

## Corporate Governance

### General

Nederlandse Gasunie is a public limited company whose sole shareholder is the Dutch state. The shares are held by the Ministry of Finance. The company is subject to a mitigated structure regime. The governance structure is based on Book 2 of the Dutch Civil Code, the Corporate Governance Code, the company's articles of association and various internal regulations. Various provisions affecting the governance of the company are also contained in the Gas Act.

### Executive Board and Executive Committee

Until 1 September 2013, the Executive Board consisted of three people, and subsequently two people. In principle, the Board meets once a week. The Board is collectively responsible for the management of the company, as well as the general affairs of the various subsidiaries. Most meetings take place in the broader context of the Executive Committee. The Executive Committee consists of the Executive Board plus three directors of the business units and the director of legal, regulatory and public affairs.

### Supervisory Board

The composition of the Supervisory Board and the changes in its membership during 2013 are described elsewhere in this Annual Report. The Board meets at least four times a year. The Board supervises the management of Gasunie and supports it with advice. In accordance with the Gas Act and the articles of association, important decisions to be made by Gasunie Transport Services B.V. are also submitted for approval to the Supervisory Board of Gasunie. The Board has two sub-committees: the Audit Committee (which supervises, in particular, the risk management and audit systems, the annual and semi-annual financial reporting, as well as the financing of the company and its pension schemes) and the Remuneration, Selection & Appointments Committee. The meetings of the Committees are discussed at the meetings of the complete Board, on the basis of which decisions are made. Until recently, the Supervisory Board also had a Strategic Investments Committee. This sub-committee held preliminary discussions about investment proposals for large-scale investments. This sub-committee was dissolved in 2013. This was, on the one hand, because the number of planned large-scale investments had declined, while, on the other hand, personnel changes within the Board meant that it was better to discuss investment proposals directly in the meetings of the Board as a whole.

### Compliance with the Dutch Corporate Governance Code

The Dutch Corporate Governance Code, which applies only to listed companies, is also applied by state participations, and thus also by Gasunie. Where possible, the principles and best-practice provisions have been implemented in our articles of association and in various regulations. Since Gasunie is not a listed company, principles and best-practice provisions that are directly related to stock exchange listing are not applicable.

We confirm compliance with best-practice provisions II.3.4 and III.6.3, which state that transactions in which there is a conflict of interests, carried out by members of the Executive Board or Supervisory Board, must be mentioned in the annual report. In 2013, no such transactions took place.

A few of the principles and best-practice provisions that might be applicable to our company are not applied. In accordance with the Corporate Governance guidelines, the few that are not adhered to are detailed below:

#### Executive Board

II.2.12 The remuneration report shall be posted on the company's website.

Reason for departing from this best practice:

In our annual report, we transparently describe Gasunie's remuneration policy, approved by the shareholder, and the actual implementation thereof by the Supervisory Board in the year under review. The annual report is published on Gasunie's website.

#### Supervisory Board

III.5 If the Supervisory Board consists of more than four members, the Board shall appoint from its number an Audit Committee, a Remuneration Committee and a Selection and Appointments Committee.

Reason for departing from this best practice:

Because their tasks are closely related, the Remuneration Committee and the Selection and Appointments Committee are combined to form a single committee.

III.5.11 The chairmanship of the Remuneration Committee shall not be held by the Chairman of the Supervisory Board, or by a former director of the company, or by a member of the Supervisory Board who is a director of another listed company.

Reason for departing from this best practice:

The Supervisory Board is of the opinion that its Chairman should be closely involved in preparing the salary and remuneration policy, especially due to the current high profile of this policy. The Supervisory Board has therefore decided not to separate chairmanship of the Board from that of the Remuneration, Selection and Appointments Committee.

In connection with the departure of the Chairman of the Supervisory Board on 1 May 2013, the chairmanship of the Supervisory Board as of that date until the end of the year was temporarily separated from the chairmanship of the Remuneration, Selection & Appointments Committee.

#### Available documentation

The following documents are available on the Gasunie website ([www.gasunie.nl](http://www.gasunie.nl)):

- ▶ Procedure governing the activities of the Executive Board
- ▶ Procedure governing the activities of the Supervisory Board
- ▶ Whistle-blower scheme
- ▶ Code of Conduct

We have specific regulations governing insider trading, holding securities, and securities transactions. The prohibition on the use of inside information has been incorporated in the Code of Conduct.