



# SSPF CONSTITUTION

22 AUGUST 2024

**THIS IS A TRANSLATION.  
ONLY THE DUTCH TEXT IS BINDING.**



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## Chapter I, General provisions

### Definitions

#### Article 1

1.1 Unless stipulated otherwise, the following terms shall have the following meanings in the Constitution and the Regulations:

**Legitimate Claimants:** anyone enjoying beneficial entitlement to a pension that has not yet commenced;

**Board:** the Pension Fund's Board;

**Participants:** anyone who has been admitted to the Pension Fund as participant and for whom pension entitlements accrue pursuant to the Regulations;

**Former Participants:** anyone for whose benefit pension entitlements no longer accrue in accordance with the Regulations and to whom non-contributory pension entitlements have been awarded, which have not yet come into effect;

**Group:** the Group Companies, regarded as a whole;

**Group Company:** any company and any other body which is regarded by Shell Petroleum as forming part of the Shell Group;

**Pension Fund:** Stichting Shell Pensioenfonds;

**Pension Beneficiaries:** anyone receiving a pension that has commenced in accordance with the Regulations;

**Board of Supervisors:** the Pension Fund's board of supervisors;

**Regulations:** Regulations VI accompanying this Constitution;

**Regulations VI:** the Regulations that apply to all Legitimate Claimants and Pension Beneficiaries of the Pension Fund as of the first of January two thousand and fourteen, including all subsequent changes;

**Shell Petroleum:** Shell Petroleum B.V.;

**Constitution:** this Constitution;

**Member Company:** a company or body which has joined the Pension Fund;

**Accountability Council:** the Pension Fund's accountability council; and

**meeting:** a meeting at which the persons attending the meeting are physically present, or have contact with each other via a two-way electronic means of communication, or a combination of both.

1.2 For the application of the Constitution and the Regulations the time spent by Participants in the service of a Group Company shall also be considered as Group service.

### Name and domicile

#### Article 2

The Foundation, formerly named Shell Pensioenfonds, now bears the name Stichting Shell Pensioenfonds. It shall have its registered office at the municipality of The Hague.



## Objective

### Article 3

1. The objective of the Pension Fund is to provide for the payment of pensions and other benefits to persons formerly in the Group's service and to their relatives and to reinsure the pension liabilities incurred by other Group pension funds.

## Organisation

### Article 4

- 4.1 The Pension Fund comprises the following bodies: The Board, Accountability Council and Board of Supervisors.
- 4.2 The Board is charged with the management of the Pension Fund.
- 4.3 Following the end of each year, the Accountability Council shall present an assessment of the Board's actions and other policy which it has pursued, as well as any policy alternatives for the future, including those choices affecting the execution costs. The Accountability Council also has certain advisory powers.
- 4.4 The Board of Supervisors monitors the Board's policy and the general state of affairs at the Pension Fund.
- 4.5 The tasks, competences and responsibilities of the Board, the Accountability Council and the Board of Supervisors are described in greater detail in the present Constitution.
- 4.6 Membership of a body of the Pension Fund is incompatible with the membership of another body within the Pension Fund.

## Board

### Article 5

- 5.1 The Pension Fund shall be managed by a Board with equal representation, comprising an even number of not less than eight and not more than fourteen members, which number shall be fixed from time to time by the Board.
- 5.2 The Board shall have authority to acquire, alienate and encumber property subject to public registration.
- 5.3 At least two natural persons shall determine the day-to-day policy of the Pension Fund. In the performance of its task the Board, together with the other persons determining or co-determining policy, shall address the interests of all Participants, Former Participants, other Legitimate Claimants, Pension Beneficiaries, Shell Petroleum and Member Companies, being associated with the Pension Fund, and ensure that they can feel they are being represented in a balanced manner.
- 5.4 In the performance of its task and the exercising of its authorities, the Board, together with the other persons determining or co-determining policy, shall abide by the provisions of the relevant version of the administration agreement between the Pension Fund and Shell Petroleum.
- 5.5 Pension Fund policy is determined or co-determined by persons who are suited for the execution of the operations of the Pension Fund and whose trustworthiness is beyond doubt. The Board shall notify De Nederlandsche Bank in advance of any change in the composition of the persons determining or co-determining the policy of the Pension Fund. Any change, as referred to in the



previous sentence, shall not be implemented if De Nederlandsche Bank informs the Pension Fund within six weeks of receiving the notification regarding the change that it does not consent to the intended appointment, or if De Nederlandsche Bank has requested further data or information and within six weeks of receiving such data or information, informs the Pension Fund that it does not consent to the intended change. The Pension Fund shall notify De Nederlandsche Bank in writing immediately of any change to the records that may be of influence on the trustworthiness of the persons determining or co-determining the policy of the Pension Fund.

- 5.6 The Board shall set up an Investment Committee consisting of four members of the Board, at least one of whom is an A member. The members of the Investment Committee shall be appointed and removed by the Board. The Board shall appoint one of the A members of the Investment Committee to the position of Chairman and one of the other A, B or C members of the Investment Committee to the position of Deputy Chairman. Membership of the Investment Committee shall end by operation of law when the member in question ceases to be a member of the Board. The Investment Committee is an advisory committee to the Board. Subject to Article 9, notwithstanding the foregoing, the Board may, under its responsibility and subject to laws and regulations, (temporarily) delegate a written part of its duties and powers to the Investment Committee. The Board may limit or revoke the decision-making powers of the Investment Committee at any time. The Investment Committee is not authorised to represent the Pension Fund and has no executive duties. The Investment Committee advises the Board on the investment policy and risk management in respect of investments. In that regard, the tasks and working procedure of the Investment Committee are laid down in regulations to be established by the Board.
- 5.7 The Board may set up one or more other committees than those referred to in the present Constitution. Such a committee is an advisory committee to the Board. It is not authorised to represent the Pension Fund and has no executive duties.

