

Collective bargaining agreement Office staff

Collective bargaining agreement
for the insurance sector
1 January 2018 to 31 December 2019

Notice: no rights can be derived from this English translation of the original text of the 'cao voor het verzekeringsbedrijf (Binnendienst)' which is leading.

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The undersigned:

Dutch Association of Insurers, Employment Conditions department,
with its registered office in The Hague

hereinafter referred to as the employers' organisation

and

CNV Vakmensen, with its registered office in Utrecht;
FNV Finance, with its registered office in Utrecht;
De Unie, with its registered office in Culemborg;

hereinafter referred to as the unions

have entered into the following collective bargaining agreement as of 1 January 2018.

Section 1 General conditions

Clause 1.1 Definition of terms

1. In this agreement the following terms have the following meaning:

Employer

- a. Any employer in the insurance sector
1. that conducts business in the Netherlands through a registered office and/or branch by entering into and executing insurance agreements at its own expense and under its own name and
 2. that has employees in the Netherlands

with the exception of

- Achmea B.V. of Zeist and its affiliated subsidiaries
- insurance companies owned by AEGON N.V. of The Hague
- insurance companies owned by Atradius of Amsterdam
- insurance companies owned by Delta Lloyd N.V. of Amsterdam
- insurance companies owned by N.N. Groep N.V. of The Hague
- insurance companies owned by Loyalis N.V. of Heerlen
- insurance companies owned by VIVAT N.V. of Amstelveen
- insurance companies owned by a.s.r. of Utrecht
- healthcare insurers applying the Healthcare Insurers' collective bargaining agreement as of 1 January 1994
- employees employed by a funeral provisions insurer working solely or primarily in the funeral sector

- b. Every employer employing employees who work in the organisation and under the authority of an insurance company as defined in paragraph 1 subparagraph a1 or in his holding company and which is part of the same concern as the insurance company in question in respect of those employees who work solely or primarily for the insurance company, with the exception of employees employed by a banking institution covered by the (order extending the applicability of the) collective bargaining agreement for banking and work for an insurance company.

Employee

The person carrying out work in the employ of the employer on the office staff of the insurance company in the Netherlands, which must be demonstrated by the employment contract. The employee can only fall under the scope of the Field Workers' collective bargaining agreement by mutual consent.

Partner

The person with whom the employee has a relationship based on civil marriage, registered partnership or a notarially executed cohabitation contract that fulfils the conditions defined in Appendix I.

Fixed annual salary

The salary actually earned by the employee with an employment contract for 1976 hours annually, excluding annual bonus, holiday bonus and any other bonuses (such as defined in the salary scales in Appendix IV).

2. In special cases, if requested, parties to the collective bargaining agreement grant an employer dispensation from falling under the scope of the collective bargaining agreement.
3. This agreement does not apply to the company's directors or the most senior executives who are directly involved in determining the company policy.
4. Neither does this agreement apply to holiday staff and work placement students.
5. The following clauses of this agreement do not apply to employees in the salary groups above

those referred to in clause 4.1: clause 3.4 (paragraphs 1 to 3 and 5), clause 4.3 (paragraphs 1.a to 1.e and 2.b) and clauses 4.4 and 4.5.

EXPLANATION

In paragraph 1 subparagraph a, with a number of exceptions, all insurance companies, re-insurance companies, mutuals and funeral insurance companies fall under the scope of the collective bargaining agreement.

Subparagraph b also applies to the holdings and personnel BVs where personnel working for an insurance company are concerned, with the exception of the banks.

Clause 1.2 General conditions

1. The employer is obliged to comply with the employment conditions defined in this collective bargaining agreement in respect of his employees.
2. Unless advantage is taken in this collective bargaining agreement of the opportunity to deviate from the statutory regulations, the applicable statutory conditions in the Netherlands apply to the said employment relationships, even if they are not referred to in the collective bargaining agreement.
3. The conditions of this collective bargaining agreement can be deviated from in a sense favourable to employees after consultation between the employer and the unions. This consultation only needs to take place, however, if such deviation concerns large groups or categories of employees.
4. The employment contract entered into between an employer and employee and standing employment conditions or work instructions formulated by the employer may not include any conditions in contravention with this collective bargaining agreement on pain of nullification.

Clause 1.3 Joint Collective Bargaining Committee

1. Differences in interpretation of this collective bargaining agreement between an employer and an employee or between the employers' organisation and any of the unions can be submitted to the Joint collective bargaining agreement Committee.
2. The committee's composition and way of working are determined in separate regulations (Appendix II to this collective bargaining agreement).
3. When a collective bargaining agreement clause includes the possibility of dispensation, the committee will deal with any requests in that respect. This clause does not include dispensation requests regarding Section 8 or the associated Appendices VII, VIII and VIII (pensions), for which a special dispensation committee (as defined in Appendix VII) is appointed.

Clause 1.4 Transitional conditions

1. Legally applicable salaries and other employment conditions that deviate favourably for the employee from the conditions of this collective bargaining agreement other than pursuant to a previous collective bargaining agreement remain in force on the understanding that no agreements have been made by the parties regarding the deviating conditions favourable to the employee in Section 8 and Appendices VI and VII of this collective bargaining agreement.
2. Rights arising from conditions in previous collective bargaining agreements will lapse when this collective bargaining agreement comes into effect. The rights arising from the conditions in

this collective bargaining agreement will apply instead. Insofar as it comes with inferior entitlements, the current collective bargaining agreement will prevail over the previous collective bargaining agreement(s). Individual entitlements that do not arise out of a previous collective bargaining agreement will remain in force.

Clause 1.5 Term and amendment of the agreement

1. The agreement is entered into for a term of 24 months commencing on 1 January 2018 until 31 December 2019.
2. If the government takes measures during the term of the agreement concerning salaries and other employment conditions that prejudice this contract, the parties will reopen negotiations.

Section 2 Working relationship

Clause 2.1 Employment and change in group categorisation

1.
 - a. In general, employees will be appointed on the basis of a contract for an indefinite period.
 - b. No employment contract for a definite term will, in principle, exceed a period of one year.
 - c. As of 1 July 2015, an employment contract for a definite period can be extended one time for a maximum total period of two years minus one day, without prior notice being required for its termination. The notice period of at least 1 month applies for employment agreements for a definite period of time commencing on 1 January 2015.
 - d. When the employment contract referred to in subparagraph b is continued after this period otherwise than in accordance with what is defined in subparagraph c, or when an extended employment contract as defined in subparagraph c is continued, the last employment contract is deemed to be entered into for an indefinite period.
 - e. The employment contract ends by operation of law without prior notice being required on the day the employee chooses as the commencement date of the old-age pension, though no later than on the day on which the employee reaches state pension age.
 - f. The employer will supply the works council with an overview of the nature and scope of temporary employment contracts twice a year. This will include a written explanation of the grounds for these temporary appointments.
 - g. The employers generally adhere to the principle that employees are employed by the employer with regard to the deployment of flex workers.
2. The employer will supply the employee on appointment with written confirmation, stating the following (without prejudice to what is defined in article 7:655 of the Dutch Civil Code):
 - a. that the employee will be working in an office and the applicable collective bargaining agreement
 - b. the date of appointment and commencement of work
 - c. if a trial period has been agreed: the duration of the trial period
 - d. in the event of appointment for a definite period as referred to in paragraph 1 subparagraph b and in the event of extension as referred to in paragraph 1 subparagraph c: that it is an employment contract for a definite period and the duration of this employment contract
 - e. The salary and salary group if the employee is categorised into one of the groups defined in clause 4.1 or confirmation that the person in question is categorised above the groups referred to in clause 4.1.
3. In principle, the statutory notice periods apply to the employment contracts. A longer notice period can be agreed in writing with the employee (a maximum of six months). In that case, the same period applies to the employer, on the understanding that the employer applies at least the notice period stipulated by law for employment contracts of five years or longer.
4. On appointment, the employee receives a copy of the collective bargaining agreement and of the existing internal regulations applicable to the person in question.
In the context of this clause, 'receives a copy of the collective bargaining agreement' is equated with the possibility for the employee to examine the conditions of this collective bargaining agreement and existing internal regulations by electronic means.
5. The employer will supply any employees already in service when this collective bargaining agreement comes into force with a copy of the collective bargaining agreement and the internal regulations referred to in paragraph 4.
In the context of this clause, 'receive the collective bargaining agreement and the internal regulations' is equated with giving the employee the opportunity to examine the conditions of this collective bargaining agreement and any internal regulations by electronic means.
6. In the event of a change of group categorisation, the employer gives the employee written notification stating the new salary group or stating that the employee in question has been categorised above the groups referred to in clause 4.1, plus the new salary.

Clause 2.2 Suspension

1. The employer can only suspend the employee when he suspects him of such a serious offence that, after investigation, this could lead to immediate dismissal as defined in article 7:678 of the Dutch Civil Code.
2. Such suspension can only be for a period of a maximum of 14 days on full pay.
3. If the suspicion that led to suspension proves to be incorrect, then verbal and written vindication of the employee will follow. The content and method of vindication will be decided in consultation with the employee.
It must be possible for anyone who may be aware of the suspension in any way to take cognisance of that vindication.

Clause 2.3 Union activities

1. *General*
 - 1.1. To ensure efficient communication and consultation of a union that is party to the collective bargaining agreement with employees of a company who are members of that union, agreements are made and procedure rules agreed (at company level) concerning the allocation of facilities by the company.
 - 1.2. If a union has chosen a formal organisational form for its activities within the company, it will promptly inform the company management, announcing the composition of that body.
 - 1.3. Facilities for the unions in the company related to communication and consultation, on one hand between the body referred to in 1.2. and the members of the union in the company and, on the other, between that body and the union management.
 - 1.4. The union management has access to the company within the context of regulated contact with the company management agreed beforehand.
 - 1.5. The contact between the company management and its representatives and the union takes place via the union management.
2. *Facilities*
 - 2.1. The allocation to and use of facilities by the unions within the company relate to:
 - a. providing designated areas for publication facilities, for:
 - making announcements of a businesslike and informative nature with regard to the company or the sector representatives or contact persons
 - announcing union meetings
 - publishing summarised reports of such meetings
 - nominating members of the Works Council
 - the company's internal mail system will be available for the above where appropriateThe company management will be supplied with a copy of any announcements and reports to be published
making meeting time and a meeting place available in the company for the executives of the unions in question, to be concretised individually by each company (executives means the management members of a company member group)
 - b. making a meeting place available in the company outside office hours for meetings of the union executives with the members of the union in the company.
 - c. If circumstances permit within the company, a meeting place can also be made available during the lunch break. If circumstances permit within the company, a meeting place can also be made available during the lunch break;
 - d. the use, when necessary, of the company's internal mail service for distributing addressed documents to the union representatives or contact persons.
 - 2.2. The union activities and the allocation and use of facilities for that purpose may not disturb the

proper course of affairs within the company.

3. *Protection of union representatives*

- 3.1. The union representative is someone working in the company, who fulfils an executive or representative function in the context of his union and of whose capacity the union notifies the company management in writing.
- 3.2. The company management ensures that the union representative's position as an employee is not prejudiced by his union activities. The mutual compliance with the rights and obligations ensuing from the employment contract shall not be affected by his functioning as a union representative.

4. *Union Dues*

Where possible, employers will cooperate in the tax-friendly payment of the union dues.

Clause 2.4 Moving house

When an employee moves house at the request of the employer the employer shall bear the usual costs of transport and the costs of telephone connection and, in accordance with the principles of reasonableness and fairness, establish a contribution to all other necessary costs incurred by the employee in the context of the move.

Clause 2.5 Conscientious objections

If an employee has founded conscientious objections to carrying out specific tasks, he can inform the employer of such and request exemption from carrying out such tasks. In handling this request, the employer shall observe the principles of the *Stichting van de Arbeid* <Joint Industrial Labour Council>, as set out in its 'Memorandum on conscientious objections in working relationships; a guideline for companies' dated 4 July 1990 (publication number 3/90).

Clause 2.6 Applicant's position

1. If an applicant takes part in an examination at a psychotechnical agency in the context of a job application, the person in question has the right to be informed of the advice given concerning him before it is supplied to the employer. The person in question has the right to withdraw as an applicant following the advice and prevent the advice from being sent to the employer/principal.
2. The companies will observe the Dutch Social Economic Council's Recommendation concerning recruitment and selection dated 23 October 2006 in respect of job applicants.

Clause 2.7 Insurers' Code of Conduct

The parties attach great importance to the significance of the Insurers' Code of Conduct for their own employees. The code sets out the basic standard for socially responsibly business policy. The Code of Conduct is available online at: www.verzekeraars.nl.

Employers are aware that the basic standards of reliability, professionalism, solidarity, social responsibility and transparency largely determine the desired forms of conduct within the companies.

The parties recommend informing all existing and new employees in this respect in a systematic, structured fashion.

Section 3 Working hours and times

Clause 3.1 Working hours

1. The annual working hours are 1976 hours.
2. The employee with 1976 hours and the employer can agree that 104 hours more or fewer are worked annually in return for a proportional amendment of the employment conditions in the collective bargaining agreement related to working hours (salary, holiday bonus, annual bonus, pension and, in the case of reduction, holiday entitlements). In those cases, the individual company's regulations will not be adapted to the amended working hours.
3. The employee can request to qualify for shorter working hours (part-time work, other than referred to in paragraph 2). In that case, the working hours applicable to that employee are determined in accordance with clause 3.3, paragraph 5.

Clause 3.2 Working hours transitional schemes for older employees

The transitional scheme detailed in Appendix V applies to employees who were born before 1 January 1955 and who were employed by the company on 1 January 2010.

