

Stichting Diesel Emissions Justice Claim Code Compliance Document regarding the year 2023 - “Governance Statement”

INTRODUCTION

1. Stichting Diesel Emissions Justice (the **Foundation**) was established in 2019.
2. The Foundation endorses the Claim Code 2019 that came into force on 4 March 2019 (the **Claim Code**), although it takes its guidance primarily from Section 3:305a of the Dutch Civil Code (**DCC**) which contains legal criteria for representative organisations that are less elaborate than the criteria set out in the Claim Codes which apply only to representative organisations pursuing litigation under the revised section 3:305a of the DCC. As the Foundation is pursuing litigation, primarily, under the revised section 3:305a of the DCC, the new legal regime does apply to the extent that the (district) court considers the new regime applicable to the Foundation’s litigation effort.
3. The Claim Code consists of seven principles (the **Principles**, and each a **Principle**) that are considered to be broadly accepted general guidelines and views on the way claim vehicles and associations should represent collective interests, including – but not limited to – litigation. The Principles contain a set of standards for the founders, board members, supervisory board members, consultants and advisors engaged by the claim vehicle. The Foundation’s compliance with the Claim Code is set out below.
4. This Claim Code compliance document, together with the 2023 board report (“*bestuursverslag*”), has been prepared with a view to informing the Foundation’s constituency, including the Damaged Parties (the **Damaged Parties**), as defined in the articles of association of the Foundation (the **Articles**) and other interested persons, in accordance with section 3:305a(5) DCC.

PRINCIPLE I: COMPLIANCE WITH THE CLAIM CODE

5. The Foundation's governance has been tailored to the needs of the Foundation and the Damaged Parties it represents, as follows from Principle I of the Claim Code. Against this backdrop, it is important to consider that the Damaged Parties (as defined in Articles) consist of EU-wide based car owners. Damaged Parties who decide to be involved actively enter into a participation agreement with the Foundation. The participation agreements empower the Foundation to conduct negotiations and litigate on behalf of the Participants. In addition, the participation agreement contains several safeguards for Participants and the Foundation's officials and advisors.
6. Per ultimo 2023 the Foundation has a board (the **Board**) consisting of three directors and a supervisory board consisting of three members (the **Supervisory Board**).
7. The compliance of the Foundation with the Claim Code is discussed throughout the year in the frequent meetings of the Board and the Supervisory Board and between the the Board and the Supervisory Board. As a consequence of these discussions Mr. Coleman resigned from the Supervisory Board and Mrs. Suderow resigned from the Board and was subsequently appointed as member of the Supervisory Board.
8. This document is a document as set out in article 6.4 of the Articles and Elaboration¹ of Principle I of the Claim Code and will be published on the Foundation’s website: <https://www.emissionsjustice.com/>
9. If and when the Board wishes to deviate from the applicable Claim Code, it will discuss the relevant item with the Supervisory Board as set out in article 6.5 of the Articles. However, in 2023 no such deviations have been requested.

PRINCIPLE II: PROTECTING COLLECTIVE INTERESTS ON A NON-PROFIT BASIS

10. The Foundation acts as a non-profit entity in the collective interests of the persons and entities who suffered losses as a result of the Entities' and Policymakers' acts or omissions on which the Claims are based (as defined in the Articles) and, primarily, have entered into a participation agreement with the Foundation (the Participants), or, in general, qualify as Damaged Parties.

11. The Foundation does not generate revenues, for instance by requiring Participants to pay a registration fee. Only in the event that the Foundation actually secures a settlement or court decision in favour of the Participants, a pre-agreed contingency fee becomes due up to a maximum 27.5% (including VAT, if applicable).

12. As per ultimo 2023 the Foundation had entered into five litigation funding agreements (the Funding Agreements) with Consumer Justice Network B.V. (**CJN**). CJN is envisaged to make a return in line with market practice, as laid down in Elaboration 2 of Principle II of the Claim Code.

