

SHELL INTERNATIONAL PENSION FUND

Annual Report of the Trustee

and

Financial Statements for the Year Ended

31 December 2024

Shell International Pension Fund

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Shell International Pension Fund Trustee and Advisors

Trustee: Shell Trust (Bermuda) Limited

Registered Office: 3rd floor, Continental Building
25 Church Street
Hamilton, HM12
Bermuda

Directors during the year ended 31 December 2024 and to the date of this report (except as noted):

Mr I Robertson	President and Director
Mr P S Gamero	Vice President and Director (resigned 30 June 2024)
Mr P L Everson	Vice President and Director
Ms S Beesley	Director
Ms E Andrew	Director
Mr R Fellowes	Director (appointed 1 July 2024)

Secretary to the Trustee Company: Mrs M Powell
3rd floor, Continental Building, 25 Church Street, Hamilton, HM12
Bermuda

Pension Fund Administrator: Shell International Limited, Trustee Services Unit, United Kingdom

Actuary: Mr M Jones FIA and Mr G Tucker FIA, Aon Solutions UK Limited,
Parkside House, Epsom, Surrey, KT18 5BS, United Kingdom

Independent Auditor: Ernst & Young LLP, R+, 2 Blagrove Street, Reading, RG1 1AZ, United Kingdom

Legal Advisors: Shell International Limited, Shell Centre, London, SE1 7NA, United Kingdom
Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London EC1A 2FG, United Kingdom
Conyers, Dill and Pearman Limited, Bermuda, Clarendon House, 2 Church Street, Hamilton HM CX, Bermuda

Investment Manager: Shell Asset Management Company B.V., Carel Van Bylandtlaan 30, The Hague, 2596 HR, Netherlands

Investment Consultant: Aon Investments Limited, The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London EC3V 4AN, United Kingdom

Investment Custodian: JPMorgan Chase Bank, N.A., 125 London Wall, London, EC2Y 5AJ, United Kingdom

Banker: Citibank NA London, 25 Canada Square, Canary Wharf, London E14 5LB, UK

Introduction

Constitution of the Shell International Pension Fund

The Shell International Pension Fund ("the Fund") was established with effect from 1 January 1984 and is governed by a Trust Deed and Regulations dated 30 July 1984, as amended from time to time. The Fund is administered by Shell Trust (Bermuda) Limited which, in its capacity as Trustee, applies the Fund for the purpose of paying pensions and other benefits in accordance with the Trust Deed and Regulations. It is now possible for expatriate recruits of most major base countries to join the normal retirement benefit arrangements in those base countries. For base countries where this is not possible, typical retirement benefit provisions for new recruits in those countries differ from those provided by the Fund. A review of the Fund concluded that the level of retirement benefits that the Fund provides in the base countries for which it is offered is no longer in line with local market practice. The Fund was closed to new Members from 1 January 2009. A competitive alternative that is in line with the market practice has been introduced from 1 January 2009, the Expatriate Retirement Gratuity. Existing active members of the Fund at 31 December 2008 continue to accrue benefits for future service from 1 January 2009 on the same basis as before.

Registration of the Fund

During 2014 the Fund became a Bermudian registered pension fund under the voluntary registration provisions of the Pension Trust Funds Act 1966. The Trustee approved a deed of amendment to the Trust Deed and Regulations of the Fund which was executed on 5 June 2014 with effect from the same date. The amendment provides that the Trustee will provide on demand to every person who has rights under the Fund and who is or who has been employed in the undertaking or combination of undertakings in connection with which the Fund is established, a copy of the Trust Deed, the latest financial statements and/or the latest actuarial valuation. This amendment was made at the request of the Bermudian pensions registrar as part of the requirements for becoming a Bermudian registered pension fund.

The Trustee

The power of appointing and removing the Trustee vests in the Founding Companies, The Shell Petroleum Company Limited and Shell Group Holding Limited. Shell Petroleum NV was as replaced as a Founding Company by Shell Group Holding Limited on 23 October 2023. Shell Petroleum N.V. remained as a Member Company but also became a "Relevant Company" and will remain so until certain outstanding Shell Group debt matures, is repaid or novated. The concept of a "Relevant Company" is a new concept and is broadly intended to replicate the funding responsibilities of Founding Company status but only for this limited period. The majority of the Directors are resident in Bermuda. The Trustee Board meets quarterly.

Certain powers under the Trust Deed and Regulations relating to individual benefits are vested in the Appointed Companies, which are Shell International Limited and Shell International B.V.

The Trustee has entered into a Service Agreement with Shell International Limited to provide the Trustee with administrative and support services. The Trustee has entered into an Investment Management Agreement with Shell Asset Management Company B.V. in The Netherlands (the "Investment Manager") to provide the Trustee with investment management services.

The reimbursement for the administrative and support services provided by Shell International Limited is on a cost basis allocated between schemes and based on the number of Members. The reimbursement for the investment services provided by Shell Asset Management Company B.V. is based on a cost plus basis.

Statement of Trustee's Responsibilities

Trustee's responsibilities in respect of the financial statements

The Pension Trust Funds Act 1966 (Bermuda) requires the Trustee to prepare financial statements of the Fund on an annual basis. The Trustee has determined to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (FRS 102). The Trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Fund during the Fund year and of the amount and disposition at the end of the Fund year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Fund year.

In discharging the above responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will not be wound up.

The Trustee is also responsible for making available certain other information about the Fund in the form of an annual report. The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the Fund and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

Member Communications

Copies of the Trust Deed and Regulations of the Fund are made available to Members of the Fund. The Annual Report of the Trustee and Financial Statements is available to Members on request from the Pensions Administration Team or the Fund Secretary/Trustee.

Employed Members of the Fund receive a personal annual statement of pension benefits, which sets out estimates of the various benefits payable from the Fund in different circumstances.

The Trustee and Company provides a website for Shell Pensions in the UK www.pensions.shell.co.uk. This includes information about the SIPF and Members' benefits. Copies of the Explanatory Booklet and the Annual Report & Financial Statements are available on the website.