## **Method of appointment and composition of the Board, criteria for appointment and dismissal**

### **Article 6**

- 6.1 The members of the Board shall be appointed by the Board after the Board has consulted the Board of Supervisors regarding the appointment procedure.
- 6.2 The Board consists of A members, B members and C members. Together, the B members and C members occupy the same number of seats as the A members. There shall be as many Category B as C members.
- 6.3 The A members are nominated on the recommendation of Shell Petroleum and are appointed by the Board as representatives of the Member Companies. The B members are appointed by the Board on the recommendation of the Central Staff Council of Shell in the Netherlands as representatives of the Participants. The C members are appointed by the Board on the recommendation of the C members in the Accountability Council as representatives of the Pension Beneficiaries and Former Participants.
- 6.4 The Board will appoint one of the A members as Chairman and one or more as Deputy Chairman.
- 6.5 Subject to the provisions of paragraph 7, only those who have a minimum of two years of Group service and are in the service of one of the Group Companies shall be eligible for appointment as an A member.



- 6.6 Subject to the provisions of paragraph 7, only those who have a minimum of two years of Group service and are in the service of one of the Group Companies shall be eligible for appointment as a B member.
- 6.7 Those who have had at least two years of Group service and have left the service of a Group Company with the grant of a non-contributory pension entitlement or a normal, early, deferred or disability pension shall likewise be eligible for appointment as an A or B member.
- 6.8 Those who have had at least two years of Group service and have left the service of a Group Company with the grant of a non-contributory pension entitlement or a normal, early, deferred or disability pension shall be eligible for appointment as a C member.
- 6.9 Membership of the Board of Board members appointed in accordance with paragraphs 5, 6, 7 or 8 shall terminate ipso jure as soon as the member ceases to satisfy any one or more of the requirements for eligibility stated in the relevant paragraph or enters the service of or becomes a member of the supervisory board as a director as referred to in Article 8 or of a Group Company to which asset management has been outsourced.
- 6.10 The Board creates a profile for each specific management position. Such a profile determines the suitability requirements and estimated duration and takes the diversity policy into consideration. The Board may reject a candidate manager if he fails to fulfil the profile requirements.
- 6.11 The Board may suspend a dysfunctional member of the Board, after consulting the member in question and the Board of Supervisors regarding the procedure. A decision to suspend a Board member and a decision to reverse such a suspension may only be taken with the consent of all Board members with voting rights, with the exception of the Board member in question. If the suspended Board member fails to perform adequately to the satisfaction of all other Board members with voting rights within a reasonable period, the other Board members may proceed to dismiss the suspended Board member, with due observance of the provisions of paragraph 12.
- 6.12 A manager ceases to be a manager:
- at the time of his death;
  - if he retires by rotation or voluntarily;
  - if De Nederlandsche Bank has objections to his remaining in office as a manager after reassessment;
  - in case of an A manager: by dismissal by the Board, after hearing the manager concerned and the Board of Supervisors, and after Shell Petroleum has been informed of the intended dismissal;
  - in case of a B manager: by dismissal by the Board, after hearing the manager concerned and the Board of Supervisors, and after the Central Staff Council of Shell in the Netherlands has been informed of the intended dismissal;
  - in case of a C manager: by dismissal by the Board, after hearing the manager concerned and the Board of Supervisors, and after the C members in the Accountability Council have been informed of the intended dismissal;
  - in the event he loses the authority to independently manage and dispose of his assets in whole or in part by virtue of any statutory provision or final and binding court order.
- 6.13 A decision to dismiss a Board member may only be taken with the consent of all Board members, with the exception of the Board member in question. A decision to dismiss a Board member may only be taken at a meeting at which all Board members with voting rights, with the exception of the manager in question, are present or represented.



## **Term of office, reappointment and roster of resignation of members of the Board**

### **Article 7**

- 7.1 Without prejudice to the provisions of the following paragraph and the provisions of Article 6, paragraph 9 and paragraph 12, an appointment as a member of the Board shall in each case be for a period of four years. Without prejudice to the requirements for eligibility, members of the Board may be immediately reappointed for a maximum of one new term of office. A Board member may be appointed for a third term of up to four years if there is cause to do so. In such cases, the Board shall substantiate the reason for a third appointment and share it with the other bodies.
- 7.2 The order of resignation shall be arranged by a roster fixed by the Board. In the event of a vacancy on the Board and a change in the number of members of the Board, the Board may change the roster and bring the resignation dates forward.

### **Article 8**

To fulfil its task, the Board shall be assisted by an independent actuary and an auditor, who are appointed and removed by the Board, and by one or more managers (*directeuren*) who shall be appointed and removed by Shell Petroleum, after it has consulted the Board. The Board shall have the authority to appoint attorneys-in-fact with general or specific authorities.

### **Article 9**

The Board may delegate in whole or in part any preparation and execution of the authorities conferred upon it by this Constitution and the Regulations to a manager or to two or more of such officers jointly or to other suitable persons or institutions. The Board may at any time revoke its delegation of authority.

### **Article 10**

The members of the Board who are in the service of one of the Group Companies shall receive no remuneration. The members of the Board who are no longer in the service of a Group Company with the grant of a normal, early, deferred or disability pension, shall receive remuneration for their work.

## **Meetings**

### **Article 11**

- 11.1 The Board shall meet as often as deemed necessary by the chairman, or in his absence or if he is prevented from acting, by the person who replaces him in that capacity, or by at least half of the members.
- 11.2 Any member of the Board shall be entitled to consult an expert, or, by virtue of a Board resolution supported by at least one-fourth of the Board members with voting rights, to call in the assistance of an expert at the meeting.
- The Board shall pass a resolution on the reimbursement of the costs involved in consulting an expert referred to in the preceding sentence. In so far as the costs are reasonable, they shall be charged to the Pension Fund.



