

Shell Nederland Pensioenfonds Stichting



YOUR PENSIOEN AT SNPS

Regulations I - 1 January 2023

This is a translation. Only the Dutch text is binding.



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1 DEFINITIONS

1.1 General

The definitions of the terms used in the Constitution of Shell Nederland Pensioenfonds Stichting also apply to the present Regulations, unless expressly stipulated otherwise in the present Regulations. The terms used in the present Regulations are capitalised.

The present Regulations do not distinguish between gender; wherever "he" is used or implied in the text, this also refers to "she", and vice versa.

1.2 Specific

In the present Regulations, the following terms have the following meanings:

Admitted pension administrator

A legally admitted pension administrator within the meaning of Section 1 of the Pensions Act, other than the Pension Fund, where the Participant or Former Participant, who does not choose a Collective variable pension on his Retirement Date, purchases a Fixed benefit.

Annual Salary

The annual salary on a full-time basis notified by the Employer to the Pension Fund.

AOW

General Old Age Pensions Act (Algemene Ouderdomswet).

Asset Management Company

The asset management company within the meaning of the WFT appointed by the Board which invests funds in the pension investment accounts.

Board

The Board of the Pension fund.

Child

- a child whose parent is a Participant within the meaning of the Dutch Civil Code;
- a child who is maintained by a Participant on the basis of a liability for maintenance within the meaning of the Dutch Civil Code;
- other children who in the opinion of the Pension Fund are maintained as his own Children by the Participant.

Collective allocation circle

The group of Participants, Former Participants and Pension Beneficiaries in the Collective investment mix that shares the result collectively by means of a collective allocation mechanism as referred to in Section 63a(2) of the Pensions Act.

Collective investment mix

The (administrative) portfolio for the Collective allocation circle, set by the Board, consisting of investments in Investment Institutions, with it also being possible for there to be a (limited) allocation to liquid assets.

Collective variable partner's pension

The partner's pension after the death of the Retiree, the amount of which is determined annually by the Pension Fund on the basis of the result achieved in the Collective allocation circle.

Collective variable pension

The payment of Collective variable retirement pension and/or payment of Collective variable partner's pension pursuant to Section 10a(2) of the Pensions Act.

Collective variable retirement pension

The retirement pension from the Retirement date the amount of which is determined annually by the Pension Fund on the basis of the result achieved in the Collective allocation circle.

Constitution

The constitution of the Pension Fund.

Divorce

Dissolution of marriage by divorce, the granting of a judicial separation, termination of the legally registered partnership otherwise than through death or disappearance or by conversion into marriage or termination of the joint household as referred to in Article 15.6 otherwise than through death or disappearance or by conversion into marriage or legally registered partnership.

Employee

A person who carries out work for an Employer on the basis of a contract of employment under civil law.

Employer

A member company.

Entitlement Beneficiary

A person who is entitled to a pension which is not yet in payment.

Fixed benefit

A Fixed pension benefit payment pursuant to Section 10a(1) of the Pensions Act.

Former Participant

A person for whom pension entitlements are no longer accrued according to the provisions of the present Regulations and to whom non-contributory pension entitlements have been granted that are not yet payable.

Grant Date

The date on which participation ends in accordance with Article 2.3.

Incapacity for work

The situation in which a Participant is totally and permanently or partially unfit for work within the meaning of the WIA, with due observance of a waiting period of 104 weeks.

Insurer

An insurer which, pursuant to the WFT, is qualified to conclude pension insurance in or for the Netherlands, and with which the Pension Fund has insured its pension liabilities entirely or in part.

Investment Institution

Investment company or investment fund, both as defined in section 1:1 of the WFT (Financial Supervision Act).

Life cycle portfolio(s)

The (administrative) portfolios set by the Board, consisting of investments in Investment Institutions, with it also being possible for there to be a (limited) allocation to liquid assets.

Life cycle profile(s)

The Offensive, Neutral and Defensive profiles set by the Board, on the basis of which the defined contribution as defined in Article 4 is invested in the Life cycle portfolios.

Participant

An Employee or former Employee who has joined the Pension Fund pursuant to Article 2 and for whom pension entitlements are accrued according to the provisions of the present Regulations.

Partner

The individual who:

1. is married to the Participant or Former Participant or Retiree before the latter's Retirement Date, or
2. has entered into a registered Partnership with the Participant or Former Participant or Retiree before the latter's Retirement Date, or
3. is cohabiting with the Participant or Former Participant or Retiree without being married and without entering into a registered partnership with whom the unmarried Participant or Former Participant or Retiree, who has not already entered into a registered partnership, maintains a joint household, provided that:
 - they are not directly related by blood or marriage, and
 - the joint household began prior to the Retirement Date.

Only one person, who is to be determined by the Board, is considered to be the Partner for the purpose of the present Regulations.

Partnership

Marriage, legally registered partnership or joint household under the conditions as referred to in Article 15.

Part-time employee

An Employee with an employment contract on the basis of which fewer hours are worked than the standard number of hours for that position.

Part-time percentage

The relationship, expressed as a percentage, between the number of hours that a Part-time Employee works on the basis of his employment contract and the standard number of hours for the position in question.

Pension Base Salary

The Annual Salary plus the lump-sum payments in April and December, each equal to one month's salary (insofar as these apply to the Participant in question), but not including any Pensionable Supplement(s). When notifying the Pension Fund of this, the Employer indicates the date from which the Pension Base Salary is effective. For the death risk, any salary increases during the 12 months before the date of death are covered up to a maximum of 25%.

Pension Basis I

Pensionable Salary I up to a maximum of €113,995.00 (level 2023) minus the Premium-exempt amount. The maximum amount referred to in the previous sentence is index-linked annually to the same degree as the amount revised by ministerial order in accordance with the method set out in Article 18ga of the Wages and Salaries Tax Act.

Pension Beneficiary

A person who is receiving a (Collective variable) pension from the Pension Fund on the basis of the present Regulations.

Pension Fund

Shell Nederland Pensioenfonds Stichting (SNPS).

Pension Years

The period of continuous participation, rounded off to a full number of months, in the pension scheme as formulated in the present Regulations, for the purposes of which fifteen days or more are considered as one month when rounding off, whereas fewer than fifteen days are disregarded.

In the present Regulations, Pension Years are also understood to mean years obtained from an incoming value transfer of pension entitlements from a different pension scheme to the Pension Fund's pension scheme as referred to in Article 18, as well as years obtained from an internal value transfer of (collective variable) pension entitlements to the Pension Fund from previous periods of participation in the Pension Fund.

Pensionable Salary I

The Pension Base Salary plus any Pensionable Supplements.

Pensionable Supplement

A supplement of a permanent nature that the Employer has designated as pensionable and of which the Pension Fund has been notified and which is expressed as a percentage of the Pension Base Salary. The Employer indicates the date from which the Pensionable Supplement commences, any changes in the level of the Pensionable Supplement and the date on which the Pensionable Supplement ends.

Premium-exempt amount

That portion of the salary over which no pension entitlements are accrued in connection with AOW benefit payments. This portion is calculated annually on 1 January and amounts to 10/7th of the gross retirement pension, including the holiday allowance, to which a married person has an independent entitlement pursuant to the AOW.

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Retiree

A person who is receiving a Collective variable retirement pension that is purchased from the Pension Fund.

Retirement Age

The age as referred to in Article 6.

Retirement Date

The last day of the month in which the Participant or Former Participant reaches Retirement Age.

Special Partner

The Partner of a Participant or Former Participant to whom, within the context of a Divorce, an entitlement to a special partner's pension is granted on the basis of Article 16.2.

UWV

Institute for Employee Benefit Schemes (Uitvoeringsinstituut Werknemersverzekeringen).

Wages and Salaries Tax Act

Wages and Salaries Tax Act 1964 (Wet op de loonbelasting 1964).

WFT

Financial Supervision Act (Wet op het financieel toezicht).

WIA

Work and Income according to Labour Capacity Act (Wet werk en inkomen naar arbeidsvermogen).

WIA maximum annual salary

The maximum daily wage recalculated into an annual amount for calculating the WIA benefit.

2 PARTICIPATION**2.1 Conditions for participation**

Employees falling within an admitted category join the Pension Fund as Participants. Shell Nederland shall decide which admitted categories there shall be. The Employer then decides which of its Employees belong to an admitted category.

2.2 Commencement of participation

Participation shall commence on the date the Employee falls within an admitted category.

2.3 End of participation

2.3.1 Participation shall end on the death of the Participant or on the date the Participant no longer belongs to an admitted category, and at any rate on his Retirement Date.

2.3.2 Notwithstanding the previous paragraph, participation is considered to continue following termination of employment, provided the person is entitled to non-contributory continuation of pension accrual on account of Incapacity for work as referred to in Article 12.3.

2.3.3 In the case of partial termination of employment on account of partial Incapacity for work, the provisions of Article 2.3.2 shall apply in proportion to the degree of Incapacity for work. The provisions of Article 7 of the present Regulations relating to part-time service shall apply to the proportion that the employment continues.

3 OVERVIEW OF PENSION ENTITLEMENTS

3.1 With due observance of the provisions of the present Regulations, participation confers an entitlement to pension capital with which the Participant or Former Participant purchases a Collective variable pension from the Pension Fund or a Fixed benefit payment from an Admitted pension administrator on his Retirement Date.

As of 1 January after reaching the age of 58, the Participant or Former Participant already has the option to use his accrued pension capital to gradually purchase entitlements to a Collective variable pension from the Pension Fund up to his Retirement Date.

3.2 With due observance of the provisions of the present Regulations, participation confers an entitlement to:

- a. a risk-based partner's pension which commences on the death of the Participant during participation, for the benefit of the Participant's Partner;
- b. a risk-based temporary partner's pension which commences on the death of the Participant during participation, for the benefit of the Participant's Partner;
- c. a risk-based orphan's pension which commences on the death of the Participant during participation, for the benefit of the Children of the Participant;
- d. a risk-based disability pension in the event of Incapacity for work which has arisen during participation, for the benefit of the Participant;
- e. waiver of contributions in the event of Incapacity for work, for the benefit of the Participant.

3.3 The part of the present pension Regulations which relates to the entitlement referred to in Article 3.1 concerns the implementation of a defined contribution agreement within the meaning of Section 1 of the Pensions Act.

3.4 The part of the present Regulations which relates to the entitlements referred to in Article 3.2 concerns the implementation of a defined benefit agreement within the meaning of Section 1 of the Pensions Act.

3.5 The obligations as referred to in Article 3.2 have been fully insured with one or more Insurers. These entitlements are subject to the insurance conditions of the Insurer(s) and the associated limitations. These conditions for benefit payments have been included in these Regulations under Appendix 2 and may change from time to time.

3.6 The Pension Fund does not offer Fixed benefit payments from the Retirement Date.

4 DEFINED CONTRIBUTION

4.1 On commencement of participation and each following month, a contribution on Pension Basis I becomes available for the Participant. The amount of the contribution depends on the Participant's age on the first day of the month in which the contribution becomes available and is expressed as a percentage of Pension Basis I multiplied by the Part-time Percentage applicable to the Participant and then divided by 12.

4.2 The amount of the contribution is set on the basis of the following table.

From age	Up to and including age	Percentage of Pension Basis I
18	22	10.1
23	27	11.6
28	32	13.3
33	37	15.2
38	42	17.4
43	47	19.9
48	52	22.8
53	57	26.2
58	62	30.3
63	67	35.3

5 FUNDING

5.1 Participant's contribution

- 5.1.1 The Participant is liable to pay a monthly contribution during the period of his participation. This contribution is part of the total defined contribution as referred to in Article 4.
- 5.1.2 If the date of entering into employment does not fall on the first day of a calendar month, the contribution to be paid by the Participant is set on a pro rata basis over the period ending on the last day of the first calendar month in which the employee entered into employment.
- 5.1.3 The contribution to be paid by the Participant is 2% of the Pension Basis I multiplied by the Part-time percentage applicable to the Participant and then divided by 12.