Members should contact the Pensions Administration team for queries about their pension email UK-PensionsAdmin@shell.com, telephone +44 020 7934 1190.

For queries which Members would like to raise with the Trustee which are not covered by the Pensions Administration Team, contact The Secretary of Shell Trust (Bermuda) Limited at 3rd floor, Continental Building, 25 Church Street, Hamilton, HM12 Bermuda.

Employer Contributions

Contributions are payable by the Member Companies, as determined on the basis of independent actuarial valuations of the Fund. The contribution rate continued at 30% of pensionable salaries throughout 2024.

An alternative funding method was agreed with the Trustee Board in December 2014 after detailed discussions between all parties, including independent legal and actuarial advisers, and came into effect on 1 January 2015. It will allow the Member Companies to continue to contribute to the SIPF, at certain funding levels, and to set aside secured funds in a Contribution Reserve Account (CRA), rather than build up a large future surplus within the SIPF. The CRA is in a segregated Shell company, set up specifically to manage the account and will not be part of the SIPF net assets statement. The funds in the CRA will be invested prudently and transferred to the SIPF if and when they are needed and returned to the Member Companies if they are not. As at 31 December 2024 no contributions had been paid into the CRA.

Summary of Benefits

The following is a brief summary of the current provisions of the Fund regarding benefits and contributions.

Pensions

Pensions accrue at the rate of one fifty-fourth of final pensionable salary for each year of pensionable service.

Commutation

25% of the equivalent capital value of the pension which becomes payable may be taken as a cash sum. For Members in certain defined Base Countries, full commutation may be permitted.

Normal Retirement Date

Normal date of retirement is at age 60 for both male and female Members. The explanatory booklet gives details of exceptions for some categories of service before 1 January 1986.

Widows' and Widowers' Pensions

The spouse's pension is generally 60% of the Member's pension before commutation and any reduction for early payment. Should the Member die in service the notional pension on which the spouse's pension is based is calculated using service projected to Normal Retirement Date. The pension is not affected by the spouse's remarriage.

Children's Pensions

If a Member dies leaving children, they will be entitled to pensions, which normally cease at age 18. The Appointed Companies have the discretion to continue a child's pension after age 18 where the child is in full time education or training. The pension must stop, in any event, when the child reaches 25.

Adult Dependants' Pensions

If a Member dies leaving no spouse then a pension may be paid at the discretion of the Employing Company to anyone over age 18 who was financially dependent on the Member at his or her death.

Lump Sum Death in Service Benefits

If a Member dies in service a lump sum of three years' pensionable salary may be payable at the discretion of the Employing Company to the spouse, other members of the family or someone who was dependent on the Member during his or her lifetime.

Five-Year Balance of Pension Payment

If a Pensioner dies within five years of retirement, the Trustee will investigate the personal circumstances of the deceased member including checking the last expression of wish form and Will. The Trustee may, based on this investigation, at its discretion, make a lump sum payment to the personal representatives of the Member's estate based on the amount of the future pension payments to which the Member would have been entitled had he or she survived to the end of the five-year period.

Pension Increases

All pensions, whether in payment or prospectively payable, are increased periodically in line with the percentage increase (if any) made since the last increase date on pensions payable by the Shell retirement benefit scheme in the relevant Base Country, or, where there is no such scheme in the relevant Base Country, the percentage increase in a suitable local cost of living index.

If applicable, a proportionate increase will be applied to the pension in the first year of retirement.

Incapacity and Ill Health Pensions

Members leaving Company Service due to incapacity or ill health may become eligible for an immediate pension. The amount of the pension, which is granted at the discretion of the Employing Company, will depend on the degree of incapacity or ill health.

Member Contributions

The Fund is non-contributory for Members.

Cash Equivalents

Cash equivalents paid during the Fund year with respect to transfers have been calculated in accordance with the method and assumptions specified by the Trustee. In determining this method and assumptions the Trustee has taken advice from the Actuary. The cash equivalents include the value of discretionary benefits, pension increases (broadly in line with local Shell practice in the relevant Base Country) and the five-year balance of pension payment. These discretionary benefits are valued using the same method and assumptions as other benefits.

Report of the Trustee for 2024

The Trustee presents the following report covering the year 2024 together with the financial statements of the Fund and supporting notes as at 31 December 2024 and the Actuarial Statement of the Fund as at 31 December 2021.

Changes to the Trustee Board

The membership of the Board during 2024 is shown on page 1.

Trust Deed and Regulations

No amendments were made during 2024 to the Trust Deed and Regulations of the Fund.

Conflicts of Interest and Duty

There is a Protocol on Conflicts of Interests and Duty, as well as a Conflicts of Interest Register.

Changes to Member Companies of the Fund

No companies were admitted to membership during 2024.

Increases to Pensions and Deferred Pensions

In accordance with Clause 28 of the Trust Deed of the Fund the following increases were applied during 2024 to the pensions of pensioners, their widows, widowers and dependants:

Base Country	Percentage Increase(s)	Effective Date
Austria	3.0	1 January 2024
Australia	13.0	1 January 2024
Canada	4.1	1 January 2024
Cyprus	4.0	1 January 2024
Denmark	3.3	1 April 2024
Finland	5.5	1 January 2024
Germany ¹	1.6	1 November 2024
Greece	17.6	1 January 2024
India	3.0	1 December 2024
Italy	5.1	1 May 2024
New Zealand	0.8	1 May 2024
Norway	4.02	1 June 2024
Portugal	4.0	1 January 2024
Spain	2.3	1 July 2024
Sweden	3.5	1 January 2024
Switzerland	6.5	1 January 2024
Trinidad & Tobago	1.04	1 July 2024
Euro (HICP)	4.0	1 January 2024

¹ For pensioners who retired between 2 October 2019 and 1 October 2020, or whose last date of pension increase was 1 January 2020. For pensioners who do not fall into this category, there is no pension increase.