- 11.3 The resolutions at meetings of the Board, subject to the provisions of the first sentence in the preceding paragraph and subject to the provisions of Article 6, paragraphs 11 and 12, Article 23, paragraph 2, Article 26, paragraph 3, Article 28, paragraphs 2 and 3, and Article 30, paragraph 2, shall be passed by a majority of the votes cast. Blank votes shall be invalid.
- 11.4 Members of the Board absent from the meeting may have themselves represented by another member, but only by a written proxy, including by e-mail, and for a meeting specified in the proxy. Representation is not possible in those cases where the absent member or members are absent on grounds of suspension or unable to act as referred to in Article 21.
- 11.5 The meetings of the Board shall be attended by at least one of the managers. These shall have an advisory vote.  
Minutes shall be kept of the proceedings at the meeting, the approval of which shall be evidenced by the signatures of the chairman and of one member present at the meeting.
- 11.6 A Board member does not participate in the deliberations and decision-making as a result of this fulfilment of his duties if he has a direct or indirect personal interest that conflicts, or appears to conflict, with the interests of the Pension Fund. If no management decision can be taken because of a conflict of interest, or the appearance of any conflict of interest, of all members of the Board, the decision will be taken by the Board of Supervisors.

## **Vertegenwoordiging**

### **Article 12**

It shall also be possible to pass resolutions outside meetings if all the members have been notified of the proposal and, subject to the provisions of Article 6, paragraphs 11 and 12, the provisions of the first sentence of Article 11, paragraph 2, and the provisions of Article 23, paragraph 2, Article 26, paragraph 3, Article 28, paragraphs 2 and 3, and Article 30, paragraph 2, the majority of the Board members with voting rights have expressed their agreement therewith.

A record shall be kept of resolutions so passed in the minute book of the following meeting of the Board. Article 11, paragraph 6, shall apply *mutatis mutandis*.

## **Representation**

### **Article 13**

The Pension Fund shall be represented by the Board. The authority of representation shall also be vested in two persons acting jointly, viz.: a member of the Board, a manager or an attorney-in-fact, together with a member of the Board, a manager or an attorney-in-fact.





## Accountability Council

### Article 14

- 14.1 There is an Accountability Council comprising an even number of members of not less than eight and not more than sixteen members, which number shall be fixed from time to time by the Board. The Participants and the Pension Beneficiaries shall be proportionally represented in the Accountability Council, subject to the proviso that each of these categories shall at all times be represented on the Accountability Council by at least two members. In Articles 14 and 15, 'Participants' shall be deemed to include persons to whom a part-time pension has been granted.
- 14.2
- a. Once every year the Board shall give an account to the Accountability Council regarding its policies during the previous calendar year and how those policies were implemented.
  - b. The Board shall meet with the Accountability Council at least once a year to discuss the policies pursued and the results thereof, as well as the findings of the Board of Supervisors and any (intended) Board resolutions based thereupon.
  - c. The Accountability Council provides an assessment in respect of the Board's actions on the basis of the management report, the annual accounts and other information, including the findings of the Board of Supervisors regarding the policy implemented by the Board and regarding the choice of policy for the future, including those choices affecting the execution costs.
  - d. The Board provides the Accountability Council with a substantiated response in writing to the Accountability Council's assessment.
  - e. The assessment of the Accountability Council and the Board's reaction to this are incorporated into the management report of the Pension Fund. The assessment shall include at least an opinion on the execution costs incurred.
- 14.3 The Accountability Council, with the exception of the A members, advises the Pension Fund on request or at its own initiative regarding matters concerning the Pension Fund. The Board shall give the Accountability Council, with the exception of the A members, the opportunity to give its advice in respect of any intended resolution of the Board to:
- a. take measures of a general nature;
  - b. make amendments to the Constitution and Regulations of the Pension Fund;
  - c. adopt the annual accounts, the annual report and the other data as referred to in Article 24, the budget, the actuary's report as referred to in Article 25, the actuarial and operating memorandum as referred to in Article 27 and a recovery plan;
  - d. reduce the accrued pension entitlements and pension rights in the event the provisions of Article 25 paragraph 3 are applied;
  - e. establish and amend the policy on supplements;
  - f. transfer the Pension Fund's liabilities in whole or in part or the Pension Fund taking over liabilities;
  - g. effect a liquidation, merger or demerger of the Pension Fund;
  - h. enter into, amend or terminate an administration agreement;
  - i. make restitutions or grant reductions on contributions referred to in Section 129 of the Netherlands Pensions Act;
  - j. administer the remuneration policy;
  - k. determine the form and organisation of internal supervision;
  - l. establish the profile for members of the Board of Supervisors;
  - m. establish and amend an internal complaints and dispute resolution procedure;



- n. establish and amend the communication and information policy;
- o. convert the Pension Fund into a different legal form, as referred to in Article 18, Book 2 of the Netherlands Civil Code; and
- p. the composition of the actual premiums and the extent of their components.

The recommendations of the Accountability Council, with the exception of the A members, shall be sought at such a time when said recommendations may be of essential influence on the resolutions referred to above. In seeking the advice of the Accountability Council, with the exception of the A members, an overview shall be provided of the motivation for the resolution in question, as well as of the consequences that may be anticipated for the Participants, Former Participants and Pension Beneficiaries.