5.2 Employer's contribution

- 5.2.1 The defined contribution as referred to in Article 4, contributions for the risk coverage arrangements referred to in Articles 11.2, 11.3, 11.4, 12.1 and 12.3, any one-off and periodic extra contributions and/or supplements to be paid by the Employer on the basis of the administration agreement to the Pension Fund shall be paid by the Employer, with the exception of the contribution to be paid by the Participant on the basis of Article 5.1.

5.3 Payment reservation

- 5.3.1 In the event of a drastic change in circumstances, the Employer is authorised, with the consent of Shell Nederland, and on notification to the Board in writing, to terminate the payment of contributions in respect of future service for one or more groups of Participants in the service of the company in question, insofar as this concerns the employer's contribution. In that event, such obligation in respect of such Participants shall cease on a date to be indicated by the Employer. An Employer who has availed itself of this authority shall, however, continue to be liable to make contributions in respect of service prior to that date. The Participants concerned will be informed by the Pension Fund as soon as possible of the consequences for them of terminating the payment of contributions in respect of future service, if the Employer has availed itself of this authority.

5.4 Payment of contributions

- 5.4.1 The defined contribution as referred to in Article 4, including the contribution to be paid by the Participant which is deducted from the Participant's salary each month by the Employer, is paid each month by the Employer to the Pension Fund and transferred by the Pension Fund to the Participant's pension investment account.
- 5.4.2 Changes to the defined contribution as a result of amendments or corrections are not processed retroactively by the Pension Fund. Such amendments or corrections are processed from the moment that the associated adjusted defined contribution(s) is (are) paid by the Employer to the Pension Fund.

6 Retirement age

The Retirement Age is 68, or so much lower or higher as determined with due regard to Articles 20.2 and 20.3.

7 PART-TIME EMPLOYMENT

The following applies to Participants in part-time service:

- 7.1 The Pension Basis I and Pension Basis II are determined from the Pension Base Salary pertaining to the standard number of hours associated with that position.

Here, Pension Basis II is the Pension Base Salary as applicable on the Grant Date up to a maximum of €113.995 (level 2023), minus the Premium-exempt amount applicable on the Grant Date. The maximum amount referred to in the previous sentence is index-linked annually to the same degree as the amount revised by ministerial order in accordance with the method set out in Article 18ga of the Wages and Salaries Tax Act. If there have been any Pensionable Supplement(s) during participation, a proportional supplement is added to this salary, expressed as a percentage, which is a result of the following formula:

$$(TPP/TAP) \times PTP$$

where

TPP = the total number of Pension Years with a Pensionable Supplement

TAP = the total number of Pension Years

PTP = the applicable Pensionable Supplement expressed as a percentage of the Pension Base Salary

If there have been several Pensionable Supplements during participation, a weighted average PTP shall be calculated.

- 7.2 If Pension Years are taken into consideration when calculating a pension, the number of Pension Years is determined in proportion to the Part-time Percentage applicable to him.

- 7.3 If future Pension Years are taken into consideration when calculating a pension, the most recently applicable Part-time Percentage shall apply to that period, unless the employment contract makes provision to change the Part-time Percentage at a later date. In that case, the changed Part-time percentage will be presumed as of that date.
- 7.4 The disability pension, as referred to in Article 12, is calculated on the basis of full-time employment multiplied by the most recently applicable Part-time Percentage, unless the employment contract makes provision to change the Part-time Percentage at a later date. In that case, the changed Part-time percentage will be presumed as of that date.

8 LIFE CYCLE PORTEFEUILLES

- 8.1 Contributions are invested in underlying Investment Institutions in accordance with the Life cycle profile and the associated Life cycle portfolios as chosen by the Participant or Former Participant. Investments are made in the name of the Pension Fund but at the risk and expense of the Participant or Former Participant.
- 8.2 If the Participant has not made an investment choice, the amounts transferred to the Participant's pension investment account on his behalf are invested in accordance with the Neutral Life cycle profile.
- 8.3 Each month, the Participant or Former Participant can make investment choices for a different Life cycle profile within the options set by the Board from time to time. To that end, the Participant or Former Participant is required to enter a risk profile in the participants' portal, called the 'investment balance'. The Pension Fund then informs the Participant or Former Participant about Life cycle profile associated with the risk profile he has chosen. The Participant or Former Participant then decides whether to invest in the Life cycle profile which matches the chosen risk profile.
- 8.4 The choice made regarding a Life cycle profile as referred to in Article 8.3 also applies to the balance already present in the pension investment account.
- 8.5 The amounts invested on behalf of the Participant or Former Participant are invested as soon as possible, taking into account the required administrative processing time.
- 8.6 At any time, including any time when the pension investment balance is being used in accordance with the present Regulations, the value of the investments in the pension investment account is equal to the equivalent in Euros of those investments on the basis of the most recently determined value included in the pension administration of the Pension Fund (Net Asset Value).
- 8.7 The Pension Fund informs the Participant or Former Participant annually about the chosen Life cycle profile and draws his attention to the possibility to redetermine his risk profile.
- 8.8 The costs incurred with respect to the investments in the Life cycle portfolios and the underlying Investment Institutions referred to in the present Regulations are borne by the Participant or Former Participant and are factored into the value of the investments.

8.9 Without prejudice to the provisions of Article 8.8, the Employer may decide to (temporarily) bear certain costs incurred with respect to the investments in the Life cycle portfolios and the underlying Investment Institutions referred to in the present Regulations, not including costs which relate to covering investment risks, provided that this is permitted within the fiscal framework which applies to the pension scheme included in the present Regulations under and pursuant to Chapter IIB of the Wages and Salaries Tax Act. If this situation arises, the Employer shall make agreements with the Pension Fund on this matter.

8.10 At any time, the Board may make changes to:

- the Life cycle profiles;
- the Life cycle portfolios;
- the underlying Investment Institutions;
- the choice of Asset Management Company (Companies).

Any costs incurred with respect to these changes shall be factored into the value of the investments.

8.11 In determining the composition of the Life cycle portfolios of Participants and Former Participants who make a preliminary choice as of 1 January after reaching the age of 58, not to join the Collective allocation circle, as referred to in Article 8a, the Board takes into account that a Fixed benefit is expected to be purchased from an Admitted pensions administrator on the Retirement Date.

8a PRELIMINARY AND FINAL CHOICE REGARDING USE OF PENSION CAPITAL

8a.1 Preliminary choice regarding use of pension capital after reaching the age of 58

8a.1.1 The Pension Fund asks the Participant or Former Participant as of 1 January after reaching the age of 58 to explicitly make a preliminary choice between:

- a. participation in the Collective allocation circle, whereby his accrued pension capital is used gradually to purchase entitlements to a Collective variable pension, which are expected to purchase a Collective variable pension from the Pension Fund on the Retirement Date; or
- b. to continue investing pension capital accrued and still to be accrued in a Life cycle profile, which is expected to purchase Fixed benefit payments from an Admitted pension administrator on the Retirement Date.

- 8a.1.2 The Pension Fund notifies the Participant or Former Participant in a timely manner:
- a. about the consequences and risks of participation in the Collective allocation circle;
 - b. about the amount, and expected development, of entitlements in the Collective variable pension on an expected, pessimistic and optimistic scenario basis;
 - c. that the Pension Fund does not offer Fixed benefit payments on the Retirement Date;
 - d. about the option to transfer to an Admitted pension administrator on the Retirement Date in order to purchase Fixed benefit payments from them;
 - e. about the consequences of failing to make a choice, or make a choice on time, from the options referred to in Article 8a.1.1.
- 8a.1.3 The Participant or Former Participant will notify the Pension Fund of his choice as referred to in Article 8a.1.1 in writing, using the specific form, no later than one month before 1 January after reaching the age of 58. The Participant or Former Participant will receive written confirmation of his choice from the Pension Fund. A combination of both options, as referred to in Article 8a.1.1 is not possible.
- 8a.1.4 The Participant or Former Participant must provide the Pension Fund with timely written confirmation of his choice as referred to in the previous paragraph, otherwise he will join the Collective allocation circle as of 1 January after reaching the age of 58. The Pension Fund informs the Participant or Former Participant in question about this in writing.
- 8a.1.5 After the deadline referred to in Article 8a.1.3 it is no longer possible to make any interim change to, or reconsider, the choice the Participant or Former Participant has made until his Retirement Date. Under the present Regulations, failure to provide written notice of a choice, or provide this on time, as referred to in Article 8a.1.4, shall also be treated as a choice.
- 8a.1.6 In the case of an Employee who becomes a Pension Fund Participant as of 1 January after reaching the age of 58, the choice referred to in Article 8a.1.1 shall have to be made as of 1 January in the year following commencement of employment. In the case of an Employee who becomes a Pension Fund Participant as of 1 October after reaching the age of 58, the choice referred to in Article 8a.1.1 shall have to be made as of 1 January in the second year following the date of commencement of employment. The remaining provisions of Article 8a.1 shall apply to these Participants *mutatis mutandis*.
- 8a.1.7 If a Participant or Former Participant uses his entire pension capital for the purchase of a pension before reaching the age of 58, the Participant or Former Participant can choose to use the investments remaining in the Life cycle portfolio at that time at once to procure entitlements to a Collective variable pension, or to purchase Fixed benefit payments from an Admitted pension administrator on reaching the Retirement Date. All this with due observance of these pension regulations.

8a.2 Final choice regarding use of pension capital on the retirement date

- 8a.2.1 On his Retirement Date, the Pension Fund asks the Participant or Former Participant to explicitly make a final choice between:
1. receiving a Collective variable pension from the Pension Fund; or

2. purchasing a Fixed benefit payment from an Admitted pension administrator selected by the Participant or Former Participant.

8a.2.2 The Pension Fund will notify the Participant or Former Participant prior to his Retirement Date in a timely manner:

- a. about the consequences and risks of the Collective variable pension;
- b. about the amount, and expected development, of the Collective variable pension on an expected, pessimistic and optimistic scenario basis;
- c. that the Pension Fund does not offer Fixed benefit payments on the Retirement Date;
- d. about the option to transfer to an Admitted pension administrator on the Retirement Date in order to purchase Fixed benefit payments from them;
- e. about the consequences of failing to make a choice, or make a choice on time, from the options referred to in Article 8a.2.1.

8a.2.3 No later than two months before his Retirement Date, the Participant or Former Participant will notify the Pension Fund of his choice as referred to in Article 8a.2.1 in writing, using the specific form. The Participant or Former Participant will receive written confirmation of his choice from the Pension Fund. A combination of both options, as referred to in Article 8a.2.1 is not possible.

8a.2.4 A Collective variable pension will be purchased, as laid down in Article 9.1, for the Participant or Former Participant who fails to provide the Pension Fund with timely written confirmation of his choice as referred to in Article 8a.2.1. The Pension Fund informs the Participant or Former Participant in question about this in writing.

Failure to provide written notice, or provide timely notice, of the choice shall also be understood to mean failure to provide notice, or provide timely notice, of a selected Admitted pension administrator from which Fixed benefit payments are purchased on the Retirement Date.

8a.2.5 The choice that the Participant or Former Participant has made known to the Pension Fund in accordance with Article 8a.2.3, or the choice that the Participant or Former Participant is deemed to have made pursuant to Article 8a.2.4, is irreversible.