The increases made in respect of pensions in payment were also applied to the deferred pensions of Members who left Company service before their Normal Retirement Dates.

No pension increases were applied during 2024 for the USA.

Membership of the Fund

The overall changes in the membership of the Fund during the year were:

	As at 31 December 2024	As at 31 December 2023
Employed Members	62	75
Deferred Members	165	172
Pensioners	372	361
	<u>599</u>	<u>608</u>

	Employed Members	Deferred Members	Pensioners	Total
Members at 31 December 2023	75	172	361	608
Plus New Entrants (incl. Pension sharing orders, spouses and dependants)	-	-	20	20
Less Retirements:				
Normal	(2)	(14)	-	(16)
Early	-	-	-	-
Less Deaths/Ceased	-	-	(9)	(9)
Less Leavers (deferred benefits)	(11)	11	-	-
Less Full commutation	-	(4)	-	(4)
Less Transfer Out	-	-	-	-
Members at 31 December 2024	62	165	372	599

There are 42 dependants included within pensioners at the year end (2023: 40).

Investment Report for 2024

Investment Policy and Principles

The Trustee's objectives of the Fund are:

- to invest the assets of the Fund so as to meet expected future liabilities at the minimum long term cost to the employer whilst maintaining a diversified portfolio of investments to reduce risk,
- to minimise investment risk, using best practice, subject to the volatility risk necessary to deliver the required return,
- to produce returns consistent with those available in major investment markets, and
- to maintain sufficient liquidity to make the payments associated with the growing maturity of the membership profile of the pension fund.

The Trustee has approved a Statement of Investment Principles and the most recent Statement was updated by the Trustee in March 2023. The Statement sets out the principles governing the decisions about the investment of assets of the Fund. The Board of Shell Trust (Bermuda) Limited regularly reviews the performance.

The Trustee considers the risks and returns of the investment policy on a long-term basis and believes that short-term volatility of returns should be considered in the context of the long-term investment horizon of the Fund and the objective of minimising cost. The Board expects that over the longer term investment returns of the Fund will meet or exceed the growth of Trust liabilities, and that a focus on investments in equities, rather than other suitable assets, will generate greater longer term results.

The Board will periodically decide an appropriate strategic asset allocation and benchmark to meet Trust liabilities based, amongst other things, on its investment philosophy and asset/liability analysis. The Board assigned the investment of the Fund assets to Shell Asset Management Company BV, a regulated investment manager in the Netherlands.

The Trustee's investment strategy considers the Fund's investments in the following groupings.

- **Matching assets:** containing government bonds and inflation linked bonds to match liabilities
- **Investment grade credit:** where stable returns can be generated above a cash benchmark.
- **Return seeking assets.** where long-term growth can be generated in order to provide for the remaining expected cash flows for beneficiaries.

Strategic Asset Allocation

The strategic asset allocation is shown below:

%	31 December 2024	31 December 2023
Matching assets	55.0	55.0
Investment grade credit	32.5	32.5
Return seeking assets	12.5	12.5
Equity	12.5	12.5
Total	100.0	100.0

Investment performance

Overall commentary

The principal objective of the Trustee is to ensure that all benefits are paid on time and in full and so it is the management of the assets relative to the value of the expected future benefit payments (the pension liabilities) that is the primary focus.

Therefore, the Trustee allocates a proportion of its investment strategy to liability matching assets. These assets are designed to match movements in the Fund’s liabilities, meaning that if the Fund’s liabilities rise or fall in value, the liability matching assets will also rise or fall in value. This approach reduces volatility in the funding level.

There has been no change in the Strategic Asset Allocation over the year.

Over 2024, long-term expectations of interest rates and inflation increased, resulting in a reduction in the value of the liability hedging assets and the value of the liabilities.

Further Detail

The Trustee assesses the performance of the Fund’s investments in return seeking assets consistent with the overall strategy. These return-seeking assets are assessed by reference to appropriate benchmarks and performance targets set and agreed with the asset manager.

On a quarterly basis, the Trustee receives a detailed summary report from the investment manager (SAMCo) containing an overall analysis of market performance and relevant impact on the Fund performance as well as a detailed overview of the Fund performance, risk matrixes and an overview of investment management agreement compliance.

Annualised performance of the Fund’s investments over short and longer periods is summarised as follows:

	Actual (%)	Benchmark (%)	Actual vs benchmark
2024 (1 year)	1.4	1.2	0.2
2022/2024 (3 years)	-1.9	-2.0	0.1
2020/2024 (5 years)	1.4	1.3	0.1

The Fund's Largest Investments

The Fund's ten largest investments are detailed separately below:

	<u>Market Value of Holdings at 31 December 2024</u>	
	<u>EUR'000</u>	<u>% of total Fund</u>
Bilders Credit Pool - Certificate Class A	217,556	32.6
FRTR 1.8 07/25/40 Index Linked	98,053	14.7
CANRRB 2 12/01/41	70,876	10.6
DBRI 0.1 04/15/33	60,959	9.1
DBRI 0.1 04/15/46	48,070	7.2
ACGB 1 1/4 08/21/40	43,108	6.5
ISHARES CORE EM IMI UCITS ET	14,508	2.2
T 4 5/8 02/15/40	14,035	2.1
ACGB 1 02/21/50	10,793	1.6
CANRRB 1 1/2 12/01/44	9,520	1.4
	<hr/>	<hr/>
	587,478	88.0
Other holdings (including cash)	80,022	12.0
Total Investments	<hr/>	<hr/>
	667,500	100.0

Employer-related investments

Details of employer-related investments are given in Note 18 to the Financial Statements.

Custodial Arrangements

The Trustee has appointed JPMorgan Chase Bank, N.A. to act as custodian for the Fund's investments. The investments are held in the name of the Trustee on behalf of the Shell International Pension Fund.

In respect of pooled investment vehicles the manager makes its own arrangements for custody of the underlying investments.