- 14.4 The Accountability Council makes recommendations to the Board in response to the notification regarding the dysfunctioning of the Board, as referred to in Article 18, paragraph 6. regarding the dysfunctioning of the Board, as referred to in Article 18, paragraph 6.
- 14.5 If so requested, the Board provides all the data and information to the Accountability Council that it may reasonably need in order to perform its duties. The information shall be provided in writing if so requested. The Board permits the members of the Accountability Council to use the facilities it has at its disposal, insofar as this may reasonably be needed in order to perform its duties.
- 14.6 The Accountability Council shall have the authority to establish, and after establishment to amend, a set of regulations laying down its internal procedures. Before such regulations are established or amended, the Board shall be afforded the opportunity to issue its opinion on the proposed regulations or the proposed amendment.
- 14.7 The Accountability Council is entitled to consult with the Board, the Board of Supervisors, the auditor as referred to in Article 24, paragraph 3, and the actuary as referred to in Article 25, insofar as it may reasonably need such consultations for the fulfilment of its tasks as provided for in paragraphs 2, 3 and 4.
- 14.8 The Board and the Accountability Council shall meet together no less than twice every calendar year. In the course of such meetings those matters shall be raised which the Board or the Accountability Council deems it advisable to consult each other about.
- 14.9 The Board notifies the Accountability Council, with the exception of the A members, as soon as possible in writing, when it will not follow in full or in part the advice, and shall in each case indicate why it will depart from the advice or from any minority advice contained therein.
- 14.10 The Accountability Council, with the exception of the A members, may lodge an appeal with the Enterprise Section of the Amsterdam Court of Appeal against a resolution on a matter referred to in paragraph 3, under e, f, g, h, j, k, l, m, n and o, if:
- a. the Accountability Council was not afforded the prior opportunity to exercise its advisory powers in respect of that resolution;
  - b. that resolution does not correspond to the recommendation of the Accountability Council; or
  - c. facts and circumstances have come to light which, had they been known to the Accountability Council at the time it issued its recommendation, could have prompted it to issue a different recommendation.
- 14.11 The Accountability Council may submit a request pursuant to the right of inquiry, as provided for in Chapter 8, Section 2 of Book 2 of the Netherlands Civil Code, to the Enterprise Section of the Amsterdam Court of Appeal. A decision to submit such a request may only be made during a



meeting at which all A, B and C members are in attendance and with the consent of at least five-sixths of the members of the Accountability Council.

- 14.12 The Pension Fund shall meet the costs of the conducting of legal proceedings by the Accountability Council, if such proceedings are reasonably necessary for fulfilling the responsibility of the Accountability Council and the Pension Fund receives prior notification of the costs to be incurred. The Accountability Council cannot be ordered to pay costs arising from legal proceedings between the Pension Fund and the Accountability Council.
- 14.13 The Board shall notify the Accountability Council immediately in writing regarding:
- the obligation to draw up a recovery plan as referred to in Section 138 or 139 of the Netherlands Pensions Act;
  - the appointment of an administrator as referred to in Section 173 of the Netherlands Pensions Act; and
  - termination of the situation, as referred to in Section 172 of the Netherlands Pensions Act, in which the exercising of competences by all or certain bodies of the Pension Fund is linked to the permission of one or more persons designated by De Nederlandsche Bank.

## **Method of appointment, suspension, dismissal and composition of the Accountability Council**

### **Article 15**

- 15.1 The members of the Accountability Council are appointed by the Board.
- 15.2 The Accountability Council consists of A members, B members and C members.
- 15.3 A members shall be appointed as representatives of the Member Companies on the recommendation of Snell Petroleum. B members shall be appointed as representatives of the Participants. C members shall be appointed as representatives of the Pension Beneficiaries and Former Participants. The B members are appointed directly following election by the Participants, and the Board will notify the Participants of this in writing. In its notification, the Board will, on the recommendation of bodies or institutions designated by the Board which may be deemed representative for the Participants, nominate a candidate for election. Said candidate is deemed to be elected, unless at least forty (40) Participants nominate a different candidate or candidates for election in writing within twenty-one (21) days of the notification by the Board. In the case referred to in the previous sentence, the Board holds a ballot amongst the Participants, with the candidate for whom the greatest number of votes are cast being deemed to be elected. If the votes are equally divided, the candidate nominated by the Board is deemed to be elected. The C members are appointed directly following election by the Pension Beneficiaries, and the Board will notify the Pension Beneficiaries of this in writing. In its notification, the Board will, on the recommendation of bodies or institutions designated by the Board which may be deemed representative for the Pension Beneficiaries, nominate a candidate for election. Said candidate is deemed to be elected, unless at least forty (40) Pension Beneficiaries nominate a different candidate or candidates for election in writing within twenty-one (21) days of the notification by the Board. In the case referred to in the previous sentence, the Board holds a ballot amongst the Pension Beneficiaries, with the candidate for whom the greatest number of votes are cast being deemed to be elected. If the votes are equally divided, the candidate nominated by the Board is deemed to be elected.



- 15.4 The Board appoints one of the C members as Chairman and one of the other B and C members as Deputy Chairman.
- 15.5 Only those who have a minimum of two years of Group service and are in the service of one of the Group Companies, and who are not authorised to represent the Pension Fund pursuant to Article 13 of the Constitution, shall be eligible for appointment as an A member.
- 15.6 Subject to the provisions of paragraph 7, only those who have a minimum of two years of Group service and are in the service of one of the Group Companies, and who are not authorised to represent the Pension Fund pursuant to Article 13 of the Constitution, shall be eligible for appointment as a B member.
- 15.7 Those who have a minimum of two years of Group service, are no longer in the service of one of the Group Companies and have been granted a non-contributory pension entitlement or disability pension, and who are not authorised to represent the Pension Fund pursuant to Article 13 of the Constitution, are also eligible for appointment as a B member.
- 15.8 Only those who have a minimum of two years of Group service, are no longer in the service of one of the Group Companies and have been granted a non-contributory pension entitlement or a normal, early or deferred pension, and who are not authorised to represent the Pension Fund pursuant to Article 13 of the Constitution, are eligible for appointment as a C member.
- 15.9 In its designation of the bodies or institutions as provided for in the fourth sentence of paragraph 3 of the present Article, the Board may impose certain criteria for eligibility in order to safeguard the quality and effectiveness of the working method of the Accountability Council.
- 15.10 Membership of the Accountability Council of members of the Accountability Council appointed in accordance with paragraphs 5, 6, 7 or 8 shall terminate ipso jure as soon as the member ceases to satisfy one or more of the requirements for eligibility stated in the relevant paragraph or other criteria imposed by the Board in respect of eligibility for appointment to the group to which said member belongs.
- 15.11 The Board may proceed to dismiss a member of the Accountability Council in the event of exceptional circumstances and after consultation with the party that nominated the member in question. Exceptional circumstances exist in case of:
- inadequate performance by a member, following a request to that effect by at least two-thirds of the number of members of the Accountability Council and after the member concerned has been heard on the matter; or
  - in the event the member of the Accountability Council loses the authority to independently manage and dispose of his or her assets in whole or in part by virtue of any statutory provision or court order.
- The Board may proceed with suspension in the case referred to above under a., for a maximum period of three months in the event of exceptional circumstances and after consultation with the party that nominated the member in question as referred to above under a..
- 15.12 The Accountability Council, having consulted the Board, devises a competence profile for members of the Accountability Council. Such a profile determines the competence requirements and estimated duration and takes the diversity policy into consideration. The Board may reject a candidate member of the Accountability Council if he fails to fulfil the requirements set out in the competence profile.



