

› OVERVIEW OF TNO TERMS OF EMPLOYMENT

Overview of TNO Terms and Conditions of Employment	Description as of 1 January 2024
GENERAL	
Employment contract	<p>Indefinite period of time and fixed-term</p> <p>Statutory probationary period: zero to two months Statutory notice period: employer (one to four months); employee (one month, unless otherwise agreed)</p>
Flexible terms of employment	<p>Flexible terms of employment available. Salary, holiday allowance, thirteenth month's salary, flexible budget and leave exceeding the statutory minimum can be used as sources for various targets.</p>
Ancillary activities	<p>The ancillary activities policy is geared to providing as much insight and transparency as possible into the (professional) ancillary activities of TNO personnel.</p> <p>In principle, TNO has a positive attitude towards ancillary activities because these can be of added value for both personnel and TNO. Ancillary activities may have a favourable impact on one's work, they may be important in terms of the connection between TNO and society, and they may enhance the reputation of TNO. On the other hand, we must prevent the interests of TNO from being harmed through, for example, a conflict of interests arising or the activities competing with those of TNO. In some cases such a conflict could arise that TNO may prohibit the ancillary activities.</p> <p>In line with this policy, you are obliged to register whether or not you are engaged in any ancillary activities and keep this information up to date.</p>
WORKING HOURS AND LEAVE	
Working week (standard)	40 hours
Working hours	<p>During business hours (7 a.m. to 8 p.m.) Standard working day is eight hours</p> <p>If the maximum amount of leave has been bought or in the event of sufficient balance of leave from the previous year, or if an employee has a 36-hour contract, a reduction of working hours arrangement is possible: four nine-hour days with either one day off every fortnight or a half day off every week.</p>
Holiday	<p>Statutory leave: 160 hours per year (the hours lapse after six months following the calendar year in which the hours were accrued)</p> <p>Leave exceeding statutory minimum: 104.6 hours per year, 40 of which is leave under the reduction of working hours scheme (ATV) (the hours lapse after five years from the calendar year in which they were accrued)</p> <p>Employees in employment on 31-12-2009, aged (on 31-12-2009): 40-44 years: 8 hours additional age-related time off 45-49 years: 16 hours additional age-related time off 50-54 years: 24 hours additional age-related time off 55 years and older: 32 hours additional age-related time off (the hours lapse after five years from the calendar year in which they were accrued)</p> <p>NB. All amounts apply to full-time tenure</p>

Public holidays	<p>New Year's Day Easter Monday King's Day National Liberation Day* Ascension Day Whit Monday Christmas Day and Boxing Day</p> <p>*This day off can be used at a different time, for instance, as additional time off between Christmas and New Year's Day. Approval of the Works Council is required.</p>
Trading leave	<p>Every calendar year a maximum of 168 hours can be bought. Maximum leave balance is 500 hours (up to the fiscal maximum) Selling leave that exceeds the statutory minimum is permitted. This time off can also be used for sabbatical leave</p> <p>NB. All amounts apply to full-time tenure</p>
Age-related reduction of working hours	<p>Employees aged 57 and older can buy additional time off. When purchasing 168 hours, it is possible to buy off a further 40 hours a year from the age of 57. 500-hour maximum does not apply.</p> <p>Any leave bought can be used for early retirement, extended holiday or reduction of working hours</p> <p>NB. All amounts apply to full-time tenure</p>
Short-term care leave	<p>Maximum of twice the weekly working week per period of 12 consecutive months (based on full-time employment); partly paid, (at least 70% minimum salary, up to the daily wage)</p>
Emergency leave and other forms of short-term leave	<p>For situations referred to in the law, for example:</p> <ul style="list-style-type: none"> - Partner giving birth - Registration of birth of a child - Voting - Death and funeral of family members (from one day up to the entire period until the funeral) - Emergencies
Long-term care leave	<p>Maximum of 30 days (240 hours) per period of 12 consecutive months (based on full-time employment); unpaid</p>
Adoption leave / care leave	<p>6 consecutive weeks of paid leave (can be taken spread)</p>
Pregnancy and maternity leave	<p>In accordance with the statutory provisions; at least 16 weeks of paid leave.</p>
Parental leave	<p>As employee you're entitled to 26 weeks of parental leave in total.</p> <ul style="list-style-type: none"> - 9 weeks (partially) paid, in accordance with statutory provisions <p>It provides for partially paid parental leave of nine weeks (45 days/360 hours on a full-time basis) at 70% of the daily wage during the child's first year</p> <p>TNO will supplement the 70% to 100% If the actual daily wage is lower than the maximum daily wage, the parental leave will be paid in full. If you earn more than the maximum daily wage, you will revert to the maximum daily wage during parental leave. Employees who work part-time will receive the supplement on a pro-rata basis.</p> <ul style="list-style-type: none"> - 17 weeks unpaid, in accordance with the statutory provisions Possibility of continuing pension accrual (at own cost)