Actuarial Valuation

The most recent formal actuarial valuation of the Fund was carried out by the Fund's Actuary, Aon Solutions UK Limited, as at 31 December 2021. The attached Actuarial Statement contains a summary of the methods and assumptions used for this valuation. The Actuary's full report on the valuation was published on 18 July 2022.

The results of the valuation using the stated assumptions are as follows:

- (i) The theoretical contribution rate required to cover the future accrual of benefits on the Projected Unit Method was 53.95% of members' Pensionable Salaries; and
- (ii) The Fund had a past service surplus of EUR 130 million, at the valuation date, which compares with a past service surplus of EUR 113 million at the previous valuation. This represents a decrease in the funding level from 121% to 120%.

The Trustee and the Company agreed to maintain the contribution rate, payable directly to the Fund, of 30% of members' Pensionable Salaries.

The Company contribution rate is subject to regular review in accordance with the Journey Plan framework. The Trustee and the Company reviewed the framework following completion of the valuation at 31 December 2021. The Company contribution rate was formally reviewed as part of the Fund's 31 December 2021 valuation and is being reconsidered as part of 31 December 2024 actuarial valuation that is currently being completed.

The Company should continue to pay supplementary contributions to meet the cost of augmented benefits being paid when members leave service under the Companies' severance terms, all subject to review at future actuarial valuations.

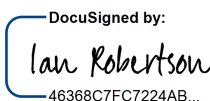
The Actuary also stated that the Fund's assets at the valuation date covered 89% of the estimated cost of buying out the accrued benefits of the Fund with an assurance company.

Further Information

Requests for additional information about the Fund generally, or queries relating to members' own benefits, should be made to the appropriate department, whose details appear under Member Communications on page 3 of this report.

Approval

The Trustee's Report was approved by the Trustee on 19 June 2025 and signed on its behalf by:

Director  46368C7FC7224AB...

Director  472E2BDE12104D9...

For: SHELL TRUST (BERMUDA) LIMITED

Actuarial Statement

Name of Fund: Shell International Pension Fund

Effective date of valuation: 31 December 2021

1. Security of accrued rights

In our opinion, the Fund's assets existing on 31 December 2021 covered 89% of the estimated cost of buying out its liabilities as at that date, including liabilities arising in respect of the service of pensioners and deferred pensioners prior to the effective date and on the basis that the service of active members had terminated on that date.

2. Security of prospective rights

In our opinion, the resources of the Fund are likely in the normal course of events to meet in full the liabilities of the Fund as they fall due. This statement assumes the Fund continues and does not mean that should the Fund wind up there would be sufficient assets to provide the full accrued benefits.

In giving this opinion, we have assumed that the following amounts will be paid to the Fund:

By the members:

- Nil (members do not contribute to the Fund)

By the Member Companies:

- Contributions at the rate of 30% of members' Pensionable Salaries, plus
- Supplementary contributions to meet the cost of augmented benefits being paid when members leave service under the Companies' severance terms.

All subject to review at future actuarial valuations.

The statement relates to the funding position at the valuation date, and assumes that experience after that date matches our assumptions. As time moves on, the Fund's finances will fluctuate. It will therefore be necessary to carry out further valuations to monitor the position. If you are reading this statement some time after the effective date of the valuation, you should bear in mind that the Fund's funding position could have changed significantly, which could affect the contributions payable after the next valuation. It should also be noted that the actuarial investigation does not include an examination of the Companies' ability to meet future contribution requirements.

3. Methods and assumptions used

Details of the methods and assumptions used are set out in our actuarial valuation report addressed to the Trustee dated 18 July 2022.

Signed

Greg Tucker FIA
18 July 2022

Matthew Jones FIA
18 July 2022

Assumptions

The main assumptions used in our calculations at the valuation date were:

	Eurozone (% p.a.)	Canada (% p.a.)	U.S.A (% p.a.)	Australia (% p.a.)	Rest of World (% p.a.)
Discount rate: The single-equivalent rate to Government bond yield curves plus a term dependent risk premium which has an initial level of 3.80% p.a. at 31.12.2021 and reduces to 0.5% p.a. linearly over the period from 2025 to 2034 inclusive.	0.20	1.65	1.75	1.65	0.80
Pay increases (fixed at all terms)	2.50	2.00	2.50	2.50	2.40
Rate of price inflation: The difference between the fixed-interest government bond yield curve and the index-linked government bond yield curve at the valuation date, where a suitable yield curve is available.	2.30	1.80	2.40	1.60	2.15
Rate of pension and deferred pension increases	The pension increase and deferred pension increase assumptions have been derived based on inflation with allowance for maximum and minimum increases				
Expenses	0.55% of Pensionable Salaries, plus 1.0% of the scheme liabilities.				

Post-retirement mortality	SAPS S3 (light) tables with the scaling factors shown in the table below, incorporating future improvements in line with the CMI 2019 Projections from 2013 (using a smoothing parameter of $S_k = 7.0$ and an A parameter of 0.50%) with a long-term rate of mortality improvement of 1.75% p.a.		
	Category	Sex (member)	Scaling factor
			MemberMember's dependant
	Non-pensioners	Males	98%95%
		Females	98%96%
	Pensioners	Males	94%95%
		Females	93%96%
	Current Dependants	Males	94%N/A
		Females	93%N/A

External Factors Impacting the Fund in 2024

In February 2022 Russia invaded Ukraine and the UK, US, EU and many other countries placed economic sanctions on Russia and Belarus. The Fund has exited the majority of investments related to Russia. A small number of holdings remain but their value is held at nil as at 31 December 2024. The impact of the US tariff changes imposed from April 2025 is currently expected to be limited. The Trustee is continuing to monitor the ongoing developments in this area.

