with at least two valuation firms. The valuation firms for individual properties are changed every three years in accordance with the RICS guidelines. The valuations are assessed and analysed by the Management Board and by asset management considering the methods and assumptions applied, as well as the outcome.

The fair value is based on the market value (adjusted for purchase costs such as transfer tax). This means that the estimated price on the date of valuation at which a property could be traded between a seller and a purchaser willing to enter into an objective, arm's length transaction preceded by sound negotiations between both well-informed parties.

The fair value is calculated using primarily the capitalisation method, on the basis of a gross initial yield and the therefrom derived net initial yield calculation, whereby the net market rent prices are capitalised, and is subsequently validated by the DCF calculation method, based on the present value of the future cash flows for the next ten years including an exit value at the end of the tenth year. The respective outcomes of both methods are compared. The returns applied are specified for the property type, location, maintenance condition and letting potential of each property, and are based on comparable transactions, along with market-specific and property-specific data.

Key assumptions in the valuations are yields. Market rent, future capital expenditure (investments), ground lease and maintenance assumptions are also taken into account in the valuations. Further, assumptions are made for each tenant and for each vacant unit with regard to the probability of letting and (re)letting, the number of months of vacancy, incentives and letting costs. Adjustments are made to the present value of differences between the market rent prices and the rent price contractually agreed. The valuation is made after deduction of transaction expenses borne by buyers.

Subsequent expenditures are only included in the value of the property if it is probable that future economic benefits related to these investments or expenses would benefit the company. All other costs of maintenance and repairs are recognised as costs at the moment that they are incurred. No depreciation is made on investment properties, given that they are recognised at fair value.

Changes to the fair value of investment properties are included in the consolidated statement of comprehensive income in the period in which they occur.

Profits or losses on the sale of an investment property are recognised in the period in which the sale occurs as the difference between the net sales proceeds and the fair value at the moment of sale. If an investment property is sold, the cumulative positive revaluation, if any, is transferred from the revaluation reserve to retained earnings. Investment property is derecognised when it has been sold and control has been transferred.

If the use of a property becomes owner occupied and a reclassification as a tangible fixed asset is required, the fair value at the date of reclassification becomes the cost price for administrative processing purposes.

Investment property under construction

Investment property under construction is referred to as 'investment property under construction' for the purpose of future lease activity. A property is considered as investment property under construction either if NSI is developing a new property or if NSI considers that for continued future use of an existing property a major (re-)development is required and the property is no longer available for letting. At that moment the investment property in operation is transferred to investment property under construction.

Capitalisation of costs related to the development project commences as soon as it is probable that future economic benefits associated with the development of the property will flow to the entity and the cost of the project can be measured reliably.

The costs associated with investment property under construction consists of all the directly attributable costs required to complete the project, including internal costs of employee benefits arising directly from the development project and borrowing costs. The borrowing costs concern capitalised interest and the financing component of leasehold agreements, which are charged as from the date capitalisation of costs commences until the date of delivery, and is calculated based on the average cost of debt of NSI. The cost of debt includes interest and all other costs associated with NSI raising funds.

If the fair value can be measured reliable, investment property under construction is valued at fair value. In order to evaluate whether the fair value of a property under construction can be measured reliably, management considers amongst others the following criteria:

- The status of the required construction;
- The status of the construction contract;
- Level of reliability of cash inflows after completion.

If the fair value cannot be measured reliable, investment property under construction is valued at cost, including capitalised interest.

At the date of delivery the investment property under construction is transferred to investment property in operation.

Intangible fixed assets

Intangible assets only consist of software.

Development and implementation costs relating to purchased and/or developed software are capitalised based on the costs of acquiring the software and taking it into operation. The capitalised costs are reduced by cumulative amortisation and cumulative impairment losses.

Amortisation is calculated to write off the costs of intangible fixed assets less their estimated residual value on a straight-lined basis over their estimated useful life. Amortisation is recognised in the statement of comprehensive income. The estimated useful economic lives of capitalised software is 3 years.

Tangible fixed assets

Tangible fixed assets consist of real estate (office building) fully or partly used by the company, its furniture and fixtures and office equipment (hardware). These assets are valued at cost, less cumulative depreciation and any cumulative impairment losses.

Furthermore, the value of the right of use of lease cars is included under tangible fixed assets following the IFRS 16 standard. The right of use of car leases are valued at net present value of the future lease payments at the time of capitalisation, less cumulative depreciation.

If a property used by the company changes into an investment property, the property is revalued on the basis of fair value and reclassified as an investment property. Any gain arising from this revaluation is recognised in the result insofar as the gain results in a reversal of a previously recognised impairment loss for that specific property. Any residual gain is recognised in the unrealised results and is reported in the revaluation reserve. Any loss is recognised in the result.

Depreciation of tangible fixed assets is charged to the consolidated statement of comprehensive income under administrative costs and is calculated using the straight-line method based on the estimated useful life and residual value of the asset concerned. Land is not depreciated.

The estimated useful life is as follows:

- Real estate in own use: 25 years;
- Furniture and fixtures: 4 years;
- Hardware: 3 years.

Depreciation of right of use lease cars is calculated using the straight-line method over the contractual lease period of the asset concerned.

The applied methodology of calculating depreciation, useful life and residual value is assessed at the end of every book year and adjusted if necessary.

Impairment non-financial fixed assets

The carrying value of the non-financial assets of the Group, excluding the market value of investment properties corrected for lease incentives, are reviewed at each reporting date to determine whether there are indications for impairment. If any such indication exists, an estimate is made of the recoverable amount of the asset.

The recoverable amount of an asset or cash-generating unit is the highest of the value in use or the fair value less costs of disposal. In assessing value in use, the present value of the estimated future cash flows is calculated using a pre-tax discount rate that reflects current market assessments of the time value of money as well as the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the book value of the asset or cash-generating unit to which the asset belongs is higher than the estimated recoverable value.

Impairment losses are recognised in profit or loss. They are deducted on a pro rata basis from the book value of each asset in the cash-generating unit.

Impairment losses are reversed only to the extent that the asset's book value does not exceed its book value, net of any depreciation or amortisation that would have been determined had no impairment loss been recognised.

Financial instruments

NSI classifies non-derivative financial assets in the categories:

- Lease incentives;
- Debtors and other receivables;
- Cash and cash equivalents.

NSI has the following non-derivative financial liabilities:

- Interest bearing loans;
- Creditors and other payables;
- Debts to credit institutions.

Non-derivative financial assets and liabilities - recognition

NSI initially recognises financial assets and financial liabilities at the transaction date.

NSI no longer recognises a financial asset in the balance sheet if the contractual rights to the cash flows from the asset expire, or if NSI transfers the contractual rights to receive cash flows from the financial asset through a transaction in which substantially all the risks and benefits related to the ownership of the asset are transferred, or if NSI neither transfers or retains the risks and benefits related to ownership of the asset, nor has control over the transferred asset. If NSI retains or creates an interest in the transferred financial assets, the interest is recognised as a separate asset or liability.

NSI no longer recognises a financial liability in the balance sheet if the contractual obligations are waived or cancelled or have expired.

Financial assets and liabilities are only offset and the resulting net amount is only presented in the balance sheet if NSI has a legally enforceable right to offset and if it intends to offset on a net basis or to realise the asset and the liability simultaneously.

Non-derivative financial assets - measurement

Loans and debtors and other receivables

Loans and debtors and other receivables, excluding taxes and prepayments, are measured at initial recognition at fair value plus any directly attributable transaction costs. After initial recognition, loans and receivables are measured at amortised cost using the effective interest method.

For loans and debtors and other receivables the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Cash and cash equivalents

Cash and cash equivalents are recognised and subsequently valued at amortised costs and consist of cash and bank balances. Current account overdrafts that are payable on demand and which form an integral part of NSI's cash management are included in cash and cash equivalents and amounts owed to credit institutions in the consolidated statement of financial position and the consolidated cash flow statement.

Non-derivative financial liabilities - measurement

Interest bearing loans

Interest-bearing loans are initially recognised at fair value, after deduction of attributable transaction costs. After initial recognition, the interest-bearing loans are measured at amortised cost using the effective interest method.

Interest-bearing loans include both fixed-rate and variable-rate loans. In principle, the fair value of the variable-rate loans is equal to their amortised cost. Part of the interest risk on the variable-rate loans is hedged through interest-rate swaps.

In principle, the fair value of the fixed-rate loans is not equal to their amortised cost. The fair value of the fixed-rate loans is calculated using the net present value method at the market interest rates prevailing on 31 December 2024 (including margin).

Any redemption of interest-bearing debt within one year is recognised as current liabilities.

An interest-bearing debt is derecognised from the balance sheet when the interest-bearing debt is settled, annulled or cancelled.

If an existing interest-bearing debt is exchanged by another from the same lender at substantially different terms or the terms of an existing interest-bearing debt substantially change, this will be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying book value of the financial liability extinguished and the consideration paid is then recognised in the statement of comprehensive income account.

If the conditions of the interest-bearing debts are adjusted, but this does not result in the annulment of the interest-bearing debt, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Creditors and other payables

Creditors and other payables, excluding taxes and deferred income, are at initial recognition measured at fair value plus any directly attributable transaction costs. After initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Derivative financial instruments

NSI uses derivative financial instruments to hedge (in full or in part) the interest rate risks associated with its finance activities. These derivatives are not held or issued for trading purposes.

Derivatives are initially and subsequently recognised at fair value. Profits or losses arising from changes in the fair value of derivative financial instruments are immediately recognised in the consolidated statement of comprehensive income. In 2024 hedge accounting has not been applied.

The fair value of the financial instruments is the amount the Group would expect to pay or receive if the financial derivative were to be liquidated at balance sheet date, taking into account the interest rate on the balance sheet date and the current credit risk of the counterparties concerned as well as the credit risk of the Group. The interest payable on derivatives is incorporated in other payables. A derivative financial instrument is reported as a current asset or current liability if its remaining term to maturity is less than one year or if it is expected that it will be liquidated or settled within one year.

Prepayments and deferred income

Prepayments and deferred income are carried at costs less any accumulated impairment losses.

Equity

Ordinary shares are classified as shareholders' equity. External costs that can be attributed directly to the issuance of new shares are deducted from the Retained earnings reserve. The increase in the paid-up and called-up capital relating to a stock dividend programme is deducted from the share premium reserve as well as the expenses relating to the stock dividend.

When repurchasing NSI shares, the amount of the consideration paid including directly attributable costs, is recognised as a change in shareholders' equity. Cash dividends are deducted from the other reserves in the period in which the dividends are set.

Corporate income tax

Tax status

Up to end of 2022, NSI and most of its subsidiaries had the status of a fiscal investment institution within the context of Article 28 of the Dutch Corporate Income Tax Act 1969 (Wet op de Vennootschapsbelasting 1969. This means no corporate income tax is owed under certain conditions. The main conditions relate to the investment requirement, the distribution of taxable earnings as dividend, limitations on the financing of investments with debt capital and the composition of the shareholder base. Profits from the disposal of investments and fair value adjustment results on investment property are not included in the distributable earnings.

In addition, there are legal restrictions on the activities that may be undertaken by a Dutch Real Estate Investment Trust (FBI). Since 1 January 2014, 'associated business activities' attributable to the main task of letting and managing of investment properties may be performed, within certain limits, by a normal taxable subsidiary.

To the best of the Management Board's knowledge the Group meets the legal requirements.

Due to a change in legislation, as from 2025 FBI's can no longer directly invest in Dutch real estate. In 2023, NSI has undergone a restructuring in which most of the properties are now in separate entities, which are subject to corporate income tax. NSI N.V. intends to remain an FBI.

Corporate income tax

Corporate income tax consists of taxes currently payable and receivable and movements in deferred tax assets and deferred tax liabilities.

Current tax consists of the sum of the expected tax payable or receivable on the taxable results for the year, taking into account earnings elements exempt from tax and non-deductible costs whereby the tax rates applied are those prevailing on the balance sheet date or changed tax rates already known on the balance sheet date. The tax payable also includes any changes to tax payments made in previous years.

Deferred tax assets are recognised as income tax to be reclaimed in future periods relating to offsetable temporary differences between book value and the fiscal value of assets and liabilities. They also relate to the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable benefits will be available against which unused tax losses and tax credits can be utilised. Deferred tax assets are only recognised if it is likely that the temporary differences will be settled in the near future and sufficient taxable profit will be available for settlement.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are recognised for income tax payable in future periods on taxable temporary differences between the book value of assets and liabilities and their fiscal book value.

Deferred tax recognised in the statement of comprehensive income is the movement in deferred tax assets and deferred tax liabilities during the period.

Deferred tax assets and liabilities are netted if there is a legally enforceable right to offset the tax assets and liabilities and when the deferred assets and liabilities concern the same tax regime.

Income

Rental income
The rental income from investment property let on the basis of operating lease agreements is recognised in the consolidated statement of comprehensive income on a straight-line basis for the duration of the lease agreement.

Rent-free periods, rent reductions and other lease incentives are reported as an integral part of total net rental income. These lease incentives are allocated over the term of the lease agreement until the first moment at which the lease agreement may be terminated. The resulting accrued income is included in the fair value of the respective investment properties by the external appraisers and is separated in the balance sheet for reporting purposes.

Compensations received or paid for leases terminated early are immediately recognised in the consolidated statement of comprehensive income in the period in which the contractual requirements are met.

Service costs recharged to tenants
Service costs can be charged on to the tenants. These charges mainly relate to gas, water, electricity, cleaning and security, etcetera, costs which can be recharged to tenants based on the lease agreement. NSI acts as principal with respect to service costs, whereby the costs incurred are recharged to the tenants, including an administrative fee.

Net result on sale of investment property
Proceeds from the sale of investment properties are recognised when the control of the property is transferred to the purchaser.

The profits or losses on the sale of investment properties are identified as the difference between the net proceeds of the sale and the carrying value of the investment properties.

Costs

Service costs not recharged
Service costs not recharged to tenants mainly relate to vacant properties, in which situation these costs cannot be recharged to tenants and / or to other irrecoverable service costs as a result of contractual limitations on service costs.

Operating costs
Operating costs consist of costs directly related to the operation of the investment properties, such as property management, municipal taxes, insurance premiums, maintenance costs, letting costs and other business expenses.

Except for letting fees, these costs are charged to the result when they occur. Letting fees are straight-lined over the remaining lease term of the related contract until the first possible moment of termination by the tenant. The resulting accrued income is included in the fair value of the respective investment properties by the external appraisers and is separated in the balance sheet for reporting purposes.

Administrative costs
Administrative costs include staff costs, office expenses, consultancy fees, remuneration of Supervisory Board members and other overhead costs.

Costs relating to the commercial, technical and administrative management of investment properties are included in the operating costs. Costs relating to the supervision and monitoring of investment projects are capitalised on the basis of hours spent.

Financing income and costs
Financing income and costs consist of interest expenses on loans and debts, and interest income on outstanding loans and receivables attributable to the period, including interest income and expenses based on interest rate swaps. As a result of the recognition of interest-bearing debt based on amortised cost, financing expenses also include interest accrued on the interest-bearing debt.

Financing expenses directly attributable to the purchase, renovation or expansion of an investment property are capitalised as part of the integral cost of the property involved. The interest applied is the average interest paid by the Group in the respective currency.

The net financing result also includes the profits and losses arising from changes in the fair value of the derivative financial instruments.

Employee benefits

Defined contribution pension plan

Liabilities relating to contributions to defined contribution pension plans are recognised as costs in the period in which they occur. Prepayments are recognised as an asset insofar as a cash refund or a reduction in future payments is available. The pension arrangements are insured externally.

Management Board variable remuneration

The variable remuneration component for the Management Board consists of a long-term incentive (LTI) and a short-term incentive (STI).

The LTI is for the CEO based on 2022 to 2024, whereas the LTI for the CFO is based on the period May to December 2024. It is capped at 90% of the base salary for the CEO and at 45% of the base salary for the CFO, whereas the STI is based on 2024 only and is capped at 24% of the base salary for the CEO and at 36% of the base salary for the CFO.

At the end of 2024, the total obligation was calculated and recognised as an expense with a corresponding increase in liabilities.

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 CFO.

The 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.

Cash flow statement

Operating cash flows are reported on the basis of the indirect method. Cash and cash equivalents and debts to credit institutions also include overdraft facilities which are part of NSI's cash management policy.

Segment information

All operating results of an operating segment are assessed periodically by the Management Board in order to decide on the allocation of resources to the segment and to assess performance, based on the confidential financial information available.

The Management considers the business from the nature of the investment property and assesses performance for "Amsterdam", "Other G4", and "Other Netherlands". A segment consists of assets and activities with specific risks and results, differing from other sectors.
Assets and liabilities and activities which cannot be directly assigned to the abovementioned segments, are reported under "Corporate".

New and amended standards not applied

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024. These standards and amendments did not have an impact on these consolidated financial statements:

- Amendments to IAS 1, *"Presentation of Financial Statements: Classification of Liabilities as Current or Non-current Liabilities with Covenants";*
- Amendments to IFRS 16", *'Leases: Lease Liability in a Sale and Leaseback";*
- Amendments to IAS 7, "Statement of Cash Flows" and IFRS 7, *"Financial Instruments: Disclosures: Supplier Finance Arrangements".*

There are no IFRS or IFRIC interpretations that are not yet effective which are expected to have a significant impact financial statements of NSI.

1. Segment information

2024

Statement of comprehensive income

	Amsterdam	Other G4	Other NL	Corporate	Total
Gross rental income	37,112	24,294	11,325	-	72,731
Service costs recharged to tenants	6,091	5,554	1,642	-	13,287
Service costs	-6,761	-6,849	-1,707	-	-15,318
Service costs not recharged	-670	-1,295	-66	-	-2,030
Operating costs	-4,699	-3,650	-1,274	-	-9,622
Net rental income	**31,743**	**19,349**	**9,986**	**-**	**61,079**
Revaluation of investment property	-26,669	4,797	-6,192	-	-28,063
Net result on sale of investment property	146		2,190	-	2,337
Net result from investment	**5,221**	**24,146**	**5,984**	**-**	**35,352**
Administrative costs	-	-	-	-8,298	-8,298
Impairment of tangible and intangible fixed assets	-	-	-	-627	-627
Other income and costs	-	-	-	-166	-166
Financing income	-	-	-	2	2
Financing costs	-	-	-	-10,880	-10,880
Movement in market value of financial derivatives	-	-	-	2	2
Net financing result	-	-	-	-10,876	-10,876
Result before tax	**5,221**	**24,146**	**5,984**	**-19,968**	**15,384**
Corporate income tax	-	-	-	-3,012	-3,012
Total result for the year	**5,221**	**24,146**	**5,984**	**-22,979**	**12,372**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**5,221**	**24,146**	**5,984**	**-22,979**	**12,372**
Attributable to shareholders	5,221	24,146	5,984	-22,979	12,372

Statement of financial position as per 31 December

	Amsterdam	Other G4	Other NL	Corporate	Total
Investment property	537,824	326,877	123,858	-	988,559
Other assets	5,859	4,227	342	52,420	62,848
Total assets	**543,682**	**331,104**	**124,200**	**52,420**	**1,051,406**
Non-current liabilities	3,779	2,596	289	325,224	331,889
Current liabilities	1,238	689	468	44,778	47,172
Total liabilities	**5,017**	**3,285**	**757**	**370,003**	**379,062**
Purchases of investment property and subsequent expenditures	6,822	24,990	1,283	-	33,094

2023

Statement of comprehensive income

	Amsterdam	Other G4	Other NL	Corporate	Total
Gross rental income	35,600	24,185	11,415	-	71,199
Service costs recharged to tenants	5,706	5,782	1,987	-	13,475
Service costs	-6,789	-6,646	-1,966	-	-15,402
Service costs not recharged	-1,083	-864	21	-	-1,926
Operating costs	-5,182	-3,966	-1,704	-	-10,852
Net rental income	**29,335**	**19,355**	**9,731**	**-**	**58,421**
Revaluation of investment property	-153,754	-44,623	-25,583	-	-223,959
Net result on sale of investment property	5,282	-1	106	-	5,388
Net result from investment	**-119,136**	**-25,269**	**-15,745**	**-**	**-160,150**
Administrative costs	-	-	-	-9,120	-9,120
Other income and costs	-	-	-	-81	-81
Financing income	-	-	-	37	37
Financing costs	-	-	-	-8,385	-8,385
Movement in market value of financial derivatives	-	-	-	-2,771	-2,771
Net financing result	-	-	-	-11,120	-11,120
Result before tax	**-119,136**	**-25,269**	**-15,745**	**-20,321**	**-180,471**
Corporate income tax	-	-	-	38,101	38,101
Total result for the year	**-119,136**	**-25,269**	**-15,745**	**17,780**	**-142,370**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-119,136**	**-25,269**	**-15,745**	**17,780**	**-142,370**
Attributable to shareholders	-119,136	-25,269	-15,745	17,780	-142,370

Statement of financial position as per 31 December

	Amsterdam	Other G4	Other NL	Corporate	Total
Investment property	579,683	296,245	152,873	-	1,028,801
Other assets	6,461	4,615	992	46,756	58,824
Total assets	**586,144**	**300,860**	**153,865**	**46,756**	**1,087,625**
Non-current liabilities	3,128	932	198	335,517	339,775
Current liabilities	1,781	1,461	724	34,002	37,968
Total liabilities	**4,908**	**2,393**	**922**	**369,520**	**377,743**
Purchases of investment property and subsequent expenditures	15,056	4,102	311	-	19,469

2. Net rental income

	Gross rental income		Service costs not recharged		Operating costs		Net rental income	
	2024	2023	2024	2023	2024	2023	2024	2023
Amsterdam	37,112	35,600	-670	-1,083	-4,699	-5,182	31,743	29,335
Other G4	24,294	24,185	-1,295	-864	-3,650	-3,966	19,349	19,355
Other Netherlands	11,325	11,415	-66	21	-1,274	-1,704	9,986	9,731
Net rental income	**72,731**	**71,199**	**-2,030**	**-1,926**	**-9,622**	**-10,852**	**61,079**	**58,421**

Gross rental income can be specified in the following components:

		2024		2023
Gross rental income - offices / HNK		71,437		69,852
Turnover rent / variable parking income	457		524	
Indemnities received	408		524	
HNK - meeting rooms	575		563	
HNK - hospitality services	-3		91	
Other rental income / expense	-142		-356	
Other gross rental income		1,295		1,347
Gross rental income		**72,731**		**71,199**

Gross rental income includes an amount of € 6.0m (2023: € 6.2m) for lease incentives.

NSI leases out its investment properties on the basis of operating leases with various maturities. Each lease contract specifies the space, rent and rights and obligations of the landlord and the tenant, including notice periods, options to extend the rental period and provisions related to service costs. In general, the rent is indexed during the life of the rental agreement on an annual basis. The total annual rent to be received from operating lease agreements, until the first moment the tenant can cancel the rental agreement, is specified as follows:

	31 December 2024	31 December 2023
First year	61,596	63,709
Second to fourth year	124,899	120,892
As of fifth year	58,241	68,131

3. Operating costs

	2024	2023
Leasehold	0	0
Municipal taxes	-2,959	-2,960
Insurance premiums	-686	-741
Maintenance costs	-1,229	-2,254
Property management costs	-3,635	-3,473
Letting costs	-1,331	-1,018
Contribution to owner association	-46	-114
Doubtful debt costs	-19	-19
Other operating costs	283	-273
Operating costs	**-9,622**	**-10,852**

Property management costs include administrative costs charged to operating costs for an amount of € 3.2m (2023: € 3.0m). Letting costs includes an amount of - € 0.2m (2023: - € 0.1m) for straight-lined letting investments and commissions.

An amount of € 0.0m (2023: € 0.0m) relates to operating costs of fully vacant properties.