## **Term of office, reappointment and roster of resignation of members of the Accountability Council**

### **Article 16**

- 16.1 Without prejudice to the provisions of the following paragraph and the provisions of Article 15, paragraphs 10, 11 and 12, an appointment as a member of the Accountability Council shall be for a period of four years in each case. Without prejudice to the requirements for eligibility, members of the Accountability Council may be immediately reappointed for a maximum of one consecutive terms of office. A member of the Accountability Body may be appointed for a third term of up to four years if there is cause to do so. In such cases, the Board will substantiate the reason for a third appointment and share it with the other bodies.
- 16.2 The order of resignation shall be arranged by a roster fixed by the Accountability Council.

## **Remuneration and meetings of the Accountability Council**

### **Article 17**

- 17.1 The members of the Accountability Council shall receive no remuneration.
- 17.2 At a meeting, each A member may cast two votes, each B member one vote and each C member one vote. If a member of a certain letter category is absent from or not represented at a meeting, the member or all the members of the same letter category as the member who is absent from or not represented at the meeting, shall be authorised to cast two additional votes if this concerns an A member, and one additional vote if this concerns a B or C member.
- 17.3 Contrary to the provisions of paragraph 2, the B and C members of the Accountability Council are each entitled to cast one vote if the ballot relates to those matters as referred to in Article 14, paragraphs 3 and 10, Article 23, paragraph 2, Article 26, paragraph 3, Article 28, paragraph 2 and Article 30, paragraph 2.
- 17.4 A member of the Accountability Council may have himself represented at the meeting of the Accountability Council, but only by a fellow member who has been duly authorised in writing, including by e-mail, and for the meeting referred to in the proxy.
- 17.5 Unless otherwise provided for in the present Constitution, a resolution of the Accountability Council shall only be deemed to have been passed if a majority of the votes cast by the members present or represented at the meeting is in support of the motion. Blank votes are not taken into account in the calculation of the number of votes cast.
- 17.6 Proposals for which no majority required under the present Constitution is achieved shall be deemed to have been rejected.

## **Board of Supervisors**

### **Article 18**

- 18.1 There shall be a Board of Supervisors, consisting of a minimum of three and a maximum of four natural persons, which number shall be fixed from time to time by Shell Petroleum. The members of the Board of Supervisors are independent and reflect this in their supervisory duties.
- 18.2 The Board of Supervisors monitors the Board's policy and the general state of affairs at the Pension Fund. The Board of Supervisors is charged with monitoring that risk management is adequate, that



the Board represents interests in a balanced manner and is accountable for the execution of its tasks and exercising its authorities to the Accountability Council and Shell Petroleum; it also accounts for this in the management report. The Board of Supervisors acts in an advisory capacity to the Board. A member of the Board of Supervisors does not participate in the deliberations and decision-making as a result of this fulfilment of his duties if he has a direct or indirect personal interest that conflicts, or appears to conflict, with the interests of the Pension Fund. If due to a conflicting interest, or the appearance of a conflicting interest, of all members of the Board of Supervisors a decision cannot be taken as a result, the decision will be taken by the Board of Supervisors with a written record of the considerations underlying the decision. Article 9 of Book 2 of the Netherlands Civil Code shall equally apply to members of the Board of Supervisors.

- 18.3 The duties of the Board of Supervisors include compliance by the Pension Fund with the Pension Fund Code of Governance.
- 18.4 Resolutions of the Board in respect of the following are subject to the approval of the Board of Supervisors:
- a. the management report and the annual accounts;
  - b. the profile for managers;
  - c. the remuneration policy, with the exception of the remuneration of the Board of Supervisors;
  - d. full or partial transfer of the Pension Fund's liabilities or the taking over of liabilities by the Pension Fund;
  - e. liquidation, merger or demerger of the Pension Fund; and
  - f. conversion of the Pension Fund into a different legal form, as referred to in Article 18, Book 2 of the the Netherlands Civil Code.
- 18.5 The failure of the Board of Supervisors to approve a resolution as referred to in paragraph 4 shall not affect the power of representation of the Board or members of the Board.
- 18.6 The Board of Supervisors notifies the Accountability Council and the Board of the dysfunctioning of the Board. If the Board fails to act with regard to the aforementioned notification within a reasonable period, to the satisfaction of the Board of Supervisors, the Board of Supervisors shall report the dysfunctioning of the Board to De Nederlandsche Bank.
- 18.7 The Board of Supervisors creates a specific profile for each member of the Board of Supervisors. Such a profile determines the suitability requirements and estimated duration and takes the diversity policy into consideration.
- 18.8 The Board and the Board of Supervisors shall meet at least twice every calendar year.
- 18.9 If so requested, the Board provides all the data and information to the Board of Supervisors that it may reasonably need in order to perform its duties. The information shall be provided in writing if so requested.
- 18.10 The Board of Supervisors may submit a request pursuant to the right of inquiry, as provided for in Chapter 8, Section 2 of Book 2 of the Netherlands Civil Code, to the Enterprise Section of the Amsterdam Court of Appeal. A decision to submit such a request may only be made during a plenary meeting and with the consent of all members of the Board of Supervisors.
- 18.11 The Pension Fund shall meet the costs of conducting legal proceedings by the Board of Supervisors, if such proceedings are reasonably necessary for fulfilling the responsibility of the Board of Supervisors and the Pension Fund receives prior notification of the costs to be incurred. The Board of Supervisors cannot be ordered to pay costs arising from legal proceedings between the Pension Fund and the Board of Supervisors.