Independent Auditor's report to the Trustee of the Shell International Pension Fund

Opinion

We have audited the financial statements of Shell International Pension Fund for the year ended 31 December 2024, which comprise the Fund Account, the Statement of Net Assets available for benefits and the related notes 1 to 21, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial transactions of the Fund during the year ended 31 December 2024, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period of twelve months from when the Fund's financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report of the Trustee, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 3, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the Trustee is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with the Trustee.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant related to pensions legislation and the financial reporting framework. These are the FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice (Financial Reports of Pension Schemes). We considered the extent to which a material misstatement of the financial statements might arise as a result of non-compliance.
- We understood how the Fund is complying with these legal and regulatory frameworks by making enquiries of the Trustee. We corroborated our enquiries through our review of the Trustee's meeting minutes.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements and documenting the controls that the Fund has established to address risks identified, or that otherwise seek to prevent, deter or detect fraud. In our assessment we considered the risk of management override of controls. Our audit procedures included verifying cash balances and significant investment balances to independent confirmations, testing manual journals on a sample basis and also those journals where there is an increased risk of override, and an assessment of segregation of duties. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding, we designed our audit procedures to identify non-compliance with such laws. Our procedures involved making enquiries of the Trustee for its awareness of any non-compliance of laws and review of Trustee's minutes.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Fund's Trustee, as a body, in accordance with our engagement letter dated 15 May 2024. Our audit work has been undertaken so that we might state to the Fund's Trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Ernst & Young LLP

Reading

DATE: 24 June 2025

Notes:

1. The maintenance and integrity of the "Shell Pensions in the UK" website is the responsibility of the Trustee; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Shell International Pension Fund
Fund Account
For the year ended 31 December 2024

	Note	2024 EUR 000	2023 EUR 000
Contributions and benefits			
Employer contributions	4	2,845	3,520
Total contributions		2,845	3,520
 Benefits paid or payable	5	 27,270	 20,703
Payments to and on account of leavers	6	-	1,163
Administrative expenses	7	366	332
		27,636	22,198
 Net withdrawals from dealings with Members		 (24,791)	 (18,678)
 Net returns on investments			
Investment income	8	6,055	8,352
Change in market value of investments	9	3,612	51,980
Investment management expenses	10	(654)	(742)
Net returns on investments		9,013	59,590
 Net (decrease) / increase in the Fund during the year		 (15,778)	 40,912
 Net assets of the Fund			
At 1 January		685,445	644,533
At 31 December		669,667	685,445

The notes on pages 22 to 33 form part of these financial statements.

Shell International Pension Fund
Statement of Net Assets
available for benefits as at 31 December 2024


	Note	2024 EUR 000	2023 EUR 000
Investment assets			
Equities	9	81,445	81,720
Bonds	9	367,190	383,941
Pooled investment vehicles	12	217,556	216,407
Cash	14	297	328
Other investment balances	14	2,133	2,151
		<u>668,621</u>	<u>684,547</u>
Investment liabilities			
Other investment balances	14	(1,121)	(1,133)
		<u>(1,121)</u>	<u>(1,133)</u>
Total net investments	9	667,500	683,414
Current assets	20	2,451	2,272
Current liabilities	21	(284)	(241)
Net current assets		<u>2,167</u>	<u>2,031</u>
Net assets available for benefits at 31 December		<u>669,667</u>	<u>685,445</u>

These financial statements summarise the transactions of the Fund and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Fund year. The actuarial position of the Fund, which takes into account such obligations, is dealt with in the Actuarial Statement, included in the annual report on pages 14 to 16 and these financial statements should be read in conjunction with this report.

These financial statements were approved by the Trustee on 19 June 2025.

Signed on behalf of the Trustee

Director 46368C7FC7224AB...

Director 472E2BDE12104D9...

The notes on pages 22 to 33 form part of the financial statements.

Shell International Pension Fund

Notes to the financial statements

Year ended 31 December 2024

1. General information

The Shell International Pension Fund ('the Fund') is an occupational pension scheme established under trust. The Fund was established to provide retirement benefits to non UK non Dutch base country employees who are working outside their base country and where the laws in their base country will not allow them to remain in their base country pension scheme while they are working outside that country.

The address of the Trustee Company's principal office is 3rd floor, Continental Building, 25 Church Street, Hamilton, HM12, Bermuda.

The Fund is a defined benefit pension fund and was closed to new Members from 1 January 2009 but existing Members continue to accrue benefits.

The Fund is a Bermudian registered pension fund under the voluntary registration provisions of the Pension Trust Funds Act 1966. It is not registered in any other country, nor does it have tax approved status in any other country. No taxation is payable on income and capital gains earned by the Fund. Benefits are paid gross i.e. without any tax being deducted at source.

2. Basis of preparation

The financial statements of the Shell International Pension Fund have been prepared in accordance with the Financial Reporting Standard (FRS) 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council ('FRS 102') and the guidance set out in the Statement of Recommended Practice 'Financial Reports of Pension Schemes' (Revised July 2018) ('the SORP').

The financial statements have been prepared on the going concern basis. In assessing the appropriateness of the going concern basis of accounting, the Trustee considered a period of 12 months from the date that the financial statements are authorised for issue.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The critical accounting judgments and estimated uncertainty are as described in the accounting policies of Valuation and classification of investments and Derivatives as noted below.

Valuation and classification of investments

Investments are valued at fair value.

Equities are exchange listed and valued on the basis of the last available closing price of the exchange. Bonds are valued at bid price. The value of fixed income pooled investment vehicles is based on the single price of the fund. The funds are valued on the basis of closing bid prices which reflect the volume-weighted average of the underlying investments. Other unquoted

securities, other than derivatives, are valued using generally accepted guidelines using broker quotes.

Accrued interest is excluded from the market value of fixed interest securities but is included in investment income receivable.

Investment management fees are accounted for on an accruals basis. Acquisition costs are included in the purchase cost of investments.

Transaction costs are included in the cost of purchases and sale proceeds. Transaction costs include costs charged directly to the Fund such as commissions, stamp duty and other fees.

Where stock lending has been carried out the securities "loaned" have been included in the net assets statement to reflect the Fund's continuing economic interest of a proprietorial nature in those securities. The total amount of stock lent at the year-end has been disclosed in a note to the financial statements together with a description of the related collateral.