9 PURCHASE OF A PENSION ON THE RETIREMENT DATE

9.1 Purchase of a collective variable pension from the pension fund

9.1.1 A Collective variable retirement pension and a Collective variable partner's pension, in a ratio of 100:70, will be purchased on the Retirement Date for the Participant or Former Participant who has opted for a Collective variable pension. This ratio does not take into account any use of the flexibility options on the part of the Participant or Former Participant as is possible in accordance with Article 20 of the present Regulations.

- 9.1.2 The provisions of the preceding paragraph shall not apply if the Participant or Former Participant does not have a Partner on his Retirement Date. In that case (only) a Collective variable retirement pension is purchased automatically from the Pension Fund for the Participant or Former Participant in question on his Retirement Date.
- 9.1.3 The Participant or Former Participant who has a Partner on his Retirement Date may forgo the purchase of a Collective variable partner's pension with the written consent of the Partner in question. He must notify the Pension Fund of this in writing no later than two months before his Retirement Date using the relevant form. In that case, (only) a Collective variable retirement pension is purchased from the Pension Fund for the Participant or Former Participant on his Retirement Date.
- 9.1.4 The amount of the Collective variable pension on the Retirement Date for Participants or Former Participants who continued to participate in a Life cycle profile until their Retirement Date, is determined by the interest rate (the current risk-free interest rate term structure published periodically by De Nederlandsche Bank), the regulatory choices made by the Participant or Former Participant and the fund-specific basic principles as set out in Appendix 1, immediately before the Retirement Date on which the entire balance of the pension investment account is used to purchase a Collective variable pension.
- 9.1.5 In the case of the 100:70 ratio between the Collective variable retirement pension and the Collective variable partner's pension, as referred to in Article 9.1.1, the sum of any special partner's pension(s) of (a) Special Partner(s) will be included in the Collective variable partner's pension.
- 9.1.6 The Collective variable retirement pension shall commence on the first day of the month following the Retirement Date and shall be paid up to and including the final day of the month in which the Retiree dies.
- 9.1.7 The Collective variable partner's pension, insofar as it has been purchased on the Retirement Date, shall commence on the first day of the month following that in which the Retiree dies and is paid up to and including the last day of the month in which the Partner dies.

9.2 Purchase of fixed benefit payments from an admitted pension administrator

- 9.2.1 The pension investment account or the entitlements to a Collective variable pension of a Participant or Former Participant who does not choose a Collective variable pension from the Pension Fund on his Retirement Date, is liquidated or converted into pension capital, and the balance is then used to purchase Fixed benefit payments from an Admitted pension administrator selected by the Participant or Former Participant. The use is subject to the then applicable fees and conditions set by the Admitted pension administrator from which Fixed benefit payments are purchased.
- 9.2.2 In the event that procured entitlements to a Collective variable pension are converted into pension capital before the Retirement Date of a Participant or Former Participant who purchases Fixed benefit payments from an Admitted pension administrator on the Retirement Date, all profits and losses that have not yet been shared shall be factored into the Collective allocation circle.

- 9.2.3 Transfer to a different pension fund on the Retirement Date to purchase Fixed benefit payments is only possible if the Participant or Former Participant already holds pension entitlements at the receiving pension fund.

9a COLLECTIVE VARIABLE PENSION

9a.1 Procurement of entitlements to a collective variable pension

- 9a.1.1 In the case of a Participant or Former Participant who made the preliminary choice to join the Collective allocation circle, entitlements to the Collective variable pension in the Collective investment mix are procured from the Pension Fund for the first time as of 1 January after reaching the age of 58, and then annually. On reaching the Retirement Date, any investments remaining in the Life cycle portfolio at that time are used at once to procure entitlements to the Collective variable pension.

The procurement of entitlements to the Collective variable pension up to the Retirement Date takes place according to the following ratio:

Age at 31 December in a given year	Portion of the investments in the Life cycle portfolio that is transferred to the Collective investment mix in the following year
58	1/10
59	1/9
60	1/8
61	1/7
62	1/6
63	1/5
64	1/4
65	1/3
66	1/2
67	1/1
68 (Retirement Age)	1/1

- 9a.1.2 The amount of entitlements to the Collective variable pension to be procured annually is determined by:
- the interest rate (the current risk-free interest rate term structure published periodically by De Nederlandsche Bank) at the time that the procurement actually takes place;
 - any regulatory choices made by the Participant or Former Participant; and
 - fund-specific basic principles as set out in Appendix 1 of the present Regulations. The Board revises the Appendix annually in line with basic principles applicable at that time.
- 9a.1.3 A Retirement Age of 68 is assumed for the annual procurement of entitlements to the Collective variable pension.

9a.1.4 In the case of Employees who become a Pension Fund Participant after 1 January, after reaching the age of 58, and make the preliminary choice to participate in the Collective allocation circle, the procurement of entitlements to the Collective variable pension takes place gradually pro rata up to the Retirement Date.

Procurement of entitlements to a Collective variable pension from additional capital in the pension investment account resulting from any incoming value transfer as referred to in Article 18 after the age of 58, takes place in accordance with the table referred to in Article 9.a.1, where the first procurement percentage is calculated as if the Employee concerned has been a Participant since the age of 58.

9a.1.5 The provisions of Articles 8.8, 8.9 and 8.10 in respect of the Life cycle portfolios shall apply to the Collective investment mix mutatis mutandis. The Board may make adjustments to the Collective investment mix at any time.

9a.2 Value development of the collective variable pension

9a.2.1 Entitlements to, and payments from, the Collective variable pension are adjusted annually in line with the sum of the result achieved by the Collective allocation circle during the previous year relating to:

- the return on investment from the Collective investment mix;
- the effect of changes in market interest rates on obligations;
- the mortality outcome of the Collective allocation circle (micro longevity risk); and
- life expectancy development of the Collective allocation circle (macro longevity risk).

9a.2.2 Results achieved in any given year, as referred to in Article 9a.2.1, shall be applied on 1 July of the following year vis-à-vis entitlements to, or payments from, the Collective variable pension as at 31 December of the previous year, the results being spread gradually over the five subsequent years.

9a.2.3 The gradual spreading of results over a given year takes place in proportion to the entitlement to, or payments from, the Collective variable pension in that year within the Collective allocation circle.

9a.2.4 Administration costs for the Collective variable pension are deducted annually from the result achieved by the Collective allocation circle. Until 1 January 2027 (or as much earlier as the changes under the Future Pensions Act are implemented), this deduction is limited to a maximum of 0.1% of the investments in the Collective Investment Mix. Any administration costs in excess of this, in any year, will be for the account of the Employer until that time. The Employer shall make a decision whether to continue, terminate or reorganise this cost distribution in good time before that date (or in the context of the said changes under the Future Pensions Act).

9a.2.5 The Pension Fund informs Participants or Former Participants and Pension Beneficiaries in the Collective allocation circle annually regarding the level and development of entitlements to, or payments from, the Collective variable pension.

10 TERMINATION OF PARTICIPATION BEFORE THE RETIREMENT DATE

- 10.1 In case participation is terminated, other than by death or due to reaching the Retirement date, the balance in the pension investment account, or the entitlements to Collective variable pension already purchased at that time, will remain invested, subject to these Regulations.
- 10.2 On termination of participation in respect of a Former Participant who has entered into a Registered Partnership, notwithstanding the provisions of Article 10.1, a risk contribution is withdrawn for a partner's pension under the conditions set out in Article 11.5. If the balance in the pension investment account is not sufficient to withdraw the risk contribution, the entitlement under this Article ends.
- 10.3 The Former Participant can choose for the provisions of Article 10.2 not to be applied, with the written consent of the Partner. He must inform the Pension Fund of this using a form provided by the Pension Fund. If the Former Participant fails to inform the Pension Fund of this, Article 10.2 will be applied also after termination of participation. The application of Article 10.2 may also be terminated by the Former Participant at a later time subject to the provisions of this Article.
- 10.4 The partner's pension to be acquired in accordance with Article 10.2 must amount to more than the statutory limit for the commutation of small pensions. Article 10.2 shall not apply if this condition is not met.

11 DEATH OF THE PARTICIPANT OR FORMER PARTICIPANT BEFORE REACHING THE RETIREMENT DATE

11.1 Distribution of capital on the death of the participant or former participant

- 11.1.1 On the death of the Participant or Former Participant, the balance in the pension investment account at that time shall be paid into the Pension Fund. This balance shall be distributed over all existing investment accounts of Entitlement Beneficiaries on a date to be set by the Board. Distribution shall be in proportion to an Entitlement Beneficiary's balance in the pension investment account with respect to the sum of the balances in all pension investment accounts of Entitlement Beneficiaries.
- 11.1.2 On the death of the Participant or Former Participant, who has participated in the Collective allocation circle from 1 January after reaching the age of 58, the capital related to entitlements to the Collective variable pension procured for the Participant or Former Participant shall revert to the Collective allocation circle.

11.2 Risk-based partner's pension on the death of the participant

- 11.2.1 For each Pension Year, an entitlement to an annual partner's pension is granted amounting to 1.16% of the most recently set Pension Basis II as described in Article 7.1, on the supposition that, up to the standard Retirement Date, the Participant would have participated on the basis of the most recently set Pension Basis I and working hours.
- 11.2.2 A right to a partner's pension exists only in the event of death during participation or insofar and so long as the insurance for the partner's pension is continued on a non-contributory basis during Incapacity for work or unemployment.

- 11.2.3 The partner's pension commences on the first day of the month following that in which the Participant dies and is paid up to and including the last day of the month in which the Partner dies.
- 11.2.4 After it has commenced, the partner's pension is increased by 2% each year on 1 January.
- 11.2.5 The cover for the partner's pension as referred to in this Article, together with the temporary partner's pension referred to in Article 11.3, shall not exceed € 200,000 per year.

11.3 Risk-based temporary partner's pension on the death of the participant

- 11.3.1 For each Pension Year, an entitlement to an annual temporary partner's pension is granted amounting to 1.6% of the most recently set 100 percent pay-scale position of salary group 15 for the previous calendar year as used in the remuneration system of Shell Nederland, on the supposition that, up to the regular Retirement Date, the Participant would have participated on the basis of the most recently set working hours.
- 11.3.2 A right to a temporary partner's pension exists only in the event of death during participation or insofar and so long as the insurance for the temporary partner's pension is continued on a non-contributory basis during Incapacity for work.
- 11.3.3 The temporary partner's pension commences on the first day of the month following that in which the Participant dies and is paid up to and including the last day of the month in which the Partner dies, but no later than up to and including the last day of the month in which the Partner reaches the age of 68.
- 11.3.4 After it has commenced, the temporary partner's pension is increased by 2% each year on 1 January.

11.4 Risk-based orphan's pension on the death of the participant

- 11.4.1 The orphan's pension amounts to 14% of the partner's pension and the temporary partner's pension which commences on the death of the Participant.
- 11.4.2 A right to an orphan's pension exists only in the event of death of the Participant during participation or insofar and so long as the insurance for the orphan's pension is continued on a non-contributory basis during Incapacity for work.
- 11.4.3 The orphan's pension commences on the first day of the month following that in which the Participant dies and is paid:
- up to and including the month in which the Child reaches the age of 18; or
 - if the Child is aged 18 or over, spends the majority of his time studying and would have been dependent on the Participant if the latter had not died, up to and including August of the study year in which the Child finishes his studies, but no later than up to and including the August following the date on which the Child reaches the age of 24; or
 - up to and including the month in which the Child dies.
- 11.4.4 The orphan's pension is doubled for a Child who is a full orphan. This shall occur when the orphan's pension is granted or with effect from the first day of the month following that in which the Child has become a full orphan. A Child is a full orphan if there is no other person who maintains the Child at the time when the orphan's pension is granted,

or becomes a full orphan at the time when said other person dies after the orphan's pension has been granted.