Clause 3.3 Working hours framework

1. This Clause (Paragraphs 1 through to 7) is applicable from 1 June 2017. The working hours applied by the employer are:
 - during the normal working hours framework:
Monday to Friday between 07.00 hours and 21.00 hours and
 - during the extended working hours framework:
Saturday between 08.00 hours and 17.00 hours.
2. Within the legal possibilities and based on the applicable working hours in the company, systems of sliding or variable working hours can be introduced after consent from the representative consultative body. If wished, this can include shifting hours within a particular period.
3. In already existing systems of sliding or variable working hours, if the employer wishes, the start and end times can be adjusted to the limits of the normal working hours framework. Consent from the representative consultative body is required for any further change to the system.
4. The further scheduling of working hours within the company as well as the working hours for the individual employee with a working time of 1976 hours or for a part-time employee in proportion to annual working hours, can be set out in timetables which are determined in consultation with the representative consultations in accordance with the representative consultative body with due observance of the applicable statutory conditions.
5. The working hours applicable to the individual (part-time) employee are agreed in consultation between him and his employer.
6. In determining the individual working hours, the service provided to the client, the company running properly and the preservation of jobs are the main focus. The preference of the employee will be complied with wherever possible. If this is not possible or useful from an organisational point of view, this will be clearly explained to the employee, so he can focus on another preference. Hours during which the employee does not work will be scheduled as recognisable free time.
7. When timetabling work to be carried out during the extended working hours framework, the employer should take any family responsibilities the employee may have into account.

8. Unless an employee has been specifically hired to carry out work on a Saturday between 8:00 and 17:00 he/she cannot be obliged to allow him-/herself be timetabled for more than one Saturday within a period of three weeks.

Clause 3.4 Additional and overtime work

- 1.a. From 1 May 2018 the CBA (Collective Bargaining Agreement) has appointed an additional work provision. Additional work is work which is carried out on behalf of the employer over and above the working hours applicable to the employee up to the full-time regime, i.e. 38 hours per week, of the CBA (Collective Bargaining Agreement).
- 1.b. Overtime is work carried out on the instructions of the employer outside the working hours applicable to the employee and which exceeds the full-time regime of the CBA (Collective Bargaining Agreement), i.e. 38 hours per week. Not like overtime, which is considered to be work that is necessary on a non-structural basis for completing the normal daily tasks of a duration of no more than around half an hour. If that work takes more than half an hour, then that first half hour is also treated as overtime.
- 1.c. The employer shall attempt to limit overtime as far as possible.
2. When it is in the interest of the company, the employer can oblige the employee to work overtime but for no more than a maximum of 6 hours a week, or 30 hours per quarter. When imposing the obligation to work overtime, any family responsibilities the employee may have shall be taken into account.
Employees will be exempt as far as possible from the obligation to work overtime if their individual workload capacity gives cause for that. The workload capacity will have to be determined by the occupational health and safety doctor.
3. For employees with a domestic, driving, maintenance, cleaning, surveillance or similar task, the employer is not obliged to adhere to the conditions of this clause. In that case, he can organise the overtime remuneration in another way. For employees on the office staff who nevertheless carry out a significant proportion of their task in the field, the employer is not obliged to adhere to the conditions of this clause, either. In that case, he can organise the overtime remuneration in another way.
4. If the meal break is between the end of the normal working hours and the beginning of overtime and if the overtime will take at least two hours the employer shall provide a reasonable remuneration for the costs of a meal, unless he supplies this meal himself.
5. If reasonably possible, the employee shall be informed of the overtime to be worked before 12.00 hours.
6. The employer will supply the works council with an overview twice a year of the number of hours overtime worked in the company over the past six months.

Clause 3.5 Shift work

1. Shift work is given to mean: work carried out by two or more groups of employees in accordance with a certain rotation system.
2. Employees will be exempt as far as possible from the obligation to work in shifts if their individual workload capacity gives cause for that. The workload capacity will have to be determined by the occupational health and safety doctor.
3. In the case of 2 of 3 shift systems, in principle no shifts will be worked on Saturdays outside the extended working hours framework as defined in clause 3.3, paragraph 1, on Sundays or on generally acknowledged bank holidays.

4. Employees working in shifts who work overtime immediately following or immediately prior to the working hours set for any shift will be paid the fixed overtime rate as defined in clause 4.5. The fixed hourly wage is used as the basis for calculation.
5. An area separated properly from the working place will be made available for employees working shifts where they can take their breaks during working hours.
6. If a hot meal is necessary, a reasonable remuneration is given for any extra costs incurred in that respect.
7. The consent of the works council is required for establishing a shift scheme.

Clause 3.6 Holidays

- 1.a. An employee with 1976 working hours or more is entitled to 200 hours of holiday per calendar year.
- 1.b. Clause 3.6.1.a does not apply to employees who were already employed with an employer to which the collective bargaining agreement for the insurance sector (office staff and field workers) applies on 1 January 2010. The transitional scheme referred to in Appendix V applies to these employees.
2. If an employee is appointed in the course of the calendar year, for that year he is entitled to a proportionate part of the number of holiday hours defined in the first paragraph. Less than half an hour will be rounded up to half an hour and more than half an hour up to a whole hour.
- 3.a. If an employee leaves the company in the course of the calendar year, for that year he is entitled to a proportionate part of the number of holiday hours applicable to him. Less than half an hour will be rounded up to half an hour and more than half an hour up to a whole hour. The employee is entitled to have the holiday hours due paid out in lieu. Any excess holiday hours taken will be deducted from the salary.
- 3.b. Employer and employee can agree to pay out holiday hours above the statutory entitlement in cash.
4. Of the total number of holiday hours, a holiday of at least three calendar weeks can be taken consecutively.
5. If his partner gives birth, the employee is entitled to use his holiday entitlement.
6. The employer is entitled to designate one day as a collective holiday no later than 1 February of the year in question, which is deducted from the holiday hours in the employee's individual timetable for that day.
7. Employees with a part-time employment contract are entitled to the holidays defined in paragraph 1, in proportion to the number of holiday hours for employees with 1976 working hours.
8. If the employee becomes occupationally disabled during the holiday, the employee retains the right to the consequent holiday entitlements missed, as long as he informs his employer without delay of his occupational disability and has adhered to the regulations in that respect. These include consulting a doctor and producing a medical certificate concerning the nature and duration of the sickness.
If, in exceptional cases, it is not possible to obtain such a medical certificate, the nature and duration of the sickness can, for example, be determined from the invoices for medical treatment. The employer decides how replacement holiday entitlements should be taken, after consultation with the employee.

Clause 3.7 Bank holidays

1. The following days are not treated as working days:
 - New Year's Day
 - Good Friday
 - Easter Monday
 - Ascension Day
 - Whit Monday
 - Christmas Day and Boxing Day
 - The King's Birthday
 - 5 May once every five years (from 1995)
2. Employees who are members of an acknowledged non-Christian religious community can take unpaid leave for the relevant religious festivals up to a maximum of three days per calendar year.

Clause 3.8 Special leave

1. Where references are made in this clause to relatives of a partner based on civil marriage or to events regarding such partner, the same applies to a partner on the basis of a registered partnership or cohabitation contract as defined in Appendix I.
2. Without prejudice to what is defined in the statutory regulations in which the employee is entitled to leave on the grounds of highly personal circumstances, which leave is deducted from the holiday entitlement the employee has accrued as referred to in clause 3.6, special leave is granted on full pay:
 - a. on the death of the partner or of a child living at home without a partner: Two calendar weeks
 - b. On the death of parent(s)(-in-law) and a child not covered by subparagraph a.: one day and a second day to attend the funeral. If the employee is appointed to organise the funeral: one day or the time necessary up to a maximum of five days
 - c. to attend a union meeting, if the employee is part of any executive board or is a delegate for part of that union, but up to a maximum of ten days per calendar year (may be taken in half days). This leave is granted as long as the work allows
 - d. to attend courses organised by or on behalf of the unions, if this is also, in the view of the employer, in the direct interest of the company, up to a maximum of six days per calendar year (may be taken in half days), as long as the work permits and as long as the leave is requested promptly.

Clause 3.9 Leave for family responsibilities and informal care

Where not expressly deviated from in this clause, the conditions defined in the Work and Care Act apply.

1. Female employees are entitled to the statutory maternity leave on the understanding that the payment is related to their applicable gross salary.
2. Employees adopting a child or permanently assuming the care and upbringing of a foster child are entitled to the statutory adoption leave on the understanding that the payment is related to their applicable gross salary.
3. After his partner gives birth, an employee is entitled to the statutory paternity leave. This leave is no longer deducted from the holiday entitlement accrued by the employee as defined in clause 3.6.
4. Employees are entitled to the statutory emergency leave when necessary. Half of this leave taken for emergency purposes is deducted from the holiday entitlement accrued by the employee as defined in clause 3.6.

5. The employee can claim the statutory short-term care leave if necessary to care for a sick partner, a person with whom the employee lives with but is not married to, a child to whom the employee acts as a parent to in a family relationship, a child of the partner or the person with whom the employee lives with but is not married to, a foster child, a relative in the first or second grade, the person who forms part of the employee's household without an employment relationship or the person with whom the employee otherwise has a social relationship, insofar as the care which is to be provided derives directly from such relationship and must reasonably be provided by the employee. During this short-term care leave, 100% of the applicable gross salary is paid.
6. The employee can claim the statutory parental leave.
The taking of staggered leave is subject to statutory regulations. Employees taking advantage of statutory parental leave are entitled to return to their former function afterwards on the basis of the originally agreed working hours. During parental leave, employees remain members in the pension scheme and may continue to participate in the personnel scheme as if their working hours had not changed.
7. The employer shall give the employee the opportunity to take unpaid leave for a maximum of six months to care for a seriously ill partner, a person with whom the employee lives with but is not married to, a child to whom the employee acts as a parent to in a family relationship, a child of the partner or the person with whom the employee lives with but is not married to, a foster child, a relative in the first or second grade, the person who forms part of the employee's household without an employment relationship or the person with whom the employee otherwise has a social relationship or to provide informal care to other extended family members or friends.
The employee shall, in principle, remain working in his current function for at least 20 hours a week during that period, unless the employer and employee agree otherwise.
The employee continues to participate in the pension scheme during the period of care leave, based on the pension basis immediately prior to the care leave.

Clause 3.10. Leave related to forthcoming retirement

In the year prior to the year of his retirement, the employer provides the employee with the opportunity to take four days extra leave with full pay for attending courses to prepare for the forthcoming retirement. The costs of attending these courses are reimbursed to a maximum of 1,000 euros, provided that the course takes place in the Netherlands and is organised by a certified and recognised training institute.

Section 4 Rewards

Clause 4.1 Classification into salary groups

1. Newly appointed employees under the age of 23 can be categorised into group J.
2. For the application of the collective bargaining agreement the employees are, incidentally, categorised according to the nature of the work they primarily carry out, if they are not categorised higher than group 4:

Group 1:

Employees who carry out work consisting solely of simple, repetitive tasks of the same character for which no or no particular professional knowledge is required.

Group 2:

Employees who carry out work of a less automatic character for which they have to comply with stricter requirements of accuracy and particular requirements of professional knowledge or specific office work for which practical experience is needed.

Group 3:

Employees who carry out work that, although under supervision, is carried out more independently and/or where management has to be given, albeit to a limited degree.

Group 4:

Employees who carry out work requiring extensive and/or more specialised professional or commercial knowledge and where a greater degree of management is required.

A number of guidelines for categorising into groups have been attached to the collective bargaining agreement as Appendix III.

Clause 4.2 Introduction of categorisation system by companies

Parties have agreed that in companies with at least 100 employees a system for categorising functions to determine the maximum reward per function will apply. The conditions in this clause apply to this system. The system will apply to all employees covered by the scope of the collective bargaining agreement. For companies with fewer than 100 employees, in the absence of a categorisation system, the Appendix of scales/categorisation criteria attached to the collective bargaining agreement applies. If a company with fewer than 100 employees decides to use a categorisation system, it will be done based on the procedure below.

In this context, the term company is given to mean: Any company in the sense of the Works Councils Act with, in general, at least 100 employees, for which a separate works council has been established.

Parties have considered that, in addition to reward, the use of a system for categorising functions can have other objectives with a positive effect on the organisation as a whole. Using such a system helps make the organisational structure more transparent and the tasks, responsibilities and authorities mutually more cohesive. This also enables training to be applied more systematically. Such a system can also be a good tool for recruitment and selection, promotion and career guidance and employee appraisal.

System for categorising functions

The content of the functions should be described in a way appropriate to the categorisation system. Functions should be categorised based on either a system of function evaluation or a system of comparative categorisation or a combination of two or more of these systems.

The system will be introduced after consent from the works council and will comply with the following requirements:

- public

- reliable/consistent where results are concerned

The employer publishes the system chosen for his company in such a way that employees can examine the system.

The employer determines the content of the function. The content of the function is defined under the responsibility of the employer. Before categorisation takes place, the employee can examine the definition of the function that applies to him. If the content of the function changes substantially, the categorisation of that function will be reconsidered.

Dealing with objections

If an employee disagrees with the function categorisation, he should approach the employer. The employer and employee will confer to see whether the difference of opinion can be solved.

If the difference of opinion continues, the employee must be able to appeal to an internal body for dealing with such objections or institute a complaints procedure. A body for dealing with objections will consist of a proportional representation of employers and employees. In all cases, the body will issue written advice to the employer, a copy of which will be sent to the employee.

The employer retains the final say regarding the function categorisation. If the employer deviates from the appeal body's unanimous advice, he will give written reasons for his decision. The employer and the works council can also decide to institute external appeal proceedings.

Transitional regulations

The system to be introduced into the company will provide for transitional/guarantee regulations to ensure that the introduction of a new structure does not lead to any loss of income. In that context, attention will also be devoted to any agreements concerning the future prospects employees have in the individual salary scales that currently apply to them, with due observance of the guarantee conditions below.

Guarantee on the introduction of a new categorisation system

- a. Salary guarantee is given to mean the guarantee that, if an employee's former salary is above the maximum of the scale into which the employee is categorised after introduction of the new categorisation system, the employee in question retains his former salary and his entitlement to general (initial) salary raises pursuant to the collective bargaining agreement.
- b. Prospect guarantee is given to mean the guarantee that the employee who still had room for a raise in the scale into which he was categorised before introduction of the new categorisation system and after its introduction reaches or exceeds the maximum of the new scale retains the right to a raise in accordance with the old scale for at least two years.