The Fund receives and pledges collateral in the form of cash or non-cash assets in respect of stock lending transactions and derivative contracts in order to minimise the counterparty exposure of these transactions.

Collateral received in the form of cash, where the Fund has contractual rights to receive the cash flows generated, is recognised as an asset in the statement of net assets with a corresponding liability for its repayment. Non-cash collateral received is not recognised in the statement of net assets, unless the counterparty defaults on its obligations under the relevant agreement.

Cash and non-cash collateral pledged where the Fund retains the contractual rights to receive the cash flows generated is not derecognised from the statement of net assets, unless the Fund defaults on its obligations under the relevant agreement, and therefore continues to be recognised in the statement of net assets within the appropriate asset classification.

Cash delivered under reverse repurchase agreements is recognised as an investment receivable. Securities received in exchange are not included in the net assets statement.

(a) Investment income and expenditures

Income from equities, and any pooled investment vehicles which distribute income, is accounted for on the date stocks are quoted ex-dividend/interest.

Income from fixed interest, cash and short term deposits is accounted for on an accruals basis.

Fees paid and received on derivative contracts are recorded at contract settlement date.

(b) Change in market value

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments and unrealised changes in market value. In the case of pooled investment vehicles which are accumulation funds, change in market value also includes income, net of withholding tax, which is reinvested in the fund. For derivatives the amounts represent movements in the unrealised gains and losses on open contracts, and realised gains and losses on closed contracts.

(c) Derivatives

Derivatives are valued at fair value. This fair value can be seen as the gain or loss that would arise if the outstanding contract was matched at the year end with an equal and opposite contract.

Equity swaps' fair value is derived using the closing prices of the index that they represent.

The amounts included in change in market value of investments represent movements in the unrealised gains and losses on open contracts and realised gains and losses on closed contracts.

The fair value of equity swaps is based on the difference between the agreed forward rate and the calculated forward rate on the valuation date. The calculated forward rate is based on the exchange rate on the valuation day and the interest until the settlement of the contract.

(d) Foreign currency translation

The Fund's functional currency and presentational currency is Euros (EUR).

Assets and liabilities in foreign currencies are expressed in Euros at the rates of exchange ruling at the year end.

Foreign currency transactions are translated into Euros at the spot exchange rate at the date of the transaction.

Gains and losses arising on conversion or translation are dealt with as follows: (i) for investments as part of the change in market value of investments and (ii) for other assets and liabilities as other income or other expenses.

(e) Contributions

Contributions are accounted for on an accruals basis at rates agreed by the Trustee as certified by the Actuary.

Employers' exit fees are determined by the Actuary and accounted for on an accruals basis.

Employers' augmentation contributions are accounted for in accordance with the agreement under which they are paid, or in the absence of such an agreement, when received.

(f) Benefits and payments to and on account of leavers

Where Members can elect to take their benefits as a full pension or as a lump sum with reduced pension or commute the whole of their pension for a lump sum, retirement benefits are accounted for on an accruals basis on the later of date of retirement and the date the option is exercised.

Other benefits are accounted for on an accruals basis on the date of retirement, death or leaving the Fund as appropriate.

(g) Transfers to other schemes

Transfer values represent the capital sums payable to the pension schemes of new employers for Members who have left the Fund. They are accounted for on an accruals basis from the date when the receiving trustee has agreed to accept the liability, which is normally when cash is paid.

(h) Expenses

Expenses are accounted for on an accruals basis. Investment management and pensions administration services provided by Shell Asset Management Company B.V. and Shell International Limited, Trustee Services Unit respectively are charged to the Fund Account in the period to which they relate.

4. Contributions

Contribution requirements during the year were as follows:

(i) By Member Companies - 30% of pensionable salaries (2023:30%)

	2024 EUR 000	2023 EUR 000
Employer contributions		
Normal	2,845	3,520
	<u>2,845</u>	<u>3,520</u>

5. Benefits paid or payable

	2024 EUR 000	2023 EUR 000
Pensions	18,112	16,909
Commutation of pensions and lump sum retirement benefits	9,158	3,794
	<u>27,270</u>	<u>20,703</u>

6. Payments to and on account of leavers

	2024 EUR 000	2023 EUR 000
Individual transfers out to other schemes	-	1,163
	<u>-</u>	<u>1,163</u>

7. Administrative expenses

	2024 EUR 000	2023 EUR 000
Administration and processing costs	190	178
Actuarial fees	121	103
Trustee fees	19	17
Audit fees	30	34
Other professional fees	6	-
	<u>366</u>	<u>332</u>

Administration and processing costs include EUR105,160 (2023: EUR 81,102) for services provided by Shell International Limited and EUR 84,335 (2023: EUR 96,648) for services provided by Shell Oman Trading Limited. Three members of the Trustee Board are remunerated by the Fund and fees totaling EUR 19,451 have been paid during 2024 (2023: EUR 17,382).

8. Investment income

	2024 EUR 000	2023 EUR 000
Dividends from equities	1,232	2,387
Income from bonds	4,882	5,964
Stocklending commission	70	320
Result on cash deposits	(140)	(114)
Other income	14	14
Canadian Non-Resident Tax	(3)	(219)
	<u>6,055</u>	<u>8,352</u>

The Fund pays tax on the deemed Canadian portion of total earnings based on the Fund's percentage of Canadian beneficiaries.

9. Reconciliation of net investments

	Value at 1.1.2024 EUR 000	Purchases at cost and derivative payments EUR 000	Sales proceeds and derivative receipts EUR 000	Change in market value EUR 000	Value at 31.12.2024 EUR 000
Equities	81,720	7,910	(22,182)	13,997	81,445
Bonds	383,941	24,354	(19,562)	(21,543)	367,190
Pooled investment	216,407	-	(10,000)	11,149	217,556
Derivatives	-	5	(5)	-	-
	<u>682,068</u>	<u>32,269</u>	<u>(51,749)</u>	<u>3,603</u>	<u>666,191</u>
Cash	328			9	297
Other investment	1,018			-	1,012
	<u>683,414</u>			<u>3,612</u>	<u>667,500</u>

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year. Cash flows for derivative contracts represent amounts settled during the year.

