

Collective Agreement KPN/ITS

1 April 2015 to 1 January 2016

HR Compensation & Benefits

16 July 2015

Introduction and Keynote

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Introduction and Keynote

The following parties have concluded this Collective Agreement:

- 1 KPN NV, (**KPN**) which for the present purposes represents the following companies:
- KPN B.V. (**KPN BV**)
 - iBasis Netherlands B.V. (iBasis Netherlands)
 - Telfort Zakelijk B.V. (Telfort Zakelijk)
 - KPN Corporate Market B.V. (ITS)

and

- 2 the following five trade unions:
- Qlix
 - CNV Publieke Diensten
 - VHP2
 - CNV Dienstenbond
 - De Unie

KPN and the trade unions have agreed the following arrangements.

This Collective Agreement applies to you, if you are employed by any of the companies ('BVs') listed under item 1. However, your position must be in one of the salary scales specified in this Collective Agreement.

The Collective Agreement protects your interests as an employee as well as those of KPN. While the Collective Agreement is in force, KPN and the trade unions will do their utmost to assure good industrial relations within the company. They will ensure that the Collective Agreement is observed. Any transitional/integration agreements made between KPN and the trade unions are applicable. It is clear from each appendix and its title as for whom the relevant appendix is intended.

On 1 January 2015 KPN Contact B.V. (**KPN Contact** or **KPN Contact BV**) merged with KPN BV, whereupon KPN Contact BV ceased to exist. If you were employed by KPN Contact BV up to 1 January 2015, then by virtue of this merger you automatically became an employee of KPN BV on 1 January 2015. This has no consequences for your work or employment conditions. Where there is reference in this Collective Agreement to 'KPN Contact BV' or 'KPN Contact', then these must be read, insofar as is clear from the context of the relevant provision, as (i) KPN BV as legal successor to your official employer, KPN Contact BV, up to 1 January 2015, or (ii) 'KPN Contact BV' or 'KPN Contact' as legal predecessor to your official employer, KPN BV, as from 1 January 2015. Insofar as it is clear from the context of any provision that such provision relates to the actual business unit for which you work, then this is to be interpreted as the 'enterprise' for the purposes of the Works Councils Act, in this case: 'KPN Contact'.

Note: This document is a translation of the original Dutch version of the KPN Collective Agreement 2014 (KPN CAO 2014). In case of discrepancies between the Dutch and the English versions, the contents of the Dutch version always prevail. No rights can be derived from the content of the English version if and where it differs from the Dutch.

PART A

Unless otherwise agreed, this section contains provisions applicable to:

- all employees of KPN BV, iBasis Netherlands, Telfort Zakelijk or ITS, and
- who have been categorised in salary scales 1 to 13.

As of 1 November 2014 Chapters 13 and 14 of the 2014 KPN Collective Agreement lapse and the provisions of part A apply to employees who were employed by KPN Contact on 31 December 2014, with the proviso that deviations or exceptions to a number of specific employment conditions in part A are included that may apply to them. Where provisions in part A apply, insofar as such appears from the context of the relevant provision, 'KPN' should also be understood as 'KPN Contact'.

As of 1 January 2015 the provisions of part A apply to ITS employees who were covered by the KPN Corporate Market Collective Agreement 2014 (**KPN Corporate Market Collective Agreement**) on 31 December 2014, with the proviso that in their case there are a number of deviations or exceptions from specific employment conditions in part A. These deviations/exceptions are indicated in the relevant article in part A, Chapters 12 and 13 of part B, and/or Appendices 18 to 23, inclusive.

Where transitional arrangements are the result of:

- the end of the IT group of the 2014 KPN Collective Agreement as of 1 November 2014 and the consequential transfer as of that date to the General group;
- the end of the Strategic Recruitment group of the 2014 KPN Collective Agreement as of 1 November 2014 and the consequential transfer as of that date to one of the General, Retail, Sales or Customer Expert groups;
- the end of Chapter 13 of the 2014 KPN Collective Agreement (staff directly employed by KPN Contact) as of 1 November 2014 and the consequential transfer as of that date to the General group;
- the end of Chapter 13 of the 2014 KPN Collective Agreement (staff directly employed by KPN Contact) as of 1 November 2014 and the consequential transfer as of that date to the Customer Expert group;
- the transfer of the General group of the 2014 KPN Collective Agreement to the Customer Expert group as of 1 November 2014 as a result of the introduction of the Customer Expert group as of that date;
- the end of Chapter 14 of the 2014 KPN Collective Agreement (staff indirectly employed by KPN Contact) as of 1 November 2014 and the consequential transfer to the General group as of that date; the transitional arrangements applying to you as of 1 November 2014 remain applicable provided that you are then continuously employed in a job placed in the same group. The transitional arrangements set out in Appendices 12, 13 and 14 apply to you if you satisfy the requirements specified in the title to each appendix.

In the case of transitional arrangements resulting from no longer being placed in the Retail group as of 1 November 2014 and placement in the General group as of that date (which applies to regional managers with job code SSS11) the transitional arrangements that apply to you as of 1 November 2014 continue to apply to you provided that you are then continuously employed in the job of regional manager (SSS11).

Where transitional arrangements are the result of:

- the end of the Collective Agreement Bonus scheme (from the 2014 KPN Collective Agreement) as of 1 January 2015 and the consequential application of the KPN Plan as of that date;
- the application of the KPN Service Plan as of 1 January 2015;
- changes to the on-target-percentage Payplan as of 1 August 2014 for employees placed in the Retail group;

the transitional arrangements that apply to you as of the date of the said change in variable remuneration continue to apply to as long as you are employed in a job that is placed in the same group.

CHAPTER 1

General provisions

General

1.1 Definitions

You will encounter various terms in the Collective Agreement. This section explains the meanings of the terms.

- a. 'Employer': any party named in the Introduction under item 1.
- b. 'Trade unions': any party named in the Introduction under item 2.
- c. 'Employee':
 - an employee of one of the parties named in the Introduction under item 1
 - who works in the Netherlands and
 - who has been placed in any of the salary scales between 1 and 13 inclusive.An employee is not an employee within the meaning of this Collective Agreement, if he:
 - has an occupational supervision or work training placement or
 - is following a dual track learning route.
- d. 'Monthly salary' (also referred to as just 'salary'): the amount of salary determined for you in the salary scale. Your salary may be above the normative salary. If so, the amount in excess of the normative salary also forms part of your monthly salary.
- e. 'Monthly income': your monthly salary plus allowances.
Supplements do not form part of your monthly income.
- f.
- g. 'Normative salary': the salary in the salary table at a salary position of 100%.
- h. 'Normal working hours' means 40 hours per week, if you fall within one of the Sales (CHAPTER 10), Customer Expert (CHAPTER 11), Consulting (CHAPTER 12) or ITS (CHAPTER 13) groups. If you fall under the General (CHAPTER 8) or Retail (CHAPTER 9) groups it means 37 hours per week. In both cases, the working hours apply to a full-time contract of employment.
- i. 'Hourly salary': if you fall under the Sales (CHAPTER 10) or Customer Expert (CHAPTER 11) groups your hourly salary is 1/174th part of the salary for normal working hours. If you fall under the Consulting (CHAPTER 12) or ITS (CHAPTER 13) groups, your salary is 1/173.33th part of the salary for normal working hours. If you fall under the General (CHAPTER 8) or Retail (CHAPTER 9) groups your salary per hour is 1/160.9th part of the salary for normal working hours.
- j. Placement allowance: the allowance allocated on the basis of the transitional arrangements in the context of harmonising in-sourcing or on the basis of transitional arrangements in the context of the conclusion of this Collective Agreement as set out in Appendix 19.
- k. Transfer allowance: the allowance allocated on the basis of Article 4.3, section 12, of this Collective Agreement or Article 5.1 of the 2014-2015 KPN Social Plan or the corresponding article under a previous KPN Social Plan.
- l. Part-time employee: someone who has agreed with his/her manager to work less than the normal number of hours and is paid according to the smaller number of hours.
- m. Position: the duties assigned to someone by his manager, for which he must achieve a clear result.
- n. Rotating roster: a schedule that fixes for a certain period in advance the differing days and times when the employee shall start work, take breaks, and finish work.
- o. Full-time quarterly hour standard: the number of contract hours per quarter for a full-time employee.
- p. Part-time quarterly hour standard: the full-time quarterly hour standard multiplied by the part-time factor that applies for a part-time employee.
- q. SNT CAO 2003: the SNT Collective Agreement in effect from 1 January 2003 to 31 March 2004.

1.2 Duration of, deviations from, and changes to this Collective Agreement

- 1 This Collective Agreement applies from 1 April 2015 to 1 January 2016. At the end of this period, this Collective Agreement ends automatically. It does not require formal termination.

- 2 Your manager may deviate from the Collective Agreement in order to agree more favourable conditions of employment with you.
- 3 KPN and the trade unions may agree changes to the Collective Agreement in the event of far-reaching changes within or outside KPN.
- 4 Where in this Collective Agreement adverse changes are introduced, rights arising from the relevant provisions in previous Collective Agreements shall lapse on the entry into force of this Collective Agreement. Instead, the rights arising from the provisions in this Collective Agreement shall apply. This means, inter alia, that where and to the extent that fewer entitlements are derived under this Collective Agreement, there are no rights to the additional entitlements under previous Collective Agreements.

1.3 Disputes procedure

A situation may arise where KPN and the trade unions disagree about the application of a certain provision of this Collective Agreement. If so, they will try to resolve the disagreement through negotiation. The party with the greatest interest in reaching a resolution will set out its opinion on paper for discussion with the other parties. If the parties do not reach agreement within two months, they will submit their difference of opinion to a committee. The committee consists of three members. KPN names one member, the trade unions name one member and the other member is an independent chairperson. The committee will advise the parties.

KPN's obligations

1.4 Availability of Collective Agreement

The text of the Collective Agreement has been published on TEAMKPN Online. If you are unable to access TEAMKPN Online, ask your manager for a copy of the Collective Agreement.

1.5 Information about rules and regulations

KPN will give you information about the rules you must observe in your work. You may, for example, be given instructions about working methods and regulations under the KPN Company Code and its sub-codes. The texts of these regulations and codes can be found on TEAMKPN Online. If you cannot access TEAMKPN Online, ask your manager for a copy of the documents. You are required to be familiar with and observe these rules and regulations.

1.6 Right of complaint

KPN has a procedure for dealing with complaints. You cannot complain about general rules, but you can complain about a decision by KPN that affects you personally. For example, you cannot lodge a complaint about a reorganisation decision, but you can complain about being declared supernumerary. Similarly, you cannot complain about pay levels in the salary tables, but you can complain about the setting of your salary. KPN will seek advice from a Complaints Committee about your complaint. KPN and the Works Council have agreed a separate procedure for obtaining this kind of advice. This procedure is described in the KPN Complaints Procedure Regulations at TEAMKPN Online.