Guarantee on the introduction of a new reward system

- c. Salary guarantee is given to mean the guarantee that, if an employee's former salary is above the maximum of the scale into which the employee is categorised after introduction of the new reward system, the employee in question retains his former salary and his entitlement to general (initial) salary raises pursuant to the collective bargaining agreement.
- d. Prospect guarantee is given to mean the guarantee that the employee who still had (scale) room for a raise according to the old reward system and after introduction of the new reward system reaches or exceeds the maximum of the new scale still receives the raise he would have received according to the old reward system for at least two years.

Existing categorisation system

When an existing categorisation system is amended, the procedure rules above will be followed.

Clause 4.3 Salary scales and salaries

Salary scales

- 1.a. The employer is obliged to pay the employees with 1976 working hours a year who are categorised into one of the groups defined in clause 4.1 salaries based on salary scales attached as Appendix IV to the collective bargaining agreement.
- 1.b. The salary scales show the amounts to be received by the employees, without deduction of income tax or other amounts to be withheld from the salary by the employer pursuant to government regulations.
- 1.c. The employees must be salaried at least in accordance with the minimum salaries according to their years of experience (for youth scales: age) and the group in which they are placed. Years of experience before the age of 23 do not count (for the application of this paragraph).
- 1.d. The employees may each be salaried individually above the maximum average salaries in accordance with their years of experience (for youth scales: age) and the group in which they are placed.
The employees of one group may together be paid no more than the sum of the maximum average salaries applicable in accordance with their years of experience.
This calculation will be formulated for employees aged 23 and over.
- 1.e. The salary scales apply to employees with a part-time employment contract according to that applicable to employees who work 1976 hours a year in proportion to the number of working hours per year agreed with them.

Salaries

- 2.a. The salary scales applicable on 1 May 2017 and the salaries applicable on 28 February 2018 will be increased structurally as of 1 March 2018 by 2%.
The salary scales applicable on 1 March 2018 and the salaries applicable on 31 December 2018 will be increased structurally as of 1 January 2019 by 2%.
- 2.b. The salaries for employees in the youth scales are determined on the basis of age. The change is implemented in the payment period in which the employee's birthday falls.

Clause 4.4 Compensation for working on Saturday

(Saturday between 7:00 a.m. and 5:00 p.m.)

1. From 1 June 2017, the regular hourly wage plus 30% will be paid on hours worked between 7:00 a.m. and 5:00 p.m. on a Saturday. For the determination of the regular hourly remuneration as referred to in this Clause, the applicable fixed annual remuneration must be divided by 1976. The determination of the normal hourly wage is set in the same way after the applicable remuneration has been converted to the remuneration for 1976 working hours for employees with a working time of less than 1976 working hours per year.
2.
 - a. In the event of the employee falling ill, the benefit under Clause 7:629 of the Dutch Civil Code / Clause 4.9 of this CBA will be increased by the compensation from Paragraph 1, as it applied at the moment prior to the illness.
 - b. Upon taking holiday leave in accordance with Clause 3.6, the remuneration shall be increased in accordance with the CBA compensation under Paragraph 1 as it applied at the time prior to the holiday leave.
 - c. To determine the compensation amount from Paragraph 1, it is presumed that the compensation amount per month is equal to the average amount in the three previous months. If the aforementioned period is not a representative period for determining the allowance amount, it can be linked to a longer period comparable to the effect under Clause 7:610b of the Dutch Civil Code.

Clause 4.5 Additional and overtime compensation

1. The additional work compensation will, as of 1 May 2018, be the hourly remuneration including an allowance for pension costs (minus the personal contribution), vacation days, holiday allowance and any other fixed remuneration monetary elements.
2. The 8% holiday allowance is included in the overtime allowances, in accordance with the Minimum Wage and Minimum Holiday Allowance Act. Overtime is paid as follows:
 - a. for the first five working days of the week the normal hourly rate plus 25% is paid for the overtime hours within the normal working hours framework (from 7:00 a.m. to 9:00 p.m.)
 - b. on Saturdays (from 8:00 a.m. 5:00 p.m.) the normal hourly rate plus 55% is paid for the overtime hours;
 - c. for the hours outside of the normal working hours framework (from 12:00 midnight to 7:00 a.m. and from 9:00 p.m. to 12:00 midnight) in the first five working days of the week the normal hourly rate plus 55% is paid;
 - d. on Saturdays for the hours from 12:00 midnight to 8:00 a.m. and the hours from 5:00 p.m. onwards, on Sundays and on the bank holidays referred to in clause 3.7, paragraph 1, the normal hourly rate plus 100% is paid;
 - e. to determine the normal hourly rate as referred to in this paragraph the fixed annual salary should be divided by 1976. The minimum hourly rate for overtime not included in the bonus referred to in a to e calculated for this remuneration is equal to the applicable minimum salary for employees with no years of experience in the collective bargaining agreement salary scale group I, divided by 1976.

Purely and simply because a different method for determining the hourly rate applied in the collective bargaining agreement for April 1998 – April 2000, the (minimum) hourly rate determined in this way for calculating overtime is increased by 12%.

3. Unless special company circumstances prevent as much, the employee can take the overtime hours as free time instead of payment. This free time must be taken before the end of the following quarter. The overtime bonus referred to in paragraph 1 is then not paid out in either money or free time.

Clause 4.6 Shift work pay

1. Employees working in shifts receive compensation consisting of: either a shift bonus in the form of a bonus on top of the fixed salary, or a reduction in the normal working hours applicable for the company or a combination of the two.
2.
 - a. If the employee is sick, the benefit based on article 7:629 of the Dutch Civil Code/clause 4.9 of this collective bargaining agreement will be increased by the shift bonus applicable directly before the employee became sick.
 - b. For employees who became sick before 1 January 2004 and to whom the Occupational Disability Insurance Act (and underlying law and legislation) applies, what is defined in clause 4.6, paragraph 2, of the collective bargaining agreement 2003-2004 applies.
 - c. Upon taking holiday leave, in accordance with Clause 3.6, the remuneration shall be increased in accordance with the CBA by the shift allowance as it applied at the time prior to the holiday leave.
 - d. To determine the shift work allowance amount, it is presumed that the allowance amount per month is equal to the average amount in the three previous months. If the aforementioned period is not a representative period for determining the allowance amount, it can be linked to a longer period comparable to the effect under Clause 7:610b of the Dutch Civil Code.
3.
 - a. If an employee working shifts is, for organisational or health reasons, placed in another function for which no shift bonus applies, if this entails any reduction in income a phasing-out arrangement will be implemented.
 - b. This arrangement will extend over a period equal to the time the employee has worked in shifts but up to a maximum of 4 years. Part months will be rounded up to full months. The

phasing out will take place in monthly instalments. If, during the period in which the employee worked shifts, the shift bonus is changed, if the phasing-out regulation has been implemented then the average shift bonus received over the last 13 weeks prior to termination of the shift work applies.

- c. In the event that an employee requests to be exempt from shift work for reasons other than those referred to in paragraph a., the employer will make every effort to, along with the employee, look for an alternative position that does not involve shift work.

Clause 4.7 Holiday bonus

1. The employer is obliged to pay the employee an annual holiday bonus to the amount of 8% of the fixed annual salary applicable in the month in which it is paid. This pay is not included in the salary scales.
2.
 - a. For employees who reach the age of 23 or more in the calendar year in question, the minimum holiday bonus is the amount of the statutory minimum holiday bonus.
 - b. For employees with a part-time employment contract the minimum is proportional to the agreed number of working hours.
 - c. To determine the minimum holiday bonuses for employees under the age of 23, a deduction is applied in accordance with the percentages applicable to the statutory minimum youth wage.
3. If the employment relationship has been of a shorter duration in the calendar year in question, the payment referred to in the first paragraph will be reduced proportionally.
4. If an employee who leaves the employ of the company in the calendar year in question has received more holiday bonus than he is entitled to pursuant to paragraph 3 before the date of leaving, the difference will be deducted when he leaves.

Clause 4.8 Annual bonus

1. Employees for whom the duration of the employment contract in the preceding financial year has been a full year receive an annual bonus equal to one twelfth of the annual salary, unless, in the employer's opinion, the operating results fail to allow this. If the duration of the employment contract in the preceding financial year was shorter, then the payment will be calculated proportionally. In the event of interim commencement and termination of employment, the bonus will be calculated proportionally.
2. Such bonus is deducted from the employee's entitlement pursuant to any bonus and/or profit sharing schemes applicable within the employer's company, of which schemes such bonus is considered to be part.

Clause 4.9 Continued salary payment during sickness

General

The amendments in clause 4.9 of this collective bargaining agreement in relation to the collective bargaining agreement for 1 June 2003 to 1 June 2004 apply to employees who became sick on or after 1 January 2004.

What is defined in this clause does not apply to employees who became sick before 1 January 2004. What is defined in clause 4.9 of the collective bargaining agreement 2003-2004 applies to them.

First and second year of sickness

- 1.1. If, due to sickness, an employee is unable to carry out the agreed work, the conditions of article 7: 629 of the Dutch Civil Code, the Work and Income According to Work Capacity Act (WIA), the Gatekeeper Improvement Act (Bulletin of Acts and Decrees 2001, 628) and any

- future amendments to those acts apply to him.
- 1.2. Sickness is given to mean being incapable of carrying out the agreed work due to a physical or mental disability. Agreed work is given to mean the work agreed during the agreed working hours.
 - 1.3. Work on an occupational therapeutic basis is work carried out by the sick employee with the primary objective of reintegrating him in time. Working on an occupational therapeutic basis enables the sustainability and build-up of the employee's work capacity to be investigated and improved.
The sickness period is not interrupted by carrying out work on an occupational therapeutic basis.
 - 1.4.1. As long as the employment contract with the employer continues, the employee who is unable to carry out the agreed work due to sickness receives, in addition to what is defined in article 7:629 of the Dutch Civil Code:
 - a. in the first year of sickness 100%
 - b. in the second year of sickness 70%
of the gross salary
 - 1.4.2. If the Employees' Insurance Administration Agency (UWV) decides that the employer has made insufficient effort and, on those grounds, extends the time period in which the employee is entitled to be paid his salary by the employer to a maximum of 156 weeks, during the allotted period the employee receives a supplement of up to 70% of the gross salary. The same applies if the employer and employee have submitted a joint request for extension of the waiting time. Payment of the supplement ceases as soon (and as long) as the employee (temporarily) loses his right to continued salary payment. Payment of the supplement also lapses at the moment the employment contract is terminated.
 - 1.5.1. If the sick employee starts carrying out or resumes work that is not on an occupational therapeutic basis for at least 50% of the agreed working hours, contrary to what is defined in paragraph 1.4.1, subparagraph b, in addition to what is defined in article 7:629 of the Dutch Civil Code the employee receives 100% of the gross salary for the second year of sickness from the first day of resuming work and as long as the employment contract with the employer continues. In this context, resuming work is also given to mean retraining.
 - 1.5.2. If the Employees' Insurance Administration Agency (UWV) decides that the employer has made insufficient effort and, on those grounds, extends the time period in which the employee is entitled to be paid his salary by the employer to a maximum of 156 weeks, during the allotted period the employee receives a supplement of up to 100% of the gross salary. The same applies if the employer and employee have submitted a joint request for extension of the waiting time. Payment of the supplement ceases as soon (and as long) as the employee (temporarily) loses his right to continued salary payment. Payment of the supplement also lapses at the moment the employment contract is terminated.
 - 1.6.1. If the sick employee starts carrying out or resumes work that is not on an occupational therapeutic basis for less than 50% of the agreed working hours, contrary to what is defined in paragraph 1.4.1, subparagraph b, in addition to what is defined in article 7:629 of the Dutch Civil Code the employee receives 85% of the gross salary for the second year of sickness from the first day of resuming work and as long as the employment contract with the employer continues. In this context, resuming work is also given to mean retraining.
 - 1.6.2. If the UWV decides that the employer has made insufficient effort and, on those grounds, extends the time period in which the employee is entitled to be paid his salary by the employer to a maximum of 156 weeks, during the allotted period the employee receives a supplement of up to 85% of the gross salary. The same applies if the employer and employee have submitted a joint request for extension of the waiting time. Payment of the supplement ceases as soon (and as long) as the employee (temporarily) loses his right to continued salary payment. Payment of the supplement also lapses at the moment the employment contract is terminated.
 - 1.7. Contrary to what is defined in paragraph 1.4.1, subparagraph b, in addition to what is defined in article 7:629 of the Dutch Civil Code an employee who is sustainably and fully occupationally disabled (flexible UWV examination) receives 100% of the gross salary from the 1st to the 24th month of the sickness, as long as the employment contract with the employer continues.
 - 1.8. After the aforementioned continued salary payment period, the salary of the partially occupationally disabled employee who is going to carry out work that is not on an occupational therapeutic basis is determined based on the scaling of the function the employee will be

fulfilling on resuming work and in proportion to the number of hours the employee will be carrying out this work. This is based on the number of years' experience the employee has gained in the (old) scale. On resuming work in his own function, the appropriate scaling is retained and the salary for that function is determined in proportion to the number of hours the employee will be carrying out this work.

- 2.1. Calculation of the gross salary as referred to in paragraph 1 is based on the fixed annual salary plus the shift bonus in accordance with clause 4.6, the holiday bonus in accordance with clause 4.7 and the annual bonus in accordance with clause 4.8. The accrual of pension rights during the period of 104 weeks is based on the last salary earned as far as legally and fiscally permitted.
- 2.2. The statutory deductions are applied to the supplements referred to in paragraph 1.
- 3.1. What is defined in paragraph 1 is on the condition that the benefit pursuant to the Sickness Benefits Act, the Work and Income According to Work Capacity Act and/or the Unemployment Insurance Act is assigned to the employer.
- 3.2. Expressly setting aside article 7:629 of the Dutch Civil Code, any amount the employee may be able to claim from a third party in respect of the occupational disability in question pursuant to a statutory provision is deducted from any benefit or supplementary payments referred to in paragraph 1 for a corresponding period. The employee will receive an advance on this compensation to the amount of the benefits referred to in paragraph 1 if he transfers all rights and claims he can assert regarding the occupational disability with regard to third parties pursuant to any statutory provision to the employer up to the amount of this payment.
4. From the third year on, pension rights accrued during occupational disability are based on the actual income.
5. The supplements referred to in this clause cease as soon as the employee loses his right to continued payment or a payment pursuant to occupational disability.
6. In the event of interim statutory changes regarding sickness and occupational disability, the statutory provisions will be applied fully.