10. Investment management expenses

	2024 EUR 000	2023 EUR 000
Administration, management and custody	509	618
Investment advice to Trustee	93	41
Global custodian fees	51	83
Other investment related fees	1	-
	<u>654</u>	<u>742</u>

Shell Asset Management Company B.V. is the appointed Investment Manager of the Fund and charged the Fund EUR 509,000 (2023: EUR 618,000).

11. Investment transaction costs

Transaction costs are included in the cost of purchases and deducted from sales proceeds in the reconciliation in Note 9. Direct transaction costs incurred are analysed as follows:

	2024 EUR 000	2023 EUR 000
	Equities	Equities
Fees	9	46
Taxes	6	10
Other	1	2
	<u>16</u>	<u>58</u>

In addition to the direct transaction costs disclosed above, indirect costs are incurred through the bid-offer spread on pooled investment vehicles and charges made within those vehicles.

12. Pooled investment vehicles

The Fund's investments in pooled investment vehicles at the year-end comprised:

	2024 EUR 000	2023 EUR 000
Bonds	<u>217,556</u>	<u>216,407</u>
	<u>217,556</u>	<u>216,407</u>

13. Cash and other net investment balances

	2024 EUR 000	2023 EUR 000
Euros and foreign currency deposits	297	328
Accrued interest and dividends	1,406	1,381
Amounts due from brokers	164	153
Reverse Repo	<u>563</u>	<u>617</u>
	<u>2,430</u>	<u>2,479</u>
Deposit Taken	(550)	(500)
Amounts due to brokers	(8)	(16)
Call Money Taken	<u>(563)</u>	<u>(617)</u>
	<u>(1,121)</u>	<u>(1,133)</u>
	<u>1,309</u>	<u>1,346</u>

14. Securities lending

Securities that had been loaned as part of securities lending programmes are included in the Net Assets Statement. At year-end the collateral pledged by the recipients of the securities on loan was 103% for fixed interest securities and 105% for equities and is held in the form of cash and the relevant underlying securities.

2024	Cash		Non-Cash	
In EUR 000	Market value of Loans	Collateral Value	Market value of Loans	Collateral Value
FI securities	-	-	88,598	91,255
Equities	545	563	3,226	3,414
Total	545	563	91,824	94,669

2023	Cash		Non-Cash	
In EUR 000	Market value of Loans	Collateral Value	Market value of Loans	Collateral Value
FI securities	-	-	51,472	52,968
Equities	600	617	4,118	4,305
Total	600	617	55,590	57,273

15. Fair value of investments

The fair value of investments has been determined using the following hierarchy:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The Fund's investment assets and liabilities have been included at fair value within these categories as follows:

	Level 1	Level 2	Level 3	2024 Total
	EUR 000	EUR 000	EUR 000	EUR 000
Investment assets				
Equities	81,445	-	-	81,445
Bonds	19,265	347,925	-	367,190
Pooled investment vehicles	217,556	-	-	217,556
Cash	297	-	-	297
Other investment balances	2,133	-	-	2,133
	320,696	347,925	-	668,621
Investment liabilities				
Other investment balances	(1,121)	-	-	(1,121)
Total investments	319,575	347,925	-	667,500

Analysis for the prior year end is as follows:

	Level 1	Level 2	Level 3	2023 Total
	EUR 000	EUR 000	EUR 000	EUR 000
Investment assets				
Equities	81,720	-	-	81,720
Bonds	18,976	364,965	-	383,941
Pooled investment vehicles	216,407	-	-	216,407
Cash	328	-	-	328
Other investment balances	2,151	-	-	2,151
	<u>319,582</u>	<u>364,965</u>	<u>-</u>	<u>684,547</u>
Investment liabilities				
Other investment balances	(1,133)	-	-	(1,133)
Total investments	<u>318,449</u>	<u>364,965</u>	<u>-</u>	<u>683,414</u>

16. Investment risks

Types of risk relating to investments

As the Trustee recognises that the Fund is exposed to investment, funding and operational risks, its approach is to integrate management of those risks throughout the Fund. The investment manager and the investment advisor give quantitative and qualitative consideration to operational, funding and investment risk when advising on investment policy, strategic asset allocation, investment strategy and manager selection.

In accordance with FRS 102 the Fund is exposed to the following investment risks:

1. *Credit Risk*: the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
2. *Market risk*: the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises:
 - i) *Interest rate risk*: the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
 - ii) *Currency risk*: the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
 - iii) *Other price risk*: the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The overall investment risk taken by the Trustee is diversified across a range of different investment opportunities, which in aggregate are expected to provide excess return relative to Fund liabilities by between 2% and 2.5% per annum over the long term.

The Trustee aims to diversify the asset allocation exposures geographically, by asset class and across active management strategies. Given the long term focus of the Fund's investments, the presumption is against currency hedging.

The following table summarises the extent to which the various classes of investments are affected by financial risks. In the case of pooled investment vehicles the risk can be direct or indirect.

	Credit risk	Currency risk	Interest rate risk	Other price risk	2024 EUR 000	2023 EUR 000
Equities	○	◐	○	●	81,445	81,720
Bonds	●	◐	●	○	367,190	383,941
Pooled investment vehicles	●	◐	●	●	217,556	216,407
Cash deposits and other investment balances	●	◐	○	○	1,309	1,346
Total investment assets					667,500	683,414

In the table above, the risk noted affects the asset class [●] significantly, [◐] partially or [○] hardly/not at all.

Further information on the Trustee's approach to risk management, credit and market risk is set out below.