18.12 If the Board intends to purchase a legally permissible service from the auditor as referred to in Article 393 paragraph 1 of Book 2 of the Netherlands Civil Code, other than the statutory audit of the annual accounts, the Board of Supervisors must give its approval prior to the acceptance of this service other than the statutory audit of the annual accounts.

## **Method of appointment and dismissal of the Board of Supervisors**

### **Article 19**

The members of the Board of Supervisors are appointed and dismissed by Shell Petroleum following the recommendations of the B and C members of the Accountability Council.

## **Term of office, reappointment and roster of resignation of members of the Board of Supervisors**

### **Article 20**

- 20.1 Without prejudice to the provisions in the following paragraph, each appointment of a member of the Board of Supervisors shall be for a period of four years. Without prejudice to the requirements for eligibility, members of the Board of Supervisors who resign may be immediately reappointed for a maximum of one new term of office.
- 20.2 The order of resignation shall be arranged by a roster fixed by the Board of Supervisors.
- 20.3 The members of the Board of Supervisors will provide their services on the basis of the prevailing market tariffs for external consultants.

## **Inability to act and absence of members of the Board and members of the Board of Supervisors**

### **Article 21**

- 21.1 "Inability to act" shall mean the situation in which a member of the Board or a member of the Board of Supervisors is temporarily unable to perform his duties due to, inter alia, (serious) illness, suspension, long-term inaccessibility or maternity leave.
- 21.2 "Absence" shall mean the situation in which a member of the Board or a member of the Board of Supervisors is no longer in office due to, but not limited to, death, resignation or dismissal, resulting in a vacancy.
- 21.3 In the event of the absence or inability to act of one or more members of the Board, the other members of the Board shall be temporarily charged with the entire management of the Pension Fund, under the obligation to have the vacancy/vacancies filled as soon as possible in accordance with the regulations described in Article 6.
- 21.4 In the event of the absence or inability to act of all members of the Board, the Board of Supervisors shall appoint as soon as possible, whether or not from among their number, at least two natural persons to temporarily take on the management of the Pension Fund. In the event that members of the Board of Supervisors temporarily perform management duties, they will suspend their duties as members of the Board of Supervisors during this period. The natural persons appointed by the Board of Supervisors who temporarily perform management duties are obliged to have vacancies



for members of the Board filled as soon as possible, in accordance with the regulations described in Article 6, and shall appoint two members of the Board. As soon as two members of the Board have been appointed, the temporary management duties of the natural persons appointed by the Board of Supervisors shall be terminated. The other new members of the Board shall, in the situation referred to in this paragraph, be appointed by the Board.

- 21.5 In the event of the absence or inability to act of one or more members of the Board of Supervisors, the remaining members, or the only remaining member, shall constitute a valid Board of Supervisors. Shell Petroleum shall, in the situation referred to in this paragraph, appoint one or more members of the Board of Supervisors as soon as possible, subject to the relevant provisions of the present Constitution.
- 21.6 In the event of the absence or inability to act of all members of the Board of Supervisors, the natural person or natural persons designated for that purpose by Shell Petroleum in consultation with the Accountability Council shall be temporarily responsible for supervising the policy of the Board and the general affairs of the Pension Fund. Shell Petroleum shall, in the situation referred to in this paragraph, appoint new members of the Board of Supervisors as soon as possible, subject to the relevant provisions of the present Constitution.
- 21.7 In the cases referred to in paragraphs 4 and 6, the designated natural person(s) temporarily performing management duties or internal supervision duties shall forthwith inform De Nederlandsche Bank in writing thereof.

## Records

### Article 22

Records shall be kept of all Participants, Former Participants, Legitimate Claimants, Pension Beneficiaries and all persons who have rights or entitlements to any pension, of all deaths and of all other matters necessary for the proper implementation of this Constitution and the Regulations.

## Assets

### Article 23

- 23.1 The assets of the Pension Fund are formed by the foundation moneys, the contributions to the Pension Fund, the accrued interest and any further income.
- 23.2 With regard to moneys not immediately required, the Pension Fund shall conduct an investment policy in accordance with the prudent-person rule and other provisions in this regard under and pursuant to the Netherlands Pensions Act. The Board is authorised to issue any further investment instructions. Before the Board may resolve to issue instructions, the intended resolution in this regard must be discussed at a Board meeting at which all members are present or represented, and at least six-eighths of the members with voting rights who are present or represented at the meeting must have declared themselves in favour of the proposal. The Board will then consult with Shell Petroleum and, to the extent required by law or the present Constitution, afford the Accountability Council, with the exception of the A members, the opportunity to issue its advice in respect of the Board's intended resolution. On receipt of the advice of Accountability Council, the Board may:





- a. at a meeting at which all members with voting rights are present or represented; or
  - b. without holding a meeting, provided all members with voting rights have been notified of the proposal and have cast their votes in this regard;
- pass a final resolution with a majority of a least six-eighths of the members with voting rights. If the content of the final resolution to be passed differs from the intended resolution, the final resolution shall not be passed until the Board has consulted Shell Petroleum in this regard.
- 23.3 Total investments in Shell plc and Group Companies are maximised at ten per cent (10%) of the portfolio. These investments are made prudently, giving due consideration to the need for adequate diversification.