1.7 Contribution towards union work

Each year KPN gives the trade unions a contribution towards the union work they do within KPN. For the year 2015, the contribution is €19 multiplied by the average number of employees employed in that year by the BVs listed in the Introduction under item 1 (with the exception of ITS). For the year 2015 employees of ITS who on 31 December 2014 fell within the KPN Corporate Market Collective Agreement the following provisions apply. A separate agreement has been made with the former ITS trade unions (FNV ICT, CNV Dienstenbond and De Unie) for the year 2015. As of 2016 the contribution to union work will be calculated in the same way as for KPN (not ITS).

1.8 Facilities for union work

If you are an active trade union member and you assist the trade union with the union work within KPN your manager will give you certain facilities for this. You may be allowed to use conference rooms in a KPN building, for example. You may spend part of your working time on activities necessary for the union. However, the work for the union must be combinable with your job.

1.9 Reorganisation

KPN strives to avoid involuntary redundancies as far as possible by increasing the employability of its employees. KPN and the trade unions have agreed arrangements for appropriate solutions. The arrangements are described in the KPN Social Plan. KPN will inform the trade unions of the reorganisation consultation procedures within KPN that involve involuntary redundancies, the estimated numbers involved and the considerations. This fulfils the obligation of dialogue and consultation as referred to in the Reporting of Collective Dismissal Act (Wet Melding Collectief Ontslag). In view of the Social Plan the trade unions waive the waiting period in accordance with Article 5a section 1 of the Reporting of Collective Dismissal Act, unless it explicitly invokes the waiting period in the dialogue in which KPN notifies them about the reorganisation consultation procedures.

1.10 Cooperation with and transfer of activities to a third party

- 1 If KPN is considering a merger within the meaning of the Social and Economic Council ('SER') Decision concerning the 2000 Code of Practice for Mergers, KPN will take the social consequences into account in its decision-making.
As soon as any duty of confidentiality allows, KPN will inform the trade unions, Works Council and employees of the measures under consideration. KPN will discuss with the trade unions and the Works Council the consequences of such a merger and the measures under consideration.
- 2 If KPN transfers your work to another employer and the transfer is subject to the Transfer of Businesses Act, the following arrangements will apply:
 - you will automatically join that employer;
 - the nature of your employment contract (fixed term or open ended) and your years of service at KPN will remain intact;
 - the employee benefits package of the new employer often takes effect at the time of transfer;
 - in that situation KPN will agree the transitional arrangements with the trade unions:
 - a basic principle is that the employee benefits with the new employer at the time of transfer must be equivalent to the employee benefits applicable to you within KPN;
 - entitlements to early retirement and pre-pension arrangements will be respected.

1.11 Collective accident insurance

You are covered by collective accident insurance with 24-hour cover taken out by KPN. KPN pays the costs of the insurance.

1.12 Corporate Social Responsibility

- 1 KPN wishes to be a leader in the field of Corporate Social Responsibility (CSR) and aims for a combination of sound business and a positive contribution to people, society and the environment. KPN aims to enable its employees to contribute in this regard.
- 2 In consultation with your manager, you are permitted to allocate two half-days to CSR objectives as defined by KPN without the need to use your leave entitlement for such purpose. These CSR objectives are set out on TEAMKPN Online.

Your obligations

1.13 Reasonable instructions

You must carry out the reasonable instructions of your manager. This also applies if you are required to do work other than your normal work or if you must go to a different location. Instructions of this kind are usually of a temporary nature. In all instances, your manager will consult with you beforehand. You are also required to work additional hours or overtime, if your manager instructs you to do so.

1.14 Living near your place of work

Your manager may consider it necessary for you to live close to your place of work. If so, your manager may make it mandatory for you to live at or near your place of work.

1.15 Staff uniform

You must wear staff uniform, if your manager considers it necessary for your work. You will not incur any costs for staff uniform. But you must ensure the garments are kept clean and in good repair. The costs of washing and maintaining the garments are payable by you.

1.16 Confidentiality

During your work you will find out many things about KPN. KPN may impose upon you an obligation to maintain confidentiality in respect of certain information. This means you must not disclose such information to anybody else. The same applies to information that you are expected to know to be of a confidential nature, such as information about and from our customers. This non-disclosure obligation will continue to exist, if you leave KPN's employ.

1.17 Health & safety

You must avoid hazards for yourself and for other people during your work. You must observe the guidelines observed by KPN in the fields of health and safety, and welfare. You must use the safety devices and equipment prescribed by your manager. You are not obliged to do any work that is contrary to legal or company safety regulations.

1.18 Non-company activities

Any non-company activities should be reported before joining KPN or before starting the relevant activities. In MijnHR/ESS you will find an option for registering all non-company activities. If you do not perform any non-company activities, you must register that information as well. You are personally responsible for keeping these records up to date. On TEAMKPN Online you will find an explanation of the kind of non-company activities that are and are not subject to the declaration obligation.

Your manager may prohibit you from performing all or any non-company activities if he is of the opinion that the activities:

- are in competition with KPN, or
- represent too much of a strain for you in combination with your work at KPN (physically or mentally), or
- may harm the interests or good name of KPN.

1.19 Ownership of inventions and achievements

1 KPN is the sole owner of the results of your work and of the intellectual property rights attached to those results. It makes no difference whether you work alone or with other people. This condition applies in all instances, no matter whether it concerns activities performed in your work or using knowledge or skills acquired from KPN or results and intellectual property rights concerning KPN's business activities. This condition applies to such matters as inventions, obtained results, models, devised working practices, marketing concepts, brands, business methods, drawings, software, databases and written documents or produced works.

- 2 You must inform KPN of these results in writing as soon as possible. KPN may establish intellectual property rights to the results, in the Netherlands and other countries, such as brands and domain names, patents and model rights. You automatically assign these rights to KPN. You must give KPN your full cooperation in establishing or obtaining such rights and in holding, maintaining and exercising them. KPN will pay the costs incurred in respect of these matters.
- 3 KPN may decide to waive its right of ownership, if it does not use results that you have achieved. You may submit a written request to KPN to do this. KPN may attach certain conditions to the waiving of its right.
- 4 If KPN exercises its right to patenting, you will receive fair compensation in return. KPN has drawn up rules for this matter, which you accept as part of the Collective Agreement (Compensation Regulations for Inventors in relation to patents at KPN). KPN is entitled to change these Regulations.

CHAPTER 2

Employment contract

2.1 Probationary period

Your first two months of employment are a probationary period. This probationary period applies to you and to KPN. KPN and you may agree in writing to no probationary period or to a shorter one. There is no probationary period for a fixed-term employment contract of six months or less.

2.2 Fixed-term employment contract and temporary work

- 1 KPN and you may enter into three fixed-term employment contracts which will automatically end if the period between these contracts is not longer than three months and these contracts are not together longer than 36 months. As of 1 July 2015, KPN and you may enter into three fixed-term employment contracts which will automatically end if the period between these contracts is not longer than six months and these contracts are not together longer than 24 months.
- 2 Have you worked as a temporary for KPN for one period, or for more periods whether or not interrupted by a maximum period of six months? And immediately following, or within six months of the end of, such temporary work were you employed by KPN to perform the same work under a fixed-term employment contract? If so, your entire period as a temporary worker at KPN will be treated as an initial contract for a fixed term. Thereafter, KPN and you may enter into two further fixed-term contracts, which will end automatically. The end date of the final contract must then be less than 36 months following the start of the first period of temporary work. As of 1 July 2015 the end date of the final contract must be less than 24 months following the start of the first period of temporary work.
- 3 Temporary workers who work for KPN and perform the same work as employees employed by KPN are subject to the provisions of this Collective Agreement as from the beginning of the temporary contract relating to:
 - salary and salary adjustment,
 - overtime compensation and working times supplement, and
 - travel expense reimbursement.KPN ensures that temporary workers are remunerated at least in line with what is contained in this Collective Agreement with regard to these three employment conditions.

2.3 End of employment contract

- 1 If you have a fixed-term employment contract it will automatically expire at the end of the agreed term. This employment contract may be terminated in the interim by either you or KPN giving written notice. The required period of notice as prescribed by law is a minimum of one month. If notice is given, your employment contract will always end at the end of the calendar month.
- 2 If you have an open-ended employment contract, the period of notice prescribed by law will apply. The relevant information is published on TEAMKPN Online. This also includes information about a transitional arrangement under the Flexibility and Security Act.
- 3 How does your employment contract end when you retire?
Your employment contract will end automatically on the date on which you reach state retirement age, unless you retire sooner. In such a case, your employment contract will end at the end of the month preceding the month in which you retire.
- 4 If you have been on sick leave for a long time and are no longer able to work for KPN, KPN will terminate your employment contract two years after you first became unfit for work. If you would have celebrated your 25th or 40th year of service with the company within six months of leaving, you may request your manager in writing to defer your leaving of the company until immediately after your long-service milestone.

2.4 Disciplinary measures

- 1 You must comply with the rules contained in your employment contract, the KPN Company Code and its sub-codes, which you can find at TEAMKPN Online as well as any supplementary company and branch rules, procedures and instructions that apply for you. Your manager may impose disciplinary measures if you fail to comply with these rules.
- 2 These measures include:
 - a. a warning or reprimand;
 - b. a suspension, possibly with a maximum reduction of your monthly income of 50%. You may be suspended for a maximum of 3 days;
 - c. removal from your position, temporarily or permanently and/or demotion to a lower position. In the latter case, your manager may decide to place you in a lower salary scale;
 - d. dismissal.
- 3 Your manager may also impose disciplinary measures if you fail to comply with the KPN regulations covering sick leave, which you can also find at TEAMKPN Online. These measures include the following:
 - a. a written warning;
 - b. reduction of continued payment of your monthly income during sick leave to the minimum wage applicable to you;
 - c. stopping of continued payment of your monthly income, if you obstruct or delay your recovery or make an insufficient effort to reintegrate;
 - d. dismissal if, even after a deduction from your monthly income, you still make an insufficient effort to reintegrate.
- 4 KPN will fully reinstate you orally and in writing, if an investigation indicates that the disciplinary measure was wrongly imposed against you. If you have been suspended, KPN will grant you any salary that was withheld for the days under suspension.

CHAPTER 3

Working hours, vacations and leave

Working hours

3.1 Working hours, breaks and rest periods

The provisions of the Working Hours Act apply to working hours, breaks and rest periods. KPN deviates from the provisions of the Act in the following respects:

Working hours:

- a. Working hours are the hours between the start and finish times prescribed for your duties.
- b. Your maximum working hours are 9.5 hours per day and 45 hours per week. However, you may work up to 48 hours per week, if you are in a roster with 24-hour shifts or continuous shifts.
- c. Are you placed in the Customer Expert group and are you placed within a rotating roster? As an exception to the provisions under part b, your normal maximum working hours are 8 hours per day and 40 hours per week. This does not apply to you if as at 1 November 2014 you are placed in the Customer Expert group, were before this date placed in the General group, and are placed within a rotating roster. In such a case only the provisions under parts a and b apply to you.

