

Board Member, General Job Profile Pensioenfonds DSM Nederland (PDN)

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PDN is a company pension fund and runs the pension scheme for employees of DSM and its affiliated companies in the Netherlands. The fund has over 28,000 members, approximately 6,400 of whom are active members, 13,200 are pensioners, and 8,400 are deferred members. The total invested capital is approximately seven billion euros. The basic pension scheme administered by the fund is a CDC (Collective Defined Contribution) scheme. An individual net pension is also administered.

The Board of PDN aims to invest the contributions of the members of the pension scheme in such a way that an optimum return is achieved at an acceptable level of risk and expense.

The Board has outsourced the provision of policy advice, management support, and activities arising from the pension administration, communication, financial administration, and asset management to DSM Pension Services (DPS). In addition, the Board uses the services of an actuary, an accountant, a compliance officer, and a data protection officer.

Board

PDN is managed by a joint Board, which has a maximum of eight members comprising PDN members or pensioners. Four of the members are appointed on the recommendation of the employer, two are nominated by the Central Works Council on behalf of the employees, and two representatives of the pensioners are elected by and from them.

Up to half of the number of employer seats, half the number of employee seats, and half the number of pensioner seats can be filled by external Board members who are not PDN members or pensioners.

The Board members are appointed for a term of four years. A member can be reappointed, and the maximum term of office of a member is twelve consecutive years.

Supervisory Board

In connection with statutory internal supervision, the Board has installed a Supervisory Board consisting of at least three and a maximum of four external independent experts.

Accountability Council

The Board has also installed an Accountability Council in which the fund's stakeholders are represented. The Accountability Council has the statutory accountability tasks and a number of advisory rights as laid down in the Dutch Pensions Act.

Committees and Consultation Platforms

The Board has various committees and consultation platforms

The following permanent committees have been established:

- Pensions and Communications Committee;
- Investment Committee.

A Complaints and Disputes Committee has also been established to handle appeals relating to complaints and disputes of interested parties.

The Board may set up ad hoc advisory and other committees, the duties and powers of which the Board outlines when appointing the committee.

As well as committees, PDN has two consultation platforms:

- Risk Consultation
- SFH Audit Monitoring

Board members' tasks

Each Board member has duties:

- as a member of the collective Board;
- potential membership of committees and consultation platforms;
- potential membership of the daily Board;
- potential role as key function holder.

General job requirements for Board members

The Suitability Policy describes PDN's policy relating to the suitability of the Board. This plan determines the suitability requirements each Board member must meet on appointment and within one year of accepting the position. Suitability is understood to mean expertise, competencies, and professional conduct. These requirements are anchored in the current job profile.

Expertise

- At least a Higher Professional Education (Dutch HBO) level of ability.
- Suitability on appointment at least level A in all the focal areas listed below (corresponding to the Guide to the Pension Fund Board of the Federation to which the Board has added risk management and information technology [IT]):
 1. managing an organization
 2. relevant regulations and legislation
 3. pension schemes and types of pension
 4. financial aspects:
 - 4.1 actuarial aspects and financing
 - 4.2 investment policy and asset management
 - 4.3 reporting
 - 4.4 balance sheet management
 - 4.5 insurance/reinsurance
 5. administrative organization and internal audits
 6. communication
 7. outsourcing of work
 8. risk management.
 9. IT

- Suitability on appointment at level B in at least one of the focal areas relevant for the role.
- Within one year of accepting the position, has achieved suitability level B in at least two of the focal areas.

Competencies

Each new PDN Board member must possess the following competencies to a sufficient degree:

- a. authenticity
- b. strategic insight
- c. helicopter view
- d. situational awareness
- e. persuasiveness
- f. analytical ability
- g. result orientation
- h. team player
- i. good communicative skills
- j. independence and integrity
- k. self-reflection and a sense of perspective

Professional conduct

- In the performance of their duties, members of the Board are guided by the interests of the members, deferred members, pensioners, other beneficiaries, and employers involved in the pension fund, and ensure that they feel represented in a balanced manner.
- Demonstrably independent i.e.:
 - capable of acting independently and balancing interests;
 - avoids the appearance of a conflict of interest.
- Has integrity:
 - is reliable, honest, respectful, and acts consistently in different situations;
 - acts in accordance with his or her principles and sticks to them even in difficult circumstances when pressure is exerted to depart from them.
- Is aware of the effect of "board room dynamics," the "tone at the top," and is aware of his or her own behavior in group dynamic processes and of the effects of such processes in themselves.
- Is aware of the significance and importance of integrity for the fund and its reputation.
- Demonstrably has sufficient time for the position and is familiar with the content, operation, and application of the regulations concerning the "full-time equivalent score" (FTE score).
- Feels involved in the day-to-day business of the organization and is committed to achieving PDN's objectives (personal ownership).
- Follows the training plan drawn up specifically for the Board as well as for him or her.
- Willingness to have his/her performance as a Board member assessed.
- Acts in accordance with laws and regulations, articles of association, regulations, the code of conduct, and social standards, and exercises due care in acting as a Board member and in dealings with others and in the handling of information.

- Monitors current pension developments and is able to translate them into their impact for PDN.
- Attends Board meetings and provides constructive input at them.
- Has demonstrable administrative experience.

Additional specific job profile:

As well as the above general job requirements, the Board member is expected to be competent and to improve his/her competency further through demonstrable training and/or experience in line with the position and/or membership of the committee(s) as fulfilled by the relevant Board member.

Diversity

The Board attaches importance to diversity in PDN's Board in terms of knowledge, background, and competencies on the one hand, and age and sex on the other. The aim of the Board's composition is to ensure that it reflects as much as possible the member establishment, with Board members who complement each other and contribute mutually enhancing competencies and perspectives. The aim is that the Board should at least have one female member, one member under the age of 40, and one member over the age of 40.

Special attention will be paid to these aspects when vacancies are filled. In case of equal suitability, candidates who bring more diversity to the Board will be preferred.

Appointment and review

Each candidate is nominated on the basis of their suitability and potential contribution in terms of knowledge, experience, and competence in the fields identified in line with the needs of the Board at the time of the nomination.

The selection for nomination, election, appointment, and review of the candidate Board member takes place in the most careful way possible. To be accepted on the candidate list, the candidates should meet the general job profile as determined by the Board, following Supervisory Board approval. Depending on the suitability of the candidate and concrete vacancy, a period of prospective membership may apply during which the candidate can develop further. The Board submits the final appointment of a candidate member to the Supervisory Board. The Supervisory Board may block the appointment of a candidate member if he or she does not meet the profile. The appointment by the Board and Supervisory Board is subject to the suspensive condition of approval by De Nederlandsche Bank (DNB). De Nederlandsche Bank will assess the proposed Board member on the basis of this profile and within the context of the composition of the Board as a whole.

Members of the Supervisory Board are appointed in principle for a term of four years. One explicit assessment criterion is the time that the proposed member has available for the role; the FTE score applies here.

Time requirement

Board members must have sufficient time available and be sufficiently reachable to perform their duties properly. The full-time equivalent (FTE) for the position of a

Board member is approximately 0.2 FTE (on average 1 working day a week) and for the Chairman (or Vice Chairman) approximately 0.3 FTE (on average 1.5 working days a week).

Remuneration

The remuneration of Board members is in line with the PDN Remuneration policy.