4. Revaluation of investment property

	2024			2023		
	Positive	Negative	Total	Positive	Negative	Total
Investment property in operation	12,788	-42,803	-30,015	-	-193,937	-193,937
Investment property under construction	4,648	-4,054	594	-	-31,147	-31,147
Revaluation - market value	**17,436**	**-46,857**	**-29,421**	**-**	**-225,084**	**-225,084**
Movement in right of use leasehold	-	-	-80	-	-	-68
Movement in lease incentives	-	-	1,437	-	-	1,192
Revaluation of investment property	**-**	**-**	**-28,063**	**-**	**-**	**-223,959**

Further details on revaluation can be found in note 11.

5. Net result on sale of investment property

	2024	2023
Proceeds on sale of investment property	50,635	34,164
Transaction costs on sale of investment property	-142	-112
Sale of investment property	**50,493**	**34,052**
Book value at the time of sale (excl. right of use leasehold)	-48,156	-28,665
Net result on sale of investment property	**2,337**	**5,388**

During 2024 three properties have been sold of which one in Amsterdam, one in Den Bosch and one in Eindhoven (last two segment ‘Other Netherlands’). Furthermore, a piece of land in Leiden was sold to the municipality.
In 2023 three properties were sold of which one in Amsterdam and two in the segment ‘Other Netherlands’.
The net result on sale of investment property includes an amount of -€ 0.0m (2023: -€ 0.2m) related to prior years’ sales.

Transaction costs on sale include the costs of real estate agents and legal fees.

6. Administrative costs

		2024		2023
Salaries and wages	-6,089		-6,011	
Social security	-812		-771	
Pensions	-417		-413	
Depreciation right of use tangible fixed assets	-276		-290	
Other staff costs	-945		-1,327	
Staff costs		-8,540		-8,813
Compensation supervisory board		-245		-252
Depreciation and amortisation	-325		-348	
Other office costs	-1,257		-1,373	
Office costs		-1,582		-1,721
Audit, consultancy and valuation costs		-1,656		-1,818
Other administrative costs		-925		-1,057
Administrative costs		**-12,948**		**-13,661**
Allocated administrative costs		**4,649**		**4,541**
Administrative costs		**-8,298**		**-9,120**

Administrative costs directly related to the operation of the investment property portfolio (€ 3.2m; 2023: € 3.0m) are recharged to operating costs. Directly attributable costs related to (potential) development projects are capitalised as part of the respective project or recharged to feasibility costs (€ 0.3m; 2023: € 0.7m). The staff costs concerning the daily operation of the

HNK-properties (€ 1.1m; 2023: € 0.8m) are part of service costs and as such are allocated to the respective properties. The total of these costs is reported as “Allocated administrative costs”.

Employees

On average 69 employees (62 FTE), including the Management Board, were employed by NSI and HNK during the reporting year (2023: 67 employees (61 FTE)).

As per 31 December 2024 the number of employees amounted to 69 (62 FTE).
All employees are working in the Netherlands.

7. Impairment of tangible and intangible fixed assets

	2024	2023
Impairment of tangible fixed assets	-627	-
Impairment of tangible and intangible fixed assets	**-627**	**-**

The impairment of tangible fixed assets concerns the head office of NSI at Centerpoint II, Amsterdam as a result of negative revaluation.

8. Other income and costs

	2024	2023
Other costs	-166	-81
Other income and costs	**-166**	**-81**

Other costs in 2024 mainly concern feasibility costs for potential projects.

Other costs in 2023 concern feasibility costs for projects, mainly related to Bio Science Park, Leiden.

9. Net financing result

	2024	2023
Interest income	2	37
Financing income	**2**	**37**
Interest costs	-11,352	-10,211
Capitalised interest	1,848	2,368
Bank costs	-77	-46
Amortisation costs interest bearing loans	-574	-434
Other financing costs	-724	-62
Financing costs	**-10,880**	**-8,385**
Movement in market value of financial derivatives	2	-2,771
Net financing result	**-10,876**	**-11,120**

During 2024, borrowing costs for the development project Vitrum, Amsterdam, are capitalised. In 2023 this was also the case for Laanderpoort, Amsterdam, which was sold in January 2024. For Vitrum, the financing component for the leasehold agreement is also capitalised.

Capitalised interest in connection with developments is based on the weighted average cost of debt. During 2024, the range of weighted average interest rates used was: 2.9% - 3.1% (2023: 1.9% - 3.2%).

10. Corporate income tax

		2024		2023
Current tax on profits for the year	-1,691		-621	
Total current tax		-1,691		-621
Decrease / increase in deferred tax assets	-894		38,724	
Decrease / increase in deferred tax liabilities	-427		-2	
Total deferred tax		-1,321		38,722
Corporate income tax		**-3,012**		**38,101**
Corporate income tax attributable to:				
Profit from continuing operations		-3,012		38,101

After the restructuring in 2023, only NSI N.V., NSI Real Estate B.V., NSI Kantoren B.V., NSI Vastgoed B.V., NSI Flexoffices B.V. and HNK Vastgoed B.V. have the status of a Dutch real estate investment trust (FBI) within the context of Article 28 of the Dutch Corporate Income Tax Act 1969 (Wet op de Vennootschapsbelasting 1969). This means that no corporate income tax is owed under certain conditions.

The main conditions relate to the investment requirement, the distribution of taxable earnings as dividend, limitations on the financing of investments with debt capital and the composition of the shareholder base. Profits from the disposal of investments are not included in the distributable earnings.

In addition, there are legal restrictions on the activities that may be undertaken by an FBI, as stated under the main principles for financial reporting. Since 1 January 2014, 'associated business activities' attributable to the main task of letting and managing of investment properties may be performed, within certain limits, by a normal taxable subsidiary.

All other subsidiaries are not part of the fiscal real estate investment trust for tax purposes and are as such liable to pay corporate income tax as from 2023.

		2024		2023
Result before tax		15,384		-180,471
Tax at Dutch tax rate (high rate)	25.8%	-3,969	25.8%	46,562
Exempt due to fiscal status		7,088		-1,979
Differences due to valuation differences		-3,921		-4,263
Non-deductible expenses		-1,616		-2,118
Deductible losses prior years		103		-
Different tax rate (low rate - 19.0%)		-475		-99
Other		-221		-
Corporate income tax		**-3,011**		**38,101**

LTV and Dutch REIT-status

A number of requirements must be met to achieve and maintain the status of a Dutch real estate investment trust (FBI). One such requirement relates to the maximum LTV (norm: ≤ 60%).

The basis for calculating this LTV differs fundamentally from the basis used for financial institutions. For the latter NSI uses its commercial figures. The figures for tax purposes are used to calculate the LTV to assess the Dutch FBI status. NSI complied with this requirement in both 2023 and 2024.

11. Investment property

Investment property consists of investment property in operation and investment property under construction:

	31 December 2024	31 December 2023
Investment property in operation	936,656	969,591
Investment property under construction	51,903	59,210
Investment property	**988,559**	**1,028,801**

Investment property in operation and investment property under construction are recognised at fair value. The fair value is determined on the basis of level 3 of the fair value hierarchy.

At 31 December 2024 100% (2023: 100%) of investment property were appraised by external appraisers. Both in 2023 and 2024 the appraisers were JLL, Colliers and Cushman & Wakefield. The newly acquired Sypesteyn in Utrecht was appraised by Savills in December 2024.

The fair value is based on the market value (including buyer's costs, i.e. adjusted for purchase costs such as transfer tax). That means the estimated price on the date of valuation at which a property can be traded between a seller and a purchaser willing to enter into an objective, arm's length transaction preceded by sound negotiations between both well-informed parties.

The valuations are determined on the basis of a capitalisation method, on the basis of a gross initial yield and the therefrom derived net initial yield calculation, whereby the net market rent prices are capitalised, and is subsequently validated by the DCF calculation method, based on the present value of the future cash flows for the next ten year including an exit value at the end of the tenth year. The respective outcomes of both methods are compared. The returns applied are specified for the type of investment property, location, maintenance condition and letting potential of each property, and are based on comparable transactions, along with market-specific and property-specific knowledge.

The table below summarises both valuation techniques used to determine the fair value of investment property, as well as the significant unobservable inputs used primarily for the capitalisation method. The respective outcomes of both methods are compared:

Valuation technique	Unobservable inputs	Relationship between significant unobservable inputs and the fair value measurement
Capitalisation method and net discounted cash flow calculation.		*The estimated fair value increases (decreases) if:*
The capitalisation method consists of a net initial yield calculation, whereby the net market rent prices are capitalised by a yield percentage.	**Significant:** • Gross initial yield / net initial yield	• The gross / net yield is lower (higher)
The DCF valuation method is based on the present value of net future cash flows to be generated by the property, taking into account the expected increases in rent levels, periods of vacancy, costs of letting incentives such as rent free periods and other costs not covered by the tenant and the estimated operating costs and capital expenditure.	**Other:** • Market rent (Estimated Rental Value) • Rent free periods and other lease incentives and periods of vacancy following expirations of a lease • Operating expenses, capital expenditure and ground lease expenses	• The estimated market rent levels are higher (lower) • The periods of vacancy are shorter (longer) • The rent free periods are shorter (longer) • The operating costs and capital are lower (higher)
The expected net cash flows are discounted using a risk adjusted discount rate. The discount rate is estimated based on factors including the quality and location of the property, the creditworthiness of the tenant and the lease conditions.		

The fair value is the outcome of the (theoretical) rent divided by the net initial yield (expressed as a percentage) of the investment property. The yields applied are specific to the type of property, location, maintenance condition and letting potential of each asset. The yields are determined based on comparable transactions, as well as on market and asset-specific knowledge.

Assumptions are made for each property, tenant and vacant unit based on the likelihood of letting (and reletting), the expected duration of vacancy (in months), incentives, capital expenditure and operating costs.

The most important assumptions and input parameters used in the valuations are:

	2024	2023
Average effective contractual rent per sqm (€):		
Amsterdam	264	259
Other G4	223	220
Other Netherlands	204	195
Average market rent per sqm (€):		
Amsterdam	273	271
Other G4	216	214
Other Netherlands	213	203
Average gross initial yield (%):		
Amsterdam	7.9%	7.4%
Other G4	8.2%	8.6%
Other Netherlands	8.0%	8.1%

Investment property in operation

The movement in investment property in operation per segment was as follows:

2024

	Amsterdam	Other G4	Other NL	Total
Balance as per 1 January 2024	**520,474**	**296,245**	**152,873**	**969,591**
Acquisitions	-	18,442	-	18,442
Investments	5,393	6,837	1,283	13,513
Revaluation	-22,606	88	-6,192	-28,710
Transfer from / to inv. property under construction	-1,810	-10,264	-	-12,074
Disposals	-	-	-24,105	-24,105
Balance as per 31 December 2024	**501,450**	**311,347**	**123,858**	**936,656**
Right of use leasehold as per 31 December 2024	-579	-834	-	-1,412
Lease incentives as per 31 December 2024	5,859	4,107	342	10,307
Market value as per 31 December 2024	506,730	314,620	124,200	945,550

2023

	Amsterdam	Other G4	Other NL	Total
Balance as per 1 January 2023	**665,530**	**333,706**	**200,917**	**1,200,153**
Investments	9,546	4,102	311	13,959
Revaluation	-122,598	-44,623	-25,583	-192,804
Transfer from / to inv. property under construction	-26,510	3,060	-	-23,450
Disposals	-5,494	-	-22,772	-28,267
Balance as per 31 December 2023	**520,474**	**296,245**	**152,873**	**969,591**
Right of use leasehold as per 31 December 2023	-620	-	-30	-649
Lease incentives as per 31 December 2023	6,461	4,615	992	12,069
Market value as per 31 December 2023	526,315	300,860	153,835	981,010

Collateral

On 31 December 2024, no properties were mortgaged as security for loans drawn at banks. At the end of 2023, properties with a market value of € 172.4m were mortgaged as security for loans drawn at banks amounting to € 55.0m.

Sensitivities to yield fluctuations

The value of investment property implies an average gross initial yield of 8.0% (31 December 2023: 7.9%). Valuations can be affected by the general macro-economic and market environment, but also by local factors. For this reason NSI has performed a sensitivity analysis.

If, on 31 December 2024, the yields applied for the valuation of investment property had been 50 basis points lower than the yields currently applied, the value of investment property would increase by 6.4% (31 December 2023: 6.4%). In that case NSI's equity would be € 64.2m (31 December 2023: € 66.4m) higher due to a higher result for the year. The loan-to-value would then decrease from 33.8% (31 December 2023: 33.0%) to 31.7% (31 December 2023: 31.1%).

If, on 31 December 2024, the yields applied for the valuation of investment property had been 50 basis points higher than those currently applied, the value of investment property would decrease by 5.7% (31 December 2023: 5.6%). In that case NSI's equity would be € 56.6m (31 December 2023: € 58.5m) lower due to a lower result for the year. The loan-to-value would then increase from 33.8% (31 December 2023: 33.0%) to 35.8% (31 December 2023: 35.0%).

Investment property under construction

The movement in investment property under construction per segment was as follows:

2024

	Amsterdam	Other G4	Other NL	Total
Balance as per 1 January 2024	**59,210**	**-**	**-**	**59,210**
Investments	1,416	556	-	1,972
Capitalised interest	1,848	-	-	1,848
Revaluation	-4,062	4,709	-	647
Transfer from / to inv. property in operation	1,810	10,264	-	12,074
Disposals	-23,847	-	-	-23,847
Balance as per 31 December 2024	**36,374**	**15,529**	**-**	**51,903**
Right of use leasehold as per 31 December 2024	-168	-	-	-168
Lease incentives as per 31 December 2024	-	121	-	121
Market value as per 31 December 2024	36,205	15,650	-	51,855

2023

	Amsterdam	Other G4	Other NL	Total
Balance as per 1 January 2023	**56,022**	**3,060**	**-**	**59,082**
Investments	5,466	-	-	5,466
Capitalised interest	2,368	-	-	2,368
Revaluation	-31,155	-	-	-31,155
Transfer from / to inv. property in operation	26,510	-3,060	-	23,450
Balance as per 31 December 2023	**59,210**	**-**	**-**	**59,210**
Right of use leasehold as per 31 December 2023	-179	-	-	-179
Market value as per 31 December 2023	59,030	-	-	59,030

As per 31 December 2024 investment property under construction consists of Vitrum and capitalised project costs of Well House, both located in Amsterdam, and Alexanderpoort, Rotterdam.

12. Intangible fixed assets

Intangible fixed assets consist of capitalised software.

The movement in intangible fixed assets during 2024 was as follows:

	Software	TOTAL
Balance as per 1 January	**32**	**32**
Investments	21	21
Amortisation	-24	-24
Balance as per 31 December	**29**	**29**
Gross book value	1,338	1,338
Cumulative depreciation	-1,309	-1,309
Intangible fixed assets - Net book value	**29**	**29**

The movement in intangible fixed assets during 2023 was as follows:

	Software	TOTAL
Balance as per 1 January	**72**	**72**
Investments	-	-
Amortisation	-40	-40
Balance as per 31 December	**32**	**32**
Gross book value	1,316	1,316
Cumulative depreciation	-1,285	-1,285
Intangible fixed assets - Net book value	**32**	**32**

Investments in 2024 concern costs made related to robotic process automation. No investments were done in 2023.

13. Tangible fixed assets

Tangible fixed assets relate to the furniture and office equipment, as well as part of the offices of the company at Hoogoorddreef 62 (Centerpoint) in Amsterdam. Furthermore, the right of use of lease cars has been included under tangible fixed assets.

The movement in tangible fixed assets during 2024 was as follows:

	Real estate in own use	Furniture / fixtures	Hardware	Right of use lease cars	TOTAL
Balance as per 1 January	**2,931**	**423**	**-**	**481**	**3,835**
Investments	-	-	-	560	560
Depreciation	-89	-212	-	-276	-577
Impairment	-627	-	-	-	-627
Disposals	-	-		-1	-1
Balance as per 31 December	**2,215**	**212**	**-**	**764**	**3,190**
Gross book value	2,475	846	48	1,116	4,534
Cumulative depreciation	-260	-635	-48	-352	-1,344
Tangible fixed assets - Net book value	**2,215**	**212**	**-**	**764**	**3,190**

The movement in tangible fixed assets during 2023 was as follows:

	Real estate in own use	Furniture / fixtures	Hardware	Right of use lease cars	TOTAL
Balance as per 1 January	**3,027**	**635**	**-**	**401**	**4,063**
Investments	-	-	-	429	429
Depreciation	-96	-212	-	-290	-598
Disposals	-	-	-	-59	-59
Balance as per 31 December	**2,931**	**423**	**-**	**481**	**3,835**
Gross book value	3,162	846	48	1,158	5,263
Cumulative depreciation	-231	-423	-48	-677	-1,428
Tangible fixed assets - Net book value	**2,931**	423	-	**481**	**3,835**

Impairment in 2024 concerns revaluation of the office of NSI at Hoogoorddreef 62, Amsterdam.

14. Deferred tax assets and liabilities

Deferred tax assets are attributable to the following items:

2024

	1 January 2024	Movement comprehensive income account	Reclassification	31 December 2024
Investment property	38,654	-2,301	-	36,352
Losses carried forward	70	1,408	684	2,162
Deferred tax assets	**38,724**	**-894**	**684**	**38,514**

2023

	1 January 2023	Movement comprehensive income account	Reclassification	31 December 2023
Investment property	-	38,654	-	38,654
Losses carried forward	-	70	-	70
Deferred tax assets	**-**	**38,724**	**-**	**38,724**

Deferred tax liabilities are attributable to the following items:

2024

	1 January 2024	Movement comprehensive income account	Reclassification	31 December 2024
Investment property	-2	-427	-	-429
Deferred tax liabilities	**-2**	**-427**	**-**	**-429**

2023

	1 January 2023	Movement comprehensive income account	Reclassification	31 December 2023
Investment property	-	-2	-	-2
Deferred tax liabilities	**-**	**-2**	**-**	**-2**

All deferred tax assets and liabilities relate to the entities founded as part of the restructuring undergone in 2023. These entities are no longer part of the fiscal real estate investment trust for tax purposes and are as such liable to pay corporate income tax as from 2023. The deferred tax assets include an amount of €38,514 which relates to the difference between book value and fiscal value of assets and liablities. They also relate to the carry forward of unused tax credits and any unused tax losses. NSI N.V. has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the subsidiary. The subsidiary is expected to generate taxable income from 2025 onwards. The losses can be carried forward indefinitely and have no expiry date.

The reclassification stated in the movement table for deferred tax assets in 2024 relates to deferred tax previously reported in the balance sheet under current corporate income tax receivable.

15. Other non-current assets

	31 December 2024	31 December 2023
Lease incentives	10,427	12,069
Other non-current assets	**10,427**	**12,069**

Lease incentives are straight-lined over the remaining lease terms until the first possible moment of termination by the tenants. Lease incentives contain an amount of € 0.8m to be settled in 2024 (2023: € 2.1m to be settled in 2024).

16. Debtors and other receivables

	31 December 2024		31 December 2023	
Gross debtors	925		1,734	
Provision for doubtful debts	-215		-353	
Debtors		710		1,381
Taxes		247		781
Prepayments and accrued income		432		1,295
Other current receivables		848		506
Debtors and other receivables		**2,237**		**3,963**

The largest item recognised under debtors and other accounts receivable concerns debtors (€ 0.9m), mainly tenants who are overdue, which are reported after deduction of a provision for expected credit losses over the term of the receivables.
The provision for doubtful debts has been determined based on IFRS 9 guidelines, in line with prior year's calculations.

17. Cash and cash equivalents

	31 December 2024	31 December 2023
Bank balances	8,451	202
Cash and cash equivalents	**8,451**	**202**

The full amount of cash and cash equivalents is freely available.

18. Equity attributable to shareholders

Issued share capital

As per 31 December 2024 the authorised share capital consisted of 20,155,221 issued and fully paid shares (€ 74.2). The issued shares have a par value of € 3.68 each.

In September 2024 NSI completed its € 20.0m share buyback programme. Under this programme, a total of 1,034,629 shares were repurchased and are currently held as treasury shares.

As per 31 December 2024, the number of issued shares is 20,155,221, of which 19,120,592 shares outstanding (€70.4m) and 1,034,629 shares held as treasury shares.

The movement in issued share capital in 2024 and 2023 was as follows:

	2024	2023
Balance as per 1 January	**74,171**	**73,800**
Issuance / repurchase of shares	-3,807	-
Stock dividend - final distribution prior year	-	372
Balance as per 31 December	**70,364**	**74,171**

The movement in the number of shares issued in 2024 and 2023 was as follows:

	2024	2023
Balance as per 1 January	**20,155,221**	**20,054,240**
Stock dividend - final distribution prior year	-	100,981
Issuance / repurchase of shares	-1,034,629	-
Balance as per 31 December	**19,120,592**	**20,155,221**

The holders of ordinary shares are entitled to receive the dividend declared by the company and to exercise one vote per share at the General Meeting of Shareholders.

Share premium reserve

The movement in the share premium reserve in 2024 and 2023 was as follows:

	2024	2023
Balance as per 1 January	**915,068**	**915,447**
Issuance / repurchase of shares	-16,193	-
Stock dividend - final distribution prior year	-	-379
Balance as per 31 December	**898,876**	**915,068**

The share premium reserve consists of the paid-up capital for ordinary shares in excess of the nominal value. The share premium reserve qualifies as fiscally recognised paid-up capital for Dutch tax purposes.
In the movement of the share premium reserve 2023, € 7k transaction costs on the issue of stock dividend is included.

Other reserves

The movement in the other reserves in 2024 and 2023 was as follows:

	2024	2023
Balance as per 1 January	**-136,988**	**-70,868**
Profit appropriation	-142,370	-31,370
Cash dividend - final distribution prior year	-15,296	-19,633
Cash dividend - interim	-14,614	-15,116
Balance as per 31 December	**-309,267**	**-136,988**

Dividend and earnings per share

The final dividend for 2024 is to be distributed in the form of cash, shares or a combination of both as proposed by the Management Board and subject to approval by the General Meeting of Shareholders on 17 April 2025. This proposal was not included as a liability in the balance sheet at 31 December 2024.

Number of shares

	31 December 2024	31 December 2023
Weighted average number of ordinary shares	**19,587,785**	**20,117,872**
Number of ordinary shares entitled to dividend	**19,120,592**	**20,155,221**

Dividend

	2024		2023	
	Per share (€)	Total	Per share (€)	Total
Interim dividend paid	0.75	15,111	0.75	15,116
Proposed final dividend	0.82	15,679	0.77	15,520
Total	**1.57**	**30,790**	**1.52**	**30,636**

Earnings per share

	2024	2023
Total result	**0.63**	**-7.08**

The calculation of earnings per share at 31 December 2024 is based on the result attributable to ordinary shareholders of € 12.4m (2023: € 142.4m negative) and a weighted average number of outstanding ordinary shares during 2024 of 19,587,785 (2023: 20,117,872).

The proposed distribution of the final dividend complies with the fiscal distribution obligation and is in line with the current dividend policy to distribute at least 75% of the direct result.

Capital management

NSI manages equity attributable to shareholders as its capital. NSI prefers to work with an overall conservative capital structure to underpin its real estate activities, to secure the group's continuity in the long run. The aim is to have at any point in time sufficient balance sheet capacity to pay out dividends, honour all capital commitments and absorb a material fall in appraisal values, be able to fund investment opportunities and stay well within all loan covenants and so not having to resort to forced asset disposals or an equity issue to restore the balance sheet.

NSI currently prefers to finance itself through unsecured financing to maintain optimal flexibility. It will also look to manage its balance sheet risk in relation to the other risks inherent to the business (economic cycle risk, leasing risk, development risk etc.). NSI also consistently monitors its fiscal capital base to make sure it meets and continues to meet all the requirements related to its FBI-status.

Management seeks to achieve a balance between a higher return that could be achieved through a higher level of debt capital, on the one hand, and the benefits of a healthy financial position, on the other. In addition, management safeguards capital by monitoring the loan-to-value ratio and the debt owed to credit institutions / equity ratio. The ratio of debt owed to credit institutions / property investments was 33.8% on 31 December 2024 (31 December 2023: 33.0%). The ratio of debt owed to credit institutions / equity was 33.4% / 66.6% on 31 December 2024 (31 December 2023: 32.7% / 67.3%).