Night shift:

- a. In a night shift you work some or all of the time between 00.00 and 06.00.
- b. During a night shift you work a maximum number of 9 hours.
- c. You may not work more than 6 night shifts in a row.
- d. In 13 successive weeks, you may not work more than 25 night shifts. However, if your work finishes before 02.00, you may work no more than 52 night shifts in that period of 13 weeks.

Breaks:

- a. A break is an uninterrupted period of at least 15 minutes in which you are not required to work.
- b. The break must be at least 30 minutes, if the number of uninterrupted working hours exceeds 5.5. The break must be 45 minutes in the case of 8 uninterrupted working hours.
- c. Unless your manager decides differently, the break is in your own time.
- d. Breaks of one hour or less between 22.00 and 06.00 are considered working hours, if at least 3.5 of those working hours fall between 00.00 and 06.00.
- e. Your break may be forfeited if during the break your work cannot be performed by another employee. Similarly, you may not have a break if your work requires that you can be contacted at all times.
- f. Are you placed in the Customer Expert group and are you placed within a rotating roster? In addition to the above in the case of a shift of 4 hours you are entitled to a paid break of 15 minutes of which at least 10 minutes are scheduled to be consecutive. Furthermore, in such a case if you work a shift of 5 hours you are entitled to a paid break of 20 minutes. Your manager will ensure that you are not overloaded by spending too much time on the computer without a break. You will be given sufficient opportunity to tend to your personal needs.
- g. The provision under part f does not apply to you if as of 1 November 2014 you are placed in the Customer Expert group, were before this date placed in the General group, and are placed within a rotating roster. In such a case, only the provisions under parts a to e, inclusive, apply to you.

Stand-by:

- a. Stand-by is the time over and above your working hours that you must be available to perform work that occurs unexpectedly.
- b. You cannot be placed in a stand-by roster for 7 x 24 consecutive hours more than once in any period of four weeks. If the stand-by regulations as referred to in Article 4.11, sections 11 or 12 apply to you, then there may be exceptions to the above provisions.
- c. If you work at TV&Media, you cannot be placed in a stand-by roster for 7 x 24 consecutive hours more than once in any period of three weeks.

Overtime:

- a. This is time when at the request of your manager you occasionally perform work for KPN over and above the normal working hours for a full-time employee.

3.2 Sundays and public holidays

You are not required to work Sundays or public holidays, unless your work is essential and you have agreed this with your manager. There may also be special circumstances that make it necessary for you to work Sundays or public holidays. Public holidays are:

- Easter Sunday and Easter Monday
- Whit Sunday and Whit Monday
- Ascension Day
- 24 December from 18.00, Christmas Day and 26 December
- 31 December from 18.00 and New Year's Day
- the day on which the birthday of the Dutch head of state is celebrated
- every five years, Liberation Day.

You will only work on Sunday if you consent to do so. You may not work more than 13 Sundays in any period of six months. If you normally work Mondays to Fridays and a public holiday falls on one of those days, KPN will continue paying your monthly income over that public holiday.

3.3 Determination of working hours (general rule)

- 1 Your manager will decide when you work. As far as is reasonably possible, your manager will take into account your private circumstances. Your private circumstances may include your duty to care for children, care for family members who are dependent on you and any responsibilities that you have in the community. Your manager will further attempt to schedule your working hours in a way that gives you a regular working pattern.
- 2 Your working hours will be set down in rosters. A roster states the working hours applicable to you and to your colleagues.
- 3 Rosters are drawn up for periods of 3, 6 or 12 months. The working hours of an employee with a full-time employment contract are at least 30 and at most 45 hours per week.
- 4 You will be informed of your roster at least 28 days in advance. In exceptional situations, your manager may deviate from this period of time in consultation with the Works Council.
- 5 If you work in accordance with the 'The New Way of Living and Working' model other provisions apply which you can find in Article 7.12.
- 6 Are you are placed in the Customer Expert group and placed within a rotating roster? Sections 3 to 5 of this article will not apply to you. However, your manager can re-determine your working hours if your circumstances change. The aforesaid parts of this section do not apply to you if as of 1 November 2014 you are placed in the Customer Expert group, were before this date placed in the General group, and are placed within a rotating roster. In such a case sections 3 to 5 do apply to you.

3.4 Role of the Works Council

In consultation with the Works Council, KPN may:

- Prescribe, change or withdraw the working hours arrangements;
- Impose rules for the maximum time of performance of certain activities attached to a position;
- Agree that work will be performed on Sundays and public holidays due to exceptional circumstances;
- Shorten the time for making known a roster.

Vacations and leave

3.5 Accrual of vacation entitlement

- 1 Each calendar year you are entitled to vacations. Over the period of one calendar year you will accrue an entitlement equal to four times the working hours applicable to you. Agreements covering the purchase of additional vacation hours are set out in Appendix 2 (Collective Agreement Budget supplement).
- 2 If you join KPN in the course of the calendar year, KPN will calculate your entitlement pro rata the number of hours that you would have accrued over a full calendar year.
- 3 If you leave KPN in the course of the calendar year KPN will calculate your entitlement on the basis of the time that you were in its employ in that year. Your vacation accrual will be calculated pro rata the number of full calendar months of your employment. If your employment contract lasted less than two months, KPN will calculate your vacation entitlement according to the exact number of days of your employment.
- 4 If you become incapacitated for work during your vacation but are entitled to continued payment of your monthly income, the days on which you are sick during your vacation will not be deducted from your vacation entitlement. You must then be able to prove that you were sick during your vacation, for example with a doctor's note.

3.6 Taking vacations

- 1 You must request any vacation via MijnHR/ESS. You must state the start and finish dates. Your request will be subject to the approval of your manager. Your manager may deviate from your wishes only if there are pressing reasons for doing so. This could be the case, for example, if it is essential to ensure minimum staffing at your department or due to unforeseeable exceptional circumstances.
- 2 In consultation with the Works Council, KPN may designate certain days as vacation days for its entire workforce or large groups of personnel.
- 3 Vacations are taken in hours. Your vacation entitlement will be reduced by the number of hours that you should have worked on your vacation day according to the roster.
- 4 KPN may set further conditions for how you take your vacation. Where applicable vacation requests will be approved based on rules agreed with the Works Council. If this is not possible, your manager will arrive at a solution in consultation with you.
- 5 During your vacation KPN will pay you your monthly income, Collective Agreement Budget supplement and any personal supplement(s) you receive due to the increase in your contribution to the cost of the pension scheme as of 1 July 2010 and 1 January 2011.
- 6 If you leave your employment in the course of the calendar year your manager will determine your surplus or deficit of vacation. If you have a deficit, this will be settled in your final salary payment. If you have a surplus, your manager will discuss with you whether this surplus is to be settled in your final salary payment or you are to take the remaining vacation before you leave the company.
- 7 You may take a vacation day to celebrate a non-Christian holiday. In this case, section 1 of this provision applies.

3.7 Purposes for individual assignment of vacation entitlement for employees who were employed by KPN Contact BV on 31 December 2014.

If you were employed by KPN Contact BV on 31 December 2014 and you have an individually assigned vacation entitlement of 85 or 92 hours for full-time employment, you may use these hours for the purposes shown in Appendix 11.

CHAPTER 4

Remuneration

Salary

4.1 Where to find the agreed remuneration arrangements

Chapters 8, 9, 10, 11, 12 and 13 contain the arrangements agreed for your fixed and variable remuneration. This chapter deals only with the arrangements that apply to all employees. The group into which your position falls (General, Retail, Sales, Customer Expert or ITS) makes no difference.

4.2 Payment of your monthly income

You will receive your monthly income not later than on the 23rd of the calendar month through transfer to the bank account number you have given to KPN.

4.3 Determination of salary

- 1 Your salary will be based on the salary table that applies to you (see Chapters 8, 9, 10, 11, 12 and 13). Your position level determines your salary scale, having regard to the relevant exceptions by virtue of Chapters 12 or 13 (and Appendices 18 to 23, inclusive).
- 2 KPN determines your position level by applying the Hay methodology as a position valuation system, unless the parties to the Collective Agreement agree for KPN to apply a different system. If the parties to the Collective Agreement agree on the need to introduce a different position valuation system, they shall decide on the position valuation system that KPN will apply and announce this decision on TEAMKPN Online. In such a case, no intermediate change to the Collective Agreement is necessary.
- 3 KPN has a position matrix for positions covered by the Collective Agreement. The matrix consists of standard positions. Your manager decides the standard position appropriate to the content of your job. You have a standard position that has been graded. The manager will indicate the salary scale that applies to your position. If you are employed by ITS and on 31 December 2014 came within the KPN Corporate Market Collective Agreement, then your current ITS position will remain applicable for the duration of this Collective Agreement. The aim is to bring all ITS employees within the KPN standard position matrix once the temporary ITS salary grade is established and thus bring the ITS Position Matrix within the KPN Collective Agreement Position Matrix. This can result either in the employees being placed within an existing KPN position or an expansion of the KPN Position Matrix.
- 4 If your job content changes, your manager will decide whether the burden attached to your position remains the same, increases or decreases. Your manager will also decide whether you will remain in the same scale.
- 5 If you believe that the standard position is not in keeping with the substance of your work and that your work package has not been placed in the correct scale, you should first discuss the matter with your manager. Your manager will then take a decision and inform you of it in writing. If you disagree with that decision, you may lodge a complaint.
- 6 KPN will update the KPN Collective Agreement Position Matrix in the second half of 2015. The reference positions will be decided on again with the trade unions, and be published on TEAMKPN Online. After 2015 the reference positions will be systematically tested and recalibrated by KPN and there will be comparable consultations with the trade unions with regard to reference positions.
- 7 In the period following the updating of the KPN Collective Agreement Position Matrix, as described in section 6, KPN will collectively phase the placement of the substance of the work of yourself and your colleagues within the standard positions of the updated Position Matrix and related salary scale. This could result in you being placed in an equal, lower, or higher scale. For the purposes of placing the substance of your individual work a placement process will be drawn up during 2015. A placement committee will form part of this process. In 2015 KPN will also draw up procedures by which you can object to the placement of the substance of your individual work within the chosen standard position in the KPN Collective Agreement position matrix with corresponding salary scale.