Clause 4.10 Benefit on death

On the death of the employee the employer shall pay the employee's surviving relatives a lump sum equal to the tax-free level for this situation of three times the monthly salary on the day of death, including holiday bonus and the annual bonus.

This payment is also deemed to include the amount due to the surviving relatives pursuant to article 7:674 of the Dutch Civil Code and any other conditions concerning statutory sickness and occupational disability insurances.

The term surviving relatives is given to mean the partner from whom the employee was not separated on a permanent basis or, in the absence of such partner, the minor legitimate or natural children.

Clause 4.11 Remuneration for temporary employees

Temporary employment agencies will, on 1 July 2018, in addition to the recruiting fee receive, remuneration under the ABU and NBBU Collective Bargaining Agreements, all allowances and benefits (including the possible annual payment in accordance with Clause 4.8) from the temporary workers CBA which is allocated to employees in equal positions in the service of recruiting organisations. The annual working hours in accordance with Clause 3.1 of the CBA amounts to 1976 hours.

Clause 4.12 Compensation of Trade Union Contribution

The Trade Union Contribution costs will only be shared (on the basis of 50-50%) between the employer and the employee in 2018.

Clause 4.13 Supplement to the third year of unemployment benefit and Resumption of work Scheme for the partially disabled (WGA)

The CBA parties have agreed to supplement the 3rd WW year and the Resumption of work Scheme for the partially disabled (WGA) in accordance with the Social Agreement appointments. The contributions for the supplement to the 3rd WW year and the WGA are paid by the employees. The payment of the 3rd WW year and the WGA premiums will commence on 1 June 2018.

Section 5 Flexible employment conditions

Clause 5.1 Choice system

If he so wishes, the employee can (partly) use a number of the employment conditions applicable to him as a source for other employment conditions applicable to him as a target via a choice system implemented within the company.

Clause 5.2 Principles of choice system

The system the employer implements will comply with the following principles:

- designation of the employment conditions that can be used as a source and the (related) employment conditions that can serve as a target, based on hour value calculation and conversion factors from money to time and vice versa
- maximisation of the scope of designated sources and targets
- (if necessary) establishing preconditions for the system based on business economic and organisational reasons
- definition of choice moments and applicable terms
- the choice menu should, in principle, be annual
- definition of who can participate in the system when and who can designate sources and or use targets
- any further objective criteria and preconditions within which the exchange is to take place
- the system should take statutory provisions into account
- social security provisions are excluded from this system
- the employee is free to take advantage of any choice option offered within the established system and the employee should be informed beforehand of the possible consequences of any choices for the social insurances and other employment conditions
- the employer provides the employee with as full a picture as possible of the choices possible within the choice system and their consequences. The employer informs the employee of such when he commences employment. At least once a year, the employer shall remind the employee of the possibility to make choices within the choice system;
- the system is established with the consent of the representative consultative body.

Clause 5.3 Exchanging employment conditions

The system should include at least the following elements:

- using saved working hours (at 104 hours a year) as a source for money (salary raise)
- using salary as a source for (104 hours) reduction in working hours as a target

It is also advisable to include as a possible target the possibility to make supplementary deposits in a life course saving scheme or individual pension contributions within the tax options. Individual pension contributions can be made within the framework of the company pension scheme or through an individual pension gap insurance.

Clause 5.4 Supplementary criteria

- For conversion factors for sources and targets for exchanging time and money, the principle for collective bargaining agreement sources is that one saved day costs 116.33% and that further agreements can be made with the representative consultative body regarding the conversion of payments peculiar to the company.
- For employees who saved long-term leave up to 31 December 2005 to use for in exchange for money, when they take this time off they remain members of the pension scheme and may continue to participate in the personnel scheme as if their working hours had not changed. On returning from long-term leave they are also entitled to resume their former function or an equal function.

- If, as the result of exchanging employment conditions, the working hours are extended or reduced, the collective bargaining agreement employment conditions related to the working hours (salary, holiday bonus, annual bonus, pension and, on reduction, holiday) will be adjusted proportionally. In those cases, the individual company's regulations will not be adapted to the amended working hours.

- The employee is entitled to take the extra reduction in working hours in whole days related to the length of the normal working day at the company and the working hours agreed with the employee(s). In accordance with the Working Hours Act, the working hours will not, in general, be longer than 9 hours a day. Unless the employee and his superior have made other agreements in this respect, the employee is entitled to one whole day every four weeks. As long as the company has allowed for this within the preconditions of the relevant choice menu (when company organisational and business economic reasons do not dictate otherwise), it is possible to divide a working week of 36 hours into a timetable of 4 times 9 hours.

Section 6 Employment and emancipation

Clause 6.1 Employment

1. *Agreements regarding individual companies*
 - a. Proposed activities or developments that entail significant consequences for employment in a quantitative or qualitative sense or an impairment of the existing legal position of a group or category of employees will be reported promptly to the unions without prejudice to the rights of the Works Council.
 - b. The report should be made at such a time that meaningful consultation regarding the proposed activities is possible before proceeding with execution. Meaningful is given to mean, in any case, the possibility for the unions to consult their members.
 - c. The information supplied by the company should provide the unions and the Works Council with insight into the motives for the proposed activities, their nature, scope and place and any expected effect on jobs and/or the consequences for the employees' existing legal position.
 - d. An effort will be made to prevent or limit as far as possible any negative consequences for individual employees by agreeing a social plan/social paragraph with the unions. Forced redundancies will also be prevented as far as possible.
 - e. If a social plan is formulated, it will include agreements with regard to the following, for example:
 - information provision during the term of the social plan
 - the nature and frequency of the consultation between parties during the term of the social planIt can also include general attention to:
 - employment conditions and procedures in the event of internal transfer
 - financial consequence of transfers
 - any facilities for finding work elsewhere and related supplementary or redundancy schemes
 - the options for limiting the loss of jobs as far as possible by making use of the possibilities offered by part-time work
 - the possibility of significant reduction in working hours when that is in the interest of retaining jobs; to finance this, any future initial salary raises based on the collective bargaining agreement can be made use of.
2. *Agreements concerning the sector*
 - a. Regular consultation will take place at sector level regarding the economic position and economic prospects of the sector, in particular in regard to employment.
 - b. The objective of this consultation is to provide the parties to the collective bargaining agreement with information of a continuous and systematic character, in order to be able to closely follow the employment developments.
 - c. To be able to carry out the desired consultation as well as possible, the employers' organisation undertakes to supply the data necessary to enable meaningful discussion of the job situation in the sector.

3. *Special agreements*
 - a. The employer will devote special attention in his employment policy to unemployed young people, by means of specific training, retraining, education and guidance.
 - b. Job opportunities for special groups
 1. The employer will implement an active policy to contribute to the objectives of the Participation Act. The employer ensures that the employees with an occupational disability are enabled to acquire a sustainable position within the company. Provisions will, where necessary and possible, be made in consultation with the works council. A report covering the policy will be published by means of a Social Annual Report.
 2. An active policy will also be implemented with regard to the number of apprenticeships for young employees. Apprenticeship and employment contracts will be linked.
 3. The employer will devote special attention to the recruitment, selection and training policy aimed at women.
 - c. Recruitment policy
 1. When there are vacancies for which external recruitment activities are undertaken, employees should also be given the opportunity to apply for such jobs.
 2. To promote the transparency of the labour market the employer shall announce all relevant vacancies to the UWV, quoting the content of the function (nature, level, working conditions, working hours and so forth) and the requirements made of the employee as far as training and experience are concerned.
 3. The employer will supply the Works Council with an overview twice a year of the number of temporary employees working in the company. In general, the employer will not use staff mediated by temporary employment agencies for filling vacancies for temporary work and part-time jobs other than after consulting the Works Council.
 - d. Part-time working
The employer will consider which possibilities there are for part-time employment contracts in addition to full-time employment contracts to promote part-time work as referred to in clause 3.1.3.

Clause 6.2 Social policy in the company

1. The social policy is a valuable part of the total company policy. It is aimed at the employee within the work organisation both:
 - from the point of view of the employee's welfare and advancement possibilities and
 - from the point of view of the company's efficient functioning.

The social policy the company implements is based on care in respect of the position of employees, both collectively and individually. Unnecessary distinctions according to age, origin, sex, nationality, function or nature of the employer/employee relationship are avoided in implementing the social policy. Special attention will be devoted to deployability of employees. The social policy should contribute to the best possible development of the employees and promote mutual understanding between employees. The human element will be taken into account as far as possible in the organisation of the company, allowing for the company's necessary continuity.

2. The elaboration of the social policy should be done within the company in order to express the company's own character in the policy.
3. The social policy is based on the following principles, for example:
 - a. the welfare of the employee, both individually and collectively
 - b. equal opportunities for employees;
 - c. the social security of the employee who is dependent on the job, by striving for the continuity of the company
 - d. the legal security of the employee. To effectuate this, regulations regarding the employment conditions are set out in a collective and individual employment contract, so the employee knows his rights are legally secured
 - e. work satisfaction through permanent attention to the working climate, cooperative

- relationship and working conditions. This is promoted by, for example, endeavouring to give responsibility and authority in accordance with capacities and ambitions and by encouraging mutual cooperation, based on mutual respect
- f. aiming for a balanced control structure where the employees share the responsibility and are given the room for decisive management
 - g. special attention to training employees
4. The way in which the above principles are concretised is partly determined by the working conditions, the organisational relationships and the size of the company.
 5. In elaborating upon the social policy, attention is devoted to the following aspects, for example, where they are not provided for in the collective bargaining agreement:
 - a. employment conditions policy
 - b. employment policies
 - c. personnel policy
 - d. career development
 - e. participation in management
 For the further elaboration of paragraph 5 subparagraphs b, c and d please refer to clause 6.3.
 6. Companies with at least 50 employees formulate a Social Annual Report once a year, which reports on the policy implemented in the reporting year. To be able to discuss this report in the Works Council, all employees in the company will be supplied with the Social Annual Report after consultation with the Works Council. The report will also be sent to the unions for perusal. The formulation of the Social Annual Report can be further elaborated upon for each individual company after consultation with the works council, whereby the size of the company can also be taken into account. Appendix VI to this collective bargaining agreement provides a list of topics as a guideline for formulating the Social Annual Report.

RELATED MOBILITY POLICY AND DEVELOPMENT

Under the influence of market and product developments and advancing information technology, organisations and the functions within them will be subject to continuous change. If a company wishes to accommodate those developments rapidly and effectively, it needs well-trained, highly mobile employees with a flexible attitude. From the point of view of their social security, it is in employees' interest to be given the opportunity to continually develop so they can (continue to) comply with the changing requirements and circumstances.

Based on the mutual interest of the company and the employees, employers and unions devote special attention to cohesive mobility policy and development as part of the social policy within the collective bargaining agreement for the insurance sector.

The objective of the policy is the optimal mobility of all employees in the internal and external labour market, now and in the future, regardless of their age. Voluntary career changes can be part of that mobility policy. The activities of the Taskforce Samenhangend Inzetbaarheidsbeleid (consisting of representatives from employer and employee organisations) will be extended for the term of this collective bargaining agreement.

Clause 6.3 Employment and training policy

General

From the point of view of the mutual interest of employers and employees, as part of the social policy within the company, the employment and training policy is aimed at the employee also being as deployable as possible in the company in the future, either for the current function or in other functions. A cohesive personnel policy is a precondition. It is aimed at anticipation, presentation and development, in teams and individually and covers the influx, advancement and outflux of employees. As the management plays a significant role in implementing the employment and training policy, particularly in guiding and encouraging employees in updating

and expanding their knowledge and skills, the employer will ensure that the management is qualitatively equipped for the purpose, is given sufficient opportunity, takes sufficient advantage and is evaluated partly on that basis.

1. *Company level*

- 1.a. The employer brings the future developments to the attention of the employees as early as possible. He formulates a development plan indicating which functions are necessary for the organisation in the future and what training is required for which employees to comply with the company's objectives. This development plan is discussed in the consultation meeting with the Works Council. At least once a year, the employer reports to the Works Council on the progress of the implementation of the development plan.
The management in the company will encourage the employee to follow specific courses. This concerns not only professional knowledge but also skills and conduct. The objective is to contribute as far as possible to the employee's job security, increase his mobility and promote internal mobility. The employer shall make the employee aware of his own responsibility in this respect by means of informative material.
- 1.b.1. The employer formulates a company training plan, listing facilities such as time commitment and investment costs, through which employees can obtain the necessary qualifications for complying with the company objective and/or the development plan. This company training plan will devote attention to age-aware personnel policy, in particular, dealing with such topics as the employees' Personal Development Plans, courses, career checks and task interpretation.
- 1.b.2. The following principles apply when interpreting facilities such as time commitment and investment costs:
- Work instruction for the current function takes place during working hours
 - Costs related to training for the current or following function are, in principle, borne by the employer
 - For preventive training (aimed at preventing the loss of the employee's current job), in principle employer and employee will make a joint contribution. At least half the time needed for the course will be in the company's time;
 - If the employee's function disappears due to a reorganisation, the costs of training for another function will be borne by the employer and the training will be carried out in the company's time as far as possible.
- 1.b.3. Once a year, the employer reports to the Works Council on the progress of the execution of the training plan.
- 1.c. Training depends on the employee's individual situation. Specific individual attention will be devoted to deployability.
- 1.d. If it is not possible to fill a vacancy within the same business unit, then it will be announced internally so that all employees can explore the opportunity.

2. *Individual level*

- 2.a. The greatest mobility of the employee is in the interest of both the employer and the employee. On the basis of this mutual interest, the employer is responsible for making sure the employee can actually participate in training by providing facilities for his development.
- 2.b. The employee is entitled to training, but is primarily responsible himself for his own mobility. He is expected to participate in courses and training to that end and take the initiative himself. He must attempt to successfully complete any courses or training.
If the employee is not prepared to follow the necessary course/training he will have to accept any consequences that refusal may have for his career.
- 2.c. The employers will encourage employees to formulate a personal development plan, aimed at tailored solutions and realistic function requirements and which corresponds with the individual training requirement. The plan will deal with knowledge, skills and conduct. The personal development plan will devote attention to aspects concerning the employee's deployability.