All bank covenants are monitored proactively and periodically. The main covenants for NSI relate to:

- Loan-to-value;
- The interest coverage ratio;
- Solvency.

Furthermore, loans differ in the use or non-use of security, (public) transferability and other possible characteristics such as convertibility, affiliations with indices and inflation.

Loan-to-value

NSI has the following covenant relating to loan-to-value (LTV):

- LTV regarding NSI's entire portfolio. The maximum LTV must not exceed 60%.

As per 31 December 2023, NSI had an LTV covenant of a pool of NSI's properties regarding the secured financing agreement with BerlinHyp; the maximum individual LTV relating to the specific security must be below 60%). The loan with BerlinHyp was repaid in July 2024.

The following table provides an overview of the LTV at group level:

	LTV (%)		Individual LTV's are compliant	
	2024	2023	2024	2023
NSI - group-level	33.8%	33.0%	Yes	Yes

In 2023 and 2024 NSI and its subsidiaries complied with the LTV requirements agreed with banks on both an individual and consolidated level.

Furthermore, a number of requirements must be met to achieve and maintain the status of a Dutch real estate investment trust (FBI). One such requirement relates to the maximum LTV (norm: ≤ 60%). The basis for calculating this LTV differs fundamentally from the basis used for financial institutions. For the latter group NSI uses its commercial figures. The figures for tax purposes are used to calculate the LTV to assess the Dutch FBI status. NSI complied with this requirement in 2023 and 2024 for the entities under this regime.

Interest coverage ratio

NSI had the following covenant relating to the interest coverage ratio (ICR):

- Interest coverage ratio for NSI's entire portfolio must be at least 2.0.

At the end of 2023, NSI had an ICR covenant relating to the earlier mentioned secured pool of properties, for which the ICR must be at least 2.0.

The table below shows the interest coverage ratio (ICR):

	ICR		Individual ICR's are compliant	
	2024	2023	2024	2023
NSI - group-level	5.1	5.5	Yes	Yes

In 2023 and 2024 NSI and its subsidiaries complied with the independent and consolidated interest coverage ratio requirements agreed with the banks.

Based on our ICR debt covenant of 2.0, NSI could absorb a net rental income decline of ca. 60% before breaching this covenant.

Solvency

Based on the covenants, adjusted shareholders' equity at group level must be at least 40%. As per 31 December 2024 this was 67.2% (31 December 2023: 68.1%) in line with the covenants.

Other than the requirements ensuing from its status as a fiscal investment institution, the company nor its subsidiaries are subject to any externally imposed capital requirements.

19. Interest bearing loans

The development of the interest bearing loans in 2024 and 2023 was as follows:

	2024	2023
Balance as per 1 January	**333,632**	**351,640**
Drawn interest bearing loans	75,000	10,000
Transaction costs paid	-	-242
Amortisation transaction costs	574	434
Repayment of interest bearing loans	-80,000	-28,200
Balance as per 31 December	**329,206**	**333,632**
Redemption requirement interest bearing loans	5,000	-
Balance as per 31 December	**324,206**	**333,632**

The maturities of the loans at 31 December 2024 and 31 December 2023 were as follows:

	31 December 2024			31 December 2023		
	Fixed interest	Variable interest	Total	Fixed interest	Variable interest	Total
Up to 1 year	-	5,000	5,000	-	-	-
From 1 to 2 years	39,974	104,437	144,412	-	-	-
From 2 to 5 years	99,851	-	99,851	89,781	113,935	203,717
From 5 to 10 years	79,944	-	79,944	129,916	-	129,916
Total	**219,769**	**109,437**	**329,206**	**219,697**	**113,935**	**333,632**
Average interest rate (excl. Interest-rate swaps)	1.9%	4.2%	-	2.0%	5.7%	-

In January 2025 part of the revolving credit facility was repaid. In January 2026, a loan of € 40.0m will expire; this can be funded from the undrawn part of the existing revolving credit facility (€ 240.0m).

Loans outstanding have a remaining average maturity of 3.5 years (31 December 2023: 4.5 years) The weighted average annual interest rate on the loans and interest-rate swaps at the end of 2024 was 2.9% (31 December 2023: 3.2%). These include margin, utilisation fees and amortised costs and exclude commitment fees.

	31 December 2024			31 December 2023		
	Secured loans	Unsecured loans	Total	Secured loans	Unsecured loans	Total
Interest bearing loans - nominal value		330,000	330,000	55,000	280,000	335,000
Amortised costs		-794	-794	-213	-1,155	-1,368
Total		**329,206**	**329,206**	**54,787**	**278,845**	**333,632**

During 2024 no financing costs were capitalised (2023: € 0.2m). The financing costs are recognised in the comprehensive income account using the effective interest method.

After repayment of the secured loan with BerlinHyp in July 2024, NSI no longer has secured loans. At yearend 2024, as security for loans (up to € 55.0m), mortgages were pledged against investment property valued at € 172.4m, combined with pledges on rental income and maximum LTV requirements.

On 31 December 2024 the company's undrawn committed credit facilities totalled € 240.0m (31 December 2023: € 290.0m). Taking into account the cash and cash equivalents and debts to credit institutions, the remaining undrawn committed credit facility is € 231.3m (31 December 2023: € 279.2m). The fair value of the loans on 31 December 2024 was € 305.3m (31 December 2023: € 311.0m).

20. Other non-current liabilities

	31 December 2024	31 December 2023
Security deposits	3,838	3,540
Lease liabilities	1,810	992
Other non-current accounts payable	**5,648**	**4,533**

The average term of the leases relating to the security deposits is 2.4 years (31 December 2023: 2.0 years).

The net present value of non-current future lease obligations amounts to € 1.8m, consisting of leasehold obligations (€ 1.3m) and car lease obligations (€ 0.5m).

21. Debts to credit institutions

The item debts to credit institutions concerns cash loans and current account overdrafts with banks. NSI has concluded credit arrangements with a number of banks, of which a part is available as overdraft facility. In the case of cash-pool arrangements, cash and cash equivalents and debts to credit institutions are offset if allowed under IFRS9. The weighted average interest on available credit facilities as per yearend 2024 was 1.3% (yearend 2023: 1.3%) per annum including margin.

	31 December 2024	31 December 2023
Credit facilities	25,000	25,000
Unused	7,866	13,988
Debts to credit institutions	**17,134**	**11,012**

22. Creditors and other payables

	31 December 2024	31 December 2023
Creditors	4,635	3,971
Taxes	2,968	3,074
Interest	169	603
Security deposits	1,516	1,770
Lease liabilities	544	325
Deferred income	7,266	7,158
Accruals	7,894	10,020
Other current payables	46	35
Creditors and other payables	**25,039**	**26,956**

As per 31 December 2024, the net present value included for leasehold obligations amounts to € 0.3m and for car lease obligations € 0.3m.

23. Financial instruments - fair values and risk management

Recognition categories and fair values

The table on the next page summarises the book values and fair values of financial assets and liabilities, as well as their applicable level within the fair value hierarchy.

Categories of financial instruments

Fair value measurements are categorised into different levels in the fair value hierarchy depending on the input that formed the basis of the valuation techniques applied.
The different levels are defined as follows:

- Level 1: valuation based on quoted prices in active markets for identical assets or liabilities;
- Level 2: valuation of assets or liabilities based on (external) observable information;
- Level 3: valuation of assets or liabilities based wholly or partially on (external) unobservable information.

Level 2 applies to all financial instruments; a model in which fair value is determined based on directly or indirectly observable market data. In level 2 fair values for over-the-counter derivatives is calculated as the present value of the estimated future cash flows based on observable yield curves obtained by external data sources (e.g. Bloomberg) and valuation statements received from our counterparties These quotes are regularly tested for adequacy by discounting cash flows using the market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments that take into account the credit risk of the group entity and the counterparty, when appropriate.

	Note	31 December 2024 Fair value level	Amortised cost price	Fair value	31 December 2023 Fair value level	Amortised cost price	Fair value
Financial assets valued at amortised cost price							
Financial fixed assets		3	-	-	3	-	-
Debtors and other receivables	16	2	1,558	-	2	1,887	-
Cash and cash equivalents	17	1	8,451	-	1	202	-
Financial liabilities valued at fair value through profit or loss							
Derivative financial instruments		2	-	1,606	2	-	1,608
Financial liabilities valued at amortised cost price							
Interest bearing loans	19	2	329,206	-	2	333,632	-
Other non-current liabilities	20	2	5,648	-	2	4,533	-
Debts to credit institutions	21	1	17,134	-	2	11,012	-
Creditors and other payables	22	2	14,805	-	2	16,724	-

Categories of financial instruments

The categories of financial instruments are:

- AC: Amortised Cost;
- FVPL: Fair Value through Profit or Loss;
- FVOCI: Fair Value through Other Comprehensive Income.

The book value of the financial instruments in the balance sheet and the fair values are as follows:

	Note	Category IFR39	31 December 2024 Book value	Fair value	31 December 2023 Book value	Fair value
Financial fixed assets		AC	-	-	-	-
Other non-current assets	14	AC	-	-	-	-
Debtors and other receivables	15	AC	1,558	1,558	1,887	1,887
Cash and cash equivalents	16	AC	8,451	8,451	202	202
Financial assets			**10,009**	**10,009**	**2,089**	**2,089**
Interest bearing loans	18	AC	329,206	305,288	333,632	310,986
Derivative financial instruments		FVPL	1,606	1,606	1,608	1,608
Other non-current liabilities	19	AC	5,648	5,648	4,533	4,533
Debts to credit institutions	20	AC	17,134	17,134	11,012	11,012
Creditors and other payables	21	AC	14,805	14,805	16,724	16,724
Financial liabilities			**368,399**	**344,481**	**367,509**	**344,863**

On the balance sheet date the derivative financial instruments had the following maturity:

	31 December 2024 # contracts	Nominal value	Fair value assets	Fair value liabilities	31 December 2023 # contracts	Nominal value	Fair value assets	Fair value liabilities
From 1 to 5 years	1	55,000	-	1,606	1	55,000	-	1,608
Total	**1**	**55,000**	**-**	**1,606**	**1**	**55,000**	**-**	**1,608**

NSI minimises its interest rate risk by swapping the variable interest it pays on part of its loans for a fixed interest rate by means of a contract with a fixed interest rate of 3.31% (2023: one contract with a fixed interest rate of 3.31%) with a maturity date in 2027 (2023: 2027). The remaining maturity of the derivative is 2.5 years (2023: 3.5 years).

NSI is hedged at an interest rate of 3.31% (2023: 3.31%), excluding margin, 16.7% of the total outstanding variable interest loans are now under hedged (2023: over hedged 17.9%), 83.3% of the total volume is hedged (2023: 82.1%).

Financial risk management

In the normal conduct of business, the group is subject to liquidity risk, including financing and refinancing risk, market risk and credit risk. Overall risk management is focused on the unpredictability of the financial markets and is designed to minimise any negative effects on the group's business performance. The group closely monitors the financial risks associated with its business and financial instruments. The group is a long-term investor in real estate and therefore applies the principle that the financing of these investments should also be planned for the long term, in accordance with the risk profile of its business.

The policy and monitoring of risks are reviewed regularly and adjusted if necessary to reflect changes in market conditions and the group's operations.

Liquidity risk

Investing in property is a capital-intensive activity. The property portfolio is financed partly with equity and partly with debt.

Funding with debt carries refinancing risks. The potential impact is that there is insufficient liquidity available to meet the company's obligations at the moment of the interest payment or repayment. Liquidity risk involves the risk of the group having problems fulfilling its financial obligations. The basic principle of liquidity risk management is that sufficient resources should be kept available, if possible, for the group to fulfil its current and future financial obligations under normal and difficult circumstances and without incurring unacceptable losses or harming the reputation of the group.

Liquidity risk management involves ensuring the availability of adequate credit facilities. To spread its liquidity risk, the group has funded its operations with various loans and shareholders' equity. Furthermore, measures have been taken to ensure a higher occupancy rate and to prevent financial losses resulting from the bankruptcies of tenants. Fluctuations in the company's liquidity needs are absorbed by undrawn parts of committed credit facilities of € 240.0m (maturity: 1.9 years; 2023: € 290.0m, maturity: 2.9 years).

The interest and repayment obligations were safeguarded for 2023 based on the undrawn parts of committed credit facilities, extensions on loans and lease agreements. Maturity dates are spread over time to minimise liquidity risk. The average remaining maturity of loans is 3.5 years (2023: 4.5 years).

At year-end 2024 the group had € 25.0m of current account committed credit facilities with banks at its disposal, of which € 17.1m was drawn. The undrawn committed credit facilities of the interest-bearing loans and current account credit facilities amounted to € 247.9m at 31 December 2024. Furthermore, cash and cash equivalents amounted to € 8.5m at 31 December 2024. This brings the total of unused credit facilities and cash and cash equivalents to € 256.4m at 31 December 2024.

The contractual periods of the financial liabilities, including the estimated interest payments are stated below:

2024

	Book value	Contractual cash flow					
		Total	< 6 months	6-12 months	1 - 2 years	2 - 5 years	> 5 years
Loans	329,206	355,818	4,413	4,486	157,722	107,950	81,247
Other non-current liabilities	5,648	6,204	-	-	1,604	3,393	1,207
Debts to credit institutions	17,134	17,134	17,134	-	-	-	-
Creditors and other payables	14,805	14,827	14,231	596	-	-	-
Non-derivative financial liabilities	**366,793**	**393,983**	**35,778**	**5,082**	**159,326**	**111,343**	**82,455**
Derivative financial instruments	**1,606**	**830**	**165**	**168**	**332**	**165**	**-**
Total	**368,399**	**394,813**	**35,943**	**5,250**	**159,658**	**111,508**	**82,455**

2023

	Book value	Contractual cash flow					
		Total	< 6 months	6-12 months	1-2 years	2-5 years	> 5 years
Loans	333,632	376,124	5,233	5,291	10,525	222,181	132,894
Other non-current liabilities	4,533	4,946	-	-	689	2,835	1,422
Debts to credit institutions	11,012	11,012	11,012	-	-	-	-
Creditors and other payables	16,724	16,733	16,276	457	-	-	-
Non-derivative financial liabilities	**365,901**	**408,816**	**32,522**	**5,748**	**11,213**	**225,016**	**134,317**
Derivative financial instruments	**1,608**	**1,249**	**178**	**180**	**357**	**534**	**-**
Total	**367,509**	**410,064**	**32,700**	**5,928**	**11,570**	**225,550**	**134,317**

The gross inflow / outflow reflected in these tables show the non-discounted contractual cash flows related to the derivative financial liabilities held for risk management purposes that are generally not terminated before the end of the contractual period. The information shows the net cash flow amounts for derivatives settled net in cash and the gross cash inflows and outflows for derivatives that are simultaneously settled gross in cash.

The interest payments on the loans in the above table with variable interest rates and interest rate swaps used for hedging purposes are based on market interest rates at the end of the reporting period. The amounts may change due to changes in market interest rates. It is not expected that the cash flows assumed in the maturity analysis will occur significantly earlier or with significantly different amounts.

Market risk
Market risk exists because of price changes. The purpose of market risk management is to manage and control market risk exposures within acceptable limits while simultaneously optimising returns. Market risk consists of interest rate risk and foreign currency risk. The group uses derivatives to manage the market risk of volatility of interest rates. Such transactions take place within the guidelines laid down in the treasury policy.

There is no remaining currency risk exposure at the end of December 2024.

Interest rate risk
NSI must at all times meet its obligations under the loans drawn and the interest coverage ratio shows the company's ability to do so. The interest coverage ratio is calculated as the net rental income divided by the net financing costs. The financing covenants stipulate that the interest coverage ratio may not fall below 2.0.

In addition, NSI must comply with the requirements set in terms of its loan-to-value ratio (debts to credit institutions divided by its investments). The financing covenants stipulate that the total amount of loans drawn may not exceed 60% of the value of the underlying investment property. The applicable interest rates on loans are partly dependent on the loan-to-value ratio at the moment the interest rate is being set. If the loan-to-value ratio increases, the interest costs will therefore rise. The ratios to which the company has committed itself in the loan agreements are monitored on a regular basis, at least once every six months.

If NSI were not able to meet these criteria and were not able to reach an agreement about this with the banks involved, this could result in the financing arrangements being renegotiated, terminated or prematurely repaid. If NSI does not have sufficient cash or alternative funding sources of funding to meet its obligations, any "default" or "cross-default" situation can occur.

At the end of 2024 the interest coverage ratio was 5.1 (31 December 2023: 5.5), which is higher than the level of 2.0 agreed with the banks.

Variable-interest rate loans expose NSI to uncertainty about interest expenses. Derivatives are used to manage interest rate risk. NSI's policy regarding the hedging of interest rate risk is defensive by nature, NSI does not take speculative positions. NSI aims to hedge the majority of the outstanding loans for the medium to long term. On 31 December 2024 NSI held financial derivatives with a nominal value of € 55.0m (31 December 2023: € 55.0m) for the purpose of managing the interest rate risk on its loans.

Sensitivity of interest rate
If the three-month variable interest rate were to rise 100 basis points compared to 31 December 2024, the theoretical interest expenses for 2025 would increase by € 0.6m (2023: increase by € 0.6m), due to a 16.7% exposure on loans to variable interest rates, assuming no changes to the portfolio or financing (including margins). In case the variable interest rate would be 100 basis

points lower, the interest expenses would decrease by € 0.6m (2023: decrease by € 0.6m). The financial derivatives are discounted (inclusive and exclusive of derivatives) in this calculation, but potential changes to the fair value of the derivatives are not.

Analysis of average interest rates and interest rate revisions

The table below shows the effective interest rate (the variable interest rate is based on 3-month Euribor as per 31 December) of financial assets and liabilities for which interest is payable at the balance sheet date, together with the dates when the rates will be reviewed.

2024

	Interest rate	Total	< 1 year	1 - 2 years	2 - 5 years	> 5 years
Fixed interest loans	1.9%	219,769	-	39,974	99,851	79,944
Variable interest loans	4.2%	54,437	5,000	49,437	-	-
Fixed interest as a result of swaps	7.5%	55,000	-	55,000	-	-
Total	**3.2%**	**329,206**	**5,000**	**144,412**	**99,851**	**79,944**
Redemption obligations		5,000	5,000	-	-	-
Balance as per 31 December 2024		**324,206**	**-**	**144,412**	**99,851**	**79,944**

2023

	Interest rate	Total	< 1 year	1 - 2 years	2 - 5 years	> 5 years
Fixed interest loans	2.0%	219,697	-	-	89,781	129,916
Variable interest loans	5.7%	59,148	-	-	59,148	-
Fixed interest as a result of swaps	5.2%	54,787	-	-	54,787	-
Total	**3.2%**	**333,632**	**-**	**-**	**203,717**	**129,916**
Redemption obligations		-	-	-	-	-
Balance as per 31 December 2023		**333,632**	**-**	**-**	**203,717**	**129,916**

The total average effective interest rate in 2024 is 3.2% (2023: 3.2%).

Credit risk

Credit risk is defined as the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet their contractual obligations. Credit risks mainly arise from tenant receivables. The book value of the financial assets represents the maximum exposure to credit risk.

The maximum credit risk on the balance sheet date was as follows:

	31 December 2024	31 December 2023
Financial fixed assets	-	-
Debtors and other receivables	1,558	1,887
Cash and cash equivalents	8,451	202
Credit risk	**10,009**	**2,089**

Banks

The risks associated with a possible non-performance by counterparties are minimised by entering into transactions for loans and derivative financial instruments and cash management with various reputable banks. These banks have credit ratings of at least A1 (Moody's) or A- (Standard & Poor's). Management actively monitors the credit ratings.

Tenants

The creditworthiness of tenants is closely monitored by careful screening the credit scores of tenants in advance and by actively monitoring debtor balances. In addition, rent is generally paid in advance and tenants are required to provide collateral for rent payments for a limited period of three months in the form of guarantee payments or bank guarantees. As the tenant base consists of a large number of different parties, there is no concentration of credit risk.

The maturity of (gross) receivables was as follows:

	31 December 2024	31 December 2023
Up to 1 month expired	292	901
From 1 to 3 months expired	115	216
From 3 months to 1 year expired	246	231
More than 1 year expired	272	386
Gross debtors	**925**	**1,734**

Aside from bank guarantees, security deposits for € 5.4m (2023: € 5.3m) were obtained to cover for potential loss of creditworthiness of tenants with regard to the receivables, of which € 1.5m (2023: € 1.8m) is relating to expiring lease contracts within one year.

Movement in the provision for impairment of doubtful debts was as follows:

	2024	2023
Balance as per 1 January	**353**	**349**
Addition to / release of provision	-19	10
Write-off bad debts	-119	-6
Balance as per 31 December	**215**	**353**

Impairment losses recognised at 31 December 2024 were related to various tenants who indicated that they would not be able to pay outstanding balances due to the economic circumstances.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared characteristics and the days past due date, adjusted if deemed needed with forward looking information.

On this basis the expected loss rate for trade receivables which are less than 90 days expired is below 3.6% and for trade receivables more than 90 days expired these rates are:

	> 90 days expired
Offices	45.00%
HNK	77.15%
Other	62.88%

24. Off-balance sheet assets and liabilities

Off- balance sheet assets

Park Office, Rotterdam - New owner of the building

In December 2021 NSI sold the Park Office, Rotterdam asset. NSI agreed a conditional additional payment of € 2.5m (earn-out clause relating to transformation potential), to be paid by the new owner or future owner(s), if an irrevocable environmental permit will be obtained by the owner before 2050.

Off- balance sheet liabilities

Other

The company has entered into investment commitments for an amount of € 3.9m (31 December 2023: €5.4m) relating to investment properties. For maintenance, technical property management, IT-providers etc. the company has entered into other contractual obligations for € 7.2m (31 December 2023: € 6.6m).

25. Related parties

The following parties qualify as related parties:

- The company and its subsidiaries;
- Its Supervisory Board members and;
- Management Board members.

NSI defines its statutory Management Board as “key management personnel”.

Interests of major investors

Notifications of shareholdings of more than 3% are disclosed under the Dutch Disclosure of Major Holdings in Listed Companies Act. According to the Dutch Authority for the Financial Markets (AFM) the following shareholders hold a stake of more than 3% on 31 December:

	31 December 2024	31 December 2023
First Sponsor Group Limited	22.0%	-
Compass Asset Management SA	5.1%	-
BlackRock Inc.	3.0%	5.6%
ICAMAP Investments SARL	-	10.0%
Clearance Capital Limited	-	5.1%

Supervisory Board and Management Board Members

The members of the Supervisory and Management Boards of NSI N.V. have no direct personal interest in the investments made by NSI N.V., nor did they have such an interest at any time in the past year. The company is not aware of any investment property transactions with persons or institutions that could be considered to have a direct relationship with the company in the reporting year.

Remuneration of the Supervisory Board

	2024	2023
Jan-Willem de Geus	56	59
Jan-Willem Dockheer	44	44
Margreet Haandrikman	44	44
Marlies Janssen (as from 28 February 2024)	36	-
Karin Koks-van der Sluis (up to 19 April 2024)	13	48
Harm Meijer (up to 19 June 2023)	-	20
Neo Teck Pheng (as from 30 September 2024)	9	-
Remuneration of the Supervisory Board	**201**	**215**
Waived remuneration Neo Teck Pheng (provision to be released in 2025)	-9	-
Remuneration Supervisory Board (corrected for waived remuneration)	**192**	**215**

A provision was made in 2024 for the Supervisory Board fee and expenses of Mr. Neo based on his time served as member since 1 October 2024. Mr. Neo has waived his SB fee and his right to reimbursement of (travel) expenses. This provision will therefore be released in 2025.

The schedule includes the payment the Supervisory Board members receive as a member of the Audit Committee, the Remuneration Committee, the Selection & Appointment Committee and the Real Estate Committee.