Partner leave	<p>5 days of paid leave (excluding the day on which the child is born). Partners can take up to 5 weeks of additional paternity leave.</p> <p>They will then receive a benefit amounting to 70% of their daily wage. However, there is a maximum of 70% of the maximum daily wage. The UWV pays for these weeks' leave.</p> <p>It has been agreed that TNO will supplement the payment up to a maximum of 100% of the maximum daily wage*. If the actual salary is lower than the maximum daily wage, it will be supplemented to the actual salary. Part-timers will receive the supplement pro rata.</p>
SALARY AND SALARY SCHEME	
Job rating	Six groups, 18 scales, minimum and maximum (see appendix 1) TNO has a different remuneration policy in place for management functions (1 st , 2 nd and 3 rd level) (see appendix 2)
Annual individual salary adjustment	As of 1 January of each year. Dependent on the relative salary position (RSP), see appendix 3. Independent of the appreciation (good, not good enough)
Annual general salary measure	As of 1 January 2024: 3,25% If the moving average of the derived consumer price index (CPI) for the period from July 2023 to July 2024 exceeds 4.0%, the General Salary Measure will be retrospectively increased by 0.5 percentage point to a total of 3.75% as of 1 January 2024.
OTHER ALLOWANCES AND REMUNERATION	
Thirteenth month's salary	8.33% of the gross annual salary (including salary surcharges and taking into account choices of the 'flexible' terms of employment) increased by holiday allowance, normally paid in December (pensionable salary)
Holiday allowance	8% of the gross annual salary (including salary surcharges and taking into account choices of the 'flexible' terms of employment), normally paid in May (pensionable salary)
Flexbudget (flexible budget)	5.58% of gross annual salary (including holiday allowance and thirteenth month's salary) plus a nominal amount of EUR 180 per annum.
Other	<p>Job allowance (pensionable salary) Special allowance (pensionable salary) (up to the scale's second maximum)</p> <p>Labour market allowance (not pensionable) Performance bonus</p>
Anniversary bonus	<p>25 years: half a month's salary (net)</p> <p>40 years: full month's salary (net)</p>
Stand-by	Hourly compensation and time off
Overtime	<p>Compensation for the scales one to nine inclusive Monday to Friday: first two hours (25%), all subsequent hours (50%) Saturday up to 6 p.m.: 50% Saturday after 6 p.m., Sundays and public holidays, and Mondays or the day after public holidays until 7 a.m.: 100%.</p> <p>Holiday allowance of 8% will also be paid over the overtime bonus. Holiday allowance for overtime does not form part of the pensionable salary.</p>

Unsocial hours	20 p.m.to 7 a.m.: 50% Saturdays after 6 p.m.: 50% Sundays and public holidays: 50%
Commuting allowance	<p>Reimbursement on base of pay per use</p> <ul style="list-style-type: none"> • Public Transport 2nd class 100% reimbursed • Kilometer allowance up to a maximum of 40 kilometers single journey: <ul style="list-style-type: none"> ○ Bike or walking EUR 0,23 per km ○ Other own transportation (e.g. car) EUR 0,14 per km (supplement up to EUR 0.23 possible through participation in Flexible Terms and Conditions of Employment) <p>Transport mix possible TNO makes a mobility card available</p>
Home workplace reimbursement scheme	The scheme provides for the possibility of claiming reimbursement of expenses for a number of workplace facilities subject to certain conditions, up to a maximum amount of EUR 1,000, including VAT, per five-year period.
Allowance for homeworking costs	TNO pays 2.15 euros net per working day -or part thereof- worked from home.