13. Apart from making sufficient funds available to the Foundation, CJN provides certain services, including book building efforts and a number of commercial and administrative services. For the purpose of the Funding Agreement, these services are considered investments by CJN.

14. Elaboration II.3 of Principle II of the Claim Code provides that the Articles also include a provision that a liquidation surplus should be distributed amongst the Foundation's participants. This Principle is laid down in article 17.3 of the Articles.

PRINCIPLE III: EXTERNAL FUNDING

15. The Foundation entered into five separate Funding Agreements with CJN. CJN is a third-party litigation funder headquartered in Amsterdam.

16. The Foundation has verified the financial soundness of CJN, the track record of its founding members and its integrity and resolved that it fits the Foundation's purpose.

17. The Funding Agreements were concluded in writing. Pursuant to the Funding Agreements, the Amsterdam District Court has exclusive jurisdiction and Dutch law applies. The Funder has its residence in the Netherlands.

18. It follows from the Funding Agreements and the Foundation's governance that the Foundation will act independently and autonomously of the Funder. The Foundation's local counsel acts only for the Foundation; it does not act for CJN.

19. The Funding Agreements are confidential, and parties have agreed on conditional information-sharing, to the extent relevant for CJN and that, in the view of the Foundation, information will only be disclosed to CJN subject to the relevant confidentiality restrictions.

20. The Foundation and CJN agreed on separate budgets per case for conducting proceedings before the court of first instance and, if applicable, proceedings pursuant to the Dutch Collective Settlements Acts (*Wet collectieve afwikkeling massaschade* and *Wet afwikkeling massaschade in collectieve actie*) and any appeal proceedings.

21. In several cases the relevant Funding Agreements (excluding the relevant budgets) were filed and, inter alia based on these agreements, the Foundation and its claims were declared admissible by the District Court in Amsterdam in those cases.

PRINCIPLE IV: INDEPENDENCE OF THE FOUNDATION AND AVOIDING CONFLICTS OF INTERESTS

22. In accordance with the Claim Code, any apparent conflict of interest between the Foundation's engaged advisors, the Supervisory Board and the Board should be

avoided. If a direct or indirect conflict of interest between the Foundation and one or more members of the Board or the Supervisory Board were to occur, the relevant (Supervisory) Board member will not take part in the deliberations and decision-making process (articles 8.14 (Board) and 12.12 (Supervisory Board) of the Articles). This principle is adhered to strictly by the Board and Supervisory Board and in discussions regarding the Funding Agreement, the Funder's representative has not been privy to the deliberations and decision making.

23. In 2022 one of the members of the Supervisory Board was a shareholder and director of the Funder and, acts as the Funder's representative in the Supervisory Board (as explicitly permitted under Elaboration 2 of Principle VII). As mentioned in paragraph 7 above this member stepped down in the first half of 2023 and was replaced by one of the Board members.

PRINCIPLE V: COMPOSITION OF THE BOARD

24. As per ultimo 2023 the Board of the Foundation consisted of three individuals with adequate legal and financial expertise and experience. As a consequence, the Foundation complies with Elaboration III.1 of the Claim Code. The members of the Board were per ultimo 2023:

- a. Prof. Andrew Goodman as chairman, a UK-based barrister with vast experience in the field of dispute resolution on a worldwide basis, including class actions;
 - b. Prof. Maria José Azar-Baud, an internationally recognised expert on collective redress in comparative law. She is a Lecturer at Paris-Saclay University and also teaches at several national and international universities in the field of consumer and distribution law, international contracts, and comparative procedural law; and
 - c. Mr Bert Jan Tiesinga, a Dutch business economist with more than 25 years of experience as an accountant, controller, Chief Financial Officer and Board Member in the metal industry and the financial services business. Since 2011, he has focused on individual and collective legal services for consumers and entrepreneurs with regard to financial products. Over the past eleven years, He has worked closely together with lawyers and litigation funders and acquired extensive knowledge and experience in the field of settlements, individual proceedings at the Dutch Financial Services Disputes Institute ("Kifid") and collective actions in the Netherlands (art. 3:305a Dutch Civil Code, WAMCA, Claim Code).
25. The 2023 Annual Financial Statements have been compiled by an independent chartered accountant on the basis of the bookkeeping kept by Van Heugten & Dekker Belastingadviseurs BV. The compilation engagement with the independent accountant has been performed in accordance with Dutch law, including the Dutch Standard 4410, "Compilation engagements", which is applicable to accountants. This standard requires accountants to assist in preparing and presenting of the financial statements in accordance to the chosen and described accounting policies in the financial statements. To this end the accountant has applied his professional expertise in accounting and financial reporting.
26. The Board requires the approval of the Supervisory Board for certain resolutions that can significantly impact the Foundation and/or its objects and its endeavours to achieve its objects. In line with the Claim Code, the conclusion of settlement agreements requires the