11.4.5 After it has commenced, the orphan's pension is increased by 2% each year on 1 January.

11.4.6 The cover for the orphan's pension referred to in this Article amounts to a maximum of € 30,000 per year.

11.5 Partner's pension on the death of the former participant

On the death of the Former Participant, the partner's pension as referred to in Article 10.2 shall commence, if and insofar as said partner's pension has been purchased, on the first day of the month following the month in which the Former Participant dies before his standard Retirement Date and is paid until the last day of the month in which the Partner dies. The amount of the partner's pension is determined in accordance with Article 11.2.1, on the proviso that only Pension Years during participation are taken into account. The partner's pension as referred to in this Article is not increased once it has commenced; the provisions of Article 11.2.4 do not apply.

12 INCAPACITY FOR WORK

12.1 Disability pension

12.1.1 A Participant is entitled to a disability pension if he is unfit for work, providing that this Incapacity for work is not the result of an illness which existed at the time when participation commenced as referred to in Article 2.2.

12.1.2 For Participants working in the Netherlands, the degree of Incapacity for work is determined by the UWV. For Participants working outside the Netherlands, the degree of Incapacity for work is determined by an independent doctor and an independent occupational health expert pursuant to the regulations and guidelines set by or pursuant to the WIA. Article 7.4 shall apply in the event of part-time employment.

12.1.3 A Participant claiming a disability pension is obliged:

- a. to undergo a medical investigation if the Pension Fund considers such an investigation to be desirable for establishing whether the Participant meets the criteria for Incapacity for work, and
- b. to fully co-operate with the Pension Fund and the persons acting on its behalf in order to obtain the information which in the Pension Fund's judgement is necessary for establishing the Incapacity for work. The same obligations shall apply each time the Pension Fund requires a (periodical) medical examination or the acquisition of information to establish whether a Participant receiving a disability pension still meets the criteria for Incapacity for work.

12.1.4 The disability pension commences on the first day of the month following that in which the Participant becomes unfit for work, but not earlier than the day on which the person in question is dismissed or partially dismissed by the Employer, and is paid until the last day of the month in which the person reaches the age of 68, or up to and including the last day of the month of the earlier termination of Incapacity for work, in case the disability percentage falls below 35%, or, in the event of the Participant's earlier death, up to and including the last day of the month in which the Participant died.

- 12.1.5 If at any time the Participant no longer meets the criteria for Incapacity for work, he shall no longer be entitled to the disability pension. At that time, participation shall be terminated and a non-contributory entitlement shall be granted to the Former Participant in accordance with Article 10. If the Former Participant subsequently once again becomes unfit to work before the last day of the month in which the person reaches the age of 68 and if this is a result of an illness which existed at the time when participation was terminated, the disability pension can once again be restored. The Pension Fund may determine the recommencement date and may impose further rules and conditions.
- 12.1.6 The disability pension for a Participant working in the Netherlands immediately prior to the start of his illness within the meaning of Article 7:629 of the Dutch Civil Code is 75 percent of Pensionable Salary I. The statutory disability benefit pursuant to the WIA, or any other statutory disability benefit to which the Participant is entitled, will be deducted from this disability pension, provided this does not lead to a negative disability pension. No account is taken of any voluntary surrender of a statutory disability benefit, unless the Pension Fund decides otherwise.
- 12.1.7 The disability pension for a Participant working outside the Netherlands immediately prior to the start of his illness within the meaning of Article 7:629 of the Dutch Civil Code is 75 percent of the Pensionable Salary I. Article 7.4 shall apply in the event of part-time employment.
- 12.1.8 In the case of partial Incapacity for work, the disability pension is multiplied by a benefit percentage corresponding to the degree of Incapacity for work, which has been determined, on the basis of the following table:

Degree of Incapacity for work	Disability pension benefit percentage
80% or higher	100%
65% - 80%	72.5%
55% - 65%	60%
45% - 55%	50%
35% - 45%	40%
up to 35%	0%

- 12.1.9 In the event of an increase or decrease in the Participant's degree of Incapacity for work, the Pension Fund will determine an increased or decreased benefit percentage for the disability pension on the basis of the table in Article 12.1.8. An increase or decrease in the benefit percentage shall take place regardless of whether the Participant will enjoy more or less income from work than may be expected on the basis of the established remaining earning capacity. The increase or decrease in the benefit percentage commences on the first day of the month following that in which the degree of Incapacity for work increased or decreased.
- 12.1.10 Without prejudice to the provisions of Article 12.1.9, an increase in the degree of Incapacity for work of a Participant who is no longer an Employee of the Employer shall not lead to an increased benefit percentage for the disability pension, unless this increase is a direct consequence of the illness on the basis of which the disability pension was calculated.

- 12.1.11 If, in the opinion of the Pension Fund, a Participant, on account of his Incapacity for work may be entitled to benefits under the WIA or any other (statutory) disability benefit, the Participant is obliged to apply immediately for such a benefit and to take all other measures that are necessary to obtain said benefit and to notify the Pension Fund as soon as he receives that benefit. If the Participant does not, or insufficiently, cooperate in this, the Board may decide not to grant a disability pension or to grant a reduced disability pension.
- 12.1.12 After it has commenced, the disability pension is increased by 2% each year on 1 January.
- 12.1.13 A Former Participant is entitled to a disability pension if there has been no outgoing value transfer in respect of said Former Participant as referred to in Article 19, and if he has received a benefit under the WIA or any other (statutory) disability benefit within 104 weeks after (partial) termination of employment, providing that this Incapacity for work is the result of an illness which existed at the time when the participation was terminated as referred to in Article 2.3. The provisions of Article 12.1.2 up to and including Article 12.1.12 apply *mutatis mutandis*.
- 12.1.14 The cover for the disability pension as referred to in this Article shall not exceed € 300,000 per year.

12.2 Deduction on the disability pension

- 12.2.1 If the Participant or Former Participant receives income from present or past employment and/or a benefit under the WIA or any other (statutory) disability benefit during the period of his Incapacity for work, that income or benefit is deducted from the disability pension insofar as this income or benefit combined with the disability pension exceeds Pensionable Salary I. The Participant or Former Participant is obliged to notify the Pension Fund of this income. No account is taken of any voluntary surrender of a statutory disability benefit, unless the Pension Fund decides otherwise. The statutory transition payment or a payment on the basis of the National Redundancy Scheme as applicable at the time of granting shall not be taken into account for the purposes of this paragraph.
- 12.2.2 The Pension Fund may decide to disregard the deduction as referred to in Article 12.2.1 entirely or in part.

12.3 Non-contributory continuation in the event of incapacity for work

- 12.3.1 A Participant who is entitled to a disability pension as referred to in Article 12.1 is entitled to continue to accrue the pension investment balance, in accordance with the age-dependent scale of contributions as referred to in Article 4, during his period of Incapacity for work.
- 12.3.2 The continuation of accrual of the pension investment balance commences on the first day of the month following that in which the Participant becomes unfit for work, but not earlier than the day on which the person in question is dismissed or partially dismissed by the Employer. The accrual of pension shall be discontinued on the last day of the month in which the Participant reaches the age of 68, or on the last day of the month of the earlier termination of Incapacity for work if the degree of Incapacity for work falls below 35%, or, in the event of the Participant's earlier death, up to and including the last day of the month in which the Participant died.

- 12.3.3 Continuation of accrual of the pension investment balance takes place in proportion to the degree of Incapacity for work. The percentage of the continued accrual of the pension investment balance is equal to the established benefit percentage of the disability pension as referred to in Article 12.1.8.
- 12.3.4 In the event of an increase or decrease in the Participant's degree of Incapacity for work, the Pension Fund will set an increased or decreased benefit percentage for the continued accrual of the pension investment balance on the basis of the table in Article 12.1.8. Any increase or decrease in the continued accrual percentage takes place irrespective of whether the Participant will enjoy more or less income from work than may be expected on the basis of the established remaining earning capacity.
- 12.3.5 Without prejudice to the provisions of Article 12.3.4, an increase in the degree of Incapacity for work of a Participant who is no longer an Employee of the Employer will not lead to an increased percentage for the continued accrual of the pension investment balance, unless this increase is a direct consequence of the illness on the basis of which the disability pension was calculated.
- 12.3.6 The Participant is not liable to pay any employee contribution in order to continue to accrue the pension investment balance as referred to this Article.
- 12.3.7 Continuation of the accrual of the pension investment balance as referred to in this Article shall be on the basis of the most recent Pension Basis I determined before the start of the illness. The definition of Pension Basis I, amended as per 1 January 2015, shall apply to Participants who were unfit for work before or on 31 December 2014.
- 12.3.8 While the Participant is entitled to non-contributory continuation, his insurance policies for risk-based partner's pension, risk-based temporary partner's pension and risk-based orphan's pension are continued pro rata. Articles 11.2, 11.3 and 11.4 apply mutatis mutandis.
- 12.3.9 While the Participant is entitled to non-contributory continuation, the most recent Pensionable Salary I set before the start of the illness is increased by 2% on 1 January of each year.
- 12.3.10 A Former Participant is entitled to continued non-contributory accrual of the pension investment balance if there has been no outgoing value transfer in respect of said Former Participant as referred to in Article 19, and if he has received a benefit under the WIA or any other (statutory) disability benefit within 104 weeks after (partial) termination of employment, provided that this Incapacity for work is the result of an illness which existed at the time when the participation was terminated as referred to in Article 2.3. The provisions of article 12.3.2 up to and including Article 12.3.9 apply mutatis mutandis.
- 12.3.11 In the event of continuation of accrual of the pension investment balance in the event of Incapacity for work of a Part-time Employee, the Part-time Percentage will be used as applicable immediately preceding the commencement of Incapacity for work.

13 UNEMPLOYMENT

During the period in which the Former Participant, following the termination of participation, is entitled to a benefit under the Unemployment Insurance Act or is entitled to an unemployment benefit from his country of residence, the Former Participant continues to be entitled to a risk-based partner's pension. The partner's pension is set in accordance with Article 11.2. When determining the amount of the partner's pension, account is taken of any partner's pension granted by virtue of Article 10.2.

14 PARENTAL LEAVE AND UNPAID LEAVE

- 14.1 Participation shall continue during a period of parental leave or unpaid leave, but no contributions as referred to in Article 4 shall be made available unless the Employer decides otherwise with the permission of the Pension Fund. However, during such a period the partner's pension, temporary partner's pension, orphan's pension and disability pension are protected by a risk coverage arrangement. These risk coverages are aligned with the date and the Part-time Percentage immediately preceding the start date of the leave. The Participant is not liable to pay any contributions for the risk coverages as referred to in this paragraph.
- 14.2 In the event of a period of partial parental leave, the provisions of Article 14.1 shall apply to that partial leave *mutatis mutandis*.

15 COHABITATION OTHER THAN ON THE BASIS OF MARRIAGE OR LEGALLY REGISTERED PARTNERSHIP

15.1 Enrolment of the partner

In order to be eligible for partner's pension, an unmarried Participant or Former Participant must enrol a Partner as referred to in Article 1.2, definition of Partner, under 3. The enrolment must take place before the Retirement Date by means of the relevant form.