- 8 As an exception to sections 3 and 4, after the period specified in section 7, KPN will decide on the basis of the placement process referred to in that section the standard position that applies to the substance of your work and thus the salary scale applicable to the substance of your work.
- 9 As an exception to section 5, after the period specified in section 7, if you find that the core of your work does not fit the standard position and that the substance of your work has not been placed within the correct scale, you will be able to file an objection under the objections process as referred to in section 7.
- 10 On the case of a transfer to a lower scale (as referred to in this article) as a result of a substantive change to the substance of your work, or a (re)placement of the substance of your work within a standard position, you will retain your own salary scale for a period of 18 months. After 18 months, you will be placed in the lower scale. If your most recently earned monthly salary is lower than the normative salary of the new (lower) salary scale, you will be placed in the scale at the normative salary of the lower scale. You will then receive as a transfer allowance the difference compared with your most recently earned salary. If you already had a relative salary position above 100%, the higher percentage will continue to apply in the new salary scale. You will then receive the difference compared to your most recently earned monthly salary as a transfer allowance. KPN will reduce in all cases the transfer allowance by the amount of future increases in your monthly salary. This section will apply as appropriate.
- 11 If you move to a higher scale, your salary increase will be determined by the difference between the starting salaries of the old and new scales. The increase will amount to half of that difference.
- 12 If the substance of your work is placed within a lower scale as a result of a replacement of the substance of your work within a standard position as described in section 7, the transfer allowance will be used in this situation only as a calculation basis for the Social Plan 2014-2015.
- 13 Within the salary scale, you will receive a salary appropriate to your experience and your job performance. The amounts stated in the salary scales are gross amounts per month. The amounts apply to a full-time employee. If you work part-time, the amounts will be reduced in proportion to your working time.
- 14 You might not yet have enough experience to perform your position fully. If so, your manager may place you, for not more than six months, in a salary scale lower than the one applicable to the level of your position.
- 15 If you receive a transfer allowance and are placed in a position with a higher scale level that is equal to the scale level of the position that entitled you to the transfer allowance, you will be placed in the scale of your new position at such a level that the transfer allowance will lapse.
- 16 If due to a harmonisation you are placed in the KPN salary scale and your salary resulting from the harmonisation is less than the starters' salary of that scale, the harmonisation protocol in question may deviate from that provided in sections 1 and 13.
- 17 Have you begun employment with KPN on or after 1 November 2014, do you fall within the Young Talent Program after that date, and have you completed a higher education course? Contrary to the first sentence of section 13, your starting salary is then 80% of the normative salary of scale 9 for the group into which you are placed at the start of your employment by KPN on the basis of your work.

4.4 Vacation pay

You are not entitled to separate vacation pay. This forms part of the Collective Agreement Budget.

4.5 Additional hours

- 1 Additional hours are hours that you work as a part-timer over and above the hours agreed with you in your contract. If you work more than your agreed normal working hours (see Chapters 8, 9, 10, 11, 12 and 13), the hours that you work in excess of your normal working hours will be considered overtime (see 4.10).

- 2 For working additional hours you will receive the hourly salary that applies to you. You will accrue vacation over these hours. Additional hours also count towards:
- payment during work incapacity;
 - the size of benefits under voluntary early retirement;
 - your pension;
 - the Collective Agreement Budget.
- You may also qualify for the allowance for working unusual hours (see Article 4.7) for these hours.
- 3 In certain situations your manager will decide the period over which it will be calculated whether you worked more or less hours than agreed with you. This will be the case, if:
- your roster has been changed, or
 - your working hours were not determined beforehand.
- If you worked more hours, you will have worked 'plus' hours. If you worked fewer hours, the 'minus' hours will be set off against any 'plus' hours over subsequent periods. Twice each year, in March and September, your 'minus' hours outstanding at that time will be wiped out.
- 4 Are you are placed in the Customer Expert group and placed within a rotating roster? Instead of being bound by provisions in sections 1 to 3, you are governed by sections 5 to 8. This does not apply to you if as at 1 November 2014 you are placed in the Customer Expert group, were before this date placed in the General group, and are placed within a rotating roster. In such a case sections 1 to 3 do apply to you, whereas sections 5 to 8 do not.
- 5 If you are a part-time employee and work more hours than contracted at your manager's request, this may involve additional hours. KPN sets a part-time quarterly hour standard for you in this case. KPN derives this proportionate to your working hours from the full-time quarterly hour standard for the relevant quarter. In this case the additional hours of work are the additional hours you work at your manager's request in excess of your part-time quarterly hour standard up to the full-time quarterly hour standard applicable for that quarter. You are compensated for working these additional hours. Unpaid break time does not count towards the calculation of this compensation.
- 6 The additional hours worked are compensated in time off. This time off is equal to the number of hours by which you exceeded the part-time quarterly hour standard in a particular quarter.
- 7 You take your compensatory time off in the calendar year in which the additional hours were worked.
- 8 Your manager may decide that time off is not in the interests of KPN. In that case, you will receive compensation in money equal to your hourly salary for each additional hour. You will accrue vacation over these hours. Additional hours also count towards:
- payment during work incapacity;
 - the size of benefits under voluntary early retirement;
 - your pension;
 - the Collective Agreement Budget.

Allowances

4.6 Labour market allowance

Your manager may award you a labour market allowance in the interests of the company. Your manager will decide the period for which you will receive this temporary allowance. The allowance may take the form of a gross monthly payment. The labour market allowance may also be a separate on-target-percentage as part of the variable remuneration. In such a case any extra bonus payment will be calculated in accordance with the variable remuneration scheme that applies to you.

4.7 Allowance for working unusual hours ('Tot.')

- 1 You may qualify for an allowance for working unusual hours, if:
- a. You have been placed in any of the salary scales between 1 and 10 inclusive and
 - b. You regularly work unusual hours, and
 - c. There is no overtime.
- 2 The allowance is a percentage of your hourly salary. The percentage depends on the day and time that you worked, as set out in the following table.

Hours:	0.00-6.00	6.00-7.00	7.00-8.00	8.00-14.00	14.00-18.00	18.00-19.00	19.00-22.00	22.00-24.00
Monday to Friday:	40%	20%	-	-	-	-	20%	40%
Saturday:	40%	40%	40%	-	25%	40%	40%	40%
Sunday:	100%	100%	100%	100%	100%	100%	100%	100%

If you work Mondays to Fridays between 06.00 and 07.00 or between 19.00 and 22.00, you will receive an allowance only if your work starts before 06.00 or ends after 20.00. You receive the allowance only over hours that you actually worked. You do not receive an allowance if you are on vacation or sick leave.

- 3 Different percentages will apply if you work in a 24-hour shift or continuous shift. The allowance will then be calculated according to the following table.

Hours:	0.00-6.00	6.00-8.00	8.00-14.00	14.00-18.00	18.00-22.00	22.00-24.00
Monday to Friday:	40%	20%	-	-	20%	40%
Saturday:	40%	40%	-	25%	40%	40%
Sunday:	100%	100%	100%	100%	100%	100%

If you work Mondays to Fridays between 06.00 and 08.00 or between 18.00 and 22.00, you will receive an allowance only if your work starts before 06.00 or ends after 19.00. You receive the allowance only over hours that you actually worked. However, you will also receive the allowance if you are incapacitated for work. You will then get the allowance that you would have received had you not become incapacitated for work. If it is impossible to determine how much this is, the average allowance for working unusual hours in the 3 months prior to your work incapacity will be used as a basis. A 3-month period sometimes fails to produce a fair outcome. If this occurs, a period of 12 months will be applied.

- 4 The allowance for working unusual hours will continue to be paid out for not more than 6 months if, on KPN's instructions and in its interests, you temporarily perform work that carries a smaller or no entitlement to such an allowance. The same applies if you take a job-related training course. The size of this allowance will equal the allowance for working unusual hours that you would have received in your 'own' roster. If KPN is unable to determine what this is, you will get per month the average monthly allowance for working unusual hours over the 3 most recent months before you temporarily undertook different work.
- 5 KPN will raise the total amount of the allowance for working unusual hours calculated in accordance with this provision by 8%.
- 6 Are you placed in the Customer Expert group and placed within a rotating roster and you were not placed in the General group before 1 November 2014? Then section 2 does not apply to you, and section 7 applies instead. Furthermore, sections 3, 4 and 5 do not apply to you.
- 7 Section 2 does not apply to employees as referred to in section 6, and the following applies instead. The allowance is a percentage of your hourly salary. The percentage depends on the day and time that you worked, in accordance with the following table.

	0.00-6.00	0.00-7.00 (*)	6.00-14.00	14.00-22.00	22.00-24.00
Monday to Friday	50%	50%	0%	0%	50%
Saturday	50%	50%	0%	30%	50%
Sunday	100%	100%	100%	100%	100%
Public holiday (**)	100%	100%	100%	100%	100%

(*) Only applies for employees working night shift.

(**) If the percentage alongside 'Public holiday' applies to you, none of the other lines in this table apply to you.

4.8 Pensionable salary

- 1 For pension accrual purposes the pension regulations of the KPN Pension Fund (Stichting Pensioenfonds KPN) make a distinction between fixed and variable pensionable salary.
- 2 The following payments are treated as fixed pensionable salary for pension accrual purposes:

- monthly salary;
 - additional hours;
 - the labour market allowance (see 4.6);
 - the Flextime allowance (see 8.3 or 9.3);
 - the transfer allowance (see 4.3 section 10 and Article 5.1 of the 2014-2015 KPN Social Plan or the corresponding article from a previous KPN Social Plan);
 - the placement allowance;
 - the demotion allowance (see 7.11);
 - 75% of the Collective Agreement Budget awarded;
 - the compensation allowance for the amended OTP or the bonus opportunity as at 1 August 2014 (as referred to in 9.10, section 2), as at 1 November 2014 (as referred to in Appendix 12, Article 3), or as at 1 January 2015 (as referred to in 8.8, section 2 and 12.7, section 4);
 - for employees who were employed by KPN Contact BV on 31 December 2014: any OVR1 allowance, any OVR2 salary allowance, and/or any placement allowance under Appendix 10, having regard in each case to any part-time factor.
- 3 For pension accrual purposes, the following payments are treated as variable pensionable salary:
- the allowance for working unusual hours (see 4.7).
- 4 There is a maximum pensionable salary of EUR 100,000. This sum can be amended each year on the basis of tax legislation.

Supplements

4.9 Collective Agreement Budget supplement

You will receive a supplement ('Collective Agreement Budget') equal to 12.5% of your gross monthly salary. You can have this supplement paid out or you can use it for a number of purposes. See Appendix 2 for more information about this supplement.