Supervisory Board's approval (article 8.10 Articles).

27. The Foundation's website can be found at <https://www.emissionsjustice.com>. On this website stakeholders have access to all relevant information, including – but not limited to – the following documents: (i) the Articles, (ii) this Claim Code Compliance or Governance Document, (iii) the management reports over the previous book year, (iv) the résumés of the members of the Board and the Supervisory Board, and (v) updates on any pending litigation.

PRINCIPLE VI: RENUMERATION OF THE MEMBERS OF THE BOARD

28. The Board members receive management fees for services rendered to the Foundation pursuant to the following schedule:

- Chairperson EUR 15,000 per year and EUR 250 per hour for pre- approved overtime;
- Board Members EUR 12,000 per year and EUR 200 per hour for preapproved overtime.

29. Concerning the year 2023, some overtime has been spent in connection with in person meetings in Amsterdam and the support of and instruction to local counsel. The fixed management fee plus variable fees for overtime resulted in remuneration payments to the Board in the amount of EUR 97,921 in the aggregate.

PRINCIPLE VII: THE SUPERVISORY BOARD

30. Per ultimo 2023 the Supervisory Board consisted of three individuals with adequate legal and financial expertise and experience, and its composition is therefore fully compliant with Elaboration VII.1 of Principle VII of the Claim Code.

31. The current members of the Supervisory Board are:

- a. Mr. Peter Goes as chairman, who has over 35 years of experience as a Dutch attorney (“advocaat”) and has practiced law in the Netherlands, China and Luxembourg as partner at the law firms NautaDutilh, Linklaters LLP and Windt LeGrand Leeuwenburgh. From 1 January 2022, he no longer is a member of the Dutch Bar. Peter's current main occupation is inhouse counsel at two well-known Rotterdam philanthropic institutions. He also serves as chairman of the board of a legal aid foundation and as board member of the legal aid lawyer firm, both in Rotterdam.
- b. Mr. George Tsetsekos, a professor of Finance and Dean Emeritus at Drexel's LeBow College of Business in Philadelphia USA. George's research covers the broad areas of corporate finance, investments, and international finance; and
- c. Prof. Julia Suderow, an Associate Professor at the University of Deusto, in the areas of Private International Law and International Trade Law and is the author of numerous publications, written in English, German and Spanish. She is also a national coordinator of the Permanent Observatory for the Application of Competition Rules at the University of Trento. She is a lawyer specializing in Competition Law, Mergers and Acquisitions, International Arbitration and Private International Law and is the founding partner of Suderow Fernandez Abogadas SLP provides legal advice services to companies in complex transnational cases;

32. The members of the Supervisory Board are remunerated as follows: Chairperson: EUR 12,500 per year and EUR 250 per

hour for pre- approved overtime Board Member: EUR 10,000 per year and EUR 200 per hour for preapproved overtime

33. Concerning the year 2023, payment to the Supervisory Board of the fixed management fee in the amount of EUR 41,000 in the aggregate has been made.

34. The Board and Supervisory Board have held 8 joint meetings in 2023 and several other meetings with counsel and have been closely involved in all relevant developments of the Foundation's efforts in connection with the Claims (as defined in the Articles).

Amsterdam, May 2024