15.2 Documents to be submitted on enrolment

The Participant or Former Participant must demonstrate the existence of a joint household. With due regard to the provisions of Article 15.5, the following documents must be submitted for the purpose of enrolment:

- a. an authenticated copy or extract of a notarial deed of a cohabitation agreement; and
- b. if the Participant or Former Participant resides outside the Netherlands: an extract from the civil register, or an equivalent register, such to be determined by the Pension Fund, showing that the Participant or Former Participant and the Partner are both living at the same address, are unmarried and have not entered into a legally registered partnership.

After enrolment, the Pension Fund shall inform the Participant or Former Participant in writing whether such an arrangement is a joint household within the meaning of this Article. The enrolment shall not be considered as definite until the Pension Fund has stated that such an arrangement is a joint household.

15.3 Conditions for granting a partner's pension as referred to in articles 11.2 and 11.3 or a special partner's pension as referred to in article 16.2

The following conditions apply to the granting of a partner's pension or special partner's pension on the death of a Participant or Former Participant or the termination of a joint household as referred to in the present Regulations:

- a. the Partner must be fully enrolled with the Pension Fund; and
- b. the Partner must demonstrate to the Pension Fund's satisfaction that there was a joint household on the date of the death of the Participant or Former Participant or until the date when said joint household was terminated; and
- c. the joint household must have been in existence for at least six months on the date of death or on the date when said joint household was terminated.

A joint household is deemed to exist in principle if on the date of death or the date when said joint household was terminated the notarial deed as referred to in Article 15.2 was still in effect and the parties in question were still living at the same address and were unmarried and had not entered into a legally registered partnership.

15.4 Commencement date of the joint household

The commencement date of the joint household as referred to in the present Regulations shall be deemed to be the execution date of the notarial deed as referred to in Article 15.2, unless it is sufficiently demonstrated, to the satisfaction of the Pension Fund, that the joint household was commenced at some earlier time. In that case, the date of actual commencement shall be taken.

15.5 Alternative to the documents specified in article 15.2

Demonstrating the existence of a joint household, if not feasible by means of the documents as referred to in Article 15.2 for certain reasons, such as residence outside the Netherlands, shall be effected by means of documents that the Pension Fund judges to be equivalent.

15.6 Termination of the joint household

If the joint household is terminated other than by the death of the Participant or Former Participant or conversion into marriage or legally registered partnership, the Partner is entitled to a special partner's pension as described in Article 16.2. The Participant or Former Participant notifies the Pension Fund in writing of the termination of the joint household as soon as possible after termination.

16 DIVORCE

16.1 Settlement of retirement pension

- 16.1.1 In the event of Divorce (which for the purposes of this Article 16.1 as an exception to the definition in Article 1.2 shall also be taken to mean divorce, judicial separation, or termination of the legally registered partnership other than by reason of death, missing status or conversion into marriage), the relevant (former) Partner of the Participant or Former Participant is entitled to payment of a portion of the (Collective variable) retirement pension pursuant to the Equalisation of Pension Rights in the Event of a Divorce Act (Wet verevening pensioenrechten bij scheiding), provided the Participant or Former Participant or the relevant (former) Partner has notified the Pension Fund of that Divorce within two years from the date of the Divorce by means of a form prescribed by law.
- 16.1.2 Without prejudice to the provisions of the Equalisation of Pension Rights in the Event of a Divorce Act, payment of the entitlement stated in Article 16.1.1 shall commence on the Retirement Date but not before one month after the date when the Pension Fund receives the form as referred to in Article 16.1.1. The entitlement to payment shall end on the date when the entitlement to the (Collective variable) retirement pension ends or at the end of the month in which the Partner or former Partner dies.
- 16.1.3 The provisions of Article 16.1.1 shall not apply if the Participant or Former Participant and the (former) Partner have excluded the applicability of the Equalisation of Pension Rights in the Event of a Divorce Act in a marriage contract or partnership agreement or by means of a written divorce agreement.
- 16.1.4 Without prejudice to the provisions of Article 16.1.1, the pension settlement as referred to in that Article shall not apply if the relevant payment entitlement at the time of Divorce does not exceed the amount as referred to in Section 66 of the Pensions Act.
- 16.1.5 Under the Equalisation of Pension Rights in the Event of a Divorce Act it is possible, exclusively in the case of divorce or termination of the legally registered partnership otherwise than through death or disappearance or by conversion of a legally registered partnership into marriage, for the spouses or registered partners to agree in a marriage contract or partnership agreement or by means of a written divorce agreement, that the payment entitlement as referred to in Article 16.1.1 together with the (Collective variable) special partner's pension entitlement described in Article 16.2 of the present Regulations is converted into an own (Collective variable) pension entitlement of the former Partner. This conversion is subject to the following conditions:
- a pension investment balance is credited to a pension investment account for the former Partner, which is used, when the former Partner reaches the standard Retirement Date if he were a Participant, for (Collective variable) retirement pension on the life and for the benefit of the former Partner, with due observance of the provisions of Articles 9.1 and 9.2, and the other provisions regarding this in the present Regulations. The investments associated with the pension investment balance payable to the former Partner are converted into investments in accordance with the Neutral Life cycle profile. The former Partner cannot make any investment decisions.
 - In the event of the death of the former Partner before the pension investment balance is used, the pension investment balance will revert to the Pension Fund. This balance shall be distributed over all existing investment accounts of Entitlement Beneficiaries on a date to be set by the Board. Distribution shall be in proportion to an Entitlement

Beneficiary's balance in the pension investment account with respect to the sum of the balances in all pension investment accounts of Entitlement Beneficiaries.

- On the death of the former Partner, who has participated in the Collective allocation circle from 1 January after reaching the age of 58, the capital related to entitlements to the Collective variable pension procured for the relevant former Partner shall be paid into the Collective allocation circle.
- The Pension Fund may impose further conditions on the conversion.

16.1.6 Payment to the Partner entitled to settlement is made subject to the conditions laid down in the present Regulations.

16.1.7 The Pension Fund shall notify the former Partner in writing of the entitlement on which the settlement shall be based. The Participant or Former Participant receives a copy of this.

16.2 Special partner's pension

16.2.1 In the event of Divorce, the former Partner of the Participant or Former Participant shall be granted an entitlement to a (Collective variable) special partner's pension if the Participant or Former Participant dies on or after the Retirement Date (in this case as a Retiree), if a right to this has arisen under these Regulations.

16.2.2 The (Collective variable) special partner's pension shall commence on the first day of the month following that in which the Retiree referred to in Article 16.2.1 died and shall be paid up to and including the month in which the Special Partner dies.

16.2.3 In the event of the Divorce of a Participant, the pension investment balance, and any procured entitlements to the Collective variable pension, is used fictitiously on the divorce date to acquire (Collective variable) retirement pension and (Collective variable) partner's pension commencing on the death of the Retiree referred to in Article 16.2.1 at a ratio of 100:70 in order to determine the (Collective variable) special partner's pension. The ratio is set taking into account any previous entitlements to a (Collective variable) special partner's pension, which are subtracted from the total partner's pension to determine the (Collective variable) special partner's pension that is granted on the divorce date.

The portion of the pension investment balance and the portion of any procured entitlements to the Collective variable pension intended for the purchase of the (Collective variable) special partner's pension, determined in this manner, is administered separately and invested in the same way as the remainder of the pension investment balance and the other portion of any procured entitlements to the Collective variable pension.

On the Retirement Date of the Participant or Former Participant, this portion of the pension investment balance, and a portion of any procured entitlements to the Collective variable pension, is used to procure a (Collective variable) special partner's pension for the Special Partner, at the same time as the remainder of the pension investment balance and the other portion of any procured entitlements to the Collective variable pension of the participant or Former Participant is used.

If the Special Partner dies before the pension investment balance is used to purchase a (Collective variable) special partner's pension, this balance is credited to the pension investment balance of the Participant or Former Participant.

If the Special Partner dies before the Retirement Date of the Participant or Former Participant, any procured entitlements to the Collective variable pension intended for the purchase of the Collective variable special partner's pension will revert to the entitlements of the Participant or Former Participant.

- 16.2.4 In the event of Divorce of a Former Participant, the provisions of Article 16.2.3 apply mutatis mutandis, on the proviso that, if the provisions of Article 10.2 are applied, the former Partner also keeps the entitlement to the (Collective variable) partner's pension referred to in that Article.
- 16.2.5 If the Former Participant has had the balance in the pension investment account and any procured entitlements to the Collective variable pension transferred to another pension administrator, with due observance of the present Regulations, the separately administered pension investment balance and the portion of any procured entitlements to the Collective variable pension intended for the purchase of a (Collective variable) special partner's pension shall be administered in a pension investment account for the Special Partner.

The investments associated with the pension investment balance payable to the Special Partner are converted into investments in the Neutral Life cycle profile. The Special Partner cannot take over responsibility for the investments.

The provisions of Article 8a of these Regulations shall apply to the Special Partner mutatis mutandis.

If the Special Partner dies before the pension investment balance is used, the pension investment balance will revert to the Pension Fund.

If the Special Partner dies before his Retirement Date, any procured entitlements to the Collective variable pension intended for the purchase of the Collective variable special partner's pension will revert to the Collective allocation circle.

On the standard Retirement Date of the Former Participant applicable at the time of outgoing value transfer, the balance in the pension investment account and any procured entitlements to the Collective variable pension for the Special Partner will be used, with due observance of the provisions of Article 9.1, for a (Collective variable) partner's pension on the life of and for the benefit of the Special Partner, commencing on the first day of the month following the death of the Former Participant.

- 16.2.6 The provisions of Article 16.2.1 shall not apply if the Participant or Former Participant and the former Partner agree otherwise in a partnership agreement or in a written divorce agreement. Such agreement shall only be valid if the Pension Fund has issued a written statement of consent and is prepared to cover the pension risk ensuing therefrom.
- 16.2.7 The parties shall inform the Pension Fund of their Divorce by means of an extract from the civil register if the Divorce took place outside the Netherlands.
- 16.2.8 The Pension Fund shall notify the Special Partner in writing of any entitlement thus granted and other specific information relevant for the Special Partner with regard to the Divorce. The Pension Fund will also issue subsequent annual statements regarding pension entitlement.

17 INDEXATION

A Participant or Former Participant is not entitled to any indexation (supplements within the meaning of Section 1 of the Pensions Act).

An annual indexation of 2% is granted in respect of the pension rights of Pension Beneficiaries as referred to in Articles 11.2, 11.3, 11.4 and 12.1.

Any indexation of the pension rights of Participants or Former Participants who elect to purchase Fixed benefit payments from an Admitted pensions administrator on their Retirement Date depends on the associated tariffs and conditions of the Admitted pensions administrator.

Any positive result from entitlements or payments from the Collective variable pension in the Collective allocation circle, as defined in Article 9a.2, is not regarded as indexation.

18 INCOMING VALUE TRANSFER

- 18.1 If a Participant has acquired non-contributory pension entitlements with a pension administrator of a previous Employer prior to his participation, the Pension Fund shall co-operate in arranging the value transfer of these pension entitlements provided the Participant has submitted a request for a value transfer and the Pension Fund receives the value of the aforementioned non-contributory entitlements. The received value shall be converted into additional pension entitlements under the present Regulations. Such a value transfer is effected in accordance with the statutory regulations governing value transfer.
- 18.2 The value received by the Pension Fund in connection with a value transfer is recorded separately. This value is not taken into account when determining the maximum pensions in accordance with Article 21.
- 18.3 Additional Pension Years are only granted to the Participant in order to determine the partner's pension, temporary partner's pension and orphan's pension commencing upon death during Participation. These Pension Years are determined based on the calculation rules for value transfers set by the Board, assuming that the transfer value is used to purchase the fiscally-permitted maximum (temporary) partner's pension commencing upon death and a retirement pension totalling 10/7th of that partner's pension. The Participant is not entitled to these pensions. These pensions are only used as a calculation quantity to determine the additional Pension Years. The maximum number of additional Pension Years for temporary partner's pension is the age at the commencement of participation minus twenty-five years.
- 18.4 By virtue of the Pensions Act, the Pension Fund accepts an automatic value transfer from another pension provider of a pension smaller than the legal commutation limit as a consequence of termination of participation with another pension provider. The transfer value will then be used for the pension capital pursuant to these Regulations, taking into consideration the stipulations of or pursuant to the Pensions Act.