These may include further training and training time, if necessary for the individual employee.

Once a year, there will be a meeting with the employee (possibly in the context of an appraisal/functioning meeting) regarding the implementation of the development plan. During this meeting on the personal development plan, it will be decided whether participation in the EVC procedure has added value for those employees who do not have a diploma of the level on which they work. Once every three years, every employee will be given the opportunity to do a future-oriented career check within the framework of his personal development plan at the expense of the employer.

- 2.d. If he wishes, the employee can ask for second opinion on his development possibilities without consulting his direct superior.
- 2.e. If, despite his efforts, the employee fails to master the required knowledge, skills and conduct, where the functioning level is at least as important as the qualification in assessing that fact, the employer and employee will seek a solution together. Placing outside the company itself, possible additional training or retraining can be considered.
- 2.f. The responsibility for guidance towards a function outside the company itself lies with the employer if the relocation takes place on his initiative.
The joint efforts of employer and employee should be aimed at a 'work to work' situation.
- 2.g. The employee can make use of a training budget of €750 per year during the term of such CBA. The training budget can be saved during the term of such CBA. The employee can finance budget-oriented training courses and development programs in the field of sustainable employability as well as employability from within and outside the insurance sector. The employee can also finance personal career interviews as offered by the sector via www.verzekerjeinzet.nl
This budget will not be paid out in cash and will lapse if and insofar as the employee has not made use of this within the term of the CBA, i.e. no later than 31 December 2019. The starting date of the selected training or development programs must be before 30 November 2019. The budget is linked to one sustainable Employability day that is allocated to the employee to work on employability. The employee can use this day for specific training courses and development programs in the field of sustainable employability as well as employability from within and outside the insurance sector. Or the employee could make use of the day to enter into a personal career interview as presented by the sector via www.verzekerjeinzet.nl. If the employee does not wish to make use of the aforementioned budget, the day could be used for the aforementioned activities aimed at sustainable employability within or outside the sector.

EMPLOYMENT PROJECTS PROTOCOL

The remainder of the amount last reserved in the collective bargaining agreement 2000-2002 for the Work Experience Places Protocol is to be made available to initiatives that boost employment and deployability.

The project aiming to have people receiving a *WAJONG* (Invalidity Insurance (Young Disabled Persons) Act)) benefit acquire work experience will be continued. This project is financed by the available employment monies.

Clause 6.4 Emancipation

1. General

The employer implements an active policy within the formulated social policy aimed at creating equal opportunities for men and women. To reduce women's disadvantage in the labour market, the employer will devote special attention to women's position in the labour market and within his own company.

Attention will be devoted to the following aspects, in particular:

- a. Influx, particularly into higher functions
- b. Advancement, through training in particular
- c. Outflux; where organisationally possible, this can include offering part-time jobs to employees faced with the choice between family and work.

2. *Returning to work*

Priority in filling vacancies for employees who apply to the employer for a job within 4 years after termination of the employment contract due to the birth or adoption of a child.

3. *Preventing sexual intimidation*

The companies will implement a policy aimed at preventing sexual intimidation.

Clause 6.5 On-the-job training

1. At the request of the employee, the employer shall enter into an apprenticeship contract in the applicable discipline with young employees entering or in his employ who can complete an apprenticeship before the age of 27.
2. The employer shall give the employee the opportunity to carry out the activities deemed necessary by the training centre in question and sit the examinations necessary, on full pay.
3. Pursuant to what is defined in subparagraph 2 of this clause the employer shall give the employee the opportunity to attend general education and education aimed at the profession within the normal working hours, on full pay, for a maximum of one day a week.

Section 7 Working conditions

The policy for sickness and a limited degree of ability to work entails a chain approach. Three elements can be distinguished in policy and practice that together form a whole:

1. Working conditions
2. Sick leave, sick leave supervision and reintegration
3. Salary payment in the event of sickness (clause 4.9).

WORKING CONDITIONS POLICY

Closely connected to the attention for deployability is the attention for the circumstances under which the work is carried out. A good employment conditions policy ('arbo policy') is an important factor in preventing sickness absence. The sector has access to the working conditions catalogue for the (healthcare) insurance industry, www.gezondverbond.nl.

Clause 7.1 Computer screens

1. Employees whose work consists largely of working with screens will be given an eye test beforehand. If necessary, employees can request the eye test to be repeated.
2. Employees who, on the basis of the eye test, may no longer work with screens, will be supplied with aids where necessary and/or another function will be sought.
3. The employer will devote attention to the ergonomic aspects that can be related to working with screens and to interrupting the active working hours.

Clause 7.2 Environment

The companies will devote attention to environmental aspects in their business activities.

Clause 7.3 Telecommuting

1. If a company makes structural use of telecommuting as a working method, the following preconditions apply:
 - a. employees voluntarily take part in the telecommuting scheme, unless they have been appointed as 'telecommuters'. The employer can decide individually for each employee whether telecommuting is an option
 - b. Attention must be devoted to organising the work and the balance between work and private life
 - c. When introducing telecommuting, attention will be devoted to the fiscal aspects of telecommuting
 - d. If a company makes structural use of telecommuting as a working method, a scheme will be set up in consultation with the representative consultative body that fulfils the following conditions in any event:
 - Organising the layout of the workstation based on the Working Conditions Act standards including work instructions
 - The minimum and maximum number of days the employee can work at home
 - Communication facilities supplied to the employee by the employer
 - Any expenses the employee will receive
 - Conditions regarding evaluation and adjustment of the scheme
2. Employees who telecommute and have not been rostered in do this on a voluntary basis and, therefore, the conditions of the working hours framework (Clause 3.3) and the compensation

for working during the extended working hours framework (Clause 4.4) do not apply.

3. Employees who telecommute cannot work overtime within the meaning of Clause 3.4.1a and, therefore, the overtime conditions (Clause 3.4) and the overtime pay (Clause 4.5) do not apply.

Section 8 Pensions

Clause 8.1 Basic pension scheme

1. Parties have jointly agreed to an indirect remuneration scheme. This pension scheme forms the basis of the pension agreements such as those that the parties have made together.
2. The employers have the opportunity, with the consent of the works council in the sense of the Works Councils Act or other formal authority within the organisation, to rather opt for the Average Remuneration Scheme as follows:
 - a. Collective Defined Contribution (CDC), or,
 - b. Individual Defined Contribution (IDC).

For former members of the Federation of Mutual Insurers (FMI), which were bound by the merger with the Dutch Association of Insurers on 1 January 2015 to the CBA, and which, based on the exception clause at the time, the Average Remuneration Scheme or a CDC scheme on 16 February 2018 have not yet been implemented, the following applies: such employers have the obligation to implement the Average Remuneration Scheme by no later than 1 January 2019 or to opt for a CDC or IDC scheme, unless on 1 January 2019 there is a current implementation agreement with an effective date prior to 16 February 2018. In such case, the implementation agreement will be respected until the end date of the term of the next termination option offered by the implementation agreement. Until such time, a pension plan in accordance with this CBA is subsequently implemented. In the event that in the opinion of the employer in question, this early termination of the implementation agreement leads to aggravating circumstances, the employer has the opportunity to submit a request to the dispensation committee to determine whether these aggravating circumstances can provide a basis for declaring the implementation obligation included in this paragraph (temporarily) inapplicable.

3. The employers are obliged to transfer the implementation of the pension scheme with a pension executor within the meaning of the Pension Act and with due observance of the co-determination status applicable within their organisation.

If the implementation of the pension scheme is administered by an insurer, the parties recommend that a participants' meeting be set up.

4. The costs of the basic pension scheme form part of the total labour costs. If, upon the assessment of the CBA parties, the costs of the basic pension scheme, in proportion to the total labour costs become too high, it is up to the parties to collectively come up with a solution.
5. The employer who wishes to deviate on multiple points at the disadvantage of the pension scheme applicable to him (Average Remuneration Scheme, CDC or IDC scheme) must address a request to this effect to the dispensation committee.

Composition and procedure of the dispensation committee

The composition and procedure of the dispensation committee are established by individual regulations; reference is made to Appendix V to this CBA.

Conditions under which the request is granted

The dispensation committee will grant the request once the following conditions have been considered and sufficiently motivated:

- The new scheme applicable to the employer is at least actuarially in its entirety equivalent to the pension scheme applicable to the employer; and
- Deviations at the disadvantage of the pension scheme which is applicable to the employer are justified by company-specific circumstances.

Employee participation

1. The dispensation request must be accompanied by a written proof of the approval of the works council, if the employer in question has set up a works council in the sense of the Works Councils Act.
2. If and insofar as dispensation is granted, the necessary agreement will be requested in accordance with the applicable laws and regulations with due observance of the employee participation status applicable to the relevant employer. In doing so, the employer explicitly states which provisions of the pension scheme applicable to the employees have been deemed inapplicable and which elements or aspects of their own pension scheme were the reason for such.

Information supplied to employees

After obtaining the required consent, the employer informs the employees in writing about the dispensation granted. The employer explicitly states which provisions of the pension scheme applicable to them have been deemed inapplicable and which elements or aspects of their own pension scheme was the reason for such.

6. For the employee of the employer who has transferred his pension obligations to an sectoral pension fund foundation, general or company pension fund, all pension entitlements accrued by that employee with a fiscal retirement age of 68 years are actuarially equivalent to entitlements with a fiscal retirement age of 68 years if the sector-wide pension fund concerned, general and company pension fund until this conversion has been decided on.
7. A reservation applies on the average pay scheme, the CDC scheme, the IDC scheme and the transitional provisions concerning the future external circumstances, including but not limited to bottlenecks/objections with regard to such schemes from the perspective of future developments in the field of:
 - civil legislation (including equality);
 - fiscal legislation;
 - supervisory legislation.

The parties will once again consult on the relevant elements in order to reach a solution if and insofar as such circumstances influence multiple elements of the Average Remuneration Scheme, the CDC scheme, the IDC scheme and/or the transitional provisions.

Clause 8.2 The Average Remuneration Scheme

1. The content of the Average Remuneration Scheme is described in Appendix VI of this CBA.
2. The employee's contribution to his/her pension premium in the Average Remuneration Scheme amounts to 6% of the individual pension basis.

Clause 8.3 The CDC scheme

1. The content of the CDC scheme is described in Appendix VII of this CBA.
2. The employee's contribution to his/her pension premium in the CDC scheme amounts to 6% of the individual pension basis.
3. The CDC premium is established based on the structure of future pension entitlements in accordance with the Average Remuneration Scheme.

The starting point in determining the CDC scheme is that it is collectively actuarially equivalent to the Average Remuneration Scheme. To establish the equivalence, a CDC premium is set, whereby the prudent principals are taken into account. These principles are determined by the employer, in consultation with the works council within the meaning of the Works Councils Act, at the moment the transition to the CDC scheme, whereby agreements are made, at the very least, on the model-based assumptions such as:

- Wage development
- Actuarial rate development
- Development of average age in the file instead of this

- File development.

All actual costs resulting from the insurance premium contract are considered when determining the CDC premium. A settlement calculation takes place for at least 5 years. The CDC premium over this period is equal to the average premium over this period. If an employer has not transferred the pension scheme to an insurer but instead to a pension fund, the above provisions are implemented in a similar manner.

4. If the CDC premium in any given year turns out to be lower than the required premium for the annual target structure of 1.75%, this may result in the accrual percentage being reduced in that year.
5. The employers must take care to communicate and arrange plenary informative sessions during the transition to a CDC scheme.

Clause 8.4 The IDC scheme

1. Reference is made to Appendix VII on the IDC scheme content.
2. The scale referred to in the IDC regulation is registered to an IDC scale at the moment of obtaining the negotiation result of this CBA (15 February 2018) is also readily available on the market considering the market interest rate at the time of concluding the CBA.

If during any time it appears that the 35-year interest rate in the pension funds interest rate term structure is higher than 2.2%, the CBA parties shall collectively in consultation with each other come to an agreement on an appropriate adjustment mechanism for the DC scale in the spirit of this Collective Bargaining Agreement. If a decision is made to reduce the scale to the premium contributions in accordance with the market interest rate, the employer's contribution remains neutral and the employee's contribution decreases to a minimum of 0%.

A comparable mechanism is applied when the 35-year interest rate in the pension funds interest rate term structure is lower than 1.5% at any given moment. CBA parties will collectively, after consultation with each other, come to an agreement. If a decision is made to increase the scale to the premium contributions in accordance with the market interest rate, the employer's contribution remains neutral and the employee's contribution increases.

Changes to the applicable scale in the CBA do not apply to the implementation agreements of IDC schemes currently in progress. In such case, the existing scales are respected until the end date of the relevant implementation agreement. When a new implementation agreement is concluded, the scale at that very moment must be the same as the then applicable scale in the CBA.

3. The employee's contribution to his/her pension premium in the IDC scheme amounts to 3.5% of the individual pension basis.
4. The employers must take care to communicate and arrange plenary informative sessions during the transition to an IDC scheme.

Clause 8.5 Transitional provisions

Change to the "basic pension scheme" concept

The term "basic pension scheme", up until 1 January 2018, was understood to mean the Average Remuneration Scheme to distinguish the CDC scheme. The term "basic pension scheme", with effect from 1 January 2018, refers to the pension scheme as known in this CBA, as the Average Remuneration Scheme, the CDC scheme and the IDC scheme.

The basic pension scheme changes, with effect from 1 January 2018

The parties have agreed to the basic pension scheme changes with effect from 1 January 2018. This amended basic pension scheme exclusively applies to the entitlements to be accrued from 1 January 2018.

The claims accumulated up to 1 January 2018 will be prepared non-contributory considering the provisions of Clause 8.1, Paragraph 6.

The provisions set out in Paragraph "Allowance (indexation)" as included in Appendix VI of the Average Remuneration Scheme or Appendix VII CDC scheme shall respectively be applicable to the allowance on these non-contributory rights..