The Supervisory Board members did not hold any shares in the company at the end of 2024. Mr. Neo Teck Pheng is the Group CEO and Executive Director of First Sponsor Group Limited, holding 22.0% of the shares as per 31 December 2024.

Remuneration of the Management Board

2024

	Salary	Variable		Social security	Pension	Other	Total	Equity holding # shares
		Long term	Short term					
Bernd Stahli	436	-	102	16	21	-12	563	18,600
Alianne de Jong (up to 15 November 2023)	-	-	-3	-	-	-	-3	-
Elke Snijder (as from 1 May 2024)	247	101	77	11	11	3	450	1,031
Remuneration of the Management Board	**683**	**101**	**176**	**27**	**32**	**-9**	**1,010**	**19,631**

2023

	Salary	Variable		Social security	Pension	Other	Total	Equity holding # shares
		Long term	Short term					
Bernd Stahli	436	-	82	15	20	2	554	17,700
Alianne de Jong (up to 15 November 2023)	295	-	96	13	14	-9	409	8,522
Remuneration of the Management Board	**730**	**-**	**178**	**28**	**34**	**-7**	**963**	**26,222**

NSI shares held by directors are purchased at their own risk and expense.

The remuneration of the Management Board consists of a base salary, a variable remuneration and secondary employment benefits.

The variable component consists of a long-term incentive (LTI) and a short-term incentive (STI).

The LTI concerns a rolling cash incentive plan covering a three-year period. As the CFO only started as per 1 May 2024, the LTI of the CFO covers the period May to December 2024. The LTI is capped to 90% of the base salary at the moment of the grant for the CEO and at 45% for the CFO. It is based on the total shareholder return (TSR) during the LTI-period. This TSR takes into account the NSI share price at the beginning and at the end of the period as well as dividends distributed during the period. In addition, NSI's TSR is compared with a benchmark TSR.

The STI concerns an annual performance related cash incentive. The collective performance measures in the STI represent short-term results needed for sustainable value creation with respect to the most important achievement areas of the company. These could include occupancy rate, like-for-like net rental income, EPRA earnings per share, organisational targets like personnel retention rate and sustainability performance. Next to these collective measures the company could also apply individual targets, related to the individual roles of the members and specific short-term achievements needed for NSI.

The STI is capped to 24% of the base salary for the CEO and to 36% of the base salary for the CFO.

The variable remuneration is a cash-settled, share-based payment transaction. Its allocation is paid in cash under the condition that the respective Management Board member uses two-thirds of the net amount of the LTI and one-third of the net amount of the STI to purchase NSI shares until the shareholding requirement has been met.

During 2024, no LTI remuneration was paid; the variable remuneration paid to the CEO amounted to € 98k (STI) and for the former CFO to € 100k (STI).

The provision included in the balance sheet as per end of December 2024 amounts to € 269k. The provisions for the CEO and CFO on 31 December 2024 amount to respectively € 91k (STI) and € 178k (LTI of € 101k, STI of € 77k).

The variable component in the remuneration overviews consists of the balance of the release of prior year provisions versus the actual payments made to the Management Board and the additional provision taken in the course of 2024.

No share options and no loans

No members of the Management Board or Supervisory Board hold option rights in NSI N.V.. No loans, advances or guarantees have been provided to members of the Management Board or Supervisory Board by NSI N.V..

26. Subsidiaries

The following subsidiaries are included in the consolidated financial statements:

		31 December 2024	31 December 2023
NSI Real Estate B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Kantoren B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed I B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed IV B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed V B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed VI B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed VII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed VIII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed IX B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed X B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XI B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XIII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XIV B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XV B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XVI B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XVII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XVIII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XIX B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed I B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed II B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed III B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed IV B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed V B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed VI B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed VII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed VIII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed IX B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed X B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XI B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XIII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XIV B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed I B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed II B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XLIV B.V.	Amsterdam, The Netherlands	100.0%	-
NSI Vastgoed XLIV B.V.	Amsterdam, The Netherlands	100.0%	-
NSI Vastgoed B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Flexoffices B.V.	Amsterdam, The Netherlands	100.0%	100.0%
HNK Vastgoed B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed II B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed III B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XV B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XVI B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XVII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XVIII B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed XIX B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Vastgoed III B.V.	Amsterdam, The Netherlands	100.0%	100.0%
HNK Services B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Development B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Projects I B.V.	Amsterdam, The Netherlands	100.0%	100.0%
NSI Projects II B.V.	Amsterdam, The Netherlands	-	100.0%
NSI Projects III B.V.	Amsterdam, The Netherlands	-	100.0%

Company balance sheet (before proposed profit appropriation)

For the year ended 31 December 2024

(x € 1,000)

	Note	31 December 2024	31 December 2023
Assets			
Intangible fixed assets		29	32
Tangible fixed assets		975	904
Financial fixed assets	1	1,007,385	1,053,066
Non-current assets		**1,008,389**	**1,054,001**
Debtors and other receivables		374	7,792
Cash and cash equivalents		5	5
Current assets		**378**	**7,797**
Total assets		**1,008,768**	**1,061,798**
Shareholders' equity			
Issued share capital	2	70,364	74,171
Share premium reserve	2	898,876	915,068
Participations reserve	2	81,540	103,835
Retained earnings	2	-390,807	-240,823
Total result for the year	2	12,372	-142,370
Shareholders' equity		**672,344**	**709,882**
Liabilities			
Interest bearing loans		324,206	333,632
Derivative financial instruments		1,606	1,608
Other non-current liabilities		-1,017	275
Non-current liabilities		**324,795**	**335,515**
Redemption requirement interest bearing loans		5,000	
Debts to credit institutions		13,898	11,012
Creditors and other payables		-7,271	5,389
Current liabilities		**11,628**	**16,401**
Total liabilities		**336,423**	**351,916**
Total shareholders' equity and liabilities		**1,008,768**	**1,061,798**

The notes on pages 101 to 104 form an integral part of these company financial statements.

Company income statement

For the year ended 31 December 2024

(x € 1,000)

	Note		2024		2023
Administrative costs	3		-4,101		-4,563
Impairment of tangible and intangible fixed assets			-627		-
Financing income	4	34,254		8	
Financing costs	4	-13,186		-10,703	
Movement in market value of financial derivatives	4	2		-2,771	
Net financing result			21,070		-13,465
Corporate result before tax			**16,342**		**-18,028**
Corporate income tax					
Corporate result after tax			**16,342**		**-18,028**
Result from participations			-3,970		-124,342
Total result for the year			**12,372**		**-142,370**

The notes on pages 101 to 104 form an integral part of these company financial statements.

Notes to the company financial statements

General

NSI N.V. exclusively performs holding activities. NSI's structure as described in the notes to the consolidated financial statements also applies to the company financial statements.

The company financial statements have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code regarding financial reporting. In the preparation of its financial statements, the company has also applied the provisions for the contents of financial reporting by investment institutions pursuant to the Dutch Financial Super-vision Act.

Principles of determination of the result

The company financial statements have been prepared in accordance with Article 362 Paragraph 8 Book 2 of the Dutch Civil Code. This means that the principles for the processing and valuation of assets and liabilities and the determination of the result as described in the disclosure to the consolidated financial statements also apply to the company financial statements, unless stated otherwise. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. For a description of these principles, please refer to pages 67 to 73. If required notes have been incorporated in the consolidated financial statements these notes have not been incorporated here.

Financial fixed assets

Shares in group companies are valued at net asset value. In determining the net asset value, all assets, liabilities and profits and losses are subject to the accounting principles used for the consolidated financial statements, in accordance with the provisions of Article 362 Paragraph 8 (final sentence) of Book 2 of the Dutch Civil Code.

All receivables from group companies are considered as an extension of net investments in group companies.

1. Financial fixed assets

	31 December 2024	31 December 2023
Balance as per 1 January	**1,053,066**	**1,257,092**
Result from participations	-3,970	-124,342
Dividend received from group companies	-808	-
Changes in receivables from group companies	-40,903	-79,684
Balance as per 31 December	**1,007,385**	**1,053,066**

2. Shareholders equity

2024

	Issued share capital	Share premium reserve	(Statutory) participations reserve	Retained earnings	Result for the year	Shareholders' equity
Balance as per 1 January 2024	**74,171**	**915,068**	**103,835**	**-240,823**	**-142,370**	**709,882**
Total result for the year	-	-	-	-	12,372	12,372
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**12,372**	**12,372**
Profit appropriation - 2023	-	-	-	-142,370	142,370	-
Issuance / repurchase of shares	-3,807	-16,193	-	-	-	-20,000
Distribution final dividend - 2023	-	-	-	-15,296	-	-15,296
Interim dividend - 2024	-	-	-	-14,614	-	-14,614
Realised revaluation	-	-	-711	711	-	-
Addition to participations reserve	-	-	-21,585	21,585	-	-
Contributions from and to shareholders	**-3,807**	**-16,193**	**-22,295**	**-149,984**	**142,370**	**-49,910**
Balance as per 31 December 2024	**70,364**	**898,876**	**81,540**	**-390,807**	**12,372**	**672,344**

2023

	Issued share capital	Share premium reserve	(Statutory) participations reserve	Retained earn-ings	Result for the year	Shareholders' equity
Balance as per 1 January 2023	**73,800**	**915,447**	**206,861**	**-277,729**	**-31,370**	**887,008**
Total result for the year	-	-	-	-	-142,370	-142,370
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-142,370**	**-142,370**
Profit appropriation - 2022	-	-	-	-31,370	31,370	-
Distribution final dividend - 2022	372	-379	-	-19,633	-	-19,640
Interim dividend - 2023	-	-	-	-15,116	-	-15,116
Addition to participations reserve	-	-	-103,026	103,026	-	-
Contributions from and to shareholders	**372**	**-379**	**-103,026**	**36,906**	**31,370**	**-34,757**
Balance as per 31 December 2023	**74,171**	**915,068**	**103,835**	**-240,823**	**-142,370**	**709,882**

Both the retained earnings reserve and the share premium reserve are available for distribution as dividend as long as the capital contribution test is met.

For further details on movements in shareholders' equity, please refer to the consolidated financial statements (see disclosure 18 to the consolidated financial statements).

Statutory reserves

The statutory reserves in the company balance sheet are reserves which must be retained pursuant to the Dutch Civil Code and consist of the participation reserve and the reserve for foreign currency translation.

Participation reserve

The participation reserve relates to a revaluation reserve on the investment properties in the subsidiaries and consists of the cumulative positive (unrealised) revaluations of these investments. This statutory reserve is a non-distributable reserve in accordance with the Dutch Civil Code. The revaluation reserve was determined at individual property level in 2023 and 2024, before appropriation of profits.

Dividend

Taking into consideration the interim dividend of € 0.75 per share already distributed (2023: € 0.75; adjusted for stock consolidation), a final dividend of € 0.82 per share has been proposed (2023: € 0.77).

Proposed profit appropriation

The Articles of Association of NSI N.V. stipulate that the allocation of the result after tax for the financial year is determined by the General Meeting of Shareholders. For the 2024 financial year the Management Board, with the approval of the Supervisory Board and in line with the applicable dividend policy (i.e. a pay-out of at least 75% of the direct result), has proposed a final dividend of € 0.82 per share.

This puts the total dividend for 2024 at € 1.57 per share, of which € 0.75 per share was already distributed as an interim dividend in August 2024. Subject to the approval of the General Meeting of Shareholders, NSI will offer shareholders the option to receive the final dividend in cash and/or fully or partly in shares. Based on the number of outstanding shares eligible for dividend (19,120,592), the total amount of the final dividend is € 15.7m and will be withdrawn from the retained earnings (excluding dividend paid in shares).

Provided that the General Meeting of Shareholders approves this dividend proposal, the final dividend will be made payable from 14 May 2025.

	2024
Total result for the year - 2024	12,372
Interim dividend - 2024	-15,111
Proposed final dividend - 2024	-15,679
On balance added to the reserves	**-18,417**

NSI is offering shareholders the option to receive this final dividend in cash and / or partly in shares. In anticipation of a decision on the matter by the General Meeting of Shareholders the non-allocated result after tax for the financial year is accounted for separately in equity as the result for the financial year.

3. Administrative costs

		2024		2023
Salaries and wages	-5,131		-5,293	
Social security	-629		-624	
Pensions	-355		-367	
Depreciation right of use tangible fixed assets	-240		-267	
Other staff costs	-790		-1,274	
Staff costs		-7,146		-7,825
Compensation supervisory board		-245		-252
Depreciation and amortisation	-325		-348	
Other office costs	-1,211		-1,373	
Office costs		-1,536		-1,721
Audit, consultancy and valuation costs		-1,656		-1,772
Other administrative costs		-908		-1,053
Administrative costs		**-11,492**		**-12,624**
Allocated administrative costs		**7,391**		**8,061**
Administrative costs		**-4,101**		**-4,563**

4. Net financing result

	2024	2023
Interest income	34,254	8
Financing income	**34,254**	**8**
Interest costs	-11,902	-10,211
Other financing costs	-1,284	-492
Financing costs	**-13,186**	**-10,703**
Movement in market value of financial derivatives	2	-2,771
Net financing result	**21,070**	**-13,465**

5. Off-balance sheet commitments and contingencies

NSI N.V. has issued guarantees for its 100%-owned subsidiary companies in accordance with Article 403, Book 2 of the Dutch Civil Code.

NSI N.V. is part of a tax group for Dutch sales tax, and is therefore jointly and severally liable for the tax payable by the tax group as a whole.

6. Audit fees

PricewaterhouseCoopers Accountants N.V. charged the following fees to NSI and its subsidiaries:

	2024	2023
Audit financial statements	-245	-356
Other audit related services	-80	-93
Audit financial statements	**-325**	**-449**

In the 2024 financial year, an amount of € 245k of audit fees was charged by PricewaterhouseCoopers Accountants N.V. to the result (2023: € 356k).

The audit fees charged in 2024 are related to the audit of 2023 accounts (€ 152k) and the audit of the 2024 accounts (€ 93k). Other audit related services in 2024 consist of ESG audit fees for 2023 (€ 83k) and 2024 (€ 89k).

7. Events after balance sheet date

There have been no events after balance sheet date.

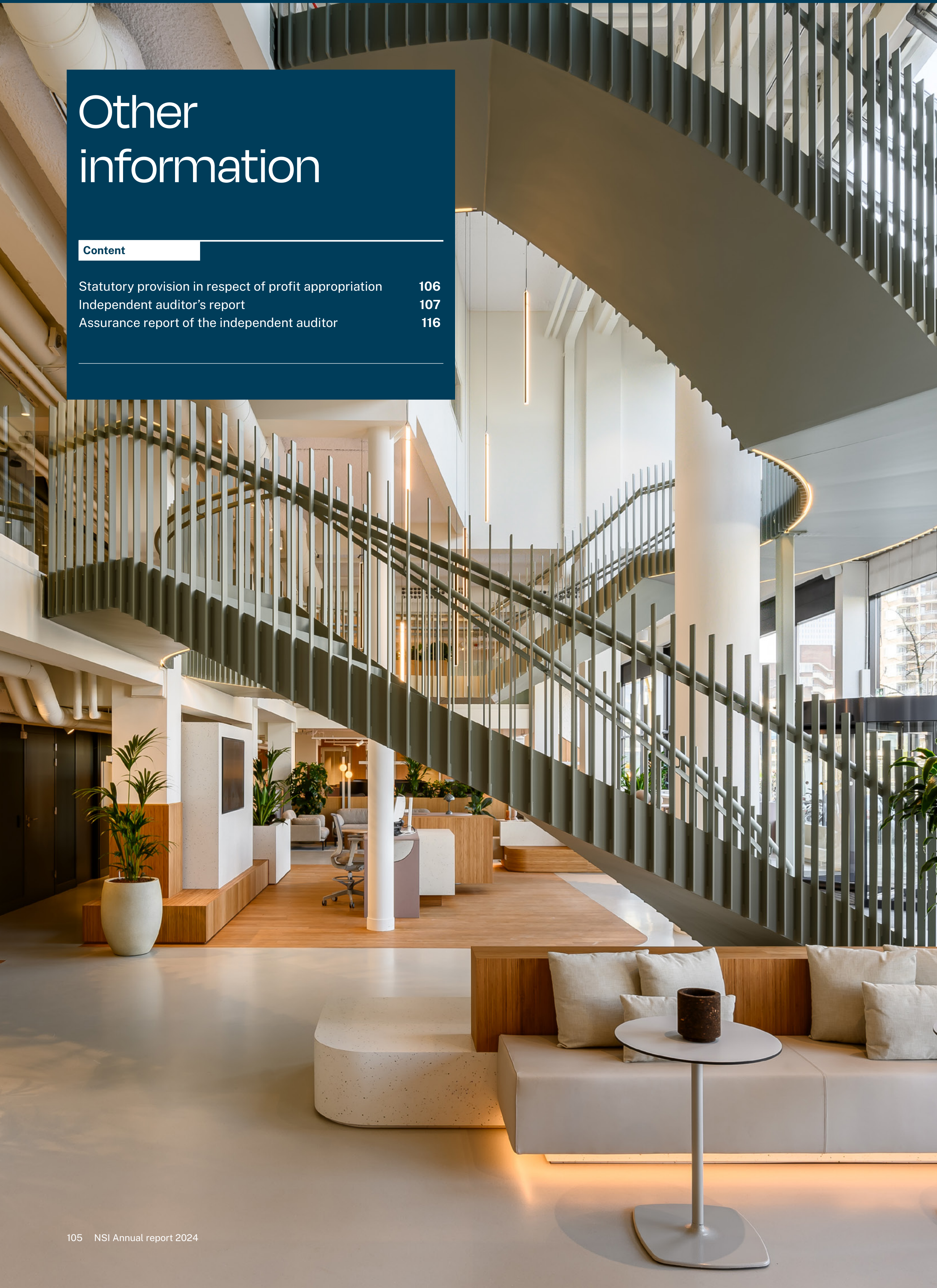
Amsterdam, 6 March 2024

The Management Board
Bernd Stahli, *CEO*
Elke Snijder, *CFO*

The Supervisory Board
Jan-Willem de Geus, *Chairman*
Jan-Willem Dockheer
Margreet Haandrikman
Marlies Janssen
Neo Teck Pheng

Other information

Content



Statutory provision in respect of profit appropriation

The provisions in respect of the appropriation of profit are provided for in Article 21 of the Articles of Association of the company. The profit is at the disposal of the General Meeting of Shareholders. The company may only make distributions to shareholders to the extent that shareholders' equity exceeds the amount of paid-up and called-up capital, plus the reserves that must be held by law or in accordance with the Articles of Association. Insofar as possible and justified by law, the company may distribute an interim dividend as proposed by the Management Board and subject to the approval of the Supervisory Board.

Independent auditor's report

To: the general meeting and the supervisory board of NSI N.V.

Report on the audit of the financial statements 2024

Our opinion

In our opinion:

- the consolidated financial statements of NSI N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2024 and of its result and cash flows for the year then ended inaccordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of theDutch Civil Code;
- the company financial statements of NSI N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of theDutch Civil.

What we have audited

We have audited the accompanying financial statements 2024 of NSI N.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements. The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the following statements for 2024: the consolidated statement of comprehensive income, consolidated statement ofchanges in equity and consolidated cash flow statement; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2024;
- the company income statement for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of NSI N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags-en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Overview and context

NSI N.V. is a real estate company, primarily focussing on offices. The investment property is held to generate rental income or to benefit from an increase in value, or a combination of both. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section 'The scope of our group audit'. We paid specific attention to the areas of focus driven by the operations of the Group, as set out below.

The Group continued to sell some properties of their existing investment property portfolio. One acquisition took place in 2024. NSI N.V. has classified three projects as investment property under construction, which require significant investments by NSI N.V. The correct accounting of the capital expenditure and sales relating to investment properties have been addressed as part of our audit. Another area of focus, that is not considered as key audit matter, is the rental income which is a key performance indicator for the Group.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements and significant accounting estimates. Refer for further details to our key audit matters. In the section 'Basis for preparation' in the consolidated financial statements, Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty.

Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the valuation of investment property, we considered this matter as key audit matter as set out in the section 'Key audit matters' of this report.

Also, due to a change in FBI legislation NSI has undergone a restructuring in which most of the properties are now in separate entities, which are subject to corporate income tax. As a result of the reorganization, a discrepancy has emerged between the fiscal value and the book value, resulting in the creation of a deferred tax asset in financial year 2023. The Deferred tax assets are subject to significant risk of misstatement either through error or management bias. We therefore considered this area as a key audit matter.

NSI N.V. assessed the possible effects of climate change on its financial position, refer to 'Risk management and internal control' in the management board report where the client disclosed the risk related to climate change. We discussed NSI N.V.'s assessment and governance thereof with the management board and evaluated the potential impact on the financial position including underlying assumptions and estimates underlying the valuation of investment property, but did not identify climate related risks as a separate key audit matter.

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of a real estate company. We therefore included experts and specialists in the areas of amongst others real estate valuation and sustainability in our team.

The outline of our audit approach was as follows:

Materiality
• Overall materiality: €5.042.000
• Specific materiality: €2.096.000

Audit scope
• We conducted the audit work centrally, given the fact that the group audit team was able to conduct all audit procedures.

Key audit matters
• Significant assumption in the valuation of investment property; and
• Significant assumption in the Deferred tax assets.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section 'Our responsibilities for the audit of the financial statements'.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion. We evaluated our materiality benchmark compared to prior year and determined a change in our materiality by determining an overall materiality and specific materiality based on the best practices of other listed real estate companies.

We applied a specific materiality to all income statement line items (and related balance sheet items) except for 'Revaluation of investment property', 'Net result on sale of investment property', and 'Movement in market value of financial derivatives'.

	Overall materiality	Specific materiality
Overall materiality	€5.042.000 (2023: €5.324.000).	€2.096.000 (2023: €2.047.000).
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 0,75% of shareholders' equity as included in the statement of financial position for the year ended 31 December 2024.	We used 5% of the result before tax, adjusted for the net result on the sale of investment property, revaluation of investment property, movement in market value of financial derivatives and other income and costs.
Rationale for benchmark applied	We used shareholders' equity as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that shareholders' equity is the most relevant metric for the financial performance of the Company.	We have applied this benchmark as it is an important measure for the financial performance of the Company's investment property portfolio and is therefore deemed relevant for the investors and other users of the financial statements.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above €252.000 (2023: €266.000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

NSI N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of NSI N.V.

For NSI N.V. and all its subsidiaries, the group audit team was able to conduct the audit procedures centrally from the head office of NSI N.V. and no use has been made of other auditors. The audit team has determined per financial statement line item which audit procedures needed to be performed in relation to the audit of the consolidated financial statements.

For the ERP system, the management board makes use of an external service provider. As part of our audit procedures, we evaluated the SOC 1 type 2 assurance reports that include the scope and the results of the procedures performed rendered by the independent auditor of the external service provider. Furthermore, we assessed the objectivity and competence of the independent auditor of the service organization and we evaluated the design and tested the operating effectiveness of the internal controls in place at NSI N.V. over the outsourced services. In addition to the reliance on the SOC1 report we have performed substantive testing procedures.