## Financial year

### Article 24

- 24.1 The financial year shall coincide with the calendar year.
- 24.2 The Board shall compile an annual overview of the position of the Pension Fund as at the end of the last financial year in the form of a set of annual accounts, a management report and other information in accordance with legal requirements.
- 24.3 The annual accounts shall be furnished with a statement signed by the auditor relating to the fair and true representation of the annual accounts, as provided for by Article 393, paragraph 1, of Book 2 of the Netherlands Civil Code. The auditor shall have free access to all the books and records of the Pension Fund and shall be furnished with all the information which he considers necessary for the fulfilment of his task. The auditor shall report in writing to the Board.
- 24.4 Every year within six months after the expiration of the financial year, the Board shall submit to De Nederlandsche Bank a set of annual accounts, duly audited by the auditor, a management report and other information concerning the past financial year, referred to in paragraphs 2 and 3, in which a full picture is given of the financial position of the Pension Fund and which shows, to the satisfaction of De Nederlandsche Bank, that the provisions of the Netherlands Pensions Act have been complied with and that the interests of the Pension Fund's stakeholders can be deemed to have been adequately safeguarded.

## Actuarial investigation

### Article 25

- 25.1 Every year, the certifying actuary shall investigate the financial position of the Pension Fund and report thereon in writing to the Board. The certifying actuary shall have free access to all the books and records of the Pension Fund and shall be furnished with all the information which he considers necessary for the fulfilment of his task.
- 25.2 In his report, the certifying actuary shall specify the contributions by the Member Companies which are actuarially required to enable the Pension Fund to cover in full the pensions and other benefits and to form such extra reserves as he deems necessary for solvency and to cover the costs of the Pension Fund in consultation with the Board.
- 25.3 The Board may only reduce the accrued pension entitlements and pension rights in a situation as referred to in Section 134 paragraph 1 of the Netherlands Pensions Act. The resolution to do so may,



by amending one or more provisions of the Regulations, only be passed after due consultation of the certifying actuary. The Board shall notify the Legitimate Claimants, Pension Beneficiaries and the Member Companies in writing regarding its resolution to reduce pension entitlements and pension rights. The aforementioned reduction shall not take effect until at least three months after the Pension Beneficiaries have been notified of this and one month after the Legitimate Claimants, the Member Companies and De Nederlandsche Bank have been notified of this.

- 25.4 The Board shall have the authority by amending the Regulations after consultation with the certifying actuary to cancel the amendment to the Regulations as referred to in the preceding paragraph, if and insofar as the financial position of the Pension Fund subsequently permits. If and in so far as possible, the subsequent amendment may have retroactive effect.
- 25.5 Every year within six months after the expiration of the financial year, the Board shall submit to De Nederlandsche Bank an actuarial report regarding the Pension Fund, furnished with the declaration of the certifying actuary.

## Chapter II, Concerning the member companies

### Admission

#### Article 26

- 26.1 The Pension Fund shall conclude a written administration agreement with Shell Petroleum. This administration agreement shall include provisions regarding the admission of other companies or bodies that belong to the Group. The applicable provisions of the administration agreement between the Pension Fund and Shell Petroleum shall be incorporated by reference in the administration agreements between the Pension Fund and the other Member Companies. The administration agreements between the Pension Fund and the other Member Companies shall also contain provisions to the effect that Shell Petroleum and the Pension Fund may agree on amendments with respect to the administration agreement between them that shall have an automatic effect on the administration agreements between the Pension Fund and the other Member Companies.
- 26.2 Notwithstanding the provisions of Article 5, paragraph 4, the Board is authorised to admit companies and bodies referred to in paragraph 1 and to conclude written administration agreements with them as referred to in paragraph 1. The Pension Fund shall maintain a list of Member Companies.
- 26.3 Before the Board can resolve to consent to conclude, amend or terminate an administration agreement, the intended decision in question must be discussed at a Board meeting at which all members with voting rights are present or represented, and at least six-eighths of the members with voting rights who are present or represented at the meeting must have declared themselves in favour of the proposal. The Board will then, to the extent required by law or the present Constitution, afford the Accountability Council, with the exception of the A Members, the opportunity to issue its advice in respect of the Board's intended resolution. On receipt of the advice of Accountability Council, the Board may:



- a. at a meeting at which all members with voting rights are present or represented; or
  - b. without holding a meeting, provided all the members with voting rights have been notified of the proposal and have cast their votes in this regard;
- pass a final resolution with a majority of a least six-eighths of the members with voting rights.
- 26.4 A Member Company which, as evidenced by notice in writing from Shell Petroleum to the Board, ceases to form part of the Group shall no longer be regarded as a Member Company within the meaning of this Constitution and the Regulations as from a date to be fixed by Shell Petroleum. The company in question shall be notified of this as soon as possible.

## Chapter III, Final provisions

### Actuarial and operating memorandum

#### Article 27

The Pension Fund operates in accordance with an actuarial and operating memorandum in which the financial structure and basic principles of Pension Fund policy are set out, and which contains a statement regarding the investment principles and which also complies with the provisions under and pursuant to the Netherlands Pensions Act. The Board shall submit the memorandum referred to in the foregoing sentence and any amendment thereof to De Nederlandsche Bank.