19 OUTGOING VALUE TRANSFER

With due observance of the provisions of the Pensions Act regarding value transfers, the Pension Fund will co-operate with outgoing value transfer to obtain pension entitlements in the pension scheme of the Former Participant's new employer.

If, on the basis of the obtained capital for retirement pension, the annual retirement pension benefit on the regular commencement date is less than the amount determined on the basis of Section 66 of the Pensions Act, the Pension Fund is entitled to transfer the transfer value of the pension capital of a Former Participant upon termination of participation. The purpose of the value transfer is that the Former Participant is enabled to obtain pension entitlements with the receiving pension provider of the new employer or the occupational pension scheme, taking into consideration the stipulations of or pursuant to the Pensions Act.

Any procured entitlements to the Collective variable pension are converted into pension capital in the event of outgoing value transfer, and all profits and losses that have not yet been shared will be set off on the transfer date.

20 FLEXIBILITY OPTIONS

20.1 Summary of flexibility options

20.1.1 On his Retirement Date, the Participant or Former Participant in the Collective allocation circle is entitled to use his entitlements to the Collective variable retirement pension in a manner other than standard by:

- a. having all or part of the Collective variable retirement pension commence on an earlier or later date;
- b. allowing the Collective variable pension to increase annually by a fixed percentage or to decrease annually by a fixed percentage;

provided that the pension scheme remains a pension scheme within the meaning of the Wages and Salaries Tax Act after the alternative use and provided that the requirements pursuant to the Pensions Act and included in this Article are met.

20.1.2 For Participants or Former Participants who elect to purchase Fixed benefit payments from an Admitted pensions administrator on their Retirement Date, flexibility, if and where relevant, is implemented with due observance of the fees and conditions of the Admitted pensions administrator from which the Fixed benefit payments are purchased.

20.2 Early retirement

20.2.1 A Participant, or a Former Participant who has been a Former Participant for at least six months, may, on one occasion only, opt for a lower Retirement Age than that of 68 as indicated in Article 6, provided the chosen Retirement Age does not occur before the age of 55.

If the Participant or Former Participant wishes to avail himself of this right, the Participant must notify the Pension Fund of this in writing no later than six months, and in the case of the Former Participant no later than two months, but no earlier than twelve months, before his intended Retirement Age by means of the relevant form. This form must be co-signed by the Partner of the Participant or Former Participant.

The Retirement Age chosen on the basis of this Article 20.2 applies to the Participant provided that he does not die before reaching this chosen Retirement Age and that a disability pension as referred to in Article 12 is not granted to the Participant before reaching this Retirement Age.

- 20.2.2 If the Participant or Former Participant in the Collective allocation circle retires early, the entire balance of the pension investment account at that time will be used for the purchase of a Collective variable pension from the Pension Fund. An actuarial recalculation of the entitlements to the Collective variable pension already procured from the Pension Fund takes place at the same time.
- 20.2.3 In accordance with the provisions pursuant to the Wages and Salaries Tax Act, early retirement more than 5 years prior to the AOW retirement age applicable to the Participant or Former Participant can only take place if and insofar as the Participant or Former Participant notifies the Pension Fund in writing that an employment contract is being terminated or the performance of paid work as an entrepreneur is being stopped.

20.3 Deferred retirement

- 20.3.1 The Participant and the Employer may agree to raise the Employee's Retirement Age. The Former Participant also has the right to increase his Retirement Age. The Retirement Age on the basis of this Article may not exceed 70. No higher Retirement Age shall take effect until the original Retirement Age has been reached. If the Retirement Age is raised, no withdrawal will be made from the Participant's pension capital for the purpose of financing the risk cover for a partner's pension or orphan's pension.
- 20.3.2 If the Retirement Age of the Participant or Former Participant is raised, the defined contribution amount shall remain the same as it was at the original Retirement Age. The entire capital accrued in the pension investment account after the increase in the Retirement Age shall be used annually to procure entitlements to the Collective variable pension for Participants in the Collective Allocation Circle. On reaching the Retirement Date, any capital remaining in the pension investment account at that time is used at once to procure entitlements to the Collective variable pension. The provisions of Article 9a.1.2 apply mutatis mutandis.
- 20.3.3 The Employee must notify the Pension Fund about the agreement as referred to in Article 20.3.1 at least two months before the commencement of the higher Retirement Age, by submitting a copy of said agreement.
- 20.3.4 If a Participant or Former Participant participating in the Collective allocation circle, raises his Retirement Age, an actuarial recalculation of fully procured entitlements to the Collective variable pension will take place on his standard Retirement Date.

20.4 Part-time retirement

- 20.4.1 The Participant or Former Participant and the employer may agree on the part-time retirement of the Participant or Former Participant with a simultaneous commensurate reduction of working hours, starting on the first day of a month within the period from the Participant's or Former Participant's 55th birthday until his Retirement Age. Such part-time retirement shall not affect the Retirement Age.
- 20.4.2 The Participant or Former Participant and the employer may agree to increase the Participant's or Former Participant's Retirement Age, granting part-time retirement with immediate effect and a simultaneous commensurate reduction in working hours. The Retirement Age on the basis of this Article may not exceed 70. No higher Retirement Age shall take effect until the original Retirement Age has been reached.
- 20.4.3 The employer must notify the Pension Fund at least six months before part-time retirement of a Participant commences, of the agreement as referred to in Articles 20.4.1 or 20.4.2, by submitting a copy of the said agreement. A Former Participant must notify the Pension Fund about the part-time retirement of the Former Participant at least six months before the commencement of the part-time retirement. In the case of part-time retirement as referred to in Article 20.4.1, this notification must be accompanied by the written consent of the Partner.
- 20.4.4 With respect to the remaining working hours, the Participant is a Part-time Employee and the provisions of Article 7 (Part-time employment) shall apply in full.
- 20.4.5 A part-time retirement pension that has commenced cannot be changed in the event of a subsequent change in the number of working hours. If this change involves a further reduction of working hours, a new part-time retirement pension may be granted no more than once in line with this additional reduction with due observance of the provisions of this Article.

20.5 Fixed increasing or fixed decreasing collective variable pension

- 20.5.1 On his Retirement Date, the Participant or Former Participant in the Collective allocation circle may opt for fixed increasing or fixed decreasing payments from the Collective variable pension.
- 20.5.2 The percentage of the fixed increase or fixed decrease is established by the Board under or pursuant to the provisions of the Pensions Act and is set out in Appendix 1 of the present Regulations.
- 20.5.3 The fixed increase or fixed decrease shall be applied annually to payments from the Collective variable pension with effect from 1 July (for the first time as of 1 July 2018).

20.6 Restriction of flexibility options

The flexibility options described in this Article 20 cannot be exercised if and insofar as this means it is no longer possible to deduct a previously granted special partner's pension from the partner's pension and/or a granted payment entitlement of a person entitled to settlement as referred to in Article 16.1 cannot be deducted from the retirement pension.

20.7 Conversion principles

In accordance with this Article, for Participants or Former Participants who purchase Fixed benefit payments on their Retirement Date from an Admitted pensions administrator, conversion is performed on the basis of the part of the balance in the pension investment account made available according to Article 9 and the tariffs and conditions used by the Admitted pensions administrator where that part of the balance is used.

21 TAX THRESHOLD OPTIMISATION FOR PENSION ENTITLEMENTS

The pension entitlements from the present Regulations shall not exceed the tax thresholds applicable to the pension scheme included in the present Regulations in and pursuant to Chapter IIB of the Wages and Salaries Tax Act.

22 ASSESSMENT OF TAX THRESHOLD

22.1 On a number of occasions the Pension Fund shall check whether the retirement and partner's pension that can be purchased using the pension investment balance do not exceed the tax thresholds referred to in Article 21.

22.2 The occasions referred to in Article 22.1 shall in any case include:

- termination of participation due to leaving service, followed by value transfer;
- retirement date.

The Pension Fund may check on other occasions whether this is required under the provisions of Chapter IIB of the Wages and Salaries Tax Act.

22.3 The Participant or Former Participant cannot claim the part of the balance in the pension investment account that is not required to purchase the maximum pensions in accordance with Article 21. If the tax assessment referred to in this Article 22 shows that the balance in the pension investment account exceeds the amount required to purchase the maximum pensions in accordance with Article 21, the part of the pension investment balance causing this overrun shall irrevocably revert to the Pension Fund.

22.4 The Board is authorised to set further rules regarding the tax assessment referred to in this Article 22.

23 RETROACTIVE EFFECT CLAUSE

If, according to the Tax Authorities, one or more provisions of the present Regulations fail to comply with the fiscal laws and other regulations regarding a fiscally-compliant pension scheme, the Board shall be entitled to amend these provisions - with retroactive effect if required - in such a way that the pension scheme is fiscally compliant after the amendment.

The current pension scheme is implemented under the resolute condition that the scheme is a pension scheme as referred to in Articles 18 through 18ga of the Wages and Salaries Tax Act. If it is irrevocably established that the pension scheme does not comply with said provisions, the scheme shall be amended immediately and with retroactive effect up to the point when the pension scheme commenced, in such a way that the provisions of Articles 18 through 18ga of the Wages and Salaries Tax Act are met.

24 PROVISION OF INFORMATION

24.1 Obligations of entitlement and pension beneficiaries

- 24.1.1 Those who are entitled to or who are making a claim for any payment by the Pension Fund are obliged to furnish the Pension Fund with all the data and documentation, which, in the judgement of the Pension Fund, are necessary for the correct implementation of the Constitution and the present Regulations.
- 24.1.2 If a Person with Pension Entitlements or a Pension Beneficiary provides incorrect information or has omitted information, as a result of which a pension entitlement or right has not been determined correctly, the Pension Fund establishes the pension claim or entitlement on the basis of the correct data, or - if the correct data are missing - data established by the Pension Fund to the best of its knowledge. Any insufficient or excess amounts shall be settled with the relevant party accordingly.
- 24.1.3 No payment or only partial payment shall be effected for as long as the provisions of Article 24.1.1 are not met in the judgement of the Pension Fund.

24.2 Provision of information by the pension fund

- 24.2.1 The Pension Fund notifies the Participant within three months after commencement of participation about the characteristics of the pension scheme, including the possibility of selecting a variable benefit, the administration of the pension scheme and about personal circumstances that may require action to be taken by the Participant. The Participant is also referred to the Pension Fund website, the participants' portal and the possibility to consult the pensions register (www.mijnpensioenoverzicht.nl).
- 24.2.2 Each year the Pension Fund provides the Participant with a statement of his accrued pension entitlements and the value increase necessary to establish any deduction of annuity premiums and information about indexation. Finally, each year Participants also receive all other mandatory information pursuant to the Pensions Act.