<p>PENSION PROVISIONS</p>	
<p>Pension contribution</p>	<p>Employer's contribution: 20.34% (2024) less the employee's contribution. Employee's contribution: 10.58% (2024) above the annual contribution-free amount of EUR 28,572 (2024) on a maximum of EUR 137,800.</p>
<p>Stichting Pensioenfonds TNO (TNO Pension Fund Foundation)</p>	<p>Retirement pension: Retirement pension is based on an average salary pension scheme with a conditional allowance (= conditional indexation).</p> <p>Contribution free allowance = €17,427 (01-01-2024) Accrual of 1.75% (2024) per participant year of the pensionable salary for a retirement pension. Pensionable salary equals the pension-bearing salary of no more than EUR 137,800 less the contribution-free allowance. Part-time employees accrue a pension pro rata to the percentage of their working hours.</p> <p>As of 1 January 2015 it is no longer statutorily permitted to accrue old-age and surviving dependants pension above a certain level of income, which was EUR 100,000 (pro rata for part-timers) in 2015. The government has index-linked this amount, raising the ceiling to EUR 127,800 as of 1 January 2024.</p> <p>Employees who receive a gross salary of more than EUR 137,800 on or after 1 January 2024 will receive a gross supplement of 6.68% of the gross pensionable salary above EUR 137,800 to compensate for the loss of the employer contribution to the pension premium above EUR 137,800.</p> <p>The fiscal pensionable age of 68 applies as the date for calculating the pension. Upon retirement all entitlements of the participant to the retirement pension will be recalculated to pension entitlements on the actual commencement date of retirement. If one continues working until the commencement date of the old-age pension, the commencement date of the old-age pension is, in principle, the retirement date.</p> <p>Commencement of the retirement pension date earlier or later than the retirement date is possible while part-time pension, high/low pension or an old-age pension bridging arrangement are also possible choices. The retirement pension entitlements will then be recalculated by actuarial method.</p> <p>The employment contract ends according to the TNO terms and conditions of employment upon commencement of the old-age pension, which legislation will cause to shift further in the future. For all employees who reach the age of 67 years in 2024, the old-age pension will take effect in 2024.</p> <p>While in employment the pension accrual and premium contribution continue until the old-age pension begins.</p> <p>If the employee is offered a new employment contract by the respective employer after the commencement of his old-age pension, then also for the duration of this employment contract the pension accrual for that part to which this employment contract applies will continue up to but no later than his 68th birthday with pension contribution payable.</p> <p>Via TNO Pension Fund you will be able, on an individual basis, to take out a voluntary net pension scheme above EUR 137,800. Goldman Sachs (formerly NN IP) is responsible for the investment administration of individual accounts and the execution of investments. This pension scheme is an available premium scheme and thus has the same possibilities as the Extra Pension.</p> <p>As of 1 January 2024 it will no longer be possible to join if you are not yet a participant in this net pension scheme.</p>

Partner pension for surviving dependants:

The partner pension is 70% of the accruable retirement pension on the basis of 1.75% (2024). Upon the death of an employee the partner pension is based on 70% of the accruable old-age pension on the basis of 1.75% until the commencement date of the old-age pension had the participant still been alive. The partner pension commences on the 1st of the month following the death.

Just as for the retirement pension, the partner pension will also be calculated as of 1 January 2024 on income up to a maximum of EUR 137,800. This cap is not applicable when calculating the pension accrued by the participant up to 1 January 2015.

The partner who is younger than the age for entitlement to old-age pension upon the death of the employee will receive a temporary supplement of 10% on the partner pension such that this reaches 80% of the (fictive) level of the retirement pension; this supplement expires on the date that he/she reaches the age where he/she is entitled to old-age pension. Here, the age of entitlement to old-age pension is the entitlement age as it prevails when the payment of the partner pension commences. Also in relation to this temporary supplement, with effect from 1 January 2024 this will be calculated on the income up to a maximum of EUR 137,800. This cap does not apply to the temporary supplement calculated on the participant's pensionable period until 1 January 2015.