We are of the opinion that we have been able to obtain sufficient and appropriate audit evidence regarding the financial information of the Group as a whole to provide a basis for our opinion on the consolidated financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of NSI N.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to section "Risk management and internal control" of the management report for management's fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, [as well as the code of conduct, whistleblower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the management board, lower management and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
The risk of management override of controls The management board is in a unique position toperpetrate fraud because of management's ability tomanipulate accounting records and prepare fraudulentfinancial statements by overriding controls thatotherwise appear to be operating effectively. That iswhy, in all our audits, we pay attention to the risk ofmanagement override of controls, including risks ofpotential misstatements due to fraud based on ananalysis of potential interests of the managementboard. This includes the risk of bias by themanagement board when setting assumptions. In this respect, we gave specific consideration to: • the appropriateness of journal entries and otheradjustments made in the preparation of thefinancial statements; • possible management bias in managementboard's estimates; and • significant transactions, if any, that are outsidethe normal course of business for the entity.	Where relevant to our audit, we evaluated the design of the internal control measures that are intended to mitigate the risk of management override of controls and tested the operational effectiveness of the measures in the processes of generating and processing journal entries, recognition and accounting for estimates. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We concluded that we, in the context of our audit, could rely on the internal control procedures relevant to this risk.
The risk of fraudulent financial reporting through overstating rental income As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue transactions or assertions give rise to the risk of fraud in revenue recognition. Because rental income is a key performance indicator for the Group, we have identified an inherent risk in overstating revenue by the management board, especially in recognising fictitious rental income or improper accounting of lease incentives.	Where relevant to our audit, we assessed the design and tested the operational effectiveness of the internal control measures related to revenue reporting and in the processes for generating and processing journal entries related to the rental income. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We concluded that we, in the context of our audit, could rely on the internal control procedures relevant to this risk. We have performed analytics on the rental income per property and per month. We tested a sample of the rental income transactions by tracing the transactions back to the rental contracts and indexation letter to assess if it is recorded accurate and occurred. We also assessed the accounting policy for the accounting of lease incentives, tested for a sample the accuracy and occurrence of the lease incentive amount recognised by tracing the lease incentive back to the rental contracts and recalculated the amount of straight-lined rent recognised in the rental income. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the accuracy and occurrence of the rental income.
The risk of kickbacks paid to the management board or employees when selling investment property As part of our risk assessment, we have identified an inherent risk that kick-backs could be paid to the management board and/or employees in exchanges for unfavourable transaction prices in the purchase or sale of investment properties. During 2024 three sales took place and one acquisition.	Where relevant to our audit, we assessed the design and tested the operational effectiveness of the internal control measures related to sales of investment properties, in which we have paid attention to the third party due diligence process (background checks regarding purchasers of investment properties). We concluded that we, in the context of our audit, could rely on the internal control procedures relevant to this risk. Furthermore, we performed the following procedures: • verified for all sales of investment properties that agreements are signed by two employees of NSI N.V., in line with the approved authorisation matrix; • obtained for all transactions the final notary statements and deeds of delivery; • verified with Land Registry information if for sales transactions have taken place within one year (or as far as possible within one year) after the sale by NSI N.V.; • tested a sample of the cost incurred in relation to sales and evaluated the reasonableness of expenses incurred; • compared the sales price to the book value based on the latest valuation report for financial reporting. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the acquisitions and sales.

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern

The management board prepared the financial statements on the assumption that the entity is a going concern and that it will continue all its operations for at least 12 months from the date of preparation of the financial statements.

Our procedures to evaluate the management board's going-concern assessment included, amongst others:
- Considering whether management board's liquidity and solvency assessment includes all relevant information of which we are aware as a result of our audit, such as the expected capital expenditure in the development projects and the (re)financing of external loans on maturity date;
- Inquire with the management board regarding management board's most important assumptions, such as the start date and expected capital expenditure of the development projects and the terms and conditions of (re)financing of external loans, underlying their going concern assessment and considering whether the management board identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going concern risks);
- Analysing the financial position per balance sheet date in relation to the financial position per prior year balance sheet date to assess whether events or circumstances exist that may lead to a going concern risk;
- Performing inquiries of the management board as to their knowledge of going concern risks beyond the period of management board's assessment.

Our procedures did not result in outcomes contrary to the management board's assumptions and judgments used in the application of the going-concern assumption.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to thesupervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

As the key audit matter is related to the nature of the operations of NSI N.V. and there are no significant changes in the strategy and business of NSI N.V., we have no changes in the key audit matters to report compared to prior year.

Identified fraud risks	Our audit work and observations
Significant assumption in the valuation of investment property [reference to note 11 in the annual report] The Group's investment property portfolio comprises mainly offices. At 31 December 2024 the carrying value of the Group's investment property portfolio was €989 million (2023: €1,029 million). Investment properties are valued at fair value at reporting date using the income capitalisation approach as the applied valuation method. The fair value of investment properties is on the one hand depending on the data input into the valuation models, such as: rental income, duration of the contract and square meters. On the other hand, and most important to our audit, given the sensitivity and impact on the outcome, the valuation is depending on a significant assumption, being the capitalisation rate. Primary factors, which influence this significant assumption, are general market conditions and the individual nature, condition and location of each property. At the end of each reporting period, the management board determines the fair value of its investment property portfolio in accordance with the requirements of IAS 40 and IFRS 13. All properties are bi-annually externally appraised by an external valuation expert, appointed by the management board. As the valuation of investment property is inherently judgmental in nature, due to the use of assumptions that are highly sensitive, any change in assumptions may have a significant effect on the outcome given the relative size of the investment property balance.	For the external valuation experts appointed by the management board, which we have identified as management experts in our audit, we have assessed the competence and capabilities of the external valuation experts by amongst others checking the registration of the qualification of the external valuation experts and checking the membership of a professional association for the external valuation expert organisations. We furthermore read the terms of engagements and discussed with the external valuation experts the context and environment in which they have worked with the persons within the Group responsible for the valuation process, to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We also considered other engagements, which might exist between the Group and the external valuation experts' organisations. In relation to the significant assumption in the valuation of investment property we have: • evaluated that the management board has designed and implemented appropriate internal controls on the valuation process; • evaluated the valuation methods as applied by the management board and management experts, as included in the valuation reports; • evaluated the significant assumption made by the management board and the management expert by assessing the movements of the significant assumption in the valuation reports based on the overall shifts in the market conditions in which the group invests, based on the latest public property market data; • for a risk-based selection of valuation reports, we have challenged the (significant) assumptions used (including the capitalisation rate and market rent levels) against available market data. We have involved our internal real estate valuation experts in these assessments.

Identified fraud risks	Our audit work and observations
This also effects the revaluation gains that directly impact the statement of comprehensive income. As a result, the valuation of investment property is subject to significant risk of misstatement either through error or management bias (fraud). We therefore considered this area as a key audit matter.	Furthermore, we have: • reconciled the final valuation reports with the fair value in the Group's accounting records; • checked for each management expert the mathematical accuracy of the valuation model used; • checked for a sample of leases, that the standing data included in the valuation report such as rental income, the duration of lease contracts and square metres was supported by audit evidence; • discussed with the management's experts the incorporation of energy labels in their assessment of the market value of the investment properties; • verified that all investment properties in operation have the minimum required energy label that office buildings need to have per 1 January 2024 to be able to operate; and • assessed and corroborated the adequacy and appropriateness of the disclosure, including the sensitivity disclosures, made in the consolidated financial statements. Based on the work performed, we found that investment property related data and the significant assumptions were supported by available evidence. In addition, we evaluated whether the information received from the management board and the audit evidence obtained, provided indications of management bias. We found no such indication.
Significant assumption in the Deferred tax assets [reference to note 14 in the annual report] Due to a change in legislation, as from 2025 FBI's can no longer directly invest in Dutch real estate. In 2023, NSI has undergone a restructuring in which most of the properties are now in separate entities, which are subject to corporate income tax. NSI N.V. remained an FBI at least to the end of 2024. As result of the restructuring a Deferred tax asset was recognised. Deferred tax assets are recognised as income tax to be reclaimed in future periods relating to offsetable temporary differences between book value and the fiscal value of assets and liabilities. They also relate to the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable benefits will be available against which unused tax losses and tax credits can be utilised. Deferred tax assets are only recognised if it is likely that the temporary differences will be settled in the near future and sufficient taxable profit will be available for settlement. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. The basis of the deferred tax asset is the differences between the book value and their fiscal book value. Based on the assessment of management a Deferred tax asset has been formed ad. €38,514 million (2023: €38,654 million). This also effects the Corporate income tax that directly impact the statement of comprehensive income. As a result, the Deferred tax assets are subject to significant risk of misstatement either through error or management bias (fraud). We therefore considered this area as a key audit matter.	In relation to the significant assumption in the deferred tax asset we have: • evaluated that the management board has designed and implemented appropriate internal controls on the valuation process (book value and fiscal value), refer also to Significant assumption in the valuation of investment property; • evaluated the calculation methods as applied by the management board; • evaluated the significant assumption made by the management board by assessing the cashflow forecast of the standalone entities in the deferred tax asset calculation; • evaluated the applied tax rates for calculating the deferred tax asset. • for the deferred tax asset calculation, we have challenged the (significant) assumptions used (including the book value, fiscal value and tax rate used) against normal market practice. Based on the work performed, we found that the significant assumptions were supported by available evidence. In addition, we evaluated whether the information received from the management board and the audit evidence obtained, provided indications of management bias. We found no such indication.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management boardis responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

We were appointed as auditors of NSI N.V. on 29 April 2016 by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 29 April 2016. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of 9 years.

European Single Electronic Format (ESEF)

NSI N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the marked-up consolidated financial statements, as included in the reporting package by NSI N.V., complies in all material respects with the RTS on ESEF.

The management boardis responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:
- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services
To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered
The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in note 6 to the company financial statements.

Responsibilities for the financial statements and the audit

The management board is responsible for:
- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management boardis responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements
Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists.

Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 6 March 2025

PricewaterhouseCoopers Accountants N.V.

Originally signed by A.A. Meijer RA

Appendix to our auditor's report on the financial statements 2024 of NSI N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with thesupervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide thesupervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Limited assurance report of the independent auditor

To: the general meeting and the supervisory board of NSI N.V.

Limited assurance report on the selected non-financial indicators in the Annual report 2024

Our conclusion

We have examined the selected non-financial indicators marked with symbol ✔ in the Annual Report 2024 of NSI N.V. Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected non-financial indicators marked with symbol ✔ in the Annual report 2024 of NSI N.V. over 2024 is not prepared in all material respects, in accordance with NSI N.V.'s reporting criteria.

What we have examined

The object of our assurance engagement concerns the selected non-financial indicators marked with symbol ✔ included in the section 'ESG (non-financial) performance measures 2024' in the Annual Report 2024 of NSI N.V. (hereafter: the indicators).

- Total landlord-and tenant-obtained fuels, including its coverage on properties and applicable sqm.
- Total landlord-and tenant-obtained heating and cooling, including its coverage on properties and applicable sqm.
- Total landlord-and tenant-obtained electricity consumption, including its coverage on properties and applicable sqm.
- (Sum of) annual kWh energy consumption and the building energy intensity.
- (Sum of) annual GHG emissions, including its coverage on properties and applicable sqm, and the building carbon intensity.
- Total water consumption, including its coverage on properties and applicable sqm, and building water intensity.
- Total waste created, including its coverage on properties and applicable sqm.
- BREEAM In-use: Asset Performance, including its coverage on properties and applicable sqm.
- EU EPC label: meaning the label issued by a certified advisor in accordance with the rules set by the RVO or any other gov mental or regulatory authority or similar body measuring energy performance of real estate including the percentage of Dutch real estate portfolio of the Group compared to the total market value of the Group's real estate.
- GRESB score: meaning the Global Real Estate Sustainability Benchmark measuring environmental, social and governance performance of real estate of NSI.
- Diversity – Employee gender diversity.
- Diversity – Gender pay ratio total (not for the individual categories).
- Employee training and development.
- Employee performance appraisals.
- New hires & turnover (headcount).
- Employee health and safety, absentee rate, injury rate and # of work-related fatalities.
- Asset health and safety assessments.
- Asset health and safety compliance.
- EU taxonomy eligibility & alignment: revenue, capex and opex.

The basis for our conclusion

We conducted our examination in accordance with Dutch law, including the Dutch Standard 3000A Assurance engagements, other than audits or reviews of historical financial information (attestation-engagements). This engagement is aimed to provide limited assurance. Our responsibilities under this standard are further described in the section 'Our responsibilities for the examination' of our report.

We believe that the assurance information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence and quality control

We are independent of NSI N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore we have complied with the 'Verordening gedrags-en beroepsregels accountants' (VGBA, Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

PwC applies the applicable quality management requirements pursuant to the 'Nadere voorschriften kwaliteitsmanagement' (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Applicable criteria

The indicators need to be read and understood together with the reporting criteria. The reporting criteria used for the preparation of the indicators are the NSI N.V.'s reporting criteria, as included in the section 'Measurement methodology and assumptions ESG (non-financial) performance measures' of the Annual Report 2024. The absence of an established practice on which to draw, to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities, and over time.

Responsibilities for the indicators and the examination thereof

Responsibilities of the management board and the supervisory board

The management board of NSI N.V. is responsible for the preparation of the indicators in accordance with the NSI N.V.'s reporting criteria, including the identification of the intended users and the criteria being applicable for the purpose of these users.

Furthermore, the management board is responsible for such internal control as it determines is necessary to enable the preparation of the indicators that is free from material omission, whether due to fraud or error.

The supervisory board is responsible for overseeing the company's reporting process on the indicators.

Our responsibilities for the examination

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate evidence to provide a basis for our conclusion.

Our conclusion aims to provide limited assurance. The procedures performed in this context consisted primarily of making inquiries with officers of the entity and determining the plausibility of the information included in the indicators. The level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the examination in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our examination consisted, among other things of the following:

- Assessing the suitability of the criteria used, their consistent application and related disclosures to the indicators.
- Obtaining an understanding of the reporting processes for the indicators, including obtaining a general understanding of internal control relevant to our review.
- Identifying areas of the indicators with a higher risk of material misstatement, whether due to fraud or error. Designing and performing assurance procedures aimed at determining the plausibility of the indicators, responsive to this risk analysis. These procedures consisted amongst others of:
  - interviewing management and/or relevant staff at corporate level responsible for the sustainability strategy, policy and results;
  - interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data of the indicators;
  - determining the nature and extent of the review procedures for the group components and locations. For this, the nature, extent and/or risk profile of these components are decisive. Our procedures were performed from the head office;
  - obtaining assurance evidence that the indicators reconcile with underlying records of the company;
  - reviewing, on a limited test basis, relevant internal and external documentation;
  - performing an analytical review of the data and trends of the indicators submitted for consolidation at corporate level.
- Reading the information other than the indicators in the Annual Report 2024, which is not included in the scope of our review, to identify material inconsistencies with the indicators.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the review and significant findings that we identify during our review.

Amsterdam, 6 March 2025

PricewaterhouseCoopers Accountants N.V.

Originally signed by A.A. Meijer RA

Supplementary information

Content

Other data

Appraisers

All investment properties in the portfolio have been appraised externally in June and December by qualified international firms Colliers, JLL and Cushman & Wakefield. The newly acquired Sypesteyn in Utrecht was appraised by Savills in December 2024. Appraisal methods are compliant with international standards and guidelines as defined by RICS (Royal Institution of Chartered Surveyors).

	% assets	% value
Colliers	34.1%	37.8%
Cushman & Wakefield	29.5%	33.6%
JLL	34.1%	27.1%
Savills	2.3%	1.5%
Total	**100.0%**	**100.0%**

Top 10 tenants

	# lease contract	% total contracted rent
Goverment	9	12.6%
Spaces	3	10.4%
KPN	4	7.4%
Janssen Vaccines & Prevention	3	5.3%
WeWork	1	4.7%
ABN AMRO Bank	1	2.2%
Airbus Defense and Space	1	2.0%
Federatie Nederlandse Vakbeweging	1	1.1%
Securitas Direct	1	1.1%
Seres Europe	1	1.0%
Total	**25**	**47.8%**

NSI share information

Investor relations
NSI strives for a high degree of transparency and continuous communication with existing and potential shareholders, as well as other stakeholders. NSI is committed to providing information through means of road shows, presentations, press releases, quarterly reports, annual reports and other publications, as well as via the company's website. All relevant publications are placed on the company's website: http://nsi.nl/ir.

Share capital
At 1 January 2024 NSI had 20,155,221 ordinary shares issued and outstanding. During 2024, in total 1,034,629 shares have been purchased and held as treasury shares. At 31 December 2024 NSI had 19,120,592 ordinary shares outstanding.

Share listing
The NSI share is listed on Euronext (registered under code 29232; ISIN code: NL0000292324; Ticker symbol: NSI).

Major shareholders
Pursuant to the Dutch Financial Markets Supervision Act (Wet op het Financieel toezicht) the Netherlands Authority Financial Markets (Autoriteit Financiële Markten) was notified of the following statement of interest of 3% or more in NSI up to 31 December 2024.

	31 December 2024
First Sponsor Group Limited	22.0%
Compass Asset Management SA	5.1%
NSI N.V. (Treasury shares)	5.0%
BlackRock, Inc.	3.0%

Financial calendar

Annual General Meeting	17 March 2025
Publication trading update Q1 2025	17 April 2025
Publication half year results 2025	16 July 2025
Publication trading update Q3 2025	15 October 2025

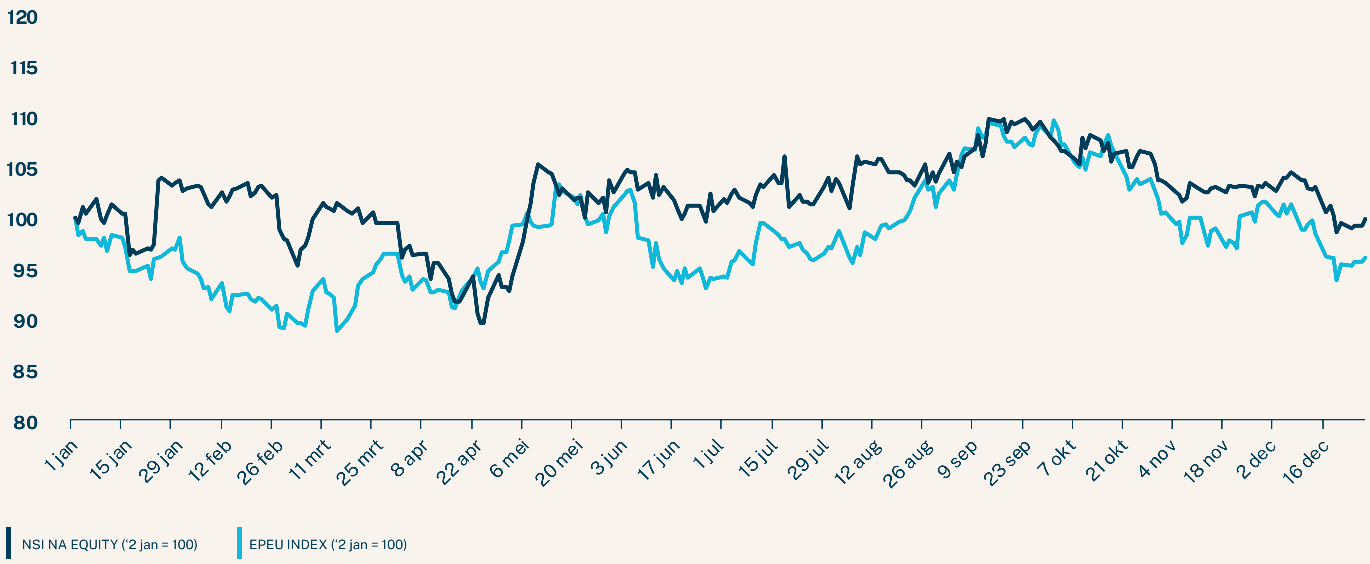
Dividend policy and dividend distribution
NSI's dividend policy is to distributes at least 75% of the direct result. The dividend is distributed in cash or optional in stock at the discretion of the Management Board. NSI distributes dividend twice a year.

Ex-dividend date (final dividend 2024)	23 April 2025
Record date	24 April 2025

Performance of the NSI share

Share price low		€16.98
Share price high		€21.15
Closing price on 31 December 2024		€18.92
Proposed dividend per share for the 2024 financial year	Total	€1.57
	Interim	€0.75
	Final	€0.82
# outstanding shares outstanding at 31 December 2024		19,120,592
Market capitalisation at 31 December 2024		€362 million

NSI share price development



Property list

Amsterdam

	Property	Property adress	City	Form ownership	NEN-area	Year construction / major renovation	Year acquisition
1	Atlanta Building	Stadhouderskade 5-6	Amsterdam	Freehold	6,542	1928	2021
2	Centerpoint I	Hoogoorddreef 60	Amsterdam	Leasehold	9,064	2007	2015
3	Centerpoint II	Hoogoorddreef 62	Amsterdam	Leasehold	6,292	1988	2015
4	Cruquiusweg	Cruquiusweg 111	Amsterdam	Freehold	3,278	2006	2007
5	Glasshouse	Changiweg 130, Teleportboulevard 121-133	Amsterdam	Leasehold	22,981	2009	2016
6	Hettenheuvelweg I	Hettenheuvelweg 37-39	Amsterdam	Leasehold	2,474	1987	1997
7	Hettenheuvelweg II	Hettenheuvelweg 41-43	Amsterdam	Leasehold	2,480	1988	1997
8	HNK Amsterdam Houthavens	Van Diemenstraat 20-200	Amsterdam	Leasehold	10,572	2014	1999
9	HNK Amsterdam Schinkel	Anthony Fokkerweg 1	Amsterdam	Freehold	5,448	2018	1997
10	HNK Amsterdam Sloterdijk	Radarweg 60	Amsterdam	Leasehold	16,314	2023	2018
11	HNK Amsterdam Zuidoost	Burgemeester Stramanweg 102-108	Amsterdam	Freehold	11,492	2016	1997
12	Hogehilweg I	Hogehilweg 6	Amsterdam	Leasehold	3,144	2008	2021
13	Hogehilweg II	Hogehilweg 12	Amsterdam	Leasehold	3,143	1985	1997
14	Koningin Wilhelminaplein	Koningin Wilhelminaplein 18	Amsterdam	Leasehold	5,090	1995	1997
15	One20	Teleportboulevard 120-142	Amsterdam	Leasehold	9,743	2001	2020
16	Q-Port	Kingsfordweg 43-117	Amsterdam	Leasehold	12,771	2001	2018
17	Solaris Eclips	Arlandaweg 98	Amsterdam	Leasehold	4,151	2001	2001
18	Trivium	Derkinderenstraat 2-24	Amsterdam	Leasehold	8,315	2000	2019
19	Vitrum	Parnassusweg 101, 103, 126, 128	Amsterdam	Leasehold	11,612	2013	2017
20	Vivaldi Offices I	Barbara Strozzilaan 201-229	Amsterdam	Leasehold	9,493	2009	2015
21	Vivaldi Offices II	Barbara Strozzilaan 101-125	Amsterdam	Leasehold	8,778	2009	2015

Other G4

	Property	Property adress	City	Form ownership	NEN-area	Year construction / major renovation	Year acquisition
1	Bentinck Huis	Lange Voorhout 7	Den Haag	Freehold	6,066	2020	2018
2	De Rode Olifant	Zuid-Hollandlaan 7	Den Haag	Freehold	9,993	1993	2007
3	HNK Den Haag	Oude Middenweg 3E, 11-19	Den Haag	Freehold	14,825	2014	2008
4	Alexanderhof	Marten Meesweg 141-145	Rotterdam	Freehold	3,095	1987	2015
5	Alexanderpoort	Marten Meesweg 93-121	Rotterdam	Freehold	9,324	2010	2015
6	HNK Rotterdam Centrum	Westblaak 180	Rotterdam	Leasehold	8,527	2016	2001
7	HNK Rotterdam Scheepvaartkwartier	Vasteland 42-110	Rotterdam	Freehold	21,635	2012	2008
8	Veerhaven	Veerhaven 16-18	Rotterdam	Freehold	1,641	2002	1996
9	Veerkade	Veerkade 1-9C	Rotterdam	Freehold	5,750	1915	2000
10	Westblaak	Westblaak 155-189	Rotterdam	Freehold	6,155	1978	2021
11	HNK Utrecht Centraal Station	Arthur van Schendelstraat 650-698, 700-748	Utrecht	Leasehold	9,149	2015	2006
12	HNK Utrecht West	Weg der Verenigde Naties 1	Utrecht	Leasehold	3,051	2013	2007
13	Jacobsweerd	Sint Jacobsstraat 200-499	Utrecht	Freehold	14,781	1987	2018
14	Sypesteyn	Jaarbeursplein 22	Utrecht	Leasehold	8,417	1970	2024
15	Uniceflaan	Uniceflaan 1	Utrecht	Leasehold	12,083	1989	2017