4.10 Overtime supplement

- 1 Your manager may request or require you to work more time than agreed with you. If this means that you must work more than the normal working hours applicable to you, it will be considered overtime. If you have been placed in any of the scales between 1 and 10 inclusive, you will receive compensation for this work. You will not receive compensation if you have to work less than half an hour of overtime.
- 2 In certain situations your manager will decide the period over which it will be calculated whether you worked more or less hours than agreed with you. This will be the case if:
- your roster has been changed, or
 - your working hours were not determined beforehand.
- If you worked more hours, you will have worked 'plus' hours. If you worked fewer hours, the 'minus' hours will be set off against any 'plus' hours over subsequent periods. Twice each year, in March and September, your 'minus' hours outstanding at that time will cease to exist.
- 3 There are some hours that do count as worked hours when determining the number of overtime hours, namely:
- the hours that you are incapacitated for work;
 - the hours taken as time off;
 - the hours taken as vacation or special leave.
- 4 The overtime compensation consists of:
- time off, equal to the number of overtime hours and
 - a supplement in money for each hour of overtime.
- 5 You will be awarded time off as quickly as possible. This will be not later than in the sixth month after the month you worked overtime. Your manager will make the fullest possible allowance for your wishes.
- 6 Your manager may decide that time off is not in the interests of KPN. In that case, you will receive a supplement in money equal to your hourly salary for each hour of overtime.
- 7 The supplement in money referred to in section 4 is a percentage of your hourly salary. The percentage is:

- a. Monday 06.00 to Saturday 18.00 for the first 2 overtime hours per day 30%
 - b. Monday 06.00 to Saturday 18.00 for the overtime hours after the first 2 overtime hours per day 50%
 - c. Saturday 18.00 to Monday 06.00 100%
 - d. public holidays 200%
 - e. the day following a public holiday from 00.00 to 06.00 200%
- 8 If you have been placed in scale 11 or higher, you may still sometimes qualify for compensation for overtime. This will be the case if you are required to work overtime on public holidays or before 06.00 of the day that follows a public holiday. The supplement will be 200% of your hourly salary.
- 9 Are you placed in the Customer Expert group and placed within a rotating roster? Then sections 2 to 8, inclusive, do not apply to you, and sections 10 to 14 apply instead. Have you been placed in the Customer Expert group as of 1 November 2014 and were you before that date placed in the General group and placed within a rotating roster? In that case sections 2 to 8 do apply to you, whereas sections 10 to 14 do not.
- 10 The overtime worked is compensated in time off. This time off is equal to the number of overtime hours worked.
- 11 You take this time off in the calendar year in which the overtime hours were worked.
- 12 Your manager may decide that time off is not in the interests of KPN. In that case, you will receive a compensation in money equal to your hourly salary for each hour of overtime.
- 13 In addition to overtime being compensated by time off (see section 10) or in money (see section 12), KPN will pay you an overtime supplement for every hour of overtime worked. This supplement is equivalent to 20% of your gross hourly wage. KPN will pay this supplement after the end of each quarter.
- 14 The following full-time quarterly hour standards have been set for the last three quarters of 2015 and the first quarter of 2016:

Quarter	
From 1 April 2015 to 30 June 2015	520
From 1 July 2015 to 30 September 2015	528
From 1 October 2015 to 31 December 2015	528
From 1 January 2016 to 31 March 2016	520

4.11 Stand-by supplement

- 1 The provisions of this article apply if you have been placed in any of the scales between 1 and 10 inclusive.
- 2 You will receive a supplement if you have been scheduled to work stand-by hours. The supplement is a percentage of your hourly salary as follows:
- Mondays to Fridays: 5%
 - Saturdays: 10%
 - Sundays and public holidays: 13%
- 3 It is also possible that you will receive a fixed monthly supplement. This will occur only if KPN has agreed arrangements in this regard with the Works Council for a group of employees. The fixed supplement will not be lower than the supplement that you would get under section 2 of these provisions.
- 4 You may sometimes be required to work stand-by hours. If so, you will receive compensation for the hours that you worked during the stand-by hours (including travel time). The compensation will be:
- time off in compensation for the number of hours that you worked and
 - a supplement in money. For each hour worked you will receive a percentage of your hourly salary. The percentage is:
- Monday 06.00 to Saturday 18.00 50%
 - Saturday 18.00 to Monday 06.00 100%
 - public holidays 200%
 - the day following a public holiday from 00.00 to 06.00 200%
- You will receive this compensation additional to the compensation under sections 2 or 3.

- 5 Your manager will decide in consultation with you when you may take the time off. Your manager may decide that time off is not in the interests of KPN. If this occurs, you will receive a supplement in money equal to your hourly salary for each hour worked.
- 6 Your manager may require you to be reachable by phone outside your working hours. For being reachable you will receive a supplement of €5.70 gross. This amount applies to each uninterrupted period of 24 hours at most. You will not then qualify for the other compensations under this provision.
- 7 Have you been placed in the Customer Expert group or were you employed as of 1 November 2014 by KPN Contact BV and as of that date placed in the General group? If so, sections 1 to 6 do not apply to you, and the provisions of sections 8 to 10 apply to you instead. This does not apply to you if as of 1 November 2014 you are placed in the Customer Expert group and before such date were placed in the General group. In such a case sections 1 to 6 do apply to you, whereas sections 8 to 10 do not.
- 8 Stand-by service involves being available for work at your manager's request for an uninterrupted time of 7 x 24 hours.
- 9 You will receive a supplement of €158.82 gross per week for being on stand-by (7 x 24 hours).
- 10 The time that you work as part of the stand-by service will be compensated in time off in the two quarters following that in which the service is performed. If time off is not in KPN Contact's best interests, this time worked will be compensated according to the rules pertaining to additional hours and/or overtime that apply for you.
- 11 If on 31 December 2014 you were employed by ITS and on that date you came within the KPN Corporate Market Collective Agreement, then up to 1 January 2016 sections 1 to 7 and Appendix 18 Article 8.3 apply to you, having regard to the supplemental compensation provisions (further to the hardship clauses relating to this article).
If on 31 December 2014 you were employed by ITS and on that date you came within the KPN Corporate Market Collective Agreement, then as from 1 January 2016 sections 1 to 7 and Appendix 18 Article 8.3 cease to apply to you. The supplemental compensation provisions further to the hardship clauses relating to this article also cease to apply to you, and sections 12 to 16 and section 18 apply to you instead.
- 12 If on 31 December 2014 you were employed by ITS and on that date you came within the KPN Corporate Market Collective Agreement, then as from 1 January 2016 the stand-by scheme under the KPN CM Collective Agreement 2014 (Article 16.3.1. and 16.3.2) as reproduced in sections 13 to 16.
- 13 The term 'stand-by' means availability for work outside normal working hours.
- 14 Compensation for stand-by services can be applied on the basis of two schemes:

- a. Fixed compensation:
This scheme applies if:
- the stand-by service is performed by a permanent team, and
 - the services are distributed equally between the employees, and
 - the stand-by service is provided on weekdays and at weekends.

The following compensation, as a percentage of gross monthly salary, is payable according to the number of employees who provide the stand-by service.

Number of staff	Week days and weekends
2	11.80%
3	7.87%
4	5.90%
5	4.72%
6	3.93%
7	3.37%
8	2.95%
9	2.62%
10	2.36%

- b. Variable compensation
If management decides that the stand-by service is of such a variable or short-term nature, or only applies to week days, compensation will be variable.

Compensation will then be paid for the stand-by service performed on the basis of actual stand-by hours worked.

The following compensations apply:

- week days €2.15 gross per hour;
- weekends/public holidays €2.63 gross per hour.

15 You may sometimes be required to work stand-by hours. If so, you will receive compensation for the hours that you worked during the stand-by hours (including travel time). The compensation will be:

- time off in compensation for the number of hours that you worked and
- a supplement in money. For each hour worked you will receive a percentage of your hourly salary. The percentage is:

Monday 06.00 to Saturday 18.00	50%
Saturday 18.00 to Monday 06.00	100%
public holidays	200%
the day following a public holiday from 00.00 to 06.00	200%.

16 Your manager will decide in consultation with you when you may take the time off. Your manager may decide that time off is not in the interests of KPN. If this occurs, you will receive a supplement in money equal to your hourly salary for each hour worked.

17 Sections 13 to 16 and section 18 also apply to you as from 1 January 2016 if you were employed by ITS and, having regard to the transitional protocols Delta (dated 19 November 2013) and Scope (dated 21 December 2012) you transferred from ITS to KPN. As of 1 January 2016 the compensation provisions contained in the Delta and Scope transitional protocols with regard to the stand-by service and supplemental compensation agreements (resulting from the objections raised to the Scope transitional protocol on this point) lapse. In the period up to 1 January 2016 sections 1 to 10 and the compensation provisions with regard to the stand-by service contained in the Delta and Scope transitional protocols supplemental compensation agreements therefore do apply.

18 The type of compensation (fixed or variable as described in section 14) that you received as on 31 December 2014 or at the moment you transferred under Delta or Scope forms the basis for the award under the stand-by service, unless the nature of the service has changed since then. In such a case, the (changed) character of the service determines the type of compensation (fixed or variable). The type of compensation is determined on the basis of section 14.

4.12 Waiting-time supplement

1 The provisions of this article apply if you have been placed in any of the scales between 1 and 7 inclusive.

2 Waiting time is time when you have a commitment towards KPN, but without actually performing work, being on stand-by or working mobile. Waiting time occurs if your manager requires you to travel longer distances to work somewhere other than your usual workplace. Waiting time also occurs if you are required to attend courses or take training.

3 Waiting time is determined per day:

- a. First, you calculate the basic time. The basic time is the time between leaving home and returning home, minus one hour. If you are required to travel and spend the night away from home, the place of your overnight stay will be considered your home for the purposes of this calculation;
- b. Then you add up your working hours, break, overtime and any additional hours on that day;
- c. Then you deduct the total time from section 3b from the basic time from section 3a;
- d. The difference will be the hours of waiting time.

4 Compensation for waiting time consists of time off for the number of hours of waiting time. Your wishes for taking this time will be taken into account as far as possible. Your manager may decide that time off is not in the interests of KPN. If so, you will receive compensation in money, equal to your salary per hour for each hour of waiting time.

4.13 Travel time supplement for mobile employees

- 1 The provisions of this article apply if you have been placed in any of the scales between 1 and 10 inclusive.
- 2 Your manager will decide whether you fall into the category of mobile employees. You must in any event satisfy one of the following descriptions:
 - your position requires interruption of your daily working periods by short periods of travel; or
 - your position requires that you generally perform your work at different places in the country.
 - Mobile working excludes attending courses and taking training.
- 3 If you have been placed in the category of mobile employees, you will qualify for compensation of travel time. The compensation for travel time consists of time off equal to the number of travel hours. Your wishes for taking this time will be taken into account as far as possible. Your manager may decide that time off is not in the interests of KPN. If so, you will receive compensation in money, equal to your hourly salary for each hour of travel.
- 4 The supplement will be calculated in the same way as described at 4.12 sections 3 and 4 (supplement for waiting time).

4.14 Supplement for working on public holidays

- 1 The provisions of this article apply if you are required to work on a public holiday in a situation other than overtime.
- 2 You will receive a supplement for each hour worked on a public holiday. The supplement is equivalent to 100% of your hourly salary. You will receive the supplement in addition to any entitlement to a supplement for working unusual hours. If a public holiday falls on a day other than a Saturday or Sunday, you will additionally receive time off equal to the number of hours worked.
- 3 If you are required to work before 06.00 on the day following a public holiday, you will receive a supplement equal to 100% of your hourly salary.
- 4 Sections 1, 2 and 3 do not apply to you if you are placed in the Customer Expert group and you are placed within a rotating roster, and were not placed in the General group before 1 November 2014.

