



SHELL CONTRIBUTORY PENSION FUND (SCPF)

Rules for the Nomination and Selection of Members for Appointment as MNDs of the Trustee Company

Trustee Services Unit

**2023 Rules for the Nomination and Selection of Members for Appointment
as Member Nominated Directors of the Trustee Company**

Contents

Introduction	2
2023 Vacancies.....	2
2023 Selection process.....	2
Eligibility to stand as a candidate	3
Rules for applying	4
Interview process.....	5
Terms of Office and Vacancy Rules	6
Commitments Required of Candidates	7
Contact for Queries	8

Introduction

Shell Pensions Trust Limited ("SPT") is the corporate trustee of the SCPF. The Board of SPT typically consists of eight directors:

- Four directors (including the chairman) appointed by The Shell Petroleum Company Limited; and
- Four directors chosen by the membership of the SCPF (Member Nominated Directors - "MNDs").

The MNDs are nominated and chosen in accordance with these rules and procedures established by SPT under the Pensions Act 2004. SPT reviews these procedures at each selection exercise to ensure they remain appropriate for the SCPF.

Information on the role of an MND can be found in the additional SCPF guide entitled "Introduction to Trusteeship" which is available on the Fund's [website](#). Guidance produced by The Pensions Regulator provides an external view of what being a Trustee involves and is available on their [website](#)

An MND's term of office is four years, these are staggered on a rolling basis with selections usually held every two years. The maximum term of office for an MND is usually eight years i.e. two consecutive four years terms (if re-selected), see the Terms of Office and Vacancy Rules section for further information.

2023 Vacancies

- There are currently two vacancies to be filled in this selection process.

2023 Selection process

The Selection process for 2023 will have three stages:

1. **Nomination** – members put themselves forward to be considered as a candidate by completing a nomination form and providing a Curriculum Vitae.
2. **Pre-Screening** – nomination forms will be reviewed and successful candidates will proceed to stage 3.
3. **Interview** – candidates will be interviewed by a panel that will select the successful candidates to join the Board

Eligibility to stand as a candidate

To be considered as a candidate you must satisfy the following requirements:

- you must be an active, deferred or pensioner member of the Shell Contributory Pension Fund (SCPF)
- you must reside in England, Wales, Scotland, Northern Ireland, Channel Islands or the Isle of Man. Active members of the Shell Overseas Contributory Pension Fund who are deferred members of the SCPF are not eligible to stand (as they do not reside in the UK);
- you must not be a director of any Founding or Member Company of the SCPF (a list of the Founding Companies and Member Companies of the SCPF is available on request) or hold a role within Shell that could present a conflict of interest due to your involvement in decisions that may affect the SCPF (as determined by the Chair of the Trustee Board);
- you must not seek selection on the basis of representing any particular interests; all directors must act in the best interests of all beneficiaries of the SCPF;
- you must expect to be able to complete a four-year term of office;
- if you are an active member:
 - you must not be employed in certain departments involved with SCPF matters, including the Trustee Services Unit (TSU), Shell Asset Management Company (SAMCo) and certain roles in HRUK and Group Pensions (list available from TSU on request). In addition, active members who provide advice in respect of SCPF matters to any of these departments on a regular basis cannot stand as candidates for selection;
 - you must have support from your line manager for the time commitment (and any travel costs incurred performing the MND role, which will be low.)
- if you are a deferred or pensioner member, you must not be employed by or advising a competitor of Shell, an organisation which has a regulatory role with respect to Shell, or a government organisation to the extent that your role represents a conflict, e.g. where you are required to oversee Shell's business activities; and
- if you are a dependant pensioner, you may not apply if you are under age 18 or if your entitlement to an SCPF pension is due for review before the end of the term of office; for example, the entitlement to a child's pension

which has been extended beyond age 18 while in full-time education, is reviewed each year.

In addition to the above, the Pensions Act 1995 sets out certain overriding circumstances in which individuals are disqualified from being trustee directors; for example, where the individual has an unspent conviction involving dishonesty or deception or where the individual is an undischarged bankrupt. All candidates for selection will be asked to confirm that they are not disqualified by the Pensions Act 1995. More details about the disqualification criteria are set out in the guide mentioned on page 2: "Introduction to Trusteeship".

If you are successfully selected as an MND, you may nominate yourself for re-selection at a later selection exercise if you still satisfy the eligibility requirements at the time of that exercise, subject to the rules on the maximum term of office (see Terms of Office and Vacancy Rules).

Rules for applying

If you wish to be an MND candidate, then you must:

- complete the nomination form, which is available on request from the TSU.
- be available for a telephone interview on 20 or 23 October 2023 (please contact the TSU if you would like to apply but cannot make these dates).

In addition to the standard information required on the nomination form, you will be asked to answer three questions to help the panel understand your motivations and suitability for the role.

Your completed nomination form and CV must be submitted no later than 5pm on 30 September 2023. The nomination period will close promptly; no forms submitted after that time will be considered (save in exceptional circumstances).

An acknowledgement of receipt will be sent to candidates by the TSU. The onus is on the candidate to email the TSU at SCPFtrustee@shell.com if you do not receive an acknowledgement within seven days of submitting your nomination.