Other Netherlands

	Property	Property adress	City	Form ownership	NEN-area	Year construction / major renovation	Year acquisition
1	Hooghuisstraat / Keizersgracht	Hooghuisstraat 18-30, Keizersgracht 3-11	Eindhoven	Freehold	10,908	1970	2008
2	Kennedyplein	Kennedyplein 101	Eindhoven	Freehold	6,542	2000	2017
3	Beukenhaghe	Neptunusstraat 15-37	Hoofddorp	Freehold	4,754	1991	1991
4	Archimedesweg	Archimedesweg 17-25	Leiden	Leasehold	2,522	2001	2001
5	Archimedesweg I	Archimedesweg 6	Leiden	Leasehold	7,207	2000	2017
6	Archimedesweg II	Archimedesweg 30	Leiden	Leasehold	2,686	1999	2019
7	Mendelweg	Mendelweg 30	Leiden	Leasehold	6,198	2008	2021
8	Newtonweg	Newtonweg 1	Leiden	Leasehold	9,408	1993	2015

ESG (non-financial) performance measures 2024

Impact area	Abbreviation	Units of measure	Indicator	Metric	Notes	Absolute performance (Abs) 2024-01-01 2024-12-31	Absolute performance (Abs) 2023-01-01 2023-12-31	Absolute performance (Abs) % change	Like-for-like performance (LfL) 2024-01-01 2024-12-31	Like-for-like performance (LfL) 2023-01-01 2023-12-31	Like-for-like performance (LfL) % change
Energy	Fuels-Abs, Fuels-LfL	annual kWh	Fuels	Total fuels purchased by landlord	B	6,722,277.05	4,902,027.85	37.13%	4,688,831.76	4,599,383.90	1.94%
				Total fuels controlled by landlord	B	6,722,277.05	4,902,027.85	37.13%	4,688,831.76	4,599,383.90	1.94%
				Proportion of fuels from renewable resourcespurchased by landlord		-	-	-	-	-	-
				Proportion of fuels from renewable resources controlled by landlord		-	-	-	-	-	-
				Total fuels purchased by tenant	B	1,062,489.17	2,749,890.71	-61.36%	1,062,489.17	1,017,646.16	4.41%
				Total fuels controlled by tenant	B	1,062,489.17	2,749,890.71	-61.36%	1,062,489.17	1,017,646.16	4.41%
				Proportion of fuels from renewable resources purchased by tenant(s)		-	-	-	-	-	-
				Proportion of fuels from renewable resources controlled by tenant(s)		-	-	-	-	-	-
				Total fuels purchased/ controlled by landlord and tenant(s)	B ✓	7,784,766.22	7,651,918.56	1.74%	5,751,320.93	5,617,030.06	2.39%
				Proportion of landlord and tenant purchased/controlled fuels from renewable resources		-	-	-	-	-	-
		No. of applicable properties		Fuels disclosure coverage - No. Assets	✓	21 out of 21	22 out of 22	-	17 out of 17	17 out of 17	-
		Covered applicable sqm		Fuels disclosure coverage - %	✓	100.00%	100.00%	-	100.00%	100.00%	-
		%		Proportion of fuels estimated - PCAF		-	-	-	-	-	-
	DH&C-Abs, DH&C-LfL	annual kWh	District heating and cooling	Total district heating and cooling purchased by landlord	B	9,321,619.44	9,459,150.00	-1,45%	7,704,372.22	8,060,947.22	-4.42%
				Total district heating and cooling controlled by landlord	B	9,321,619.44	9,459,150.00	-1,45%	7,704,372.22	8,060,947.22	-4.42%
				Total district heating and cooling purchased by tenant	B	4,129,744.44	3,673,197.22	12.43%	3,527,608.33	3,673,197.22	-3.96%
				Total district heating and cooling controlled by tenant	B	4,129,744.44	3,673,197.22	12.43%	3,527,608.33	3,673,197.22	-3.96%
				Total district heating and cooling purchased/controlled by landlord and tenant(s)	B ✓	13,451,363.89	13,132,347.22	2.43%	11,231,980.56	11,734,144.44	-4.28%
		No. of applicable properties		District heating and cooling disclosure coverage - No. Assets	✓	22 out of 22	22 out of 23	-	19 out of 19	19 out of 19	-
		Covered applicable sqm		District heating and cooling disclosure coverage - %	✓	100.00%	93.68%	6.75%	100.00%	100.00%	-
		%		Proportion of district heating and cooling estimated - PCAF		2.38%	-	-	2.94%	-	-
		annual kWh	Landlord electricity	Renewable electricity generated and consumed on-site by landlord		451,000.41	496,402.74	-9.15%	451,000.41	496,402.73	-9.15%
				Electricity generated on-site and exported by landlord		44,431.28	60,459.63	-26.51%	44,431.28	60,459.64	-26.51%
		%		Proportion of on-site renewable electricity generated by landlord		2.46%	3.02%	-18.56%	3.23%	3.36%	-3.90%
		annual kWh		Total off-site electricity purchased by landlord	B	17,466,405.26	15,914,218.89	9.75%	13,519,401.06	14,280,951.51	-5.33%
		%		Proportion of off-site renewable electricity purchased by landlord		97.54%	96.98%	0.58%	96.77%	96.64%	0.14%
	Elec-Abs, Elec-LfL	annual kWh		Total electricity consumed by landlord	B	17,886,323.67	16,410,621.63	8.99%	13,970,401.46	14,777,354.24	-5.46%
			Tenant electricity	Electricity generated and consumed on-site by tenant(s)		45,136.00	15,800.00	185.67%	45,136.00	15,800.00	185.67%
		%		Proportion of on-site renewable electricity consumed by tenant(s)		0.45%	0.12%	287.24%	0.45%	0.15%	199.36%
				Total off-site electricity purchased by tenant(s)		9,972,319.96	13,563,445.71	-26.48%	9,949,713.74	10,458,118.03	-4.86%
		%		Proportion of off-site renewable electricity purchased by tenant(s)		99.55%	99.88%	-0.33%	99.55%	99.85%	-0.30%

✓ Refers to the limited assurance report of the independent auditor (see page 116). The limited assurance applies to the absolute performance only (excluding like for like performance).
A up to and including **B** refers to Measurement Methodology and Assumptions (see page 127)

Impact area	Abbreviation	Units of measure	Indicator	Metric	Notes	Absolute performance (Abs) 2024-01-01 2024-12-31	Absolute performance (Abs) 2023-01-01 2023-12-31	Absolute performance (Abs) % change	Like-for-like performance (LfL) 2024-01-01 2024-12-31	Like-for-like performance (LfL) 2023-01-01 2023-12-31	Like-for-like performance (LfL) % change
Energy	Elec-Abs, Elec-LfL	annual kWh		Total electricity consumed by tenant(s)		10,017,455.96	13,579,245.71	-26.23%	9,994,849.74	10,473,918.03	-4.57%
		%	Landlord and tenant electricity	Proportion of on-site renewable electricity consumed by landlord and tenant(s)		1.75%	1.71%	2.56%	2.07%	2.03%	2.06%
		%		Proportion of off-site renewable electricity purchased by landlord and tenant(s)		98.25%	98.29%	-0.04%	97.93%	97.97%	-0.04%
		annual kWh		Total landlord and tenant electricity consumption	B ✓	27,903,779.62	29,989,867.34	-6.96%	23,965,251.20	25,251,272.28	-5.09%
		No. of applicable properties		Electricity disclosure coverage - No. Assets	✓	44 out of 44	46 out of 46	-	37 out of 37	37 out of 37	-
		Covered applicable sqm		Electricity disclosure coverage - %	✓	100.00%	100.00%	-	100.00%	100.00%	-
		%		Proportion of electricity estimated - PCAF		-	-	-	-	-	-
		Solar panels		On-site solar panels - No. Applicable Assets		12 out of 12	12 out of 12	-	12 out of 12	12 out of 12	-
				No. of solar panels		-	-	-	-	-	-
	Energy-Int (all assets)	kWh	Energy consumption	Total energy consumption purchased by landlord	B	34,319,637.16	30,771,799.47	11.53%	26,363,605.44	27,437,685.37	-3.91%
				Total energy consumption controlled by landlord	B	34,319,637.16	30,771,799.47	11.53%	26,363,605.44	27,437,685.37	-3.91%
				Total energy consumption purchased by tenant		15,209,689.57	20,002,333.64	-23.96%	14,584,947.24	15,164,761.41	-3.82%
				Total energy consumption controlled by tenant		15,209,689.57	20,002,333.64	-23.96%	14,584,947.24	15,164,761.41	-3.82%
				Estimated energy consumption purchased by landlord - PCAF		329,722.22	-	-	329,722.22	-	-
				Estimated energy consumption controlled by landlord - PCAF		329,722.22	-	-	329,722.22	-	-
				Estimated energy consumption purchased by tenant - PCAF		-	-	-	-	-	-
				Estimated energy consumption controlled by tenant - PCAF		-	-	-	-	-	-
		annual kWh	Energy Intensity	(sum of) annual kWh energy consumption	B ✓	491,391.10	50,774,133.11	-3.22%	40,948,552.68	42,602,446.78	-3.88%
		sqm		(sum of) floor area (m²) - Energy	B ✓	389,878	406,141.07	-4.00%	325,892.76	323,487.85	0.74%
		annual kWh / sqm		Building energy intensity	B ✓	126,05	125.02	0.82%	125.65	131.70	-4.59%
		No. of applicable properties		Energy and associated GHG disclosure coverage - No. Assets		46 out of 47	46 out of 46	-	37 out of 37	37 out of 37	-
		Covered applicable sqm		Energy and associated GHG disclosure coverage - %		97.9%	98.4%	-0.51%	100.0%	100.0%	0.00%
		Covered applicable sqm	Total operational energy and associated GHG data coverage	Common area - Energy coverage		-	-	-	-	-	-
				Shared Services - Energy coverage		-	-	-	-	-	-
				Tenant space - Energy coverage		-	-	-	-	-	-
				Whole building - Energy coverage		97.9%	98.4%	-0.51%	100.0%	100.0%	-
		%		Proportion of energy estimated - PCAF		0.66%	-	-	0.81%	-	-
		%		Proportion energy from renewables resources		56.71%	59.07%	-4.00%	58.53%	59.27%	-1.26%
		Covered applicable sqm	Renewable energy data coverage	Common area - Renewable Energy coverage		-	-	-	-	-	-
				Shared Services - Renewable Energy coverage		-	-	-	-	-	-
				Tenant space - Renewable Energy coverage		-	-	-	-	-	-
				Whole building - Renewable Energy coverage		100.00%	100.00%	-	100.00%	100.00%	-
Greenhouse gas emissions - Location based	GHG-Dir-Abs	annual kg CO_2e	Direct	LB: Scope 1		1,231,252.26	897,855.44	37,13%	858,806.42	842,423.16	1,94%
				LB: estimated - PCAF emissions Scope 1		-	-	-	-	-	-
	GHG-Indir-Abs		Indirect	LB: Scope 2	B	6,230,595,57	8,090,806.82	-22.99%	4,847,422.62	5,714,779.20	-15.18%
				LB: estimated - PCAF emissions Scope 2		69.096,59	-	-	69.096,59	-	-
				LB: Scope 3	B	3.433.922,63	6.006.115,70	-42,83%	3.313.126,17	3.848.186,28	-13,90%
				LB: estimated - PCAF emissions Scope 3		-	-	-	-	-	-

✓ Refers to the limited assurance report of the independent auditor (see page 116). The limited assurance applies to the absolute performance only (excluding like for like performance).
A up to and including **B** refers to Measurement Methodology and Assumptions (see page 127)

						Absolute performance (Abs)			Like-for-like performance (LfL)		
Impact area	**Abbreviation**	**Units of measure**	**Indicator**	**Metric**	**Notes**	**2024-01-01 2024-12-31**	**2023-01-01 2023-12-31**	**% change**	**2024-01-01 2024-12-31**	**2023-01-01 2023-12-31**	**% change**
Greenhouse gas emissions - Location based	GHG-Int (all assets)	kg CO_2e	GHG emissions intensity	LB: (sum of) annual GHG emissions - Total operational carbon	B ✓	10,917,356.47	14,994,778.00	-27.19%	9.019.355,21	10.405.388,63	-13.32%
		sqm		LB: (sum of) floor area (m²) - GHG	A ✓	389,877.78	406,141.07	-4.00%	325,892.76	323,487.85	0.74%
		kg CO_2e / sqm / year		LB: Building operational carbon intensity	B ✓	28.00	36.51	-23.30%	27,68	32,17	-13.96%
		%		LB: Proportion of GHG estimated - PCAF		0,63%	-	-	0,77%	-	-
Greenhouse gas emissions - PCAF Location Based		annual kg CO_2e	1a	LB: Score 1		-	-	-	-	-	-
			1b	LB: Score 2		10,911,778.88	14,827,000.80	-26.41%	8,950,258.62	10,405,388.63	-13.98%
			2a	LB: Score 3		-	-	-	-	-	-
			2b	LB: Score 4		-	-	-	-	-	-
			3	LB: Score 5		69,096.59	-	-	69,096.59	-	-
Greenhouse gas emissions - Market based	GHG-Dir-Abs	annual kg CO_2e	Direct	MB: Scope 1	B	1,231,252.56	897,855.44	-	997,783.40	981,508.52	1.66%
				MB: estimated - PCAF emissions Scope 1		-	-	-	-	-	-
	GHG-Indir-Abs		Indirect	MB: Scope 2	B	840,809.96	853,215.33	-	703,640.32	778,687.50	-9.64%
				MB: estimated - PCAF emissions Scope 2		30,113.53	-	-	30,113.53	-	-
				MB: Scope 3	B	567,108.26	834,992.36	-	548,274.16	571,996.54	-4.15%
				MB: estimated - PCAF emissions Scope 3		-	-	-	-	-	-
	GHG-Int (all assets)	kg CO_2e / sqm / year	GHG emissions intensity	MB: (sum of) annual GHG emissions - Total operational carbon	B ✓	2,639,170.77	2,586,063.13	-	2,249,697.88	2,332,192.57	-3.54%
				MB: (sum of) floor area (m²) - GHG	B ✓	389,877.78	406,141.07	-4.00%	325,892.76	323,487.85	0.74%
				MB: Building operational carbon intensity	B ✓	6.77	6.37	6.31%	6.90	7,21	-4.25%
		%		MB: Proportion of GHG estimated - PCAF		1.03%	-	-	1.34%	-	-
Greenhouse gas emissions - PCAF Market Based		annual kg CO_2e	1a	MB: Score 1		-	-	-	-	-	-
			1b	MB: Score 2		2,890,563.24	2,586,063.13	-	2,219,584.35	2,332,192.57	-4.83%
			2a	MB: Score 3		-	-	-	-	-	-
			2b	MB: Score 4		-	-	-	-	-	-
			3	MB: Score 5		30,113.53	-	-	30,113,53	-	-
Water	Water-Abs, Water-LfL	annual cubic metres (m³)	Water	Total water consumption purchased by landlord	B	57,848.22	55,213.35	4.77%	46,597.31	45,152.79	3.20%
				Total water consumption controlled by landlord		57,848.22	55,213.35	4.77%	46,597.31	45,152.79	3.20%
				Total water consumption purchased by tenant		44,141.83	22,005.32	100.60%	20,642.59	16,517.57	24.97%
				Total water consumption controlled by tenant		44,141.83	22,005.32	100.60%	20,642.59	16,517.57	24.97%
				Total water consumption purchased/controlled by landord and tenant(s)	B ✓	101,326.05	77,218.67	31.22%	67,239.90	61,670.37	9.03%
	Water-Int (all assets)	annual m³ / sqm	Water Intensity	(sum of) floor area (m²) - Water	A ✓	388,821.78	391,469.48	-0.68%	291,390.62	288,985.71	0.83%
				Building water intensity	B ✓	0.26	0.20	25.80%	0.23	0.21	8.13%
		No. of applicable properties		Water disclosure coverage - No. Assets	✓	44 out of 44	43 out of 46	-	33 out of 33	33 out of 33	-
		Covered applicable sqm		Water disclosure coverage - %	✓	99.73%	94.80%	5.20%	100.00%	100.00%	0.00%
		%		Proportion of water estimated - PCAF		-	-	-	-	-	-
Waste	Waste-Abs, Waste-LfL	annual tonnes	Waste type	Hazardous waste		-	-	-	-	-	-
				Non-Hazardous waste		1,467.00	750.00	95.60%	-	-	-
				Total waste created	✓	1,467.00	750.00	95.60%	-	-	-
				Total landlord controlled waste generated		713.98	699.00	2.14%	-	-	-
		proportion by disposal route (%)	Disposal routes	Landfill (with of without energy recovery)		-	-	-	-	-	-
				Incineration (with or without energy recovery)		55.49%	0.61%	8932.51%	-	-	-
				Diverted (total)		100.00%	94.19%	6.17%	-	-	-
				Diverted - Reuse		-	-	-	-	-	-
				Diverted - Waste to energy		55.49%	63.29%	-12.32%	-	-	-
				Diverted - Recycling		44.51%	30.90%	44.02%	-	-	-
				Other / Unknown		-	5.19%	-	-	-	-

✓ Refers to the limited assurance report of the independent auditor (see page 116). The limited assurance applies to the absolute performance only (excluding like for like performance).
A up to and including **B** refers to Measurement Methodology and Assumptions (see page 127)

Impact area	Abbreviation	Units of measure	Indicator	Metric	Notes	Absolute performance (Abs) 2024-01-01 2024-12-31	Absolute performance (Abs) 2023-01-01 2023-12-31	Absolute performance (Abs) % change	Like-for-like performance (LfL) 2024-01-01 2024-12-31	Like-for-like performance (LfL) 2023-01-01 2023-12-31	Like-for-like performance (LfL) % change
Waste	Waste-Abs, Waste-LfL	No. of applicable properties		Waste disclosure coverage - No. Assets	✓	35 out of 44	29 out of 46	-	-	-	-
		Covered applicable sqm		Waste disclosure coverage - %	✓	57.14%	65.70%	-13.03%	-	-	-
		%		Proportion of waste estimated - PCAF		2.00%	1.99%	0.48%	-	-	-
Certification	Cert-Tot	% of m²	Percentage of assets with a certificate	Common area - % Certificate		-	-	-	-	-	-
				Shared Services - % Certificate		-	-	-	-	-	-
				Tenant space - % Certificate		-	-	-	-	-	-
				Whole building - % Certificate		93.87%	91.14%	3.00%	95.28%	97.56%	-2.34%
		Green Building Certification	Covered applicable properties	Certified by at least one Green Building Certification - No. Assets	✓	38 out of 44	42 out of 46	-	37 out of 47	39 out of 46	-
			Covered applicable sqm	Certified by at least one Green Building Certification - %	✓	89.92%	91.14%	-1.34%	95.28%	97.56%	-2.34%
			BREEAM New Construction - Level of certification	New Construction - Outstanding		-	-	-	-	-	-
				New Construction - Excellent		-	-	-	-	-	-
				New Construction - Very Good		-	-	-	-	-	-
				New Construction - Good		-	-	-	-	-	-
				New Construction - Pass		-	-	-	-	-	-
			BREEAM In Use - Level of certification	In Use - Outstanding		-	-	-	-	-	-
				In Use - Excellent	✓	40.20%	37.77%	6.44%	43.83%	43.38%	1.02%
				In Use - Very Good	✓	35.13%	34.71%	1.21%	38.31%	38.57%	-0.70%
				In Use - Good	✓	10.92%	13.13%	-16.86%	9.14%	9.26%	-1.23%
				In Use - Pass	✓	3.67%	5.52%	-33.57%	4.00%	4.03%	-0.72%
				In Use - Acceptable		-	-	-	-	-	-
			GPR Gebouw - Level of certification	Design & Construction		-	-	-	-	-	-
				Operational		-	-	-	-	-	-
Energy Ratings		% of value	Percentage of assets with an energy rating	Common area - % Energy Rating		-	-	-	-	-	-
				Shared Services - % Energy Rating		-	-	-	-	-	-
				Tenant space - % Energy Rating		-	-	-	-	-	-
				Whole building - % Energy Rating		100.00%	100.00%	-	100.00%	100.00%	0.00%
		EU EPC	Covered applicable properties	Certified EU EPC - No. Assets	✓	43 out of 44	46 out of 46	-	41 out of 47	42 out of 46	-
			Covered applicable sqm	Certified EU EPC - %	✓	97.20%	100.00%	-2.80%	100.00%	100.00%	0.00%
			Level of certification	A+++++	✓	-	-	-	-	-	-
				A++++	✓	-	-	-	-	-	-
				A+++	✓	-	-	-	-	-	-
				A++	✓	19.62%	14.70%	33.47%	23.32%	22.83%	2.13%
				A+	✓	11.23%	12.30%	-8.70%	12.28%	12.36%	-0.67%
				A	✓	62.46%	68.30%	-8.55%	62.10%	62.49%	-0.62%
				B	✓	0.79%	3.60%	-78.06%	2.30%	2.31%	-0.62%
				C	✓	3.10%	1.10%	181.82%	0.00%	0.00%	-
				D	✓	-	-	-	-	-	-
				E	✓	-	-	-	-	-	-
				F	✓	-	-	-	-	-	-
				G	✓	-	-	-	-	-	-
		GRESB Score			✓	93 out of 100	94 out of 100				

✓ Refers to the limited assurance report of the independent auditor (see page 116). The limited assurance applies to the absolute performance only (excluding like for like performance).
A up to and including **B** refers to Measurement Methodology and Assumptions (see page 127)

Environmental sustainability performance measures

EU Taxonomy

	Note	2024 eligibility	2024 alignment
Revenue	✓	100%	97.21%
Capex	✓	100%	91.41%
Opex	✓	100%	97.87%

Social performance measures

EPRA Code	Indicator	Category	Note	2024	2023	
Diversity-Emp	Employee gender diversity	Female	✓	56.5%	58.2%	Percentage of employees
		Male	✓	43.5%	41.8%	
Diversity-Pay	Gender pay ratio	Management Board		1.11	1.18	Ratio
		Senior Management		1.29	1.33	
		Operations		2.23	2.44	
		Support Staff		1.24	1.17	
		Total	✓	**1.97**	**2.03**	
Emp-Training	Employee training and development		✓	50	55	
Emp – Hc	Employee headcount		✓	69	67	
Emp-Dev	Employee performance appraisals		✓	100.0%	100.0%	
Emp-Turnover	New hires and turnover	New hires	✓	15	15	New hires headcount
				21.7%	22.4%	New hires percentage
		Leavers	✓	-13	-13	Leavers headcount
				18.8%	-19.4%	Leavers percentage
H&S-Emp	Employee health and safety	Absentee rate	✓	5.2%	4.2%	
		Injury rate	✓	0.0%	0.0%	
		Work related fatalaties	✓	0	0	
H&S-Asset	Asset health and safety assessments		✓	30 out of 44	14 out of 46	
H&S-Comp	Asset health and safety compliance	Number of incidents	✓	2	3	
Comty-Eng	Community engagement, impact assessment and development programs			9 out of 44	9 out of 46	HNK office app in all HNK's

Governance performance measures

		2024	2023	
Gov-Board	Composition of the highest governance body	Page 50-53	Page 55-59	See composition and total number
Gov-Selec	Process for nominating and selecting the highest governance body	Page 50-53	Page 55-59	Narrative on process
Gov-Col	Process for managing conflicts of interest	Page 50-53	Page 55-59	Narrative on process

✓ refers to the limited assurance report of the independent auditor (see page 116)

Measurement methodology and assumptions ESG (non-financial) performance measures

NSI reports environmental, social and governance performance in accordance with the EPRA Sustainability Best Practice Recommendations (sBPR). This reporting is split into several sections consisting of the overarching EPRA recommendations, the environmental performance indicators, the social performance indica-tors and the governance performance indicators.

