Addendum

CLA Banks 1 January 2023 - 1 January 2025

Pension agreements as of 1 April 2024

11 Pensions

11.1 Pension Protocol

Your *employer* makes pension provisions for all its *employees*, with no age threshold, comprising a retirement pension, partner's pension, and orphans' pension.

Your *employer* is obliged to make pension provisions that at least comply with the terms of this pension protocol. The pension agreements in the CLA have the nature of a minimum framework. Each *employer* may, in consultation with the *representative body*, make additional choices regarding pensions, provided that the minimum agreements of this CLA are met.

The new pension agreements in the CLA Banks 2023-2024 take effect as from 1 April 2024. The new pension agreements follow directly from the introduction of the Future Pensions Act [Wet toekomst pensioenen] and are based on the statutory frameworks that apply to various types of pension schemes.

The decision on when to transition to the new pension system will be left to the *employer* in consultation with the *representative body*, with the prevailing end date of the statutory transition period being the latest transition deadline.

In consultation with the *representative body*, the *employer* may choose to make use of the (statutory) transitional right for existing *employees*, subject to the conditions of Section 220e of the Pensions Act [Pensioenwet].

11.2 Participation in pension schemes

You will join your *employer's* existing or yet to be established general pension schemes.

11.3 Types of pension

The pension scheme can be one of the following types:

- a final pay scheme (applicable until no later than the prevailing end date of the statutory transition period);
- an indexed average pay scheme (indexation target: wage or price index) (applicable until no later than the prevailing end date of the statutory transition period);
- a collective defined contribution scheme (CDC scheme) (applicable until no later than the prevailing end date of the statutory transition period);
- an individual defined contribution scheme;
- a flat contribution scheme (under Article 10 of the Pensions Act);
- or combinations of the above (hybrid scheme) within the stipulated statutory frameworks.

11.4 Definitions and standards

Your *employer's* pension provisions must satisfy at least the following standards:

- the pension base equals the pensionable salary less the minimum tax deductible. Pension is not accrued on the deductible because the Dutch state pension benefit (AOW benefit) under the Dutch General Old Age Pensions Act [Algemene Ouderdomswet] is taken into account;
- the pensionable salary equals the *annual salary*, if and to the extent that this does not exceed the maximum pensionable salary allowed by law based on full-time employment. Individual *employers* may make additional pension provisions;
- the target retirement age is 68 years;
- Until the transition date but no later than the prevailing end date of the statutory transition period, the lifelong partner's pension through marriage or otherwise amounts to 70% of the retirement pension accrued or to be accrued by the participant;
- The percentage for the partner's pension is 28% of the pensionable salary on the chosen transition date, but no later than the prevailing end date of the statutory transition period;

- Until the transition date but no later than the prevailing end date of the statutory transition period, the orphans' pension per child amounts to 14% of the retirement pension accrued or to be accrued by the participant; The number of children entitled to an orphans' pension may be capped at two.
- The percentage for the orphans' pension is 14% of the pensionable salary (for a half orphan) on the chosen transition date, but no later than the prevailing end date of the statutory transition period.

The pension provision must provide for the possibility to accrue pension entitlements under the 80-80-100 scheme.

11.5 **Final pay scheme (applicable until no later than the prevailing end date of the statutory transition period)**

Besides the other conditions in this chapter, a final salary scheme must have at least the following elements:
- an accrual percentage of 1.5% per participation year;
- a maximum deductible of €20,711.55 on 1 January 2023 and €21,755.41 on 1 January 2024.
  The maximum deductible will be adjusted in line with the general wage development of this CLA.

11.6 **Indexed average pay scheme (applicable until no later than the prevailing end date of the statutory transition period)**

Besides the other conditions in this chapter, an indexed average pay scheme must have at least the following elements:
- an accrual percentage of 1.75% per participation year;
- a maximum deductible of €20,711.55 on 1 January 2023 and €21,755.41 on 1 January 2024.
  The maximum deductible will be adjusted in line with the general wage development of this CLA.

11.7 **CDC scheme (applicable until no later than the prevailing end date of the statutory transition period)**

Besides the other conditions in this chapter, a CDC scheme must have at least the following elements:
- an accrual percentage of 1.75% per participation year;
- a maximum deductible of €20,711.55 on 1 January 2023 and €21,755.41 on 1 January 2024.
  The maximum deductible will be adjusted in line with the general wage development of this CLA.

11.8 **Individual DC scheme**

Besides the other conditions in this chapter, an individual DC scheme must have at least the following elements:
- an accrual target of 1.875% of the pension base per participation year;
- the deductible is the minimum deductible permitted for tax purposes;
- the DC graduated scale published by the Tax and Customs Administration based on 3% actuarial interest, graduated scale 2;
- the possibility to continue investing after the retirement date.

11.9 **Flat contribution scheme (new pension system)**

The *employer* may, in consultation with the *representative body*, choose from the contract types permitted under the new pension system, i.e. the solidarity-based contribution scheme, the flexible contribution scheme and the contribution-administration agreement. A pension administrator can be freely chosen.
If a pension fund is involved, any request to convert will be included in the transition plan.

As of 1 April 2024, the level for the flat contribution is 17% of the pension base, excluding risk premiums and administrative fees.
As of 1 January 2028, the level of this flat contribution will be 18% of the pension base, excluding risk premiums and administrative fees.
The minimum tax deductible applies.

The *employer* may, in consultation with the *representative body*, also choose to apply the newly introduced flat contribution to existing *employees*. In that case, a compensation issue may arise. The transition to the new pension system with a flat contribution rate is subject to the condition that *employers* at least adopt budget neutrality as their starting point on the transition date. The *employer* must provide adequate compensation. Any compensation will be offered as standard (within the maximum tax limits) in the form of pension contributions. *Employees* may be given the option to use this compensation for purposes other than pension.