### Amendments

#### Article 28

- 28.1 This Constitution and the Regulations may at any time be amended by the Board. This Constitution shall be amended by a notarial deed. There may, however, be no amendment of the objective of the Pension Fund as defined in Article 3. Furthermore, except in the case as referred to in Article 25, paragraph 3, no amendment of this Constitution or the Regulations shall have the effect of:
- a. reducing the accrued pension entitlements, other than that as referred to under b, or pension rights at the time of amendment, or
  - b. reducing the cash value of the accrued pension entitlements of a Participant, including the accrued pension entitlements to an associated partner's and orphan's pension not yet in payment, in respect of service prior to the amendment beyond an amount which the certifying actuary judges to be reasonably negligible.
- 28.2 Before the Board may resolve to amend the Constitution, the intended resolution in this regard must be discussed at a Board meeting at which all members with voting rights are present or represented, and at least six-eighths of the members with voting rights who are present or represented at the meeting must have declared themselves in favour of the proposal. The Board will then consult with Shell Petroleum and, to the extent required by law or the present Constitution, afford the Accountability Council, with the exception of the A members, the opportunity to issue its advice in respect of the Board's intended resolution. On receipt of the advice of Accountability Council, the Board may:
- a. at a meeting at which all members with voting rights are present or represented; or
  - b. without holding a meeting, provided all the members with voting rights have been notified of the proposal and have cast their votes in this regard;



pass a final resolution with a majority of a least six-eighths of the members with voting rights. If the content of the final resolution to be passed differs from the intended resolution, the final resolution shall not be passed until the Board has consulted Shell Petroleum in this regard.

- 28.3 The provisions of paragraph 2 shall apply mutatis mutandis to amendments of the Regulations, but only insofar as said amendments will result in an increase in the Pension Fund's financial obligations or, in the judgement of the Board, in a material increase in the risk of the Pension Fund.
- 28.4 Contrary to the provisions of paragraph 1 under (a) and (b), the reductions referred to therein may indeed be effectuated if and insofar as they are necessary in order to comply with any statutory regulation or if and insofar as the tax authorities rule that the pension entitlements concerned are excessive and such reductions of entitlement result in those pension entitlements being brought down to a permissible lower level.

## **Situation after Shell Petroleum has exercised the authority as referred to in Article 18 of the administration agreement between the Pension Fund and Shell Petroleum**

### **Article 29**

- 29.1 As soon as possible after the date when Shell Petroleum has exercised the authority as referred to in Article 18 of the administration agreement between the Pension Fund and Shell Petroleum, the certifying actuary shall institute an investigation into the situation of the Pension Fund and submit a written report to the Board in this regard.
- 29.2 With effect from the date referred to in paragraph 1, the Board, taking into consideration the Pension Fund's liabilities regarding the pension entitlements of Legitimate Claimants arising before that date, other than those of Participants and the pension rights of Pension Beneficiaries, shall make provision for granting pension entitlements or other benefits to Participants in respect of the pension entitlements accrued up to and including said date (including the partner's and orphan's pensions associated with those entitlements and any pensions for a Participant's dependants), all this with due observance of such rules and such amounts as the Board, following consultations with the certifying actuary and Shell Petroleum, shall determine in accordance with the requirements of reasonableness and fairness.
- 29.3 The Participants' entitlements to pensions or other benefits referred to in the preceding paragraph shall take the place of those which, under the Regulations of the Pension Fund, would otherwise have been received by the persons referred to therein.
- 29.4 The Board shall have the authority to transfer the liabilities in respect of pension rights, pension entitlements and other benefits which after the date referred to in paragraph 1 may be incumbent or become incumbent upon the Pension Fund to one or more other Group pension funds or to one or more reputable pension providers.
- 29.5 After consultation with the certifying actuary and subject to the provisions of this Article, the Board shall have the authority to make further arrangements with regard to the consequences of a situation referred to in this Article.



## **Dissolution**

### **Article 30**

- 30.1 The Board shall have the authority to dissolve the Pension Fund with the approval of the Board of Supervisors.
- 30.2 The Board shall consult Shell Petroleum before resolving to dissolve the Pension Fund. The intended resolution in this regard must then be discussed at a Board meeting in which all members with voting rights are present or represented, and at least six-eighths of the members with voting rights who are present or represented at the meeting must have declared themselves in favour of the proposal. The Board will then, to the extent required by law or the present Constitution, afford the Accountability Council, with the exception of the A Members, the opportunity to issue its advice in respect of the Board's intended resolution. On receipt of the advice of Accountability Council, the Board may:
- at a meeting at which all members with voting rights are present or represented; or
  - without holding a meeting, provided all the members with voting rights have been notified of the proposal and have cast their votes in this regard;
- pass a final resolution with a majority of a least six-eighths of the members with voting rights. If the content of the final resolution to be passed differs from the intended resolution, the final resolution shall not be passed until the Board has consulted Shell Petroleum in this regard.
- 30.3 The liquidation of the Pension Fund shall be carried out by the Board.
- 30.4 Vacancies arising on the Board during the liquidation shall be filled by the Board.
- 30.5 In the event of liquidation the Pension Fund must implement collective value transfer to another pension provider in accordance with the provisions of Section 84 of the Netherlands Pensions Act.
- 30.6 Any balance remaining after said transfer shall be devoted to such social object as the Board may select, preferably in the interest of the persons in the service of the Group and of those who have obtained a pension under the Regulations, as well as of the dependants of both.

## **Complaints procedure**

### **Article 31**

The Board shall adopt a Complaints Procedure.

## **Contingencies**

### **Article 32**

In any case not provided for by this Constitution or the Regulations, the Board shall decide.

## **Disputes**

### **Article 33**

- 33.1 All legal relationships with respect to this Constitution and the Regulations existing between the Pension Fund, its bodies, a Member Company and/or Participant, Former Participant, other Legitimate Claimant or Pension Beneficiary, shall be subject to Dutch law.
- 33.2 All disputes ensuing from or connected with this shall, with due observance of the provisions of the Complaints Procedure established by the Pension Fund, be submitted to the competent court at The Hague, unless otherwise provided for in this Constitution.