Reporting period and organisational boundaries

The reporting period for this report is the same as for the annual financial report. NSI includes its ESG performance in its annual report since 2017 as part of the sustainability report. The analysis includes data of the portfolio as per 31 December 2024. Assets that were acquired (not applicable in 2024) or disposed during 2024 were excluded from the Like-for-like performance analysis.

Measurement scope and coverage

In 2024, 100% of the total portfolio value belonged to the measurement scope, which corresponds to 44 properties, including the NSI head office. The consumption data were collected using our invoice data, invoice data obtained from tenants, combined with smart meters and data obtained from tenants. In the event of incomplete or missing data, the data was extrapolated in accordance with EPRA guidelines or the asset was excluded.

With regard to the measurement of electricity, the following apply:

- The energy generated by the solar panels has not been deducted from the total electricity consumption
- The consumption of the electric charging stations is excluded in the total electricity consumption.
- The electricity consumption of the tenant is based on renewable energy. The calculation of the 'building energy intensity' is based on all buildings for which data is available for at least 9 months. In case of missing data, the data is extrapolated to a whole year. On page 136 to 138 you can find the EPRA tables with the various performances, including the share of buildings in scope for each of the performance indicators and the extent of data coverage/extrapolation.

Estimation and extrapolation of consumption data

At the time of publication of this report, not all data are available for the measurement year 2024 yet. If data for at least nine months is available, it has been extrapolated in accordance with EPRA guidelines. If the data of one of the meters in a building is missing, the square meters of the building will be adjusted pro-rata for the purpose of determining the energy-, CO_2-and water intensity and calculating the data coverage. In accordance with the EPRA guidelines, a like for like analysis was carried out for several environmental indicators. The analysis enables NSI to observe evolutions in consumption, irrespective of the fact that new assets are added to the scope of measurement.

Explanatory Notes To Sustainability Performance Measures

The like for like (LfL) calculation reflects consumption of the portfolio that has been consistently in operation during the most recent two full reporting years, in line with the EPRA sBPR definition. As a result, assets sold in the reporting period are not included in this calculation.

This means that:

- 3 assets are excluded from Like-for-Like Performance as these assets were not fully operational during the reporting period of 2024.

Furthermore, the Notes in the table refer to the following:

A Square meters based on CRREM methodology (Gross floor area minus internal parking garage minus outer façade).

B Normalization (as a consequence of Acquisitions and Dispositions during the year):

- When a property is in the portfolio for less than 9 months (< 274 days), the property will be excluded.
- When a property is in the portfolio for 9 months or longer (=> 274 days), the property will be included. For these properties, the consumption for the remaining part of the year should be estimated/extrapolated and explained in the report.

EU taxonomy

Own assets that are aligned with the EU Taxonomy of Sustainable activities, now or in time

We aim to own assets that are aligned, now or in time, with the EU taxonomy, the classification system that translates the EU's climate and environmental objectives into criteria for specific economic activities for investment purposes. In order to determine alignment to the EU Taxonomy, the economic activity of the company must first be eligible. If the activity is not defined in the screening criteria, it is not eligible under the EU Taxonomy and therefore, it cannot be considered as environmentally sustainable. Second, once the economic activity has been deemed eligible, it must be determined that it makes a substantial contribution to at least one of the EU's climate and environmental objectives, while at the same time not significantly harming (DNSH – do no significant harm) any of the other objectives and meeting minimum social safeguards.

The taxonomy defines 6 environmental objectives.

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystem

Of the 6 environmental objectives, EPRA's analysis indicates that only the objectives of the 'Climate Change Mitigation', 'Climate Change Adaptation' and 'Transition to a Circular Economy' have a focus on the Real Estate sector.

Key activities of the TSC for Construction and Real Estate

Construction and renovation of buildings		Installation, maintenance and repair activities				Acquisition and ownership of buildings
Stand-alone	Transitional	Enabling	Enabling	Enabling	Enabling	Stand-alone
Constructionof newbuildings	Renovationof existing buildings	Individual renovation measures consistingof Installation, maintenance and repairof energy efficiency equipment	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	Installation, maintenance and repair of renewable energy technologies	Acquisition and ownership of buildings
Note: Development of building projects for residential and non-residential buildings by bringing together financial, technical and physical means to achieve the buildingprojectsforlatersaleand the construction of complete buildings,onownaccountforsale, onafeeorcontractbasis.	**Note:** Construction and civil engineering works or preparation thereof.					**Note:** Buying real estate and exercising ownership of that real estate.

NSI's Taxonomy eligibility and alignment

- Eligibility: An analysis was performed on NSI's portfolio based on the Taxonomy-recognised activity of "7.7 Acquisition and Ownership of buildings" and "7.2 renovation of existing buildings" as defined by the EU taxonomy of sustainable activities

- The objective to which these activities contributes is "Climate change mitigation" defined as "contributing to the stabilisation of greenhouse gas emissions by avoiding or reducing them or by enhancing greenhouse gas removals" and "Climate adaptation" defined as "contributing to the protection of human health and the environment, by reducing or avoiding the adverse impacts of climate change". To prove this, the activity must comply with specific Technical Screening Criteria (TSC)-a set of conditions specific to this activity.

Acquisition and ownership of buildings (7.7)

- The TSC for substantial contribution for the economic activity "7.7 Acquisition and ownership of buildings", largely depend on the type of buildings in scope (residential vs non-residential), the date in which the building was built (different conditions for buildings built before or after 31 December 2020) and on the energy performance certificates. Please see the graph below for a more detailed explanation.

- The CapEx KPI is defined as Taxonomy-aligned CapEx (numerator) divided by our total CapEx (denominator). The allocation of our Capital Expenditures (CapEx) towards assets aligned with the EU Taxonomy offers a transparent insight into NSI's strategic path. Specifically, channelling a significant portion of our overall CapEx into assets that align with the EU Taxonomy demonstrates our commitment to fostering a portfolio that is both sustainable and resilient to climate change. This approach not only guides our transition strategies but also provides the necessary financial support. To ascertain the proportion of our CapEx that aligns with the EU Taxonomy, we calculate this by dividing the CapEx invested in EU Taxonomy-compliant assets by the total CapEx allocated across all assets.

- The proportion of our Operational Expenditure and Turnover that align with EU Taxonomy is calculated in the same way but provides us with different insights. Namely, the proportion of OpEx that is EU Taxonomy aligned, tells us what proportion of Operational Expenditure goes to EU Taxonomy-aligned assets, and it is thus invested in assets that meet the according sustain-ability criteria.

- Finally, the proportion of turnover from EU Taxonomy-aligned assets provides us with insights into how much turnover comes from activities that meet the sustainability criteria outlined by the EU Taxonomy. All in all, these proportions CapEx, OpEx, and turn-over from EU Taxonomy-aligned assets demonstrate how much of our current assets are aligned with the sustainable principles that are required for the EU Taxonomy.

- In order to ensure that the activity does no significantly harm to the other objectives, it should be verified that adaptation solutions are put in place to tackle the climate risk hazards which have been assessed as "material".

- The analysis was performed on each individual asset based on the TSC for the Acquisition and ownership of buildings as defined by the EU taxonomy. Through a climate risk hazard and mitigation plan the DNSH condition was assessed. The Do No Significant Harm (DNSH) criteria were evaluated through two assessments. Initially, Cushman & Wakefield conducted an analysis to identify climate risks that could significantly affect the financial performance of our assets, in alignment with the DGBC Framework for Climate Adaptive Buildings. Following this analysis, Sweco further examined specific assets flagged for one or more physical climate-related risks. This examination involved a comprehensive assessment of climate risk and vulnerability at the asset level. Based on these outcomes, a tailored climate adaptation strategy was developed to mitigate each asset identified as being at risk. Implementation of the adaptation plans is scheduled to be executed over the next three years.

- Based on this, the proportion of the portfolio that is EU taxonomy aligned" mag worden "Based on this, the proportion of the portfolio that is EU taxonomy aligned can be found in the EU Taxonomy table on page 133.

NSI made subsequent progress on EU Taxonomy alignment throughout 2024. Alignment based on the technical assessment points increased compared to last year on Revenue, Capex and Opex. Progress was also realized with respect to minimum safeguard requirements including the adoption of relevant policies. In 2024 NSI fulfilled the minimum safeguards requirements.

Renovation of existing buildings (7.2)

- The objective to which these activities contributes is "Climate change mitigation" defined as "contributing to the stabilisation of greenhouse gas emissions by avoiding or reducing them or by enhancing greenhouse gas removals" and "Climate adaptation" defined as "contributing to the protection of human health and the environment, by reducing or avoiding the adverse impacts of climate change" and "Circular economy" defined as "contributing to the transition to a circular economy by promoting the use of resources more efficiently, reducing waste, and minimizing the environmental impact of consumption and production". To prove this, the activity must comply with specific Technical Screening Criteria (TSC)-a set of conditions specific to this activity.

- The TSC for substantial contribution for the economic activity "7.2 Renovation of existing buildings", largely depend on climate adaptation risk assessment and applied solutions and circularity of materials goals

- The CapEx KPI is defined as Taxonomy-aligned CapEx (numerator) divided by our total CapEx (denominator). The allocation of our Capital Expenditures (CapEx) towards assets aligned with the EU Taxonomy offers a transparent insight into NSI's strategic path. Specifically, channelling a significant portion of our overall CapEx into assets that align with the EU Taxonomy demonstrates our commitment to fostering a portfolio that is both sustainable and resilient to climate change. This approach not only guides our transition strategies but also provides the necessary financial support. To ascertain the proportion of our CapEx that aligns with the EU Taxonomy, we calculate this by dividing the CapEx invested in EU Taxonomy-compliant assets by the total CapEx allocated across all assets.

- In order to ensure that the activity does no significantly harm to the other objectives, it should be verified that adaptation solutions are put in place to tackle the climate risk hazards which have been assessed as “material”.

- In 2024 NSI has started the planning and designing phase of major renovations of existing buildings. During the planning and designing process we take note of the EU taxonomy requirements. The renovation works have not been started yet and are expected to start in 2025. During the execution of the renovation NSI will regularly evaluate the EU Taxonomy alignment. As the works have not been completed yet we can not demonstrate alignment therefore we report the CAPEX, OPEX and turnover for these activities as not aligned. We plan to report on the proportion of compliance upon completion of the activities. This approach is in line with the guidance provided by the European Commission, Which emphasizes the importance of transparency and accuracy in sustainability reporting.

Minimum safeguards:

- For full alignment with the EU Taxonomy NSI must have implemented and be compliant with the following international conventions:
  - OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines);
  - UN Guiding Principles on Business and Human Rights (UNGPs), including rights from the International Labour Organization's 8 fundamental conventions;
  - International Bill of Human Rights

These conventions can be translated into the following four topics:
- human rights (including labour and consumer rights);
- corruption and bribery;
- taxation; and
- fair competition.

- The EU Taxonomy guidelines expect a bundle of coherent processes aimed at identifying negative impacts on these four topics. NSI has implemented preventive and detective controls.

- NSI ensures the implementation, monitoring, and communication of actions addressing negative impacts related to its operations, value chain, and business relationships. The company adheres to international human rights standards, including the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the eight fundamental ILO conventions, and the International Bill of Human Rights.

- Annually the Code of Conduct is brought under attention of all the employees. With regard to our supply chains and business relationships, we expect the same ethical business conduct as for our own business entities. Therefore, the MS requirements are an integral part of our business contracts and our Supplier’s Code of Conduct. The Supplier’s Code of Conduct aims to promote and enforce practices relating to human rights, ethics, the protection of the environment and safety. We expect each of our suppliers to respect NSI's ethical principles and to ensure that this Code of Conduct is respected by all of their employees and subcontractors. Moreover, our supplier selection and evaluation processes include human rights, anti-corruption and anti-bribery check. In addition to these preventive measures, we have implemented a grievance mechanism for complaints about detrimental behaviour regarding a variety of ethics, integrity and compliance issues (including the four topics covered by the MS).

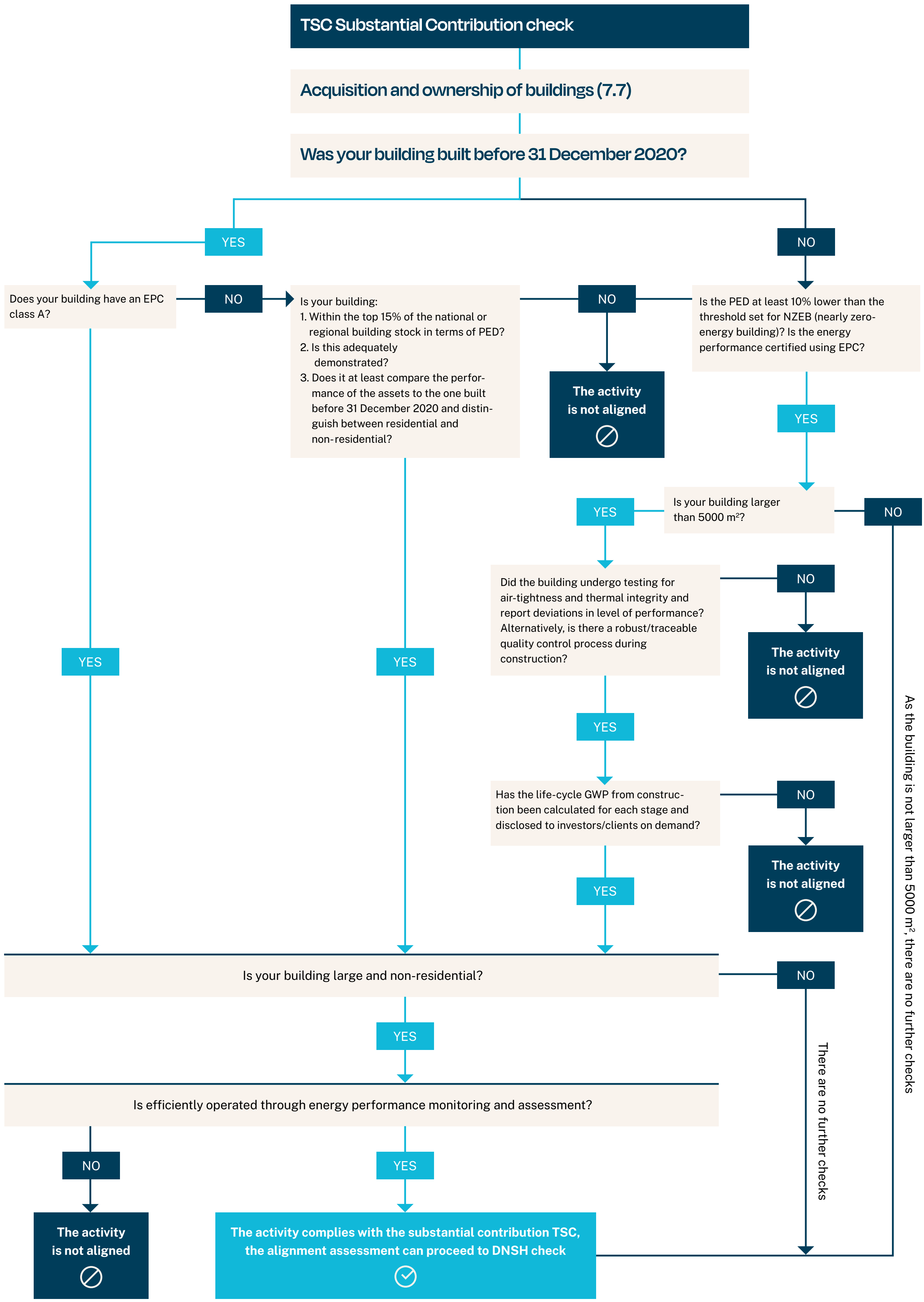
- **Human rights (including labour and consumer rights)**
  In line with the UNGPs and OECD guidelines, we have implemented a systematic approach to identify, prevent, and address potential human rights impacts. We conduct regular impact assessments, considering sectoral factors, and prioritize risks across our operations, partners, and value chain. Measures are taken to prevent violations, and if they occur prompt action will be taken. The effectiveness of these measures is regularly reviewed. In 2024 no incidents have been identified.

- **Corruption and bribery**
  To combat corruption, NSI has implemented a prevention program based on risk assessments. Anti-corruption measures are part of our Code of Conduct. We also provide anti-corruption guidelines to employees, suppliers, and business partners. In 2024 no corruption allegations were reported.

- **Taxation**
  Aligned with our ethical values, tax governance and compliance are key priorities. We are committed to adhering to all relevant tax laws and regulations. Our tax strategy is transparent, sustainable, and in line with the Code of Conduct. Tax risk management is integrated into our overall risk management. A team of qualified external tax experts together with management of NSI oversees our risk-based tax governance framework.

- **Fair competition**
  We comply with all competition laws and regulations. Through our code of conduct, we promote vibrant competition and a free market environment. These guidelines help employees prevent, detect, and address competition violations.

The extensive EPRA taxonomy eligibility and alignment table against revenue, capex and opex can be found on page 133.


TSC Substantial Contribution check
Acquisition and ownership of buildings (7.7)
Was your building built before 31 December 2020?
YES
NO
Does your building have an EPC class A?
NO
Is your building:
1. Within the top 15% of the national or regional building stock in terms of PED?
2. Is this adequately demonstrated?
3. Does it at least compare the performance of the assets to the one built before 31 December 2020 and distinguish between residential and non-residential?
NO
The activity is not aligned
Is the PED at least 10% lower than the threshold set for NZEB (nearly zero-energy building)? Is the energy performance certified using EPC?
YES
YES
Is your building larger than 5000 m²?
NO
Did the building undergo testing for air-tightness and thermal integrity and report deviations in level of performance? Alternatively, is there a robust/traceable quality control process during construction?
NO
The activity is not aligned
YES
YES
YES
Has the life-cycle GWP from construction been calculated for each stage and disclosed to investors/clients on demand?
NO
The activity is not aligned
YES
As the building is not larger than 5000 m², there are no further checks
Is your building large and non-residential?
NO
YES
There are no further checks
Is efficiently operated through energy performance monitoring and assessment?
NO
YES
The activity is not aligned
The activity complies with the substantial contribution TSC, the alignment assessment can proceed to DNSH check

TSC substantial constribution check
Climate goal 1: Climate change mitigation

Is the renovation concerning more than 25% of the building envelope's surface area?

NO → Not a rennovation as per EU Taxonomy

YES

Renovations of existing buildings (7.2)

Climate goal 1
Climate change mitigation

Does the renovation comply with the regulations for major renovations (according to national/regional regulations)?

NO → Does the renovation lead to energy savings of at least 30% (calculated according to NTA8800)?

YES

DNSH Climate goal 2
Climate adaption

Have physical climate risks (such as floods and heat stress) been mapped through a vulnerability assessment?

NO

YES

Have adaptation solutions (such as nature-based solutions) been applied to reduce the risks?

NO

YES

DNSH Climate goal 3
Sustainable water management

Installed water appliances do not exceed EU technical specifications?

Technical specs	Threshold
Shower	8L/min
Washbasin tap	6L/min
Toilet	3.5L per flush
Urinoir	2L per hour

NO

YES

DNSH Climate goal 4
Circular economy

Is at least 70% of non-hazardous construction and demolition waste produced on-site, excluding backfilling, prepared for reuse or recycling in compliance with EU waste legislation and protocols?

NO

YES

Do building designs and construction techniques support circularity by demonstrating how they are designed to be resource-efficient, adaptable, flexible, and disassemblable to enable reuse and recycling?

NO

YES

DNSH Climate goal 5
Pollution Prevention and Control

Do the construction components and materials used comply with Annex C criteria and are any restricted substances listed in relevant EU regulations excluded unless specific conditions are met?

NO

YES

Do materials emit <0.06 mg/m^3 formaldehyde and <0.001 mg/m^3 category 1A/1B VOCs per Annex XVII of Regulation (EC) No 1907/2006 or equivalent standardized methods?

NO

YES

Are measures taken to reduce noise, dust, and pollutant emissions during construction or maintenance work?

NO

YES

The activity meets the climate goals and is therefore aligned

The activity is not aligned

Taxonomy eligibility and alignment

Against turnover, capex and opex

Table 1

Proportion of Turnover from products or services associated with economic activities that qualify as enviromentally sustainable - disclosure covering year 2024.

				Substantial contribution criteria						Do no significant harm criteria									
Economic activity	**Codes**	**Absolute [Turnover]**	**Proportion of [Turnover] - %**	**Climate Change Mitigation (CCM)** %	**Climate Change Adaptation (CCA)** %	**Water and Marine Resources (WTR)** %	**Circular Economy (CE)** %	**Pollution (PPC)** %	**Biodiversity and Ecosystem (BIO)** %	**Climate Change Mitigation** Y/N	**Climate Change Adaptation** Y/N	**Water and Marine Resources** Y/N	**Circular Economy** Y/N	**Pollution** Y/N	**Biodiversity and Ecosystem** Y/N	**Minimum safeguards** Y/N	**Taxonomy Aligned proportion of [Turnover] year N-1 - %** %	**Category Enabling activity - %** %	**Category Transitional activity - %** %
A. Taxonomy Eligible activities (A1 + A2): %																			
A.1 Enviromentally sustainable actitivies (Taxonomy aligned)																			
Activity 1 - Acquisition and ownership of buildings (7.7)	L68	70.70	97.2%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	N/A	N/A	N/A	N/A	Y	88.7%	N/A	N/A
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		70.70	97.2%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
A.2 Enviromentally sustainable actitivies (not Taxonomy aligned)																			
Activity 1 - Acquisition and ownership of buildings (7.7)	L68	1.16	1.6%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.3%	0.0%	0.0%
Activity 2 - Renovation of existing buildings (7.2)	F41	0.88	1.2%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	N/A	N/A	N/A
Turnover of Taxonomy-eligble but not enviromentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2.03	2.8%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
Total (A.1 + A.2)		72.73	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
B. Non-Eligible activities: %																			
Turnover of non-Eligble activities		-	0.0%																
Total (A + B)		72.73	100.0%																

Table 2

Proportion of CapEx from products or services associated with economic activities that qualify as enviromentally sustainable - disclosure covering year 2024.