Upon commencement of the retirement pension the partner pension (if accrued after 1-1-2002) will be exchanged for a higher retirement pension; for single participants this occurs automatically but for participants with a partner such an exchange must be agreed.

Orphans pension:

When a participant dies: 16% of the (fictive) retirement pension to be reached.

As of 1 January 2024 the orphans pension will be calculated on the income up to a maximum of EUR 137,800. This cap does not apply to the calculation of the orphans pension accrued during the participant's pensionable period until 1 January 2015. The orphans pension takes effect on the 1st of the month following death until the end of the month when the orphan reaches 21.

Full orphans have a right to 32%.

NB. The percentages stated for the partner and orphans pension may be lower due to the conversion of retirement pension entitlements to a higher fiscal pensionable age and from 1 January 2024 by the accumulation of partner pension of 70% of 1.75%. The retirement pension is higher because of this conversion whereby the ratio is no longer aligned with the stated percentages.

One option is to exchange the retirement pension at the end of the participation or on the pension date for a partner pension up to the partner pension of a maximum of 70% of the retirement pension.

Supplementary partner and orphans pension insurance:

The cap can have significant consequences for the surviving dependants pension. That is why it was possible as of 1 January 2015 to choose a separate supplementary insurance to cover that part of the surviving dependants pension on income above the cap of EUR 137,800 (indexation 1-1-2024). This insurance is taken out by Goldman Sachs (formerly NN IP) and involves the deduction from the net salary of an age-dependent premium.

As of 1 January 2024 it is no longer possible to participate if you were not yet a participant. For existing participants, participation in this voluntary net pension scheme via TNO Pension Fund Foundation can be continued on an individual basis.

Disability pension (WGA):

In the event that an employee is entitled to a disability payment, the disability insurance pension is a maximum of 70% of the pensionable salary (effective on or after 1-1-2013) that exceeds the maximum daily wage (for full disability; pro rata for partial disability).

During the period of entitlement to a disability payment, the accrual of retirement pension and the partner and orphans pension is continued free of premium pro rata of the extent of disability. The (fiscal) cap also that takes effect on 1 January 2015 also applies here (as of 1 January 2024 EUR 137,800).

<p>Extra pension (gross)</p> <p><i>As of 1 January 2024 it is no longer possible to participate if you were not yet a participant of this additional gross pension scheme..</i></p>	<p>For the collective pension not all of the financial scope is utilised. There is an option for the employee to voluntarily (gross)pay for an extra pension up to a maximum (gross) contribution per year. The maximum depends on the age as of 1 January of the respective calendar year, for which there is an age- dependent table.</p>
<p>Net Pension</p> <p><i>As of 1 January 2024 it is no longer possible to participate if you were not yet a participant of this additional net pension scheme..</i></p>	<p>In relation to the (fiscal) cap of EUR 137,800 (2024) the employee may choose voluntarily to accrue a net pension on the salary component of this limit. This maximum investible percentage has been established for tax reasons and depends on the age as of 1 January of the respective calendar year. This is based on an age-dependent chart. The required contribution will be settled against the net salary.</p>
	<p>For more extensive information see the Pension Fund website.</p>