Miscellaneous

4.15 Long-service bonus

- 1 You will receive a long-service bonus if you have been employed by KPN or by its legal predecessor for 25 or 40 years. The bonus consists of:
 - 1 × your gross monthly salary up to a maximum of the normative salary for 25 years of service, and
 - 1.5 × your gross monthly salary up to a maximum of the normative salary for 40 years of service.KPN withholds and pays your income tax and social insurance contributions. The bonus you receive is therefore a net amount.
- 2 KPN will calculate the long-service bonus based on your monthly salary at the date of your long-service milestone.
- 3 If you switched from full-time to part-time during your employment or vice versa, KPN will determine the amount of the long-service bonus proportionately, based on the time that you worked for KPN part-time or full-time.

4.16 One-time payment

Were you continuously employed during the period between 1 April 2015 and 1 October 2015? If so, in October 2015 you will receive a one-time payment of €100.00 gross on the basis of full-time employment. If you work part time, the payment will be calculated pro rata your part-time percentage.

CHAPTER 5

Social insurance benefits

5.1 Payment during period of work incapacity

1

- a. Duration and level of payment
If you are unable to work because you are sick, you will be considered incapacitated for work. During your absence from work KPN will pay you your monthly income, Collective Agreement Budget supplement and any other personal supplements you receive due to the increase in your contribution to the cost of the pension scheme as of 1 July 2010 and 1 January 2011. Periods of work incapacity will be totalled if they follow each other with any periods of return to work in between within a period of 4 weeks.
The payment will be based on the monthly income that you earned in the position you held at the time you became incapacitated for work.
- b. Did you become incapacitated for work before 1 July 2014? In the first 52 weeks of your work incapacity, KPN will top up to 100% your monthly income, your Collective Agreement Budget supplement and the personal supplement, previously referred to in this provision.
- c. Did you become incapacitated for work on or after 1 July 2014? In the first 26 weeks of your work incapacity, KPN will top up to 100% your monthly income, your Collective Agreement Budget supplement and the personal supplement, previously referred to in this provision. In weeks 27 to 52, inclusive of your work incapacity, the top up is 90% and from weeks 53 to 104, inclusive, the top up is 75%.
- d. During your work incapacity, you will accumulate your pension as if you were receiving 100% of your monthly income. Your contribution to your pension and any concession referred to in provision 5.6, sections 6 and 7, will, however, be calculated over your monthly income and your Collective Agreement Budget supplement.

The table below shows the payment and pension accrual in the event of work incapacity occurring before 1 July 2014:

Work incapacity	Continued payment	Pension accrual
Weeks 1 to 52	100%	100%
Weeks 53 to 104	70%	100%

The table below shows the payment and pension accrual in the event of work incapacity occurring on or after 1 July 2014:

Work incapacity	Continued payment	Pension accrual
Weeks 1 to 26	100%	100%
Weeks 27 to 52	90%	100%
Weeks 53 to 104	75%	100%

- e. Coincidence with other benefits
If during the 104 weeks you also receive statutory benefits under the WAO (Incapacity for Work Act) or WIA (Work and Income According to Labour Capacity Act), these benefits will be deducted from the payment that you receive.
 - f. Additional hours
Any additional hours that you have worked will also count. Your monthly income will be increased by the average number of additional hours that you worked in the last three months. If this produces an unfair outcome, KPN will consider a period of 12 months.
- 2 KPN is not obliged to make payment, if:
- a. KPN or UWV (Employee Insurance Agency) impose a sanction on you, for example because you do not cooperate in returning to work;
 - b. Your work incapacity was caused by another party and you are therefore able to claim damages. KPN will make the payment to you by way of an advance, pending the compensation received from the other party. A precondition for this arrangement is that you must assign the compensation claim to KPN;

- c. KPN is able to recover the lost wages from a third party and you fail to provide the required information despite having been requested to do so by KPN;
- d. You fail to apply for statutory benefits under the WAO (Incapacity for Work Act)/WIA (Work and Income According to Labour Capacity Act) even though you are entitled to them in principle. The same applies if you fail to authorise UWV to transfer your WAO/WIA benefits to KPN.

5.2 Occupational health supervision

- 1 You are entitled to occupational healthcare.
- 2 KPN provides good working conditions in accordance with the prevailing laws and regulations.
- 3 KPN may request a physician of its choosing to examine whether you are incapacitated for work. KPN will inform you of this in writing, stating its reasons for requiring such an examination. You are required to cooperate. KPN will inform you of the opinion given by the physician. You may ask UWV for a second opinion, if you disagree with the first opinion.
- 4 KPN will reimburse any travel and subsistence expenses you incur for the said medical examination. KPN will set the level of this reimbursement based on the KPN rules for allowances (domestic business trips).

5.3 Prevention and reintegration

- 1 KPN takes the following measures to prevent work incapacity:
 - a. KPN keeps absenteeism records for annual discussion with the Works Council;
 - b. KPN performs risk analyses and, depending on the outcome, may conduct other research;
 - c. KPN devotes attention during the training of its managers to the prevention of sickness and work incapacity.
- 2 If you are incapacitated for work, KPN will promote your return to work by:
 - a. engaging medical and other specialisations at an early stage, where necessary, via the Organizational Health Coach or the company doctor;
 - b. engaging a reintegration consultant to look for a reintegration place or other suitable work for you;
 - c. reimbursing you for training expenses and associated travel and subsistence expenses, if training will promote your return to work;
 - d. giving you priority over other candidates if you are found to be suitable for a vacancy. This is similar to the priority given to a supernumerary employee in job application procedures under the KPN Social Plan.
- 3 Your manager may agree arrangements with you to ease the burden of your work.

5.4 Collective insurances for work incapacity

- 1 Top-up insurance under the WIA top-up insurance (WIA-Bodemverzekering)
 Provided that you satisfy the prevailing policy conditions, you can join an insurance scheme for WIA top-up insurance. This insurance will pay out if you:
 - are found by a WIA assessment to be less than 35% incapacitated for work;
 - have medical limitations; and
 - incur a loss of salary.
 The payment is equivalent to 70% of the daily wage for social security purposes and is paid out in proportion to your work incapacity.
- 2 Top-up insurance under WGA top-up insurance (WGA Gat Verzekering)
 You may join an insurance scheme for WGA top-up insurance. This insurance will pay out if you:
 - are found by a WIA assessment to qualify for WGA benefits; and
 - work less than you could work in the WGA follow-up phase.
 The payment consists of a top-up to the maximum daily wage for social security purposes and is paid in proportion to your work incapacity.
- 3 KPN will deduct the premiums for these two policies from your salary and pay them to the insurer.
- 4 You are free to decide whether or not you wish to take out such insurance.

5.5 Voluntary early retirement (VUT)

- 1 You may retire early at 61 or on reaching 40 years of service, provided that you meet the following conditions:
 - a. you were employed by KPN on 31 March 1996; and
 - b. on 1 April 1996 you had 25 or more years of service; and
 - c. you were employed continuously by KPN BV from 31 March 1996 up to and including the date on which you can retire early.
- 2 Appendix 6 could apply to you if you were born on or after 1 January 1950.
- 3 You must register your early retirement in MijnHR at least three months in advance.
- 4 You will not qualify for flexible retirement or the transitional pre-pension provisions if you retire early in one of these ways.
- 5 If you were employed by KPN Contact BV on 31 December 2014, sections 1 to 4 of this article do not apply to you, and Article 5.9 applies to you instead, where relevant.

5.6 Pension

- 1 KPN will enrol you as a member of the KPN Pension Fund (Stichting Pensioenfonds KPN). Your membership is mandatory. The pension scheme as varied from time to time applies to you.
- 2 You will pay a contribution towards the costs of the pension scheme. KPN will deduct the contribution from your monthly income and remit it to the KPN Pension Fund.
- 3 Your contribution to the costs of the pension scheme amounts to 7% of your pensionable salary as defined in Article 4.8, less the offset. You do not accrue any pension entitlement on the offset, and do not pay any premiums, as you accrue entitlements to the state pension (AOW) on that amount. If you work part-time, the offset will be adjusted to the scale of your employment contract. The offset is adjusted annually to the level of the AOW benefits in the manner set out in the pension regulations.
- 4 Were you employed by KPN BV (not KPN Contact) before 1 January 2011 and have remained permanently employed by KPN BV since then? As an exception to the preceding section, your contribution to the costs of the pension scheme amounts to 6% of your monthly income plus 75% of your Collective Agreement Budget supplement, less the offset.
- 5 Section 4 of this Article is a standard provision in the KPN Collective Agreement 2011 replacing provision 5.6 section 4 of the KPN Collective Agreement 2010. This means that the level of the personal contribution that applied on 31 December 2010 pursuant to provision 5.6 section 4 of the KPN Collective Agreement 2010 for employees as referred to in section 4 is ineffective as of 1 January 2011.
- 6 For those who qualified as employees before 1 January 2011 according to the KPN Collective Agreement 2010 and who on 31 December 2010 were not employed by KPN Contact BV, and have remained in the service of the company continually since then, a personal gross supplement applies as of 1 January 2011. This supplement serves as compensation for the increase in the costs of the pension scheme as of 1 January 2011, pursuant to Article 5.6 section 6 of the KPN Collective Agreement 2011.
- 7 For employees who qualified as employees on 30 June 2010 according to the KPN Collective Agreement 2008-2009 and remained in the service of the company continually since then, a personal gross supplement applies as of 1 July 2010. This supplement serves as compensation for the increase in the costs of the pension scheme as of 1 July 2010, as described in Article 5.6 sections 6 and 7 of the KPN Collective Agreement 2010.
- 8 Employees who were employed by KPN Contact BV on 31 December 2014 and whose contribution to the costs of the pension scheme as at 1 January 2015 is more than as at 31 December 2014, will be compensated by means of a normative personal gross supplement. This compensation is equal to 50 per cent of the difference between (i) the contribution as at 31 December 2014 calculated on the basis of the average of the age cohort applying on that date and the cohort immediately following, including the ANW top-up premium, and (ii) the contribution as at 1 January 2015.

- 9 Changes in the pension scheme on 1 January 2014 in connection with the Raising of the State Pension Age and Standard Pension Retirement Age Act (Wet verhoging AOW- en pensioenrichtleeftijd) do not affect the rights and obligations of employees in the service of KPN (excepting those employed by KPN Contact on 31 December 2014 and ITS employees who, on 31 December 2014, came within the KPN Corporate Market Collective Agreement) as set out in Appendices 5 and 6.

5.7 Transitional pre-pension provisions

- 1 You qualify for the transitional provisions compensating for the loss of the prospect of a pre-pension, as described in Appendix 5, if you have been employed by KPN BV continuously since 31 March 2000, otherwise than as a result of a transfer of undertaking/merger after 31 March 2000, and were born between 1 January 1950 and 1 January 1960.
- 2 If you were employed by KPN Contact BV on 30 September 2005, section 1 of this article does not apply to you, and Article 5.9 applies to you instead, where relevant.