				Substantial contribution criteria						Do no significant harm criteria									
Economic activity	Codes	Absolute [CapEx]	Proportion of [CapEx] - %	Climate Change Mitigation (CCM) %	Climate Change Adaptation (CCA) %	Water and Marine Resources (WTR) %	Circular Economy (CE) %	Pollution (PPC) %	Biodiversity and Ecosystem (BIO) %	Climate Change Mitigation Y/N	Climate Change Adaptation Y/N	Water and Marine Resources Y/N	Circular Economy Y/N	Pollution Y/N	Biodiversity and Ecosystem Y/N	Minimum safeguards Y/N	Taxonomy Aligned proportion of [CapEx] year N-1 - %	Category Enabling activity - %	Category Transitional activity - %
A. Taxonomy Eligible activities (A1 + A2): %																			
A.1 Enviromentally sustainable activities (Taxonomy aligned)																			
Activity 1 - Acquisition and ownership of buildings (7.7)	L68	14.15	91.4%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	N/A	N/A	N/A	N/A	Y	92.2%	N/A	N/A
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		14.15	91.4%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
A.2 Enviromentally sustainable actitivities (not Taxonomy aligned)																			
Activity 1 - Acquisition and ownership of buildings (7.7)	L68	0.12	0.8%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	7.8%	N/A	N/A
Activity 2 - Renovation of existing buildings (7.2)	F41	1.21	7.8%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	N/A	N/A	N/A
CapEx of Taxonomy-eligble but not enviromentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1.33	8.6%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
Total (A.1 + A.2)		15.48	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
B. Non-Eligible activities: %																			
CapEx of non-Eligble activities		0.00	0.0%																
Total (A + B)		15.48	100.0%																

Table 3

Proportion of OpEx from products or services associated with economic activities that qualify as enviromentally sustainable - disclosure covering year 2024

Economic activity	Codes	Absolute [OpEx]	Proportion of [OpEx] - %	Substantial contribution criteria: Climate Change Mitigation (CCM) %	Climate Change Adaptation (CCA) %	Water and Marine Resources (WTR) %	Circular Economy (CE) %	Pollution (PPC) %	Biodiversity and Ecosystem (BIO) %	Do no significant harm criteria: Climate Change Mitigation Y/N	Climate Change Adaptation Y/N	Water and Marine Resources Y/N	Circular Economy Y/N	Pollution Y/N	Biodiversity and Ecosystem Y/N	Minimum safeguards Y/N	Taxonomy Aligned proportion of [OpEx] year N-1 - %	Category Enabling activity - %	Category Transitional activity - %
A. Taxonomy Eligible activities (A1 + A2): %																			
A.1 Enviromentally sustainable activities (Taxonomy aligned)																			
Activity 1 - Acquisition and ownership of buildings (7.7)	L68	9.55	99.2%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	N/A	N/A	N/A	N/A	Y	87.7%	N/A	N/A
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		9.55	99.2%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
A.2 Enviromentally sustainable activities (not Taxonomy aligned)																			
Activity 1 - Acquisition and ownership of buildings (7.7)	L68	0.21	2.2%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	N/A	N/A	N/A	N/A	Y	12.3%		
Activity 2 - Renovation of existing buildings (7.2)	F41	0.21	2.1%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	N/A	N/A	N/A
OpEx of Taxonomy-eligble but not enviromentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.41	4.3%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
Total (A.1 + A.2)		9.96	103.5%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										
B. Non-Eligible activities: %																			
OpEx of non-Eligble activities		-0.34	-3.5%																
Total (A + B)		9.62	100.0%																

EU taxonomy alignment summary per substantial contribution criteria

	Proportion of turnover / total turnover		Proportion of CAPEX / total CAPEX		Proportion of OPEX / total OPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	97.21%	100.00%	91.41%	100.00%	99,2%	103,5%
CCA	0%	0%	0%	0%	0%	0%
WTR	0%	0%	0%	0%	0%	0%
CE	0%	0%	0%	0%	0%	0%
PPC	0%	0%	0%	0%	0%	0%
BIO	0%	0%	0%	0%	0%	0%

EPRA key performance measures

Overview

	2024		2023	
	€ ' 000	per share (€)	€ ' 000	per share (€)
EPRA earnings	41,008	2.09	40,402	2.01
EPRA cost ratio (incl. direct vacancy costs)	27.4%		30.8%	
EPRA cost ratio (excl. direct vacancy costs)	25.6%		29.1%	
EPRA property related capital expenditure	33,926		19,425	

	31 December 2024		31 December 2023	
	€ ' 000	per share (€)	€ ' 000	per share (€)
EPRA NRV	778,367	40.71	819,913	40.68
EPRA NTA	674,351	35.27	711,460	35.30
EPRA NDV	696,797	36.44	733,561	36.40
EPRA LTV	35.5%		34.4%	
EPRA net initial yield (NIY)	5.6%		5.3%	
EPRA topped-up net initial yield	6.1%		5.8%	
EPRA vacancy rate	5.1%		5.2%	

EPRA earnings

	2024	2023
Gross rental income	72,731	71,199
Service costs not recharged	-2,030	-1,926
Operating costs	-9,622	-10,852
Net rental income	**61,079**	**58,421**
Administrative costs	-8,298	-9,120
Net financing result	-10,225	-8,349
Direct investment result before tax	**42,556**	**40,953**
Corporate income tax	-1,548	-550
Direct investment result / EPRA earnings	**41,008**	**40,402**
Direct investment result / EPRA earnings per share	2.09	2.01

EPRA cost ratio

	2024	2023
Administrative costs	8,298	9,120
Service costs not recharged	2,030	1,926
Operating costs (adjusted for municipality taxes)	9,622	10,852
Leasehold	-	-
EPRA costs (including direct vacancy costs)	**19,951**	**21,898**
Direct vacancy costs	-1,342	-1,187
EPRA costs (excluding direct vacancy costs)	**18,609**	**20,711**
Gross rental income	72,731	71,199
EPRA gross rental income	**72,731**	**71,199**
EPRA cost ratio (incl. direct vacancy costs)	27.4%	30.8%
EPRA cost ratio (excl. direct vacancy costs)	25.6%	29.1%

EPRA property related capital expenditure

	2024	2023
Acquisitions	18,442	
Development	1,920	2,249
Like-for-like portfolio	13,256	12,938
Other	308	4,238
EPRA capital expenditure	**33,926**	**19,425**

EPRA NAV

	31 December 2024			31 December 2023		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	**672,344**	**672,344**	**672,344**	**709,882**	**709,882**	**709,882**
Diluted NAV	**672,344**	**672,344**	**672,344**	**709,882**	**709,882**	**709,882**
Diluted NAV at fair value	**672,344**	**672,344**	**672,344**	**709,882**	**709,882**	**709,882**
Deferred tax in relation to fair value gains of investment property	429	429	-	2	2	-
Fair value of financial instruments	1,606	1,606	-	1,608	1,608	-
Intangibles as per IFRS balance sheet	-	-29	-29	-	-32	-32
Fair value of fixed interest rate debt	-	-	24,481	-	-	23,711
Real estate transfer tax	103,988	-	-	108,422	-	-
NAV	**778,367**	**674,351**	**696,797**	**819,913**	**711,460**	**733,561**
Fully diluted number of shares	19,120,592	19,120,592	19,120,592	20,155,221	20,155,221	20,155,221
NAV per share	**40.71**	**35.27**	**36.44**	**40.68**	**35.30**	**36.40**

EPRA LTV

	31 December 2024	31 December 2023
Borrowings from financial institutions	346,340	344,645
Foreign currency derivatives	1,606	1,608
Net payables	18,022	15,457
Owner occupied property (debt)	-2,475	-2,475
Cash & cash equivalents	-8,451	-202
Net debt	**355,043**	**359,032**
Owner occupied property	2,475	2,475
Investment properties at fair value	945,550	981,010
Properties under construction	51,855	59,030
Intangibles	29	32
Financial assets	-	-
Total property value	**999,909**	**1,042,547**
LTV	35.5%	34.4%

EPRA yield

	31 December 2024	31 December 2023
Investment property including assets held for sale	999,880	1,042,515
Developments	-51,855	-59,030
Property investments	**948,025**	**983,485**
Allowance for estimated purchasers' costs	125,509	112,117
Gross up completed property portfolio valuation	**1,073,534**	**1,095,602**
Annualised cash passing rental income	72,056	71,835
Annualised property outgoings	-12,070	-13,725
Annualised net rent	**59,986**	**58,110**
Notional rent expiration of rent free periods or other lease incentives	5,116	5,661
Topped-up annualised net rent	**65,102**	**63,771**
EPRA net initial yield	5.6%	5.3%
EPRA topped-up net initial yield	6.1%	5.8%

EPRA vacancy

	31 December 2024	31 December 2023
Estimated rental value of vacant space	4,186	4,320
Estimated rental value of the whole portfolio	82,683	83,516
EPRA vacancy	5.1%	5.2%

Five year overview

Key financial metrics - revenues and earnings

	2020	2021	2022	2023	2024
Net rental income	60,466	63,272	59,325	58,421	61,079
Net rental income - like-for-like growth	0.8%	3.0%	7.4%	4.6%	58,349
Direct investment result	44,943	46,373	42,733	40,402	41,008
Indirect investment result	-65,357	74,588	-74,103	-182,772	-28,636
Total investment result	**-20,414**	**120,961**	**-31,370**	**-142,370**	**12,372**
EPRA earnings per share	2.35	2.38	2.15	2.01	2.09
Weighted average number of shares outstanding	19,138,717	19,499,825	19,869,975	20,117,872	19,587,785
EPRA cost ratio (excl. direct vacancy costs)	28.4%	26.0%	27.8%	29.1%	25.6%

Key financial metrics - balance sheet

	31 Dec. 2020	31 Dec. 2021	31 Dec. 2022	31 Dec. 2023	31 Dec. 2024
Investment property	1,240,192	1,338,034	1,259,235	1,028,801	988,559
Net debt	-366,194	-382,073	-365,480	-344,443	-337,889
Other assets / liabilities	-19,560	-7,504	-6,746	25,524	21,675
Equity	**854,438**	**948,457**	**887,008**	**709,882**	**672,344**
EPRA NTA per share	44.44	48.23	44.17	35.30	35.27
Number of shares outstanding	19,291,415	19,698,207	20,054,241	20,155,221	19,120,592
Net LTV	29.2%	28.2%	28.7%	33.0%	33.8%

Key esg metrics

	2020	2021	2022	2023	2024
EPC-label (percentage portfolio label A or better)	74%	81%	88%	95%	96%[1]
GRESB-score	88	92	93	94	93

Key portfolio metrics

	31 Dec. 2020	31 Dec. 2021	31 Dec. 2022	31 Dec. 2023	31 Dec. 2024
Number of properties	60	52	49	46	44
Market value (€m)	1,253	1,355	1,275	1,043	1,000
Lettable area (sqm k)	473	409	382	351	346
Annual contracted rent (€m)	84	76	78	77	77
ERV (€m)	93	87	88	84	84
EPRA net initial yield	4.5%	4.1%	4.6%	5.3%	5.6%
Gross initial yield	6.7%	5.9%	6.4%	7.9%	8.0%
EPRA vacancy	7.0%	5.9%	6.2%	5.2%	5.1%
Wault (yrs)	4.0	4.1	3.9	3.7	3.6

1 Excluding Vitrum and WellHouse. If these assets would be included it would be 75,33%.

Glossary key performance measures

Average rent per sqm
The total annual contracted rent divided by the total leased square meters.

Certification
The percentage of assets within the portfolio that have formally obtained sustainability certification, ratings or labelling valid at the end of the reporting period.
NSI reports on the following certificates:
- BREEAM (based on market value);
- EPC label (based on market value);
- GRESB-score (expressed as an overall score for total NSI).

Cost ratio (EPRA)
EPRA costs include all administrative costs, net service costs and operating expenses as reported under IFRS, but do not include ground rent costs. These costs are reflected including and excluding direct vacancy costs. The EPRA cost ratio is calculated as a percentage of gross rental income less ground rent costs.

Dutch REIT (FBI-regime)
NSI qualifies as a Dutch Real Estate Investment Trust (fiscale beleggingsinstelling or FBI) and as such is charged a corporate income tax rate of 0% on its earnings. The tax regime stipulates certain conditions, such as a maximum ratio of 60% between debt and the book value of real estate, maximum ownership of shares by one legal entity or natural persons, and the obligation to pay out the annual profit by way of dividends within eight months after the end of the financial year.

Before 2014, activities permitted under FBI legislation were limited to portfolio investments activities only. Effective 1 January 2014, new legislation that allows FBI's to perform enterprise-type business activities within certain limits. These activities must be carried out by a taxable subsidiary and must support the operation of the FBI's real estate business.

Earnings (EPRA)
EPRA earnings is a measure of operational performance and represents the net income generated from operational activities. It excludes all components not relevant to the underlying net income performance of the portfolio.

Earnings per share (EPRA)
Indicator for the profitability of NSI; portion of the EPRA earnings attributable to shareholders allocated to the weighted average number of ordinary shares.

Energy intensity (CRREM)
The total energy used by renewable and non-renewable resources during a reporting period, normalised by the sum of the CRREM floor area in square meters (gross floor area minus parking garages and outer façade) for the properties in scope excluding property with energy use for production facilities.

EPC-label
Energy **P**erformance **C**ertificates (EPCs) tell you how energy efficient a building is and give it a rating from A (very efficient) to G (inefficient)

European Public Real Estate Association (EPRA)
Association of Europe's leading property companies, investors and consultants which strives to establish best practices in accounting, reporting and corporate governance and to provide high-quality information to investors.

Estimated rental value (ERV)
The estimated amount at which a property or space within a property, would be let under the market conditions prevailing on the date of valuation.

G4
G4 refers to the locations Amsterdam, Den Haag, Rotterdam, and Utrecht.

GRESB score
The GRESB Score is an overall measure of ESG performance – represented as a percentage (100 percent maximum). The GRESB Score gives quantitative insight into the company's ESG performance in absolute terms, over time and against your peers.

HNK
HNK stands for 'Het Nieuwe Kantoor', (which means 'The New Office'). HNK is NSI's flexible office concept and offers an inspiring environment with stylish workplaces, office spaces, meeting areas, catering facilities and various ancillary services. HNK offers different propositions, including memberships (flexible workstations), managed offices (fully equipped offices), bespoke offices and meeting rooms.

Interest coverage ratio (ICR)
Debt ratio and profitability ratio used to determine how easily a company can pay interest on outstanding debt. The interest coverage ratio is calculated by dividing net rental income during a given period by net financing expenses during the same period adjusted for capitalised interest.

Investment result - direct
The direct result reflects the recurring income arising from core operational activities. The direct result consists of gross rental income minus operating costs, service costs not recharged to tenants, administrative costs, direct financing costs, corporate income tax on the direct result, and the direct investment result attributable to non-controlling interests.

Investment result - indirect
The indirect result reflects all income and expenses not arising from day-today operations. The indirect result consists of revaluations of property, net result on sales of investment, indirect financing costs (movement in market value of derivatives and exchange rate differences, corporate income tax on the indirect result, and the indirect investment result attributable to non-controlling interests.

Investment result – total
The total result reflects all income and expenses; it is the total of the direct and the indirect investment result.

Lease incentives
Adjustments in rent granted to a tenant or a contribution to tenants' expenses in order to secure a lease. The impact of lease incentives on net rental income is straight line over the firm duration of the lease contract under IFRS.

Like-for-like rental income
Like-for-like growth figures aim at assessing the organic growth of NSI. In the case of like-for-like rental income the aim is to compare the rental income of all or part of the standing portfolio over a certain period with the rental income for the same portfolio over a previous period (i.e. year-onyear and/or quarter-on-quarter). In order to calculate like-for-like growth, the nominal increase in rent is adjusted for the impact of acquisitions, divestments and properties transferred to and from the development portfolio and between segments (e.g. office to HNK).

Loan to value (LTV, net)
The LTV-ratio reflects the balance sheet value of interest-bearing debts plus short term debts to credit institutions, net of cash and cash equivalents, expressed as a percentage of the total real estate investments, including assets held for sale.

Market value investment property (fair value)
The estimated amount for which a property should change hands on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein each party had acted knowledgeably, prudently, and without compulsion. The market value does not include transaction costs.

Net asset value (NAV)
The net asset value represents the total assets minus total liabilities. At NSI this equates to the shareholders' equity (excluding non-controlling interests as stated in the balance sheet). The NAV is often expressed on a per share basis; in this calculation the number of shares outstanding at reporting date is used rather than the average number of shares is used.

Net asset value (NAV, EPRA-definition)
The EPRA NAV metrics make adjustments to the NAV as per the IFRS financial statements to provide the most relevant information on the fair value of the assets and liabilities, under different scenario's.
- EPRA net reinstatement value (NRV): assumes that entities never sell assets and aims to represent the value required to rebuild the entity;
- EPRA net tangible assets (NTA): assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax;
- EPRA net disposal value (NDV): represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

Net margin
The net margin measures operating efficiency; it indicates how effective NSI is in managing its expense base. It is calculated as net rental income as a percentage of gross rental income.

Net result on sale of investment property
The net result on sales of investment property reflects the disposal price paid by a third party for a property minus the value at which the respective property was recorded in the accounts at the moment of sale, net of sales costs made. The sales costs include costs of real estate agents and legal costs, but can also include internal costs made which are directly related to transaction.

Rent - effective rent
The effective rent reflects the contractual annual rent after straight-lining of rent free periods and rental discounts.

Rent - gross rental income (GRI)
Gross rental income reflects the rental income from let properties, after taking into account the net effects of straight lining for lease incentives and key money, including turnover rent and other rental income (e.g. specialty leasing and parking income).

Rent - net rental income (NRI)
Gross rental income net of (net) costs directly attributable to the operation of the property (non-recoverable service charges and operating costs). Income and costs linked to the ownership structure, such as administrative expenses, are not included.

Rent - passing cash rent / contracted rent
The estimated annualised cash rental income as at reporting date, excluding the net effects of straight-lining of lease incentives. Vacant units and units that are in a rent-free period at the reporting date are deemed to have no passing cash rent.

Reversionary potential
This ratio compares the minimum guaranteed rent and the turnover rent to the estimated rental value and as such indicates whether a unit or property is underlet or over-rented.

Reversionary rate / result from reletting and renewal
The reversionary rate measures the rental gain/loss of a deal as the difference between the new rent (after the deal) and the old rent (before the deal).

Standing portfolio
Standing portfolio is used in like-for-like calculations and concerns the real estate investments at a specific date that have been consistently in operation as part of NSI's portfolio during two comparable periods. Note that an investment property can be considered both standing and at the same time non standing, depending on the comparison periods used (e.g. year-on-year and quarter-on-quarter).

Vacancy rate (EPRA)
Vacancy rate (EPRA): reflects the loss of rental income against ERV as a percentage of ERV of the total operational portfolio.

Weighted average unexpired lease term (wault)
This ratio is used as an indicator of the average length of leases in portfolios. It can be calculated over the full lease term of the contracts either up to expiration date or up to break option date.

Yield
Yield can generally be defined as the income or profit generated by an investment expressed as a percentage of its costs or the total capital invested.
- Gross initial yield: the passing rent as a percentage of the market value of an object;
- Net initial yield: the passing rent, net of property related costs, as a percentage of the market value of an object;
- Net theoretical yield: annualised net theoretical rental income as a percentage of the real estate investments in operation;
- EPRA net initial yield: annualised net effective cash passing rent (including estimated turnover rent and other recurring rental income) net of non-recoverable property operating expenses as a percentage of the gross market value of the real estate investments in operation;
- EPRA topped-up net initial yield: EPRA net initial yield adjusted for expiring lease incentives;
- Reversionary yield: the anticipated yield to which the initial yield will rise (or fall) once the rent reaches the ERV.

Glossary esg (non-financial) performance measures

Asset health and safety assessments
Asset Health and safety assessments refers to the proportion of assets for which health and safety related assessments have been performed, reviewed or assessed to determine the impact owith respect to compliance or further improvement possibilities. Every assessment will be reviewed every three years.

- NSI reports on the following assessments:NEN 2767 Inspections (technical)
- Inspections carriet out by the Insurance company (technical, health and safety)
- Fire safety assessments safety

Asset health and safety compliance
Asset Health and safety Incidents refers to the amount of incidents of non-compliance with regulations and/or voluntary codes concerning Health and Safety within the reporting period.

NSI reports on the following incidents:
- Incidents of non-compliance with regulations resulting in a fine or penalty;
- Incidents of non-compliance with regulations based on a a formal warning of a third party.

Certification
The percentage of assets within the portfolio that have formally obtained sustainability certifications, ratings or labelling valid at the end of the reporting period.

NSI reports on the following certificates:
- BREEAM (based on sqm);
- EPC-label (based on market value);
- GRESB-score (expressed as an overall-score for total organisation).

District heating and cooling consumption
The energy consumed from “District heating and cooling” systems during the reporting period by Landlord (Scope 2) and Tenant (Scope 3).

NSI reports on the following KPI’s:
- Total amount of district heating and cooling consumption, split by Landlord obtained and Tenant obtained heating and cooling;
- The proportion of the total consumption that is from renewable resources (calculated as percentage of total annual kWh).

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Electricity consumption
The electricity consumed during a reporting period. It includes electricity from renewable and non-renewable sources, whether imported or generated on site. This includes the electricity consumed by the EV-charging stations.

NSI reports on the following KPI’s:
- Total amount of electricity consumption, split by Landlord (Scope 2) obtained and Tenant (Scope 3) obtained electricity;
- The proportion of the total consumption obtained by Landlord from renewable resources.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Employees
Individuals that are in an employment agreement with NSI, according to national law or its application (i.e. employees). Employees exclude temporary staff (not on payroll NSI)

Employee health and safety
The occupational health and safety performance of the organisation with relation to its employees.

NSI reports on the following KPI’s:
- **Absentee rate:** actual absentee days lost due to illness as a percentage of total number of days scheduled to be worked by all employees;
- **Injury rate:** the frequency of injuries relative to the total time worked by all employees during the reporting period;
- **Work related fatalities:** this refers to the number of death of employees during the reporting period while performing work for the organisation

Employee turnover and retention
The total number and rate of new employee hires and employee turnover during the reporting period.

Employee training and development
The average hours of (external) training, paid for by NSI, that the organisation’s employees have undertaken in the reporting period based on the average hours prescribed for the training as indicated by the training provider divided by the average number of employees (headcount) during the reporting period.

Energy intensity
The total energy used by renewable and non-renewable resources during a reporting period, normalised by the sum of the gross floor area in square meters for the properties in scope.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Energy intensity (CRREM)
The total energy used by renewable and non-renewable resources during a reporting period, normalised by the sum of the CRREM floor area in square meters (gross floor area minus parking garages and outer façade) for the properties in scope.

Fuel consumption
The fuel used from direct (renewable and non-renewable) resources (direct meaning that the fuel is combusted on site) over a reporting period.

NSI reports on the following KPI’s:
- Total amount of fuel used from direct resources, split in Landlord obtained and Tenant obtained fuels;
- The proportion of the total consumption that is from renewable resources.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Gender diversity
The percentage of male and female employees in the organisation as per reporting date based on the headcount.

Gender pay ratio
The ratio of the basic annual salary or remuneration, including variable components, of male to female, taking into account the full-time employee equivalent.

Greenhouse gas (GHG) Direct emissions (Scope 1)
The total amount of Landlord induced direct greenhouse gas emissions generated during a reporting period.

"Direct" refers to GHG-emissions that are generated on site through combustion of the energy source.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Greenhouse gas (GHG) Indirect emissions (Scope 2)
The total amount of Landlord induced indirect greenhouse gas emissions generated during a reporting period.

"Indirect" refers to GHG-emissions that are not generated on site through combustion of the energy source, but refers to GHG-emissions induced off site. This includes the GHG-emissions caused by "District heating and cooling" and/or consumption of "Non-renewable electricity".

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Greenhouse gas (GHG) Direct & Indirect emissions (Scope 3)
The total amount of Tenant induced both direct and indirect greenhouse gas emissions generated during a reporting period.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Greenhouse gas (GHG) emissions intensity
The total amount of direct and indirect GHG-emissions (Scope 1, 2 and 3) generated from energy consumption in a building during a reporting period, divided by the sum of the gross floor area in square meters for the properties in scope. This includes only data of buildings if data for all GHG-scopes is available.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Like-for-like
Like-for-like refers to the part of the portfolio that has been consistently in operation, and not under development, during the most recent two full reporting periods.

Location-based GHG emissions
Location-based GHG emissions Is emissions that are calculated based on the average national energy mix.

Market-based GHG emissions
Market-based GHG emissions are emissions that are calculated on the basis of energy purchased by NSI.

Percentage employee performance appraisals
The percentage of total employees who received annual performance and career development reviews during the reporting period, including appraisals in the current reporting year over the previous reporting year.

Water consumption
The total amount of water consumed (by Landlord and Tenant) within the portfolio during a reporting period. The amount of water consumption includes a portion of estimate (calculated on an extrapolation based on the average consumption of the specific building) when data was yet not available for the 12 month period.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Waste by disposal routes
The amount of waste produced and disposed of via various disposal methods routes over a reporting period (*as calculated by Milieuservice NL*).

NSI reports on the following KPI's:
- Total amount of waste produced and disposed of, split in hazardous and non-hazardous waste;
- The proportion of the waste disposed of by disposal route according to type (percentage).

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Water intensity
The total amount of water consumed during a reporting period, divided by the sum of the gross floor area in square meters for the properties in scope.

Both absolute figures as well as a like-for-like comparison with the prior reporting period are reported.

Colophon
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