ILLNESS	
Salary during illness	<p>First year: 100%</p> <p>Second year: 70%</p> <p>(Pension accrual unchanged for 2 years)</p>
Disability	<p>After two years of illness possibly WIA benefit: maximum of 75% of the (maximum) daily wage.</p> <p>WIA (Work and Income according to Labour Capacity Act) excess covered (through TNO pension fund) at 35% to 100%disability.</p> <p>WGA shortfall insurance (Income supplement insurance a.s.r.): TNO has taken out collective WGA shortfall insurance with a.s.r. within the framework of the Work and Income (Capacity for Work) Act (WIA) (so-called 'Income Supplement Insurance'). As a TNO employee, you automatically participate in this. The aim of this scheme is to mitigate employees' loss of income after becoming subject to the Work and Income (Capacity for Work) Act or WIA</p> <p>The insurance covers part of your loss of income each month if, based on a WIA decision by the Employee Insurance Agency UWV:</p> <ol style="list-style-type: none"> you are entitled to a WGA follow-up, or; you are incapacitated for work for more than 80% and are entitled to a wage-related benefit or top-up benefit under the WGA.
Health care insurance	<p>Group contract with Zilveren Kruis Achmea</p> <ul style="list-style-type: none"> 3 packages: Basis Budget, Basis Zeker (Certain) and Basis Exclusief (Exclusive) 15% discount on supplementary insurance Employer's contribution: €70 per year, if both basic insurance and supplementary insurance coverage are provided by Zilveren Kruis Achmea 1.00% discount if a full year's contributions are paid all at once; 0.5% discount if paid semi-annually. Healthy and Fit bundle; extensive health offering in one place.
OTHER	
Interim scheme Hybrid Way of Working	<p>The Hybrid Way of Working is a form of activity-based working, by which you perform tasks at the work location and time that are most appropriate for the specific activity. This may be your regular work location or a flexible workstation at TNO, your home, during travel, or at the premises of a partner or client/commissioning party. (in consultation with supervisor)</p>
Empower	<p>The appreciation and remuneration policy through which there is a mature, equal relationship between the organisation and its employees, with continuous feedback being given and received by both sides. Clarity on mutual expectations regarding personal development and performance.</p>

Business trip allowances	<p>Public transport 1st class 100% reimbursed</p> <p>Own transport: EUR 0,29 per kilometre (EUR 0.23 net allowance, EUR 0,06 tax)</p> <p>Under conditions TNO provides the possibility to use of e.g. public bike (OV-bike) and shared cars.</p>
Professional training	<p>Development goals: position and career</p> <p>The urgency and return on investment for TNO will determine how much TNO invests</p>
Staff discounts/facilities	<p>Subscription to Wegnahetwerk.nl (paid by TNO); various Insurance policies with personnel discount via AON and Centraal Beheer Achmea.</p> <p>An overview of additional discounts and facilities is published on the intranet.</p>
Lease car	<p>Lease car for specific groups of employees and/or depending on the number of business-related kilometres each year:</p> <ul style="list-style-type: none"> - Up to and including scale 13 or L and $\geq 30,000$ business-related kilometres each year - Scale 14 or L and higher and $\geq 15,000$ business-related kilometres each year <p>Waving possibility</p>

This is an overview of the TNO Terms and Conditions of Employment. More information can be found on the intranet. No rights may be derived from this overview.

Appendix 1

MONTHLY AMOUNTS AS FROM 1 JANUARY 2024, IN EUR

Scale	Minimum	Maximum
1	*	2,723
2	*	2,954
3	*	3,108
4	*	3,263
5	*	3,417
6	2,534	3,789
7	2,842	4,285
8	3,317	4,889
9	3,792	5,374
10	3,226	6,131
11	4,291	7,112
12	5,539	7,953
13	6,378	8,835
14	6,675	9,660
15	7,237	11,001
16	7,826	12,154
17	8,477	13,281
18	9,163	14,579

*at least min. (youth) salary:

Age	Per hour	*Per month
15	3.98	695.17
16	4.58	799.97
17	5.24	915.25
18	6.64	1,159.79
19	7.96	1,390.35
20	10.62	1,854.96
≥ 21	13.27	2,317.83

Appendix 2

MONTHLY AMOUNTS AS FROM 1 JANUARY 2024

IN EUR

Scale	Minimum	Maximum
M	6,418	9,138
L	7,240	10,319
K	8,156	11,633
J	9,411	13,441
I	10,566	15,098
H	11,988	17,146

Appendix 3

Increment table for individual remuneration policy valid from 1 January 2021:

	<= 65.0	<= 70.0	<=75.0	<= 80.0	<=85.0	<= 90.0	<=93.0	<100.0	>=100%
Increase (%)	5.5%	4.5%	3.5%	3.0%	2.0%	1.0%	0.25%	0% (discr)	0%
Multiplier	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
FW increase (%)	8.0%	8.0%	7.0%	6.0%	5.0%	3.0%	3.0%	0%	0%