Each year the Pension Fund issues the Former Participant with a statement of his accrued pension entitlements. The retirement pension data are also reflected on the basis of a pessimistic scenario, an expected scenario and an optimistic scenario, including the warning that projected amounts may be different from the actual level of the pension benefits to be received. Moreover, information on indexation is provided and, within three months after any relevant changes in the pension regulations, the Pension Fund informs the Former Participant of such changes and of the possibility of requesting a copy of the changed pension regulations from the Pension Fund. Upon termination of Participation, the Pension Fund also provides the Participant with information about his right to value transfer, a possible commutation option, the consequences for the partner's and orphan's pension, the consequences of Incapacity for work and information about the circumstances that concern the operation of the Pension Fund. Finally, each year Former Participants receive all other mandatory information pursuant to the Pensions Act.

- 24.2.3 Upon Divorce and every year thereafter, the Pension Fund provides the Special Partner with a statement of accrued entitlements to a (Collective variable) special partner's pension and information about indexation. Upon Divorce the Pension Fund additionally provides information about a possible commutation option.

- 24.2.4 Prior to, or upon, commencement of the pension and every year thereafter, the Pension Fund issues a statement of pension rights and information about indexation to a Pension Beneficiary, if applicable. Furthermore, prior to, or upon, commencement of the pension the Pension Fund issues information that is of importance to the Pension Beneficiary, specifically in the context of pension commencement and information about a possible commutation option.
- 24.2.5 Within three months of relevant sections of the present Regulations changing, the Pension Fund provides a Participant, Former Participant, Pension Beneficiary or Special Partner with information about said change and about the possibility to request a copy of the changed Regulations from the Pension Fund.
- 24.2.6 In the year before the Retirement Date, the Pension Fund informs the Participant or Former Participant of the option to use part of the balance in the pension investment account on the Retirement Date for a partner's pension equal to 70% of the retirement pension.
- 24.2.7 Upon request, the Pension Fund provides the Participant, Former Participant, Special Partner and the Pension Beneficiary with:
- a. a statement of his accrued (collective variable) pension entitlements, (collective variable) pension entitlements or (collective variable) pension rights achievable under the regulations, whereby this data is also shown, where it relates to the retirement pension, on the basis of a pessimistic scenario, an expected scenario and an optimistic scenario;
 - b. information about investments relevant to him;
 - c. information on the assumptions used for the reflection of the retirement pension on the basis of a pessimistic scenario, an expected scenario and an optimistic scenario;
 - d. any other information that is to be provided pursuant to the Pensions Act.
- 24.2.8 The Pension Fund makes information available on its website as stipulated in Section 46a of the Pensions Act, including information about the pension scheme, information about administration costs, the Board's report and the financial statements.
- 24.2.9 The Pension Fund will provide the information as referred to in this Article with due observance of the rules set with regard to this by and pursuant to the Pensions Act. The Pension Fund may choose to provide information electronically. The Pension Fund informs the Participant, Former Participant, the Special Partner or Pension Beneficiary in writing of its intention to provide the information electronically. If the Participant, Former Participant, Special Partner or Pension Beneficiary objects to the provision of information electronically, the Pension Fund will provide the information in writing.

25 BAN ON COMMUTATION, ASSIGNMENT, WAIVER OR ENCUMBRANCE OF PENSION

Entitlements or rights pursuant to the present Regulations cannot be commuted, assigned or waived, or pledged as formal or de facto collateral, other than in the cases provided by or pursuant to the Pensions Act.

26 CONVERSION AND COMMUTATION RATES

The actuarial calculations required for the performance of the present Regulations are based on the conversion and commutation rates, which are the same for men and women, periodically set by the Pension Fund taking into account the legally required collective actuarial neutrality.

The commutation value of pension entitlements that have been made non-contributory before a Participant or Former Participant joins the Collective Allocation Circle is equal to the value of the investments on the pension investment account at the time of commutation.

The consequences of exchanging retirement pension for partner's pension in the Collective variable pension can be seen by Participants or Former Participants on the SNPS participants' portal. If desired, a Participant or Former Participant can request the current commutation or exchange factors of a specific month from the Pension Fund with regard to purchased Collective variable pension entitlements.

The exchange factors for a possible Fixed benefit to be purchased must be requested by the relevant Participant or Former Participant from the selected authorised pension administrator.

27 PENSION PAYMENTS

27.1 Determination in euros

All pensions pursuant to the present Regulations are expressed in euros. Amounts in other currencies are converted into euros for the purpose of calculating pension amounts, based on the rates to be determined by the Pension Fund.

27.2 Pension payments

- 27.2.1 Pensions shall be paid to the rightful beneficiary or his legal representative. In the case of an orphan's pension, the Pension Fund may determine that payment shall be made to the actual carer.
- 27.2.2 A (Collective variable) pension shall only be paid if the Pension Fund receives a written request to do so.
- 27.2.3 (Collective variable) pensions that have commenced can be paid in any Member State of the European Union and are paid at the end of the month. The Pension Fund shall deduct transaction costs from the pension payment for payments outside the Netherlands. Pensions that have commenced will not be divided up and paid in separate parts, unless stipulated otherwise by law.

27.3 Commutation of small pensions and lapse of very small pensions

- 27.3.1 The Pension Fund will commute the entitlement to (Collective variable) partner's pension and any other pension rights in respect of dependants of the Participant, Former Participant or Retiree, if, when the Collective variable partner's pension commences, the annual amount of that pension is no more than the amount determined in accordance with Section 66 of the Pensions Act.
- 27.3.2 The Pension Fund will commute any entitlements to (Collective variable) special partner's pension, if, when the (Collective variable) partner's pension commences, the annual amount of that pension will be less than the amount determined in accordance with Section 66 of the Pensions Act.
- 27.3.3 Small (Collective variable) retirement, partner's or special partner's pensions referred to in this Article are commuted pursuant to the provisions of the Pensions Act and on the basis of the conversion factors.

- 27.3.4 The Pension Fund is entitled to commute the entitlement to retirement pension and any related pension rights for the surviving dependants of the Participant or Former Participant on the Retirement Date, if the annual retirement pension benefit on the commencement date is less than the amount determined in accordance with Section 66 of the Pensions Act and if the Retiree has agreed to the commutation.
- 27.3.5 The Pension Fund is entitled to commute the pension entitlements of a Former Participant, if:
- a. based on the entitlement to retirement pension accrued until termination of participation, the annual retirement benefit on the Retirement Age, tested as of 1 January of that year, will be less than the amount mentioned in Section 66 of the Pensions Act;
 - b. the Former Participant has agreed to the commutation; and
 - c. the participation was terminated as of 1 January 2018 and the Pension Fund has subsequently attempted in vain at least five times to transfer the transfer value of the pension entitlements of the Former Participant as referred to in Section 70a of the Pensions Act and if at least five years have passed after the termination of participation or, if the participation was terminated between 1 January 2018 and 1 January 2019, after 1 January 2019.
- 27.3.6 Notwithstanding the stipulations laid down in Section 134 of the Pensions Act, the pension entitlements of a Participant will lapse upon termination of the participation if on the basis of the entitlement to retirement pension accrued until the date of termination of the participation, the annual retirement pension benefit on the standard retirement commencement date will be less than the amount stated in Section 55 of the Pensions Act. The foregoing does not apply if the Participant moves to another EU Member State and he has informed the Pension Fund about this upon termination of the participation.

28 FINAL STIPULATIONS

28.1 Special cases

28.1.1 The Pension Fund is authorised to deviate from the provisions of the present Regulations if, in individual cases or for one or more groups of Participants, Former Participants and/or Pension Beneficiaries, the strict application of the present Regulations would in the judgement of the Pension Fund lead to grave inequities and the rights or entitlements of the person(s) involved would not be impaired as a result of such deviation. The provisions of the previous sentence are subject to the condition that the deviation shall not conflict with any statutory regulation and that the deviation is recorded in writing.

28.1.2 The Board shall decide on all other cases not provided for by the present Regulations.

28.2 Payment not effected in the case of crime

No entitlement to a Collective variable partner's or special partner's pension or an orphan's pension shall exist if the commencement of that pension is a consequence of any crime that has resulted in the beneficiary being convicted as a perpetrator or accomplice.

28.3 Applicable law and settlement of disputes

All legal relationships with respect to the present Regulations existing between the Pension

Fund, an Employer and/or a Participant or Former Participant, as well as other persons having a right or entitlement to any payment by the Pension Fund shall be subject to the Laws of the Netherlands.

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 of The Hague.

28.4 Amendment of pension agreement

The Employer may amend the pension agreement without the consent of the Employee if the reasons of the Employer are so compelling that the amendment outweighs the interests of the Employee in accordance with the standards of reasonableness and fairness.

The Employer may rely on this reservation in cases including, but not limited to:

- a. if the operating performance necessitates this based on a statement from a registered accountant;
- b. if new statutory retirement provisions enter into force, which can be deemed to replace the pension scheme laid down in the present Regulations;
- c. if compulsory government regulations enter into force, which affect the contents of the pension scheme laid down in the present Regulations;
- d. if there are any changes to social insurance legislation, which affect the pension scheme laid down in the present Regulations;
- e. if the pension scheme laid down in the present Regulations would no longer be a (fiscally-compliant) pension scheme within the meaning of the Wages and Salaries Tax Act without amending this pension scheme.

28.5 Reduction of pension entitlements and pension rights by the pension fund

- 28.5.1 Following consultations with the certifying actuary and on the amendment of the present Regulations, the Board may only reduce the accrued pension entitlements and pension rights in a situation as referred to in Section 134(1) of the Pensions Act. The Board shall notify the Participants, Former Participants, Pension Beneficiaries and the Employers promptly and 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 and one month after the Participants, Former Participants, the Employers and De Nederlandsche Bank have been notified of this.

- 28.5.2 The provisions of the preceding paragraph do not relate to a possible negative result of entitlements to, or payments from, Collective variable pension in the Collective allocation circle, as referred to in Article 9a.2.

28.6 Liability

- 28.6.1 Any claims made pursuant to the present Regulations shall only be made against the Pension Fund and not the Employer.

- 28.6.2 By providing the information required to execute the present Regulations correctly and on time, and by paying the required contributions to the Pension Fund in full and on time, the Employer has fully complied with its obligations pursuant to the pension scheme.
- 28.6.3 After liquidation of the pension investment account and after using the balance as referred to in Article 9.2, the Participant or Former Participant who elects to purchase Fixed benefit payments from an Admitted pensions administrator shall have no further entitlements or rights in respect of the Pension Fund. The Participant or Former Participant shall indemnify the Pension Fund with regard to this.
- 28.6.4 The Participant or Former Participant who exercises his right to outgoing value transfer before his Retirement Date, as referred to in Article 19, shall have no further entitlements or rights in respect of the Pension Fund after this value transfer. The Participant or Former Participant shall indemnify the Pension Fund with regard to this.
- 28.6.5 If the Pension Fund does not pay the pensions for whatever reason, the Persons with Pension Entitlements and/or Pension Beneficiaries cannot make any claim against the Employer with regard to the amounts not paid by the Pension Fund.
- 28.6.6 For the implementation and interpretation of the present Regulations the accounts of the Pension Fund shall serve as evidence, unless evidence to the contrary is provided.

29 SCOPE, ENTRY INTO FORCE, TRANSITIONAL PROVISION AND AMENDMENT

29.1 Scope

The provisions of the present Regulations apply to Employees who enter the Pension Fund as Participants from 1 July 2013 onwards.

29.2 Entry into force

The present Regulations entered into force on 1 July 2013 under the name "Regulations I", and were last amended on 17 February 2023 and shall take retroactive effect from 1 January 2023. Article 9a.2.4 shall take retroactive effect from 1 April 2022. The provisions of the present Regulations relating to the Collective variable pension, the Collective investment mix and the Collective variable allocation circle became effective on 1 April 2017.