Transitional pre-pension scheme

A shortfall arose because the accrued non-contributory rights in the old pension scheme come into effect at the retirement age of 65 and as a result of the introduction of the pre-pension scheme for employees who have already participated in the basic pension scheme which came into force before 1 January 1999.

This pre-pension shortfall was proportionally accrued by the employer from 1 January 1999 to the former pre-pension age in the form of an additional early retirement pension. The purchase of this pre-pension shortfall will be converted into an old age pension shortfall purchase by 1 January 2006, starting from the age of 65 (retirement pension and relatives pension). One makes use of the possibilities offered by the VPL Act under the denominator of the 'purchase service years' tax regulation for the future construction of this transitional arrangement. The old age pension shortfall purchase will be continued for a maximum of 15 years from 1 January 2006 up to the pre-pension age, so it will be discontinued by 31 December 2020 at the latest.

CBA additional coverage 2003 – 2004

The employees who were younger than 56 years of age on 31 December 2005 and already participated in the basic pension scheme applicable at the time prior to 1 January 1999 were entitled to an additional coverage in the 2003-2004 CBA (as described under Clause 8.3, a and b of the CBA). This additional coverage has been replaced by a structural allowance on the remuneration for this group of employees with the amended basic pension scheme brought into force from 1 January 2006. Considering the original purpose of the additional coverage, namely compensating employees for early retirement, whereby older employees received more compensation allowance than younger employees, since they had less time to still build up an adequate pre-pension, this annual contribution is to be awarded in a phased form (the older the higher the percentage), to be determined by companies discretion. In total, a budget of 1% of the relevant employee's remuneration sum (the basis for such which is the fixed annual remuneration including the holiday allowance) is available, which is the average for the established scale. The scale percentages are established once-off and set for every employee individually.

If this would lead to unauthorised discrimination based on age, the annual contribution per company is converted into an available pension contribution scale.

This annual allowance will lapse as soon as an employee enters into employment with another employer on or after 1 January 2006. The employee is also considered to be a new employee if the employer changes its branch of industry and the right to this allowance is cancelled.

Dutch Association of Insurers	Th. Pluym, chairman of sector board employment conditions
	R. Weurding, managing director, Dutch Association of Insurers
CNV Vakmensen	P. Fortuin, chairman and employment conditions coordinator
	S.N.D. Hendriks-Sneijder, services board member

FNV Finance

G.J.A. van Hees, services board member

De Unie

R. Castelein, chairman

I. De Vries, board member

The Hague, June 2018

Appendix I,

as referred to in clause 1.1 of the collective bargaining agreement

Partner other than on the basis of civil marriage or registered partnership

1. The man or woman with whom the (former) member ran a joint household immediately before his death is considered to be a partner as long as all the following conditions are fulfilled:
 - a. the partner is not a blood relative or relative by marriage of the (former) member in the direct line or in the collateral line to the second remove
 - b. the (former) member and the partner are both unmarried and unregistered
 - c. the (former) member and the partner run a joint household only with each other and any children they may have
 - d. the joint household started before the pension date and has lasted at least six full months since the cohabitation contract referred to in 2.b. was concluded
 - e. Due to the affective relationship they have with one another, the (former) member and the partner have undertaken to make provisions solely for each other.

2. The (former) member who fulfils all the conditions described in paragraph 1 should register with the employer and/or the pension insurer, submitting:
 - a. an extract from the population register and – if required by the employer and/or the pension insurer – from the register of births, deaths and marriages, demonstrating that the conditions described in paragraph 1, subparagraphs a. to d. are fulfilled
 - b. a notarially executed cohabitation contract or an authenticated copy of that contract including at least the following:
 - the full names and dates of birth of the (former) member and the partner
 - a schedule of the distribution of the costs of the joint householdThe (former) member must vouch for the accuracy of the information set out in the notarially executed cohabitation contract or the authenticated copy.
The requirement of a notarially executed deed need not be fulfilled if the joint household has demonstrably existed for five years or longer.

Appendix II,

as referred to in clause 1.3 of the collective bargaining agreement

Joint Collective Bargaining Committee Regulations

1. *The committee's task*

- 1.1. The Committee pronounces judgement on differences in the interpretation and application of this collective bargaining agreement between an employer and an employee or between the employers' organisation and any of the unions.
- 1.2. The committee also has tasks where explicitly stated in the collective bargaining agreement.
- 1.3. Where a collective bargaining agreement clause provides for the possibility, the committee deals with requests for dispensation from the collective bargaining agreement clause in question, with the exception of requests related to Section 8 and Appendices VIII, XI and X (pensions) of this collective bargaining agreement.

2. *Composition*

- 2.1. The committee will consist of a maximum of four members appointed by the employers' organisation and a maximum of four members appointed by the unions.
- 2.2. Regardless of the number of members present at the meeting, the parties cast an equal number of votes.
- 2.3. The members of the committee are appointed for the term of the collective bargaining agreement plus 12 months. Interim vacancies are filled within a month.
- 2.4. The chairmanship is filled every six months by a representative of the employers' organisation and a union representative in turn. The employers' organisation has filled the chairmanship for the first six months since 1 July 1996.
- 2.5. A professional secretary is added to the committee.

3. *Secretarial department*

Requests for a judgement in a difference of interpretation and requests for dispensation should be submitted to the committee's secretarial department, which is based at the office of the employers' organisation: Bordewijklaan 2, P.O. Box 93450, 2509 AL The Hague.

4. *Procedure for differences in interpretation of the collective bargaining agreement*

- 4.1. Requests for a judgement should be submitted to the committee's secretarial department by registered mail by:
 - a. an employee or an employer as referred to in clause 1.1 of the collective bargaining agreement
 - b. the employers' organisation or any of the unions.
- 4.2. Before submitting a request for a judgement by the committee, the employer or employee notifies the opposite party in the dispute of his intention in writing. The opposite party confirms receipt of such notification.
- 4.3. The employer and the employee then have the opportunity to arrive at a mutual solution within fourteen days of the date of receipt of the submission referred to in paragraph 2.
- 4.4. Once the term defined in paragraph 3 has lapsed and no solution has been found, the request can be submitted to the committee.

The request should include the following, in any event:

 - a. Name, first name (if applicable) and address or registered office of the requesting party
 - b. The same for the opposite party
 - c. A clear description of the subject of the difference in interpretation of the collective bargaining agreement, with notes of explanation if necessary
 - d. A copy of the notification to the opposite party in the dispute referred to in paragraph 2
- 4.5. The committee confirms the date of receipt of the request to both parties and pronounces judgement within one month of that date. This term can, if necessary, be extended by a maximum of a similar term.
- 4.6. The committee will request the opposite party in writing to file defence within fourteen days of receipt of this request. Before pronouncing judgement, the committee can also give the party submitting the request and the opposite party the opportunity to provide verbal explanation. If any of the members of the committee are themselves directly party to a particular issue, then these members will not be present as members of the committee when the committee deals

with the issue. In that case, the decision can be made to delegate another representative. In any event, to deal with an issue and pronounce judgement the quorum must be present, being a minimum of two representatives from the employers' organisation and two union representatives.

- 4.7. The committee's judgement is sent to both parties with a difference of interpretation of the collective bargaining agreement and is binding on them.

5. *Procedure for requests for dispensation*

- 5.1. Requests for dispensation can be submitted to the committee by registered mail accompanied by reasons by an employer as defined in clause 1 of the collective bargaining agreement.
- 5.2. The committee confirms the date of receipt of the request and pronounces judgement within two months of that date. This term can, if necessary, be extended by a maximum of a similar term.
- 5.3. The committee gives the party submitting the request the opportunity to provide verbal explanation before pronouncing judgement.
- 5.4. The committee's judgement is sent to the party submitting the request and is binding.

6. *Votes are equally divided*

If the votes are equally divided in a meeting in which a request as referred to in clause 4 or 5 is dealt with, a second meeting is called. If the votes are again divided, then the parties will be informed that the committee has not pronounced judgement, stating that the votes were equally divided.

Appendix III,

as referred to in clause 4.1 of the collective bargaining agreement

A number of guidelines for categorising employees into groups

Group 1:

Work consisting solely of simple, repetitive tasks of the same character for which no or no particular professional knowledge is required.

This can include tasks such as the following:

- running errands
- copying
- filing, searching for and registering letters, copies and cards
- key punching, producing stencils and further mechanical tasks if not named in higher classes
- simple counting and calculation work with or without machines
- typing letters and completing forms using the information provided
- making simple entries
- transferring information to card systems
- preparatory work for dealing with requests
- in general, the daily simple tasks in the various departments for which only a certain routine and accuracy are required

Group 2:

Work of a less automatic character for which the employees have to comply with stricter requirements of accuracy and particular requirements of professional knowledge and specific office work for which practical experience is needed. This can include tasks such as the following: checking the work in group 1

- simple correspondence
- counter work
- assistance in assessing requests
- maintaining a current account with the field workers
- maintaining rental administration and suchlike
- administration of annuities
- writing out commission statements
- dealing with simple benefits, surrenders and loans and assessing annulments.

Group 3:

Work that, although under supervision, is carried out more independently and/or where management has to be given, albeit to a limited degree. This can include tasks such as the following:

- independently making calculations and working out quotations
- complicated correspondence
- dealing with less simple benefits, surrenders and loans, where independent judgement or advice from one of the persons under 4 or from the board or authorised signatories is required
- assessing requests, designing policy wording and inserting clauses
- dealing with mortgage requests
- work as the head of a book-keeping and auditing sub-department

Group 4:

Work requiring extensive and/or more specialised professional or commercial knowledge and where a greater degree of management is required.

It is not so easy to give examples for this group, as the size of the company is a highly determining factor here.

General remarks

It should be stressed that the summary of tasks of which a general description is given for each of the groups is only intended to provide a number of examples. This summary is therefore not intended to be exhaustive in any way.

The general description in the introductory sentence is therefore determinant for the classification of each group, also with regard to the summarised examples.

Appendix IV,

as referred to in clause 4.3 of the collective bargaining agreement

The In-house CBA Salary Scales Insurance Industry on 1 March 2018

Years of experience year	GROUP 1		GROUP 2		GROUP 3		GROUP 4	
	Min.	Max. ave.	Min.	Max. ave.	Min.	Max. ave.	Min.	Max. ave.
0	22,513	23,119	22,743	24,089	23,424	24,541	24,037	25,298
1	22,636	23,440	22,949	24,816	24,057	25,911	24,892	26,765
2	22,796	23,760	23,194	25,437	24,655	26,957	25,825	28,128
3	22,942	24,050	23,392	26,038	25,082	27,907	26,765	29,421
4	23,086		23,593	26,507	25,625	28,687	27,556	30,676
5	23,232		23,845	27,026	26,125	29,497	28,334	31,861
6			23,991	27,478	26,642	30,293	28,993	32,955
7					26,989	30,957	29,597	33,994
8					27,371	31,660	30,276	35,076
9					27,753	32,243	30,783	36,037
10	23,991				28,120	32,686	31,265	36,932
11							31,784	37,766
12							32,274	38,676
13							32,686	39,417

Youth salary scales as at 1 March 2018

Age	GROUP		GROUP	GROUP	GROUP	GROUP
	MW*		Y	Y1	Y2	Y3
				Min.	Min.	Min.
17	7,480		9,937	12,449	12,675	
18	8,995		11,599	14,130	14,360	
19	10,415		13,250	15,790	16,013	
20	13,256		15,431	17,489	17,702	
21	16,096		17,611	19,162	19,385	20,074
22	18,936		19,805	20,844	21,067	21,764

* Amounts in this scale are the statutory minimum wage as at 1 January 2018.

Adjustments to the amounts shown in this scale are made when the statutory minimum wage changes. The amounts in this group have been rounded up to prevent conflict with the WML.

The 'MW scale' is intended for members in work experience places with an education level lower than higher vocational education (HBO).

From the age of 22 upwards, the maximum salary paid is € 18,936. Members in work experience places with an education level of higher vocational education or higher are paid in accordance with the amounts in group Y.

From the age of 22, the maximum salary is the amount applicable to the age of 22.

- a. including all compensation amounts
- b. excluding holiday bonus
 - the maximum average does not apply to employees between the ages of 17 and 21
- c. the minimum hourly rate for overtime is €12.76

Youth salary scales as at 1 July 2018

On 1 July 2018, the following scale MW scale** will replace MW scale* because of the change in the minimum wage as of 1 July 2018

Age	GROUP	GROUP	GROUP	GROUP	GROUP	GROUP
	MW*	MW**	Y	Y1	Y2	Y3
				Min.	Min.	Min.
17	7,480	7,557	9,937	12,449	12,675	
18	8,995	9,087	11,599	14,130	14,360	
19	10,415	10,522	13,250	15,790	16,013	
20	13,256	13,392	15,431	17,489	17,702	
21	16,096	16,261	17,611	19,162	19,385	20,074
22	18,936	19,131	19,805	20,844	21,067	21,764

**Amounts in this scale are the statutory minimum wage as at 1 July 2018.

Adjustments to the amounts shown in this scale are made when the statutory minimum wage changes.

The amounts in this group have been rounded up to prevent conflict with the WML.

The 'MW scale' is intended for members in work experience places with an education level lower than higher vocational education (HBO).

From the age of 22 upwards, the maximum salary paid is € 19,131. Members in work experience places with an education level of higher vocational education or higher are paid in accordance with the amounts in group Y.

From the age of 22, the maximum salary is the amount applicable to the age of 22.

- d. including all compensation amounts
- e. excluding holiday bonus
 - the maximum average does not apply to employees between the ages of 17 and 21
- f. the minimum hourly rate for overtime is €12.76

Appendix V,

as referred to in clause 3.2 and 3.6. of the collective bargaining agreement

Transitional scheme working time older employees employed on 1/1/2010

1. Starting from the year in which they reach the age of 59, employees who work over 1976 working hours a year, were born before 1 January 1955 and employed by a company on 1 January 2010, can come to an agreement with the employer to work an additional 104 hours less on an annual basis, against proportionate adjustment of the working hours-related collective bargaining agreement conditions (salary, holiday bonus, annual payment, pension and holiday). In those cases, the individual company's regulations will not be adapted to the amended working hours.
2. Employees who have an employment agreement for an indefinite period of time, were born before 1 January 1955 and employed by a company on 1 January 2010, are entitled to the following reduction of working hours:

in the year in which he reaches the age of 60: 2 hours a week.

in the year in which he reaches the age of 61: 3 hours a week.

in the year in which he reaches the age of 62 and in the years following the year in which he reached the age of 62: 4 hours a week.