5.8 Death benefit

- 1 On your death KPN will pay out any monthly income and any Collective Agreement Budget supplement not yet paid out at the time of your death plus a net lump sum payment of three times the gross monthly income.
- 2 This payment will be made to:
- a surviving spouse/partner, or in the absence thereof;
 - children who are minors, or in the absence thereof;
 - a person for whom you cared financially and incurred costs.
- 3 Any death benefits to which you are entitled under statutory sickness or industrial disability insurance will be deducted from this payment.
- 4 If you were receiving payment for additional hours, the monthly income will be based on the average number of paid hours over the three months immediately prior to your death.

5.9 Transitional provisions governing pension, VUT, FLO and pre-pension for employees who were employed by KPN Contact BV on 30 September 2005

- 1 If on 30 September 2005 you had prospects of the following on the basis of transitional arrangements:
- VUT (early retirement), FLO or pre-pension, or
 - entitlement to a different pension allocation and/or premium allocation than indicated in the Collective Agreement 2004-2005 (in effect from 1 April 2004 to 30 September 2005),
 - one of the following provisions may apply to you:
 - if you were born on or after 1 January 1950, if you have been employed by KPN Contact continuously since 31 March 2000, otherwise than as a result of a transfer of undertaking/merger after 31 March 2000, and you had a prospect of VUT, then the regulations set out in Appendix 9 apply to you;
 - if you have the prospect of FLO, this prospect is retained;
 - if you were born on or after 1 January 1950, if you have been employed by KPN Contact continuously since 31 March 2000, otherwise than as a result of a transfer of undertaking/merger after 31 March 2000, and you had a prospect of a pre-pension, then the regulations set out in Appendix 8 apply to you.
- 2 Changes to the pension scheme on 1 January 2014 in connection with the Raising of the State Pension Age and Standard Pension Retirement Age Act (Wet verhoging AOW- en pensioenrichtleeftijd) do not affect the rights and obligations as set out in Appendices 7 to 11.

CHAPTER 6

Employer contributions

6.1 50% discount scheme

- 1 You can get a 50% discount on the recommended price of a number of products and services of KPN (brands). Even if any other sort of discount applies to the recommended price of the product or service, the total discount cannot be more than 50%.
- 2 Under tax legislation, KPN may give you a maximum tax-free discount. Any discount in excess of that amount will be taxed in full. The maximum amount per year is published on TEAMKPN Online.
- 3 KPN will decide to which brands, products and services the discount applies. You can view a list of these brands, products and services and the supplementary conditions which apply to this discount scheme at TEAMKPN Online.

6.2 Contribution towards commuting expenses

- 1 You will receive a contribution towards the costs that you incur in travel between home and work, provided you commute to your usual workplace on 60% or more of the days you work. No contribution will be paid for any part of a journey for which KPN has arranged the transport.
- 2 KPN will pay you the contribution each month. KPN will calculate the contribution on the assumption that you normally travel to your work the same number of days each week. The amount of the contribution is shown in the table below and depends on:
 - the number of kilometres that KPN calculates that you travel between home and work, and
 - the number of days per week that you make this journey.

Contribution towards commuting expenses in euros

Number of kilometres (one way)	Number of commuting days per week				
	1	2	3	4	5
1	5.86	11.70	17.56	18.56	18.56
2	5.86	11.70	17.56	18.56	18.56
3	5.86	11.70	17.56	18.56	18.56
4	6.83	13.65	20.48	20.81	20.81
5	6.83	13.65	20.48	23.06	23.06
6	6.83	13.65	20.48	23.06	23.06
7	8.53	17.06	25.60	28.13	28.13
8	8.53	17.06	25.60	30.94	30.94
9	8.53	17.06	25.60	33.48	33.48
10	11.21	22.43	33.65	36.58	36.58
11	17.95	35.92	53.88	64.42	64.42
12	17.95	35.92	53.88	69.38	69.38
13	20.14	40.29	60.44	74.79	74.79
14	20.14	40.29	60.44	80.59	80.59
15	20.14	40.29	60.44	80.59	80.59
16	27.33	54.66	81.99	92.35	92.35
17	27.33	54.66	81.99	97.75	97.75
18	27.33	54.66	81.99	103.16	103.16
19	28.21	56.41	84.62	109.02	109.02
20	28.21	56.41	84.62	112.82	112.82
21	31.62	63.26	94.87	120.28	120.28
22	35.92	71.84	107.77	125.69	125.69
23	35.92	71.84	107.77	131.09	131.09
24	35.92	71.84	107.77	136.06	136.06
25	40.20	80.43	120.64	141.90	141.90
26	40.20	80.43	120.64	146.87	146.87
27	40.20	80.43	120.64	152.27	152.27
28	40.29	80.59	120.88	157.68	157.68
29	40.29	80.59	120.88	161.18	161.18
30	40.29	80.59	120.88	161.18	161.18

Contrary to the amounts stated in the table, the following minimum amounts will apply in the situations described below:

- €5.70, if you commute 1 day per week;
 - €11.40, if you commute 2 days per week;
 - €17.10, if you commute 3 days per week;
 - €22.80, if you commute 4 or more days per week.
- 3 If you do not commute the same number of days every week, you will receive an adjusted contribution. KPN will calculate this contribution based on the contribution applicable to one day's travel per week and the number of times that you actually commuted in a month. The contribution will not be higher than the amount in the table in section 2 that is payable for four or more days of commute. The minimum amounts are:
- €5.70, if you commute at least 4 days per month;
 - €11.40, if you commute at least 8 days per month;
 - €17.10, if you commute at least 13 days per month;
 - €22.80, if you commute at least 17 days per month.
- 4 You may ask your manager to provide you with a second-class public transport season-ticket, instead of a commuting expense contribution. This is possible provided that you meet the following conditions:
- you use public transport to commute between home and work; and
 - your one-way commuting distance exceeds 30 km; and
 - you normally commute four or more days a week.

- If you commute fewer than four days per week, you may submit an expense claim for the public transport costs you incurred. When you submit such claim you must provide proof that you have actually incurred these costs.
- 5 If you have not commuted to work for a whole month, you will stop receiving a contribution after the end of that month. You will get a contribution again from the day that you recommence commuting to work.
- 6 If, on average, you commute to your normal workplace 60% or more of your working days, KPN will ensure you can benefit from tax incentives available to employees using a bicycle or public transport to commute.
- 7 If, on average, you work a maximum of 40% of your working week at home or at a place other than your normal workplace, whether or not within the context of the 'The New Way of Living and Working' model, the above provisions will apply up to and including section 6.
- 8 If, on average, you work more than 40% of your working week at home or at a place other than your normal place of work, whether or not within the context of the 'The New Way of Living and Working model', the provisions of sections 1 to 6 will not apply to you. In such cases you will be completely compensated for any journey using public transport by using the NS Business Card issued to you. In this situation, your manager may also give you permission to use your own transport instead of public transport. The KPN Scheme for reimbursing domestic business travel published on TEAMKPN Online is applicable to such situations.
- 9 If you work continuous shifts at, for example, the SQC, WSD or AVMC in Hilversum or at Mobirail in Waalhaven, or within the CCC, it may be difficult or impossible to make use of public transport if you work a late shift, night shift, early shift or a weekend shift. In such cases, you may submit a claim for an extra six cents per kilometre for every kilometre commuted between your home and work.
- 10 Payroll taxes and social security contributions may be payable over the contribution that you receive. If so, KPN will deduct them from the contribution.

6.3 Contribution towards removal expenses

- 1 If you are relocated in the interests of the company and move home to live closer to your new workplace, your manager may decide to give you a contribution towards your removal costs, if:
- a. your manager considers the move to be necessary, and
 - b. you move to the city where you are going to work, and
 - c. you are moving to an address more than 30 km away from your current address.
- You get the contribution as soon as your manager has approved your new place of residence.
- 2 The contribution towards removal costs consists of:
- a. the costs of transporting your personal effects, including the packing and unpacking costs, and
 - b. a lump sum for all other expenses that you have incurred in connection with your move.
- 3 The size of the lump sum is:
- 2 x your gross monthly salary plus 8%, if you had your own household before and after the move;
 - $\frac{3}{4}$ x your gross monthly salary plus 8% in all other cases.
- For this calculation, KPN will apply as a minimum the normative salary for scale 6 and as a maximum the normative salary for scale 13.
- 4 If joining KPN requires that you move home, you will in any event receive reimbursement for your removal costs, including packing and unpacking costs.
- 5 To qualify for the contribution towards your removal costs, you must move within one year after being transferred or joining the company.
- 6 You will receive an extra contribution if you are partially incapacitated for work, find a suitable position and must move as part of your re-integration. This extra contribution is €7,500 gross, if you have your own household. If you do not have your own household the extra contribution is €3,750 gross.
- 7 Payroll taxes and social security contributions may be payable over the contribution that you receive. If so, KPN will deduct them from the contribution.

6.4 Contribution towards commuting expenses on relocation in the company's interests

- 1 If you are relocated in the interests of the company, you can receive a contribution for a period of three years towards the expenses that you incur in commuting, based on the table shown in section 2. This is possible, if:
- you originally lived 30 km or less from your work and the new travelling distance is more than 30 km, or
 - you originally lived more than 30 km from your work and the new travel distance has increased by 10 km or more.
- In both situations, you will get the contribution only if you do not move home and your manager has not asked you to do so.
- 2 The table below shows the size of the contribution. However, the contribution you receive will not be less than the contribution payable under 6.2. If you work part-time, KPN will calculate the contribution in proportion to the number of days that you work.

Table applicable to travel on at least 60% of your working days	Monthly amount in euros
31 to 39 kilometres	161.18
40 to 49 kilometres	176.43
50 to 59 kilometres	201.36
60 to 69 kilometres	222.45
70 to 79 kilometres	235.83
80 kilometres or more	241.31

- 3 KPN will ensure you can benefit from tax incentives available to employees using a bicycle or public transport to commute.
- 4 If, on average, you work more than 40% of your working week at home or at a place other than your normal place of work, whether or not within the context of the 'The New Way of Living and Working' model, you will not receive the concession in this provision. In such cases you will be completely compensated for any journey using public transport by using the NS Business Card issued to you. In this situation, your manager may also give you permission to use your own transport instead of public transport. The KPN Scheme for reimbursing domestic business trips published on TEAMKPN Online is applicable to such situations.
- 5 Payroll taxes and social security contributions may be payable over the contribution that you receive. If so, KPN will deduct them from the contribution.

6.5 Contribution towards telephone expenses

Your manager may decide that you qualify for a contribution of €11 net per month towards your telephone expenses, if:

- you do not have a company mobile phone;
- you do not receive any other form of contribution for telephone costs and you must make business phone calls from your home with your own fixed or mobile phone;
- more than 10% of the use of the telephone is for business calls.

CHAPTER 7

Sustainable employability

General

7.1 Reason for this Chapter

KPN is changing all the time. Reorganisations, mergers, new technologies and new services mean that your position may change or may cease to exist. Given this background, for you to be - and remain - employable to your maximum potential, it is important that you keep your knowledge updated. You need to know what else you can do. KPN will give you the time and money to make this possible.