Investment strategy

The Trustee's objectives for the Fund are:

- to invest the assets of the Fund so as to meet the expected future liabilities at the minimum long-term cost to employer whilst maintaining a diversified portfolio of investments to reduce risk,
- to minimize investment risk, using best practice, subject to the volatility risk necessary to deliver the required return,
- to produce returns consistent with those available in major investment markets, and
- to maintain sufficient liquidity to make the payments associated with the growing maturity of the membership profile of the pension fund.

The Trustee sets an investment strategy considered appropriate for the Fund taking account of how much risk the Trustee, in consultation with the Sponsor, wishes to take and consistent with the objective of meeting the expected future liabilities. In order to define its investment approach, the Trustee, in conjunction with its advisors undertakes an Asset Liability Modelling ("ALM") study which tests potential funding outcomes under different scenarios to help in agreeing a strategic asset allocation ("SAA"). The ALM expresses the Trustee's investment approach and defines the required returns and acceptable risk tolerance for the Fund's assets. While the terms of the SAA are decided by the Trustee on the recommendation of the Investment Committee, its implementation and more granular decisions in respect of asset allocation are managed by the Investment Manager and are documented in the IMA. The current SAA, as approved by the Trustee at its meeting of 21 November 2023, is:

- **55% allocation to matching assets.** Containing government bonds and inflation linked bonds to match liabilities
- **32.5% allocation to liquidity assets.** The assets of this portfolio are completely invested in a fixed income pool managed by SAMCo.
- **12.5% allocation to return seeking assets.** The portfolio contains a mixture of return seeking assets including equity (17.5%) and European High Yield bonds (10%) and aims to generate outperformance over the return on the liabilities.

The strength of the Sponsor covenant along with a number of other factors may affect the Trustee's appetite for risk, including the Fund's funding position, its cash-flow profile and its liability profile. The Trustee monitors these factors regularly and may alter its investment objectives, risk tolerance and/or return target as appropriate in the event of any significant changes.

Credit risk

The Fund is subject to credit risk because the Fund directly invests in bonds and has cash balances. The Fund is also exposed to credit risk arising on some of the financial instruments held by the pooled investment vehicles.

A summary of exposures to credit risk is given in the following table, the notes below which explain how this risk is managed and mitigated for the different classes:

	2024 EUR 000	2023 EUR 000
Investment assets exposed to credit risk		
Bonds	367,190	383,941
Pooled investment vehicles	217,556	216,407
Cash deposits and other investment balances	1,309	1,346
Total	586,055	601,694

Investment guidelines have been established to manage the credit risk related to fixed interest securities. These investment guidelines consist of limits regarding exposure and credit rating. The limits are monitored periodically to ensure compliance with the guidelines. Instruments with a rating below B- by Standard & Poor's or rated below B3 by Moody's are not permitted.

The Trustee considers financial instruments or counterparties to be of investment grade if they are rated at BBB- or higher by Standard & Poor's, or rated at Baa3 or higher by Moody's.

Cash is held within financial institutions which are at least investment grade credit rated.

Credit risk arising from pooled investment vehicles is mitigated by diversification of investments amongst a number of pooled arrangements as well as by carrying out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitoring any changes to the operating environment of the investment manager.

The Fund invests in two pooled fixed income vehicles with the structure of a fund for joint account.

Currency risk

The Fund is subject to currency risk as some of the Fund's investments are held in overseas markets. Given the long term focus of the Fund's investments, the presumption is against currency hedging. The currency exposure was:

	2024 EUR 000	2023 EUR 000
Pound sterling	4,963	5,206
US dollars	72,180	69,716
Japanese yen	5,155	5,460
Other currencies	144,248	149,652
Total	226,546	230,034

Interest rate risk

The Fund is subject to interest rate risk because some of the Fund's investments are held in fixed interest securities. The Trustee have set a benchmark for allocation to fixed interest securities of 87.5% (2023: 87.5%) of which 72.5% (2023:55.5%) is considered part of income-seeking assets. The remaining 10.0% (2023:12.5%) is part of the return seeking assets.

Other price risk

Other price risk arises principally from the allocation to equities in the return seeking assets portfolio. The Fund has set a target asset allocation of 17.5% (2023: 17.5%) to such investments.

The Fund manages the exposure to overall price movements by diversifying the asset allocation exposures geographically, by asset class, and across active management strategies.

17. Concentration of investments

Investments (other than in United Kingdom Government securities) exceeding 5% of the value of net assets are detailed below:

	2024		2023	
	EUR 000	%	EUR 000	%
Bilders Credit Pool - Certificate Class A	217,556	32.6	216,407	31.8
FRTR 1.8 07/25/40 Index Linked	98,053	14.7	109,620	16.0
CANRRB 2 12/01/41	70,876	10.6	72,345	10.6
DBRI 0.1 04/15/33	60,959	9.1	65,636	9.6
DBRI 0.1 04/15/46	48,070	7.2	46,171	6.8
ACGB 1 1/4 08/21/40	43,108	6.5	54,996	8.0

18. Employer-related investments

The Fund's investment guidelines restrict the holding of Shell plc to a total equal to or less than its weighting in the relevant benchmark. The previous RDS A and B shares were converted in January 2022 to a single share of Shell plc. The Fund held 10,310 Shell plc shares (2023: 12,719 shares) at 31 December 2024. This represents 0.05% (2023: 0.1%) of the Fund's net assets at 31 December 2024.

19. Current assets

	2024	2023
	EUR 000	EUR 000
Contributions due from Member Companies	158	342
Pre-paid pensions	146	154
Cash balances	2,147	1,776
	<u>2,451</u>	<u>2,272</u>

20. Current liabilities

	2024	2023
	EUR 000	EUR 000
Accrued expenses	259	241
Unpaid benefits	25	-
	<u>284</u>	<u>241</u>

21. Related party transactions

At 31 December 2024 Related Party Transactions (other than those described in Notes 7 and 10 were as follows:

Three members (2023: three) of the Trustee Board are remunerated by the Fund, see Note 7 Administrative expenses.

Mr R Fellowes is a Director of Shell Pension Reserve Company (SIPF) Limited, the company which holds and maintains the Contribution Reserve Account.