If a nomination form is invalid, you will be notified of the reason(s) why as soon as practicable; you may then submit a further nomination form within the nomination period.

Reasonable adjustments

Reasonable adjustments, either to the application process or to the way in which a candidate would undertake the role itself, can be made for candidates with disabilities or health conditions. If you would like to discuss any such adjustments, please contact the TSU.

Interview process

The TSU, together with the Chairman, will review all nominations received and will select candidates for interview having considered the criteria listed below and the skills, experience and diversity that each candidate would bring to the Board.

A panel will hold telephone interviews with selected candidates on 20 or 23 October 2023. The purpose of the interview is to assess experience and suitability for the role.

As a candidate, you will need to:

- (i) confirm a sufficient time commitment to be able to attend all relevant meetings for the period of office, having spent sufficient time on the pre-read prior to each meeting and undertaken the necessary training (a minimum time commitment of 20 days per year will be required, to cover regular meetings, training and flexibility for ad-hoc meetings and working groups),
- (ii) demonstrate sufficient understanding of what being a Trustee Director involves, the importance of the role, why Defined Benefit (DB) pensions need strong governance and, in the context of a DB plan, what the Trustee's responsibilities are,
- (iii) demonstrate willingness and ability to gain sufficient knowledge of DB pensions in general, to take expert advice where necessary, to contribute actively to meetings, and pass the Pension Regulator's Trustee toolkit e-learning programme within six months of joining the Board (note that the role will require, among other things, a certain level of mathematical competence),
- (iv) demonstrate why you want to do the role.

In addition to the criteria above, the panel will also consider the mix of skills and experience of the Trustee Board as a whole when selecting successful candidates, to ensure that the Board benefits from diversity of thinking and experience.

The composition of the Selection interview panel, which will include at least one SCPF member, will be determined by the SPT Chair, taking advice from the Head of UK Pensions and the Trustee's in-house legal adviser.

The panel's decision is final.

Terms of Office and Vacancy Rules

If there are insufficient applications to fill the places available, the vacancies will remain unfilled until the next selection exercise. The next selection exercise will take place at a time determined by the Trustee, but in any event within three years of the end of the unsuccessful nomination process.

The maximum term of office for an MND is eight years (two consecutive four-year terms), which will be subject to flexibility as agreed by the relevant MND and the other Trustee Directors to allow for exceptional circumstances. Following completion of the maximum term of office, members will be eligible to apply to stand again after a break (of a minimum of one term).

If a serving MND vacates their office before the end of their term of office for any reason the following will apply;

- If more than one year of office remains, then:
 - Selection Panel may approach applicants from the most recent selection exercise to fill the vacancy, or
 - An (early/additional) selection exercise may be launched.
- If less than one year of office remains, then:
 - Selection Panel may approach applicants from the most recent selection exercise to fill the vacancy, or
 - Vacancy may be filled via the next scheduled (biennial) selection exercise.

If an MND vacates their office early and after we have launched a selection exercise, we will add the vacancy to that selection exercise.

If an MND fills a vacancy in the first half of a four-year term, that will be considered to be the MND's first term for the purposes of these Rules such that the member can only apply to serve one more term. Should an MND fill a vacancy in the second half of a four-year term, the member can apply for two more consecutive four-year terms.

The term of office of an MND will end before the completion of the four-year term if the MND:

- ceases to satisfy the eligibility requirements (e.g. an active member leaves Employing Company service and works for a competitor);
- is removed as a director by resolution of The Shell Petroleum Company Limited (which is the shareholder of SPT). This is subject to the agreement of all the other Trustee Directors;
- is legally disqualified from acting as a Trustee Director;
- resigns as a Trustee Director for some other reason; or on death.

Commitments Required of Candidates

The Pensions Act 2004 requires that pension scheme trustees must be familiar with their own scheme documents and have appropriate knowledge and understanding of trusts and pensions law and of the principles of funding and investment.

A member selected as an MND will be required to undertake trustee training prior to, or shortly after, their formal appointment as an MND. Training sessions will be organised during the term of office and each MND is expected to keep their knowledge up-to-date. Specifically, MNDs will be expected to:

- Attend a Pensions and Lifetime Savings Association (PLSA) training course ("Introduction to Trusteeship") or a similar course provided by another organisation as soon as possible.
- Complete the Pensions Regulator's [Trustee Toolkit](#)
- Attend a Trustee Director training course held by the UK TSU in London or virtually (dates to be agreed upon).

In addition to training, MNDs should ensure as far as possible that they are available to prepare for and attend:

- quarterly, all-day Trustee Board meetings which are likely to be held in early March, late May or early June, late September and late November or early December, and
- quarterly, all-day Committee meetings, which are held in advance of the Board meetings.

Dates for meetings in 2024 and 2025 are available on request from the TSU. The Board occasionally meets between quarterly meetings and from time to time a trustee director may be asked to join a working group.

Traditionally quarterly Board and Committee meetings have been held in person, in London, and for additional meetings, there is flexibility to join virtually. From time to time, meetings may be held outside of London/UK, for example at the Trustee's key service providers' offices.

A time commitment of approximately 20 days a year is required.

Contact for Queries

Email the Trustee Services Unit at SCPFtrustee@shell.com

Shell Pensions Trust Limited
2023