It is important for KPN that you are sustainably employable. Sustainable employability is a joint responsibility: KPN provides the facilities; you choose to use them to increase or maintain your employability. The facilities assist you in your current and future development. The greater flexibility and labour value that you could develop as a result can help you now and in the future to take care of your own well-being and welfare.

Training & Development

7.2 Employability budget

- 1 You have an employability budget of €1,000 per calendar year. If you join KPN in the first half of the year, you will get the entire budget. If you join KPN on or after 1 July you will get a budget of €500.
- 2 You can spend the budget on services offered in KPN Academy during the year it was allocated. You do not need the approval of your manager for this.
- 3 You may want to start a course that costs more than you can afford based on your budget. In that case, you may request your manager's permission to add the required portion of the current calendar year's budget to the full budget of the next calendar year. That will allow you to start the more expensive training course in the next calendar year, provided you selected and scheduled the course in the previous year.
Your manager may not refuse this without compelling company interests.
- 4 If you have spent a minimum of €900 of the Employability Budget, your Employability Budget for 2016 will be €1,500. The same applies if you have carried forward at least €900 of your Employability Budget for 2015 to your Employability Budget for 2016, as described in section 3.
- 5 The unused part of the budget will be forfeited:
 - at the end of the calendar year;
 - on termination of your employment, either by you or by KPN.

7.3 KPN Academy

KPN Academy Self Service Portal provides answers to your career and training questions. It provides opportunities for working, learning and developing. The system automatically keeps a record of how your Employability Budget is spent.

7.4 Courses

- 1 KPN distinguishes between two reasons for taking a course:
 - either the course is necessary for you to perform your job, or
 - you have selected a course to improve your employability and this course is not directly to the benefit of the employer.
- 2 A job training course is one that you need to take in order to perform your work. The results of the course must be usable immediately in your job. Your choice of course will take account of:
 - the job description and
 - the knowledge and skills you possess.KPN will pay for the job training, which you will take during working hours.

- 3 You can select a course to improve your employability from the training courses available in KPN Academy. If a course is not in KPN Academy, you may ask your manager, in consultation with HR, to include the course within KPN Academy. If you pay for the KPN Academy course of your own choosing entirely out of your Employability Budget, you do not need the approval of your manager.
- 4 If a course on your employability costs more than your Employability Budget, your manager may at his discretion decide to pay the additional part. If the costs exceed your available Employability Budget by at least €1,500, a repayment scheme applies for that amount in excess of the Employability Budget, which is recorded in a study costs agreement. 'Study costs' here mean the cost of the course, examinations, books, other educational resources and accommodation.
- 5 The repayment scheme referred to in section 4 specifies that:
- If within 24 months after completion of the training course your employment contract is terminated by any act of yours, you will pay back part of the costs to which the repayment scheme applies and in respect of which KPN has entered into a commitment.
 - The amount to be paid back is equal to the number of months that you have been employed by KPN for less than 24 months since the completion of the course, divided by 24, and then multiplied by the costs described above.
- 6 Regardless of the amount paid by your manager in excess of the Employability Budget for your training course, if you do not complete the course, you will pay back the supplementary part paid by KPN.
- 7 If you are employed by ITS and on 31 December 2014 fell within the KPN Corporate Market Collective Agreement, this article does not as yet apply to you, and the relevant schemes agreed with the ITS Works Council apply to you instead.

7.5 Time spent on courses financed through the Employability Budget

- 1 The time that you spend on courses and other services financed through your Employability Budget must be divided equally between your working hours and your own time. You must agree these arrangements with your manager.
- 2 If you start a course to improve your employability that is paid for in part or in full by your manager, as described in the first sentence of Article 7.4 section 4, you should make agreements about what proportion of the time to be invested should take place in your own time and what proportion during working hours.
- 3 If you are employed by ITS and on 31 December 2014 fell within the KPN Corporate Market Collective Agreement, this article does not as yet apply to you, and the relevant schemes agreed with the ITS Works Council apply to you instead.

7.6 APL (accreditation of prior learning)

For the duration of this Collective Agreement KPN shall endeavour to maximise awareness of APL among relevant groups and offer them facilities to participate in an APL scheme.

7.7 KPN Training & Development Fund

There is a KPN Training & Development Fund. The fund exists to promote extra training, retraining, and education.

Services that may assist employability

7.8 The SE measurement

In KPN Academy you can choose to measure the extent to which you are (sustainably) employable. The measurement consists of a questionnaire and two interviews with an external consultant with understanding of the internal and external labour market. You pay your contribution towards the cost of this SE measurement out of your Employability Budget.

7.9 Health check

In KPN Academy you may also opt for a health check that you pay for out of your Employability Budget. If, after this health check, you are advised to follow a 'care or lifestyle trajectory', as referred to on TEAMKPN Online, KPN will offer you this trajectory and reimburse you for it.

7.10 Orientation internships

- 1 You can arrange with your manager to work as a trainee for no longer than two weeks per period of twelve months in a position that, given your current position, abilities and ambitions, might be a suitable next position for you. The internship can take place, if you, your manager and the receiving manager agree upon this. An orientation internship gives no right to financial compensation. Furthermore, an orientation internship gives no right to a job.
- 2 One year after this Collective Agreement is drawn up, the trade unions and KPN shall evaluate the implementation of this article.

7.11 Voluntary demotion

- 1 If you are no longer able to meet the requirements of your position and/or to promote your sustainable employability, you can agree with your manager that you will accept a job in a lower position. This is voluntary demotion.
- 2 If you and your manager agree upon voluntary demotion you will be placed in the salary scale of your new position on the date that you transfer. If your most recently earned monthly salary is lower than the normative salary of the new lower salary scale, you will be placed in the scale at the normative salary of the lower scale. You will then receive as a demotion allowance the difference compared with your most recently earned salary. If you already had a relative salary position above 100%, the higher percentage will continue to apply in the new salary scale. You will then receive the difference compared with your most recently earned monthly salary as a demotion allowance.
- 3 The demotion allowance referred to in the preceding section is calculated once on the date that you transfer to the lower position and is not indexed after that. The allowance will be gradually reduced over 36 months. In the first 12 months you will receive the full demotion allowance, in the second 12 months two thirds, and in the third twelve months one third of the demotion allowance.
- 4 The demotion allowance counts as fixed pensionable salary and is continued to be paid in the event of sickness. The allowance is not a basis for Flextime nor for hour-related supplements.
- 5 If you have a demotion allowance and are placed in a position in a higher scale that is the same as the scale of the position in respect of which the demotion allowance is paid, you will be placed in the scale of your new position at such a level that the demotion allowance will lapse.

Work and private sphere

7.12 Working in accordance with the 'The New Way of Living and Working' model ('Het Nieuwe Leven & Werken')

- 1 KPN is gradually introducing the 'The New Way of Living and Working' model for work that is independent of time and place. Your manager will decide whether, and if so, when, this model will be introduced to your department. If the 'The New Way of Living and Working' model is introduced within your department, your manager and you will agree on the way in which work that is independent of time and place will be performed in your case, unless your manager decides that you are unable to work in line with this model. In the latter case, he will give you his reasons for such decision.
- 2 This provision shall apply in place of provision 3.3 if you work in accordance with the 'The New Way of Living and Working' model. One of the aspects of this model is that an employee may work independently of a specific time or place. In such a situation, your working hours will not be scheduled in a roster. However, the supply of work always determines the time when and the place where the work is undertaken.

- 3 As an employee you are responsible for ensuring that when you work at a location other than a KPN building your working conditions meet the requirements laid down by law in relation to employment conditions. You can check this with the help of the Risk Assessment and Evaluation (RIE) Home Office.
- 4 The Collective Agreement parties aim to investigate whether the introduction of the 'self-scheduling' module is possible and desirable within departments where 'The New Way of Living and Working' cannot be applied.

7.13 Informal care

- 1 As an employer KPN aims to accommodate informal care. Informal care is unpaid care for sick or disabled family members or friends. More specifically, informal care is intensive care provided over a longer period of time, for more than eight hours per week and/or for longer than three months.
- 2 If you want to provide informal care, you should discuss this with your manager. Informal care can be made possible by applying 'The New Way of Living and Working', insofar as this applies to you and/or by taking advantage of leave schemes under the Work and Care Act. Your manager will also discuss with you the work that cannot be performed as a consequence of your absence.
- 3 Your manager can decide to provide extra facilities, tailored to your individual circumstances.

7.14 Special leave

- 1 You are entitled to special leave in the following situations:
- 4 days' leave on the death of your spouse, of one of your parents, stepparents or parents-in-law or your child, stepchild or child related by marriage/affinity; or
 - 2 days' leave on the death of your brother or sister, the brother or sister of your spouse, your grandparents or the grandparents of your spouse or of your grandchild.
 - KPN will pay your monthly income for these days as well as the Collective Agreement Budget supplement and the personal supplement(s) you receive due to the increase in your contribution to the cost of the pension scheme as of 1 July 2010 and 1 January 2011.
- 2 Can you get special leave for other matters? Yes. You must ask your manager for such leave. Your manager will decide whether to grant you leave and what conditions will be attached. He will also decide whether your monthly income will continue to be paid during this leave.
- 3 If you are not married, but cohabit with a life partner, the life partner will, for the purposes of special leave, be deemed equivalent to a spouse. However, you must have given your manager prior written notification of your cohabitation.
- 4 You may also qualify for special leave regulated by law. This may be the case with leave stated in the Work and Care Act, for example, such as pregnancy/childbirth leave or adoption leave. KPN will continue to pay your monthly income for the time that you have maternity leave. Any benefits that you receive under the Work and Care Act will be deducted from your monthly income.
- 5 If you take special leave due to the death of a family member and such leave coincides with vacation leave, this leave will not be deducted from your vacation entitlement.

7.15 Parental leave

- 1 You are entitled to parental leave, if you meet certain conditions. You will find the conditions in Chapter 6 of the Work and Care Act (Wet arbeid en zorg). At KPN 'parental leave' means that for an uninterrupted period of 52 weeks you can work half the number of hours that you normally work each week. For example: if you normally work 32 hours per week, you will be required to work only 16 hours per week for a period of one year.
- 2 Subject to the approval of your manager, you may use your maximum budget differently. In the above example, the budget is 52 weeks x 16 hours = 832 hours. You can opt to have complete parental leave for 26 weeks (26 x 32 hours = 832 hours), if you wish. Another possibility is to choose to take eight hours of parental leave per week for two years. This allows you to extend your period of leave. However, there are two limits:

- parental leave stops when your child reaches age 8; and
 - if you choose to work 36 hours per week on parental leave, your working week will be divided over five working days.
 - Your manager may not refuse this kind of different use of your budget unless it might harm the company's interests.
- 3 You must inform your manager in writing that you wish to take parental leave. You must do so at least two months