The abovementioned reduction in working hours only applies if the number of working hours is over 1976 a year. Employees who work part-time are entitled to a proportionate reduction in working hours.

Combined with paragraph 1, this leads to the following possible number of working hours:

Age	Number of hours menu	Number of hours reduction in working hours	Total number of hours reduction	Working hours per week
59	4	-	4	34
60	4	2	6	32
61	4	3	7	31
62 or older	4	4	8	30

The reduction in working hours can be taken in hours per day or per week. Where appropriate, the employee can in isolated cases take the reduction in working hours in another way, in consultation with the employer and provided that the company conditions allow it.

During full or partial occupational disability, and during holidays, there will be no accrual of entitlement to reduction in working hours.

The reduction in working hours that the employee enjoys should not impair his position level.

Holiday transitional scheme

Clause 3.6.1.a does not apply to employees who were already employed with an employer to which the collective bargaining agreement for the insurance sector (office staff and field workers) applies on 1 January 2010. As at 1 December 2009, they will be entitled to the number of hours of holiday per calendar year as indicated in the graduated scale below:

up to 34 years of age	-	200 hours
35 through 44 years of age	-	208 hours
45 through 54 years of age	-	216 hours
55 years of age and older	-	224 hours

Calculated as of 1 January 2010, employees can make a maximum of two steps in the graduated scale. After that, the number of awarded hours of holiday will no longer be adjusted

on the basis of age.

For the determination of the age, the age that the employee has reached on 1 January of the relevant year will apply.

In the event that the employee switches to a different employer within the scope of the collective bargaining agreement, the employee can no longer rely upon this transitional scheme, and Clause 3.6.1.a. will apply.

The following categories of employees will continue to be able to rely upon the holiday transitional scheme if they switch to another employer within the scope of the collective bargaining agreement:

1. employees who were 50 years or over on 1 January 2010;
2. employees who can demonstrate that their switch to another employer within the scope of the collective bargaining agreement was directly due to a termination of the employment agreement of the employee initiated by the previous employer, and that this termination took place within the framework of a collective dismissal or on the basis of a redundancy package, and that the employee entered the employment of the new employer immediately following termination of the previous employment agreement. It is up to the employee to communicate and demonstrate this to the new employer.

Appendix VI,

as referred to in clause 6.2 of the collective bargaining agreement

Guideline for formulating a Social Annual Report

1. Subjects dealt with in clause 31b of the Works Councils Act (the employer provides up-to-date data at least once a year demonstrating the general policy implemented with regard to the appointment, reward, training, promotion and dismissal of people working in the company).
 - a. Appointment and dismissal:
 - quantitative data.

For companies with more than 500 employees also:

 - quantitative data for each salary group and for employees categorised above the salary groups
 - average duration of the employment contract of those who have been dismissed
 - composition of the workforce (men/women) at year end, per age category and divided into office staff and field workers
 - quantitative data on young employees and the partially occupationally disabled
 - b. Rewards:
 - the company's reward policy in a general sense
 - categorisation of the employees categorised into the salary groups
 - some insight into the development of the labour costs

For companies with more than 500 employees also:

 - periodic salary raise as at 1 January, expressed as a percentage of the salary balance at year end of the previous year
 - average periodic salary raise per month for employees with a full-time employment contract
 - average salary per month for employees with a full-time employment contract
 - average salary per month for those who have left the company
 - c. Training office staff and field workers:
 - general policy
 - partial attendance obligation
 - d. Promotion for office staff and field workers:
 - general policy

For companies with more than 500 employees also:

 - numbers of group salary increases per group
2. Financial data:
 - brief extract from the financial annual report
 - data on personnel costs
3. Change in employment conditions.
Background information on the salary cost development in the sector.
Problems with the minimum wage. Salary structure:
 - concerning primary and secondary conditions
 - company facilities where of general importance
4. Company medical and social facilities.
Give an impression of sick leave and occupational disability.
5. Work consultation (consultation regarding the work, working conditions and the cooperation between the departments).

6. The company's social funds.
7. Personnel association.
8. Works Council.

Appendix VII,

as referred to in clause 8.1 of the collective bargaining agreement

Dispensation Pensions Committee Regulations

1. *Secretariat*

Requests and notifications in the context of the procedures as set out under Clauses 3, 4 and 5 of these regulations should be submitted to the secretariat of the committee, which is located at the employers' organisation at the following office: Bordewijklaan 2, PO Box 93450, 2509 AL, The Hague.
2. *Composition*
 - 2.1. In the committee, a maximum of four members were appointed by the employers' organisation and a maximum of four members were appointed by the trade unions.
 - 2.2. Irrespective of the number of members present at the meeting, the parties issue an equal number of votes.
 - 2.3. The members of the committee are appointed for the CBA term including 12 months. Interim vacancies are filled within a month.
 - 2.4. An independent chairman could possibly be appointed by the Collective Bargaining Agreement (CBA) parties.
 - 2.5. An official secretary is incorporated into the committee.
3. *Dispensation of requests procedure*
 - 3.1. A dispensation requests as referred to under Clause 8.1, Paragraph 5, of the CBA, can be submitted to the committee via a registered letter and with an employer motivation as referred to under Clause 1 of the CBA.
 - 3.2. The Committee will only deal with the dispensation request if the request is accompanied by a written proof of the approval of the works council, if the employer in question has set up a works council in the sense of the Works Councils Act.
 - 3.3. The committee confirms the date of receipt of the request and makes a decision within two months of this date. If necessary, this period can be extended by the same deadline.
 - 3.4. The committee shall provide the applicant with the opportunity to present an oral explanation before making a decision.
 - 3.5. The committees decision is forwarded to the applicant and is binding.
4. *Procedure for replacing the Average Remuneration Scheme or CDC scheme with the IDC scheme*
 - 4.1. If employers intend to replace the Average Remuneration Scheme or the CDC scheme with an IDC scheme, they must immediately notify the CBA secretariat in writing from the commencement of the replacement process.
 - 4.2. Once the IDC regulation content has been established, the CBA secretariat must also be informed of such in writing.
 - 4.3. If it appears that the employer has failed to make the timely notification as referred to in Clause 4.1, he must do so. In such case, the committee has the authority to still assess the content of the IDC scheme and its realisation and, if applicable, to declare it in conformity with the CBA.
5. *Request procedure for declaring the implementation obligation as referred to in Clause 8.1, Paragraph 2 of the CBA (temporarily) inapplicable*
 - 5.1. The requests as referred to under Clause 8.1, Paragraph 2 of the CBA, can be submitted to the committee via a registered letter and with a motivation by the employer as referred to in the aforementioned Clause.
 - 5.2. The committee will only deal with the request if the request is accompanied by a written proof of the approval of the works council, if the employer in question, has set up a works council in the sense of the Works Councils Act.

- 5.3 The committee confirms the date of receipt of the request and makes a decision within two months of this date. If necessary, this period can be extended by the same deadline.
- 5.4. The committee shall provide the applicant with the opportunity to present an oral explanation before making a decision.
- 5.5. The committees decision is forwarded to the applicant and is binding.

Appendix VIII, The Average Remuneration Scheme as referred to under clause 8.2 of the CBA

Preliminary remark

This Appendix contains the characteristics of the pension scheme that are applicable to the Average Remuneration Scheme as referred to in Clause 8.2 of the Collective Bargaining Agreement (CBA).

Members

Employees from the age of 18 upwards to whom the collective bargaining agreement for the insurance sector for office staff applies.

Date of inclusion

There is a waiting period of two months for inclusion in the scheme.

After those two months, inclusion takes place with retrospective force to the date of commencement of employment, but no earlier than from the first day of the month in which the 18th birthday falls.

During the waiting period, partner pension and orphans' pension are covered on a risk basis.

Prescribed retirement age

The prescribed retirement age is the first day of the month in which the member reaches the age of 68.

If the employee wishes to retire earlier than the prescribed pensionable age, the employee must inform the employer at least six months prior to the desired retirement date.

If the retirement date differs from the prescribed retirement age, the level of the pension will be reduced by means of actuarially neutral conversion, based on the risk systems on which the financing of the pre-pension scheme is based and the applicable actuarial interest rate.

The employment contract ends by operation of law without prior notice being required on the day the employee chooses as the commencement date of the old-age pension, though no later than on the day on which the employee reaches state pension age.

The opportunity is also offered for part-time retirement. The employee should make an agreement with the employer in that respect. The same notice period applies as with early retirement.

Pensionable income

The pensionable income is 12 times the monthly salary plus holiday bonus.
The maximum pensionable income is € 84.774,73 in 2018 and € 86.470,22 in 2019.

Reference date for the pensionable income is 1 January.

The maximum pensionable salary is indexed on 1 January of every year against the collective bargaining agreement salary development in the insurance sector in the preceding calendar year.

Permitted exemption

On 1 January 2018, the permitted exemption amounts to €13.840,88. On 1 January 2019, the permitted exemption amounts to € 14.117,70.

The permitted exemption is indexed on 1 January of every year against the collective bargaining agreement salary development in the insurance sector.

Pensionable salary

The pensionable salary is equal to the pensionable income minus the permitted exemption.

Reference date for the pensionable salary is 1 January.

For part-timers the pensionable salary is calculated proportionally.

Old Age Pension

The old age pension is based on an indexed average salary system.

The accrual per year amounts to 1.75% of the pensionable salary for the year in question.

The pension commences on the first day of the month in which the member reaches the age of 68.

Partner pension

The partner pension is 60% of the accrued old age pension.

This pension commences on the first day of the month in which the (former) member dies.

A fictitious partner pension is also accrued for single persons.

Orphans' pension

The orphans' pension is a maximum of 14% of the total accrued old age pension for each child. For full orphans, that percentage is doubled. The orphans' pensions for all children jointly may not, however, amount to more than 70% of the accrued old age pension. The orphans' pension will be payable until the first day of the month following the moment the child no longer meets the following criteria:

1. *the child is under 18 years of age;*
2. *the child is under 27 years of age, and pursuant to a decision from the social security administration agency of the Dutch Invalidity Insurance (Young Disabled Persons) Act (WAJONG), will most likely be unable to earn 55 percent of that which physically and mentally healthy persons, whose circumstances are otherwise the same, will be able to earn in the next year.*
3. *the child is under 27 years of age, and the time available for work is largely taken up by or in connection with going to school or attending a course.*

The orphans' pension commences on the first day of the month in which the (former) member dies.

Pension limitation

If the member's partner is more than ten years younger, then the partner pension is reduced by 1.1% of the old age pension for each full year of the age difference over ten years.

There is no entitlement to partner pension if the member gains a partner after having taken advantage of the choice to convert the accrued (fictitious) partner pension into a higher old age pension or early retirement.

Flexible elements

Members can retire earlier than the prescribed retirement age. The opportunity is also offered for part-time retirement. In all these cases, the accrued old age pension is reduced by means of actuarially neutral conversion as described above.

Members are offered the choice of (partly) converting the accrued partner pension into a higher old age pension or (partly) converting the accrued old age pension into a higher partner pension at the prescribed retirement age. The employer should be informed of the choice at least a year before the prescribed retirement age. No medical guarantee is required for (partial) conversion.

Consent from the partner is, however, required for (partial) conversion of the partner pension into a higher old age pension. The companies rely on the information provided by the member. If, due to the member supplying incorrect information or as a result of his negligence in supplying information the pension obligations ensuing from the pension scheme are not covered by insurances, no pension rights can be derived for that part of the pension obligations.

Members can agree a high – low pension with the employer in an actuarially neutral manner at the retirement date.

Members are given the opportunity to build up more savings to supplement their (reduced) pension.

All such choices must be made within the tax limits.

Occupational disability pension

The occupational disability pension lapsed on 31 December 2005, except for members who became sick before 1 January 2004 and to whom the Occupational Disability Insurance Act (and underlying law and legislation) applies and continues to apply. For those members, the relevant conditions of the collective bargaining agreement 2003-2004 regarding occupational disability pension in the course of payment continue to apply.

Concurrence

If the member is eligible for benefit pursuant to the WIA, or its predecessor the WAO, whether supplemented with benefit received pursuant to an occupational disability insurance or not, the total of these benefits is deducted from the pension receivable pursuant to the pension scheme.

The member shall inform the employer immediately if he becomes eligible for any of the above benefits or in the event of any change to such benefits.

Supplements (indexation)

The employer intends to increase the accrued pension entitlements of members and former members and the pensions received by the persons entitled to a pension with a conditional supplement on 1 January of every year:

- The allowances are financed from the funds arising from agreements with the pension executor if the pension scheme concerns an insured scheme. These agreements focus on the ambition formulated in the previous paragraph. Examples of such are financing from excess interest available or interest rate reduction.
- The approval of allowances - in accordance with the regulations of the pension fund - also depends on the policy funding ratio of the pension fund (industrial pension fund foundation and the company pension fund) and of the respective circle (general pension fund), insofar as the pension scheme which is administered by a pension fund.

Continued pension accrual in the event of occupational disability

Pension rights continue to be accrued during occupational disability for the difference between the income earned directly before the member became (partially) occupationally disabled and the new income (income from resumption of work plus any supplements from the employer); for the continuing part, the pensionable income is adjusted to the collective bargaining agreement salary development in the insurance sector.

Appendix IX

The CDC scheme as referred to under Clause 8.3 of the CBA

Preliminary remark

This Appendix contains the characteristics of the pension scheme that are applicable to the CDC scheme as referred to in Clause 8.3 of the Collective Bargaining Agreement (CBA).

It must be explicitly stated in the pension regulations that the annual accrual percentage can be reduced if necessary for this scheme.