29.3 Transitional provisions

- 29.3.1 For Participants and Former Participants who were already 57 or older on 31 December 2016 and have made the preliminary choice to participate in the Collective allocation circle, the procurement of entitlements to the Collective variable retirement pension takes place gradually pro rata up to the Retirement Date. The remaining provisions of Article 8a.1 shall apply to these Participants and Former Participants *mutatis mutandis*.

- 29.3.2 As of 1 January 2018 the entitlements to the Collective variable pension of Participants and Former Participants whose Retirement Age on the basis of these Regulations was 67 years until 31 December 2017, have been collectively converted on an actuarially neutral basis into entitlements to the Collective variable pension with a Retirement Age of 68 years.
- 29.3.3 Insurance for the partner's pension that was already purchased upon termination of employment before 1 January 2018, as referred to in Article 10.2, has been converted into insurance of the partner's pension until 68 years on the basis of the remaining value as at 31 December 2017.
- 29.3.4 Temporary partner's pension that was already in payment before 1 January 2018 will, contrary to the provisions in Article 11.3.3, be paid ultimately up to and including the last day of the month in which the Partner reaches the age of 67.
- 29.3.5 Disability pension that was already in payment before 1 January 2018 or non-contributory continuation on account of Incapacity for work will, contrary to the provisions in Article 12.1.4 or 12.3.2, be paid ultimately up to and including the last day of the month in which the Participant reaches the age of 67.

29.4 Amendment

The present Regulations may be amended in accordance with the provisions of the Constitution.

Appendix 1 – Fund-specific basic principles of the Collective variable pension

The basic principles used for determining the procurement fees for the Collective variable pension are listed in the table below.

Type of principle	Description
Mortality table	AG forecast table for 2020
Collective mortality rate	Shell mortality rate 2018
Interest	DNB interest rate term structure as at 31 December of the year prior to procurement
Age difference men - women	Men are assumed to be 3 years older than their female partner
Ratio between male and female Participants	95% (male) : 5% (female)
Percentage decrease under the decreasing benefit option	1%
Percentage increase under the increasing benefit option	1%

The basic principles were established as of 1 January 2021 and may be amended by decision of the Board at any time.

Appendix 2 – Conditions for benefits payments of the Insurer

Exclusions in the event of death

The insurer will not pay out if the participant dies from any of the causes below. It does not matter whether it is an indirect or direct consequence. It concerns the following causes:

- a. by a crime committed by a beneficiary, for which this beneficiary has been prosecuted;
- b. by suicide or the consequences of an attempted suicide, within 1 year of the start of this reinsurance, except where participation is compulsory. In this case, the reinsurer does pay out in the event of death by suicide or the consequences of an attempted suicide;
- c. during or as a result of participation in non-Dutch armed service;
- d. during or as a result of acts of war, in which the participant is actively involved;
- e. as a result of acts of war in a territory outside the Netherlands, where the participant is located at that time. This exclusion applies if that territory was already in a state of war at the time when the participant consciously entered it;
- f. as a result of acts of war in a territory outside the Netherlands, where the participant is located at that time. When the participant consciously entered the territory, there was no war. But when war broke out, the participant ignored the instructions of the Dutch or local government. He did not leave the territory in time, although he had the chance to do so;
- g. nuclear reactions, irrespective of how they came about;
- h. by acts of war. Acts of war are understood to be:

1. an armed conflict, i.e. any case in which states or other organised parties fight each other, or at least one of them fights the other, using military force. Armed conflict means the armed action of a UN peacekeeping force;
2. civil war, i.e. a more or less organised violent conflict between inhabitants of the same state involving a significant proportion of the population of that state;
3. insurrection, i.e. organised violent resistance within a state, directed against public authority;
4. civil commotion, i.e. more or less organised acts of violence occurring in various places within a state;
5. riots, i.e. more or less organised local violent movements directed against public authority;
6. mutiny, i.e. a more or less organised violent movement of members of any armed force directed against the authority under which they resort;

Exclusions in the event of incapacity for work

The insurer will not pay out if the incapacity for work arises or worsens due to one of the causes below. It does not matter whether it is an indirect or direct consequence. It concerns the following causes:

- a. intent or conscious/unconscious recklessness of the participant. The term 'intent' includes attempted suicide;
- b. during or as a result of participation in non-Dutch armed service;
- c. nuclear reactions, irrespective of how they came about;
- d. by acts of war. Acts of war are understood to be:
 1. an armed conflict, i.e. any case in which states or other organised parties fight each other, or at least one of them fights the other, using military force. Armed conflict includes the armed action of a United Nations Peacekeeping Force;
 2. civil war, i.e. a more or less organised violent conflict between inhabitants of the same state involving a significant proportion of the population of that state;
 3. insurrection, i.e. organised violent resistance within a state, directed against public authority;
 4. civil commotion, i.e. more or less organised acts of violence occurring in various places within a state;
 5. riots, i.e. more or less organised local violent movements directed against public authority;
 6. mutiny, i.e. a more or less organised violent movement of members of any armed force directed against the authority under which they resort;

Appendix Clause sheet terrorism cover

Article 1 Definitions

Where they appear in this clause sheet and the provisions based thereupon, the following terms shall, unless otherwise stipulated, be understood to mean:

1.1 Terrorism

Any violent act and/or conduct - committed outside the scope of one of the six forms of acts of war as referred to in Article 3:38 of the Financial Supervision Act (Wet op het financieel toezicht) - in the form of an attack or a series of attacks connected together in time and intention as a result whereof injury and/or impairment of health, whether resulting in death or not, and/or loss of or damage to property arises or any economic interest is otherwise impaired, in which case it is likely that said attack or series - whether or not in any organisational context - has been planned and/or carried out with a view to effect certain political and/or religious and/or ideological purposes.

1.2 Malevolent contamination

The spreading (whether active or not) - committed outside the scope of one of the six forms of acts of war as referred to in Article 3:38 of the Financial Supervision Act - of germs of a disease and/or substances which as a result of their (in)direct physical, biological, radioactive or chemical effect may cause injury and/or impairment of health, whether resulting in death or not, to humans or animals and/or may cause loss of or damage to property or may otherwise impair economic interests, in which case it is likely that the spreading (whether active or not) - whether or not in any organisational context - has been planned and/or carried out with a view to effect certain political and/or religious and/or ideological purposes.

1.3 Precautionary measures

Any precautionary measures taken by the authorities and/or insured parties and/or third parties in order to avert the imminent risk of terrorism and/or malevolent contamination or - if such peril has manifested itself - to minimise the consequences thereof.

1.4 Dutch Terrorism Risk Reinsurance Company (Nederlandse Herverzekeringmaatschappij voor Terrorisemeschaden N.V. (NHT))

A reinsurance company incorporated by the Dutch Association of Insurers (Verbond van Verzekeraars), to which any liability to pay compensation under any insurance contract which may arise for insurers recognised in the Netherlands directly or indirectly from the manifestation of the risks referred to in Articles 1.1, 1.2 and 1.3, may be ceded.

1.5 Insurance contracts

- a. Non-life insurance contracts insofar as they relate to risks situated in the Netherlands in accordance with the provisions of Article 1:1 under "State in which the risk is situated" of the Financial Supervision Act.
- b. Life insurance contracts insofar as they are entered into with a policyholder who is habitually resident in the Netherlands, or, if the policyholder is a legal entity, with the establishment of the legal entity to which the insurance contract pertains, whose registered office is in the Netherlands.
- c. Funeral expenses and benefits in kind insurance contracts insofar as they are entered into with a policyholder who is habitually resident in the Netherlands, or, if the policyholder is a legal entity, with the establishment of the legal entity to which the insurance contract pertains, whose registered office is in the Netherlands.

1.6 Insurers recognised in the Netherlands

Life, non-life and funeral expenses and benefits in kind insurers authorised to conduct insurance business in the Netherlands under the Financial Supervision Act.

Article 2 Limitation of the cover for the terrorism risk

2.1 If and insofar as, subject to the descriptions contained in Articles 1.1, 1.2, and 1.3, and within the limits of the applicable policy conditions, cover is provided for the consequences of an event which is (directly or indirectly) related to:

- terrorism, malevolent contamination or precautionary measures;
- any act or conduct in preparation for terrorism, malevolent contamination or precautionary measures,

hereinafter to be collectively referred to as 'the terrorism risk', the liability to pay compensation on the part of the insurers in respect of any submitted claim for compensation and/or benefit, shall be limited to the amount of the payment which the insurer receives in respect of said claim under the reinsurance of the terrorism risk with the NHT, in the event of an insurance with wealth creation increased by the amount of the wealth creation which has been realised under the insurance in question. With regard to life insurances the amount of the realised wealth creation shall be set at the premium reserve to be adhered to pursuant to the Financial Supervision Act with respect to the insurance in question.

2.2 The NHT shall provide reinsurance cover for the aforementioned claims up to a limit of liability of EUR 1 billion in respect of any one calendar year. The aforementioned sum shall be eligible for annual adjustment and shall apply to all insurers associated with the NHT together. Any adjustment shall be announced in three national newspapers.

2.3 In derogation of the provisions of the preceding paragraphs of this article, in respect of insurance relating to:

- damage to immovable property and/or its contents;
- consequential loss resulting from damage to immovable property and/or its contents, a maximum of EUR 75 million per policyholder per insured location per year shall be paid out under this contract, for all participating insurers referred to in Article 1 together, regardless of the number of policies issued.

For the purposes of this paragraph, "insured location" shall be understood to mean: all objects insured by the policyholder and present at the address of the premises to which the insurance applies, as well as all objects insured by the policyholder and located outside this address, the use and/or purpose of which is related to the business activities at this address. In any case, all objects insured by the policyholder that are located at a distance of less than 50 metres from each other and at least one of which is located at the address of the premises to which the insurance applies, shall be considered as such.

For the purposes of this paragraph, in respect of legal entities and companies which are affiliated in a group, as referred to in Section 24b of Book 2 of the Dutch Civil Code, all group companies together shall be regarded as one policyholder, irrespective of which group company or companies belonging to the group took out the policy or policies.

Article 3 Payment protocol NHT

- 3.1** The reinsurance of the insurer with the NHT shall be subject to the Claims Settlement Protocol (hereinafter to be referred to as the Protocol). On the basis of the provisions laid down in said Protocol, the NHT shall be entitled to defer any payment of compensation or the sum insured until such time as the NHT is able to determine whether and to which extent it has at its disposal sufficient financial resources in order to settle in full all claims for which the NHT provides cover in its capacity as reinsurer. Insofar as the NHT is found not to have sufficient financial resources at its disposal, it shall be entitled in accordance with the provisions in question to pay a partial compensation to the insurer.
- 3.2** The NHT shall, with due regard for what has been stated in provision 7 of the Claims Settlement Protocol, be authorised to decide whether an event in connection with which a claim to compensation is made should be considered as a consequence of the manifestation of the terrorism risk. Any decision taken to that effect and in accordance with the aforementioned provision by the NHT shall be binding upon the insurer, policyholder, insured parties, and the parties entitled to compensation.
- 3.3** Not until the NHT has notified the insurer of the amount, whether as an advance or not, which will be paid in respect of any one claim to compensation, shall the insured or the party entitled to the payment be entitled to lay claim to the payment as referred to in Article 3.1 in this respect towards the insurer.
- 3.4** The reinsurance cover by the NHT shall, pursuant to provision 16 of the Protocol, only apply to claims for compensation and/or benefit which are reported within two years after the NHT has established that a certain event or circumstance is regarded as a manifestation of the terrorism risk within the context of this Clause Sheet.

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