11.10 **Accompanying policies in the transition to the new pension system**

At the start of the consultation in connection with an approval procedure under Section 27(1)(a) of the Works Councils Act [Wet op de ondernemingsraden], the *employer* will notify the CLA parties promptly and in writing of the proposed transition in the context of the Future Pensions Act.
If requested by the CLA parties, the *employer* will provide the transition plan (which includes the pension costs before and after transition and the number of *employees*).

If an *employer* does not have a works council but another form of *representative body*, the same powers and funding obligations for advice apply to this body as to a works council.

If the *employer* does not have a works council or other form of *representative body* and *employees* must make individual agreements, the *employer* will facilitate professional independent advice for *employees* on the pension transition from the beginning and for the duration of the transition process. This pension advice can be organised either collectively or individually per *employee*. The *representative body* and/or individual *employees* are made aware of the importance of professional support in the pension transition and are specifically referred to the trade unions as having the necessary expertise in the matter.

The CLA parties will evaluate the pension agreements following the expiry of the statutory transition period, which is in 2028. As part of this evaluation, the WVB will make an inventory among the *employers* of the then prevailing pension schemes to check whether they meet the minimum frameworks set out in the CLA Banks. A report on this will be made to the trade unions.

11.11 **Definition of wage bill for contribution division of the pension costs (for schemes under the old pension system)**
The wage bill for the contribution division is defined as the total *individual job salary* plus holiday allowance and thirteenth month's salary for all *employees* participating in the pension scheme of the organisation in question.

The pension administration costs are deemed payable by your *employer*.

11.12 **Division of the pension costs**
The following applies to schemes under the old pension system:

Contribution costs (excluding administration costs) up to 15% of the total wage bill on an annual basis are payable by your *employer*.

Your contribution is determined collectively, not individually, and is an equal percentage of the pension base for each *employee* at the *employer* in question.

You pay up to half the contribution costs above 15% of the wage bill.

The limit of 15% of the wage bill does not apply to *employers* that already reached agreement before 10 March 2005 with the *representative body* or the participants' council on an own contribution-based scheme with a lower limit.

If you participate in the 80-80-100 scheme, your contribution to the pension scheme will be calculated in the same manner with the proviso that the calculation of the maximum contribution is based on the pension base corresponding to the *working hours* that applied before participating in the 80-80-100 scheme.

The following applies to a flat-contribution scheme under the new pension system:
The *employer* will pay all the costs of a flat contribution up to that stipulated in Article 11.9. The *employer* may agree with the *representative body* on a higher level for the flat contribution than the minimum contributions mentioned in Article 11.9. In that case, the *employee* will pay up to half of the excess contribution.

11.13 **Part-time pension**
After consultation between you and your *employer*, it is possible to deviate from the standard retirement age with an actuarial neutral recalculation of the benefit.

A part-time pension can be agreed with your and your *employer's* consent.

11.14 **Supplement scheme for pension entitlements (active employees)**
For an indexed average pay scheme, the aim is to achieve indexation based either on the general wage development of the CLA Banks or on the price index.

11.15 **Supplement scheme for non-contributory entitlements (dormant rights) and pensions that have commenced**
There is no right to supplements for non-contributory pension entitlements and pensions that have already commenced and it is uncertain whether and to what extent supplements will be provided in the future. No funds have been earmarked to grant supplements. The maximum supplement equals the general price development. Your *employer* will nevertheless strive to adjust the non-contributory pension entitlements of former participants and the pensions that have already commenced in line with the general price development each year. Your *employer* will consider this aim in the funding of the pension scheme.

11.16 **Pension accrual in the first two years of occupational disability**
During the first two years of occupational disability, your pension accrual will be continued based on your last earned pensionable salary.

11.17 **Pension accrual after the first two years of occupational disability**
If you are at least 65% occupationally disabled, you are entitled to an IVA or a WGA occupational disability benefit, and you fall within the scope of the pension scheme, the pension accrual will continue unchanged, as long as you receive an occupational disability benefit.

Your pension base will be determined one year after your occupational disability starts. Unless there are statutory amendments, the pension base is deemed to no longer change. Your *employer* strives to make adjustments in line with the general wage development in the CLA Banks, or in accordance with the price index.

You are not required to pay a participant's contribution in this period, other than for individual supplementary pension provisions.

11.18 **Possibility of supplementary pension provisions**
Employers will arrange pension schemes that their *employees* can participate in, within the scope of applicable legislation, to make supplementary pension provisions voluntarily and at their own expense.

11.19 **Legislative amendments**
This protocol will become inoperative if Dutch or European legislative amendments or case law during the term of this CLA mean that continuing this protocol cannot reasonably be demanded of the *employers*. In that case, the CLA parties will consult with each other.

11.20 **Early Retirement Scheme (RVU scheme)**
An *employee* with three years or less remaining before reaching the age of entitlement to state pension (AOW) has the option of ending their employment earlier than the date of their entitlement to state pension and thus to make use of the temporary easing of the RVU scheme in the pensions agreement if they have worked for the *employer* for an

uninterrupted period of at least 10 years. The gross monthly amount of the benefit will be €1,874 for full-time employment and will be adjusted proportionally in line with any shorter *working hours*. An application for the RVU scheme must be made to the *employer* at least six months before the intended commencement date, and the *employee* must take the initiative to discuss their reasons, and how the RVU scheme contributes to their vitality, with the *employer*. The *employer* decides whether to grant the scheme and will give and substantiate its reasons in writing if the application is rejected. The CLA agreement on the RVU scheme applies to the current CLA, after which it will be evaluated by the CLA parties. If the statutory extension of the RVU scheme ends, so does this CLA agreement.