Members

Employees from the age of 18 upwards to whom the collective bargaining agreement for the insurance sector for office staff applies.

Date of inclusion

There is a waiting period of two months for inclusion in the scheme.

After those two months, inclusion takes place with retrospective force to the date of commencement of employment, but no earlier than from the first day of the month in which the 18th birthday falls.

During the waiting period, partner pension and orphans' pension are covered on a risk basis.

Prescribed retirement age

The prescribed retirement age is the first day of the month in which the member reaches the age of 68.

If the employee wishes to retire earlier than the prescribed pensionable age, the employee must inform the employer at least six months prior to the desired retirement date.

If the retirement date differs from the prescribed retirement age, the level of the pension will be reduced by means of actuarially neutral conversion, based on the risk systems on which the financing of the pre-pension scheme is based and the applicable actuarial interest rate.

The employment contract ends by operation of law without prior notice being required on the day the employee chooses as the commencement date of the old-age pension, though no later than on the day on which the employee reaches state pension age.

The opportunity is also offered for part-time retirement. The employee should make an agreement with the employer in that respect. The same notice period applies as with early retirement.

Pensionable income

The pensionable income is 12 times the monthly salary plus holiday bonus.

The maximum pensionable income is € 84.774,73 in 2018 and € 86.470,22 in 2019.

Reference date for the pensionable income is 1 January.

The maximum pensionable salary is indexed on 1 January of every year against the collective bargaining agreement salary development in the insurance sector in the preceding calendar year.

Permitted exemption

On 1 January 2018, the permitted exemption amounts to €13.840,88. On 1 January 2019, the permitted exemption amounts to € 14.117,70.

The permitted exemption is indexed on 1 January of every year against the collective bargaining agreement salary development in the insurance sector.

Pensionable salary

The pensionable salary is equal to the pensionable income minus the permitted exemption.

Reference date for the pensionable salary is 1 January.

For part-timers the pensionable salary is calculated proportionally.

Old Age Pension

The old age pension is based on an indexed average salary system.

The accrual per year amounts to 1.75% of the pensionable salary for the year in question.

The pension commences on the first day of the month in which the member reaches the age of 68.

Partner pension

The partner pension is 60% of the accrued old age pension.

This pension commences on the first day of the month in which the (former) member dies.

A fictitious partner pension is also accrued for single persons.

Orphans' pension

The orphans' pension is a maximum of 14% of the total accrued old age pension for each child. For full orphans, that percentage is doubled. The orphans' pensions for all children jointly may not, however, amount to more than 70% of the accrued old age pension.

The orphans' pension will be payable until the first day of the month following the moment the child no longer meets the following criteria:

1. *the child is under 18 years of age;*
2. *the child is under 27 years of age, and pursuant to a decision from the social security administration agency of the Dutch Invalidity Insurance (Young Disabled Persons) Act (WAJONG), will most likely be unable to earn 55 percent of that which physically and mentally healthy persons, whose circumstances are otherwise the same, will be able to earn in the next year.*
3. *the child is under 27 years of age, and the time available for work is largely taken up by or in connection with going to school or attending a course.*

The orphans' pension commences on the first day of the month in which the (former) member dies.

Pension limitation

If the member's partner is more than ten years younger, then the partner pension is reduced by 1.1% of the old age pension for each full year of the age difference over ten years.

There is no entitlement to partner pension if the member gains a partner after having taken advantage of the choice to convert the accrued (fictitious) partner pension into a higher old age pension or early retirement.

Flexible elements

Members can retire earlier than the prescribed retirement age. The opportunity is also offered for part-time retirement. In all these cases, the accrued old age pension is reduced by means of actuarially neutral conversion as described above.

Members are offered the choice of (partly) converting the accrued partner pension into a higher old age pension or (partly) converting the accrued old age pension into a higher partner pension at the prescribed retirement age. The employer should be informed of the choice at least a year before the prescribed retirement age. No medical guarantee is required for (partial) conversion.

Consent from the partner is, however, required for (partial) conversion of the partner pension into a higher old age pension. The companies rely on the information provided by the member. If, due to the member supplying incorrect information or as a result of his negligence in supplying information the pension obligations ensuing from the pension scheme are not covered by insurances, no pension rights can be derived for that part of the pension obligations.

Members can agree a high – low pension with the employer in an actuarially neutral manner at the retirement date.

Members are given the opportunity to build up more savings to supplement their (reduced) pension.

All such choices must be made within the tax limits.

Occupational disability pension

The occupational disability pension lapsed on 31 December 2005, except for members who became sick before 1 January 2004 and to whom the Occupational Disability Insurance Act (and underlying law and legislation) applies and continues to apply. For those members, the relevant conditions of the collective bargaining agreement 2003-2004 regarding occupational disability pension in the course of payment continue to apply.

Concurrence

If the member is eligible for benefit pursuant to the WIA, or its predecessor the WAO, whether supplemented with benefit received pursuant to an occupational disability insurance or not, the total of these benefits is deducted from the pension receivable pursuant to the pension scheme.

The member shall inform the employer immediately if he becomes eligible for any of the above benefits or in the event of any change to such benefits.

Supplements (indexation)

The employer intends to increase the accrued pension entitlements of members and former members and the pensions received by the persons entitled to a pension with a conditional supplement on 1 January of every year:

- The allowances are financed from the funds arising from agreements with the pension executor if the pension scheme concerns an insured scheme. These agreements focus on the ambition formulated in the previous paragraph. Examples of such are financing from excess interest available or interest rate reduction.
- The approval of allowances - in accordance with the regulations of the pension fund - also depends on the policy funding ratio of the pension fund (industrial pension fund foundation and the company pension fund) and of the respective circle (general pension fund), insofar as the pension scheme which is administered by a pension fund.

Continued pension accrual in the event of occupational disability

Pension rights continue to be accrued during occupational disability for the difference between the income earned directly before the member became (partially) occupationally disabled and the new income (income from resumption of work plus any supplements from the employer); for the continuing part, the pensionable income is adjusted to the collective bargaining agreement salary development in the insurance sector.

Appendix X, The IDC scheme as referred to under clause 8.4 of the CBA

Preliminary remark

This Appendix contains the characteristics of the pension scheme that are applicable to the IDC scheme as referred to in clause 8.4 of the Collective Bargaining Agreement (CBA).

Members

Employees from the age of 18 upwards to whom the collective bargaining agreement for the insurance sector for office staff applies.

Date of inclusion

There is a waiting period of two months for inclusion in the scheme.

After those two months, inclusion takes place with retrospective force to the date of commencement of employment, but no earlier than from the first day of the month in which the 18th birthday falls.

During the waiting period, partner pension and orphans' pension are covered on a risk basis.

Prescribed retirement age

The prescribed retirement age is the first day of the month in which the member reaches the age of 68.

If the employee wishes to retire earlier than the prescribed pensionable age, the employee must inform the employer at least six months prior to the desired retirement date.

The employment contract ends by operation of law without prior notice being required on the day the employee chooses as the commencement date of the old-age pension, though no later than on the day on which the employee reaches state pension age.

The opportunity is also offered for part-time retirement. The employee should make an agreement with the employer in that respect. The same notice period applies as with early retirement.

Pensionable income

The pensionable income is 12 times the monthly salary plus holiday bonus.

The maximum pensionable income is € 84.774,73 in 2018 and € 86.470,22 in 2019.

Reference date for the pensionable income is 1 January.

The maximum pensionable salary is indexed on 1 January of every year against the collective bargaining agreement salary development in the insurance sector in the preceding calendar year.

Permitted exemption

On 1 January 2018, the permitted exemption amounts to €13.840,88. On 1 January 2019, the permitted exemption amounts to € 14.117,70.

The permitted exemption is indexed on 1 January of every year against the collective bargaining agreement salary development in the insurance sector.

Pensionable salary

The pensionable salary is equal to the pensionable income minus the permitted exemption.

Reference date for the pensionable salary is 1 January. For part-timers the pensionable salary is calculated proportionally.

Old Age Pension

The retirement pension is based on an individual defined contribution scheme with a graduated scale showing the minimum premium contribution for each cohort age. This minimum premium contribution is based on a 1.85% DC scale with a development of 1.75%.

Cohort age	Available premium
15-19	12,86%
20-24	13,72%
25-29	15,06%
30-34	16,55%
35-39	18,18%
40-44	19,99%
45-49	22,03%
50-54	24,32%
55-59	27,01%
60-64	30,29%
65-68	33,52%

Partner pension

Upon the death of the participant before the retirement date, the partner's pension is insured on a risk basis and is equal to:

- a. the result equation of the annual calculation of 1.225% of the pension basis for every year of service spent with such employer during the period up to the first day of the year in which the death occurs, increased by,
- b. 1.225% of the pension basis of the year in which the death occurs multiplied by the number of service years to be reached through to the standard retirement age.(average remuneration).

The employers have the opportunity, with the consent of the works council in the sense of the Works Councils Act or other formal authority within the organisation, to rather opt for a partner's pension based on final remuneration, instead of a partner's pension based on average remuneration. In such case, upon the death of the participant before the retirement age date, the partner's pension remains insured on a risk basis, but amounts to 1.16% per year of service, multiplied by the total number of years of service spent and to be reached with such employer through to the standard retirement age and the pension basis commences on the first day of the year in which the participant dies.

The pension commences on the first day of the month in which the participant dies.

Orphan's pension

Upon the death of the participant before the retirement date, the orphan's pension is insured on a risk basis and for each child amounting to the maximum

- a. the result equation of the annual calculation of 0.245% of the pension basis for every year of service spent with such employer during the period up to the first day of the year in which the death occurs, increased by,
- b. 0.245% of the pension basis of the year in which the death occurs multiplied by the number of service years to be reached through to the standard retirement age.(average remuneration).

The employers have the opportunity, with the consent of the works council in the sense of the Works Councils Act or other formal authority within the organisation, to rather opt for an orphan's pension based on final remuneration, instead of an orphan's pension based on average remuneration. In such case, upon the death of the participant before the retirement age date, the orphan's pension remains insured on a risk basis, but amounts to 0.232% per year of service, multiplied by the total number of years of service spent and to be reached with such employer through to the standard retirement age and the pension basis commences on the first day of the year in which the participant dies.

For full orphans, that percentage is doubled. The orphans' pensions for all children jointly may not, however, amount to more than 70% of the accrued old age pension.

The orphans' pension will be payable until the first day of the month following the moment the child no

longer meets the following criteria:

1. *the child is under 18 years of age;*
2. *the child is under 27 years of age, and pursuant to a decision from the social security administration agency of the Dutch Invalidity Insurance (Young Disabled Persons) Act (WAJONG), will most likely be unable to earn 55 percent of that which physically and mentally healthy persons, whose circumstances are otherwise the same, will be able to earn in the next year.*
3. *the child is under 27 years of age, and the time available for work is largely taken up by or in connection with going to school or attending a course.*

The orphans' pension commences on the first day of the month in which the (former) member dies.

Pension limitation

If the member's partner is more than ten years younger, then the partner pension is reduced by 1.1% of the old age pension for each full year of the age difference over ten years.

There is no entitlement to partner pension if the member gains a partner after having taken advantage of the choice to convert the accrued (fictitious) partner pension into a higher old age pension or early retirement.

Flexible elements

Members can retire earlier than the prescribed retirement age. The opportunity is also offered for part-time retirement.

Members are offered the choice of (partly) converting the accrued partner pension into a higher old age pension or (partly) converting the accrued old age pension into a higher partner pension at the prescribed retirement age. The employer should be informed of the choice at least a year before the prescribed retirement age. No medical guarantee is required for (partial) conversion.

Consent from the partner is, however, required for (partial) conversion of the partner pension into a higher old age pension. The companies rely on the information provided by the member. If, due to the member supplying incorrect information or as a result of his negligence in supplying information the pension obligations ensuing from the pension scheme are not covered by insurances, no pension rights can be derived for that part of the pension obligations.

Members can agree a high – low pension with the employer in an actuarially neutral manner at the retirement date.

Members are given the opportunity to build up more savings to supplement their (reduced) pension.

All such choices must be made within the tax limits.

Participants are given the opportunity to continue investing after the retirement date.

The participants are given the opportunity to opt for variable disbursements.

Occupational disability pension

The occupational disability pension lapsed on 31 December 2005, except for members who became sick before 1 January 2004 and to whom the Occupational Disability Insurance Act (and underlying law and legislation) applies and continues to apply. For those members, the relevant conditions of the collective bargaining agreement 2003-2004 regarding occupational disability pension in the course of payment continue to apply.

Concurrence

If the member is eligible for benefit pursuant to the WIA, or its predecessor the WAO, whether supplemented with benefit received pursuant to an occupational disability insurance or not, the total of these benefits is deducted from the pension receivable pursuant to the pension scheme.

The member shall inform the employer immediately if he becomes eligible for any of the above

benefits or in the event of any change to such benefits.

Continued pension accrual in the event of occupational disability

Pension rights continue to be accrued during occupational disability for the difference between the income earned directly before the member became (partially) occupationally disabled and the new income (income from resumption of work plus any supplements from the employer); for the continuing part, the pensionable income is adjusted to the collective bargaining agreement salary development in the insurance sector.

Recommendations

The Dutch Association of Insurers has agreed with the unions to make the following recommendations to its members.

1. *Disclosure of incomes*
Insurers have recognised the desirability of a gradual development towards more openness with regard to incomes per personnel category within the company and are prepared to aim their policy at promoting this. The recognisability of individual information should be avoided.
2. *Employee saving scheme*
The companies are advised to take advantage of the possibility offered by legislation for employee saving schemes.
3. *Surviving Dependents Act*
The companies are advised to offer the facility for employees to insure themselves in favour of their surviving dependents against non-applicability of the Surviving Dependents Act. If the employee takes advantage of this facility, the contribution will, in principle, be paid by the employee.
4. *Introduction of variable reward*
The companies are advised to add variable reward components to the pensionable salary when introducing (more) reward variability.
5. *Flexible elements of the basic pension scheme*
The companies are advised to also offer former members of the basic pension scheme the opportunity to take advantage of the flexible elements incorporated into the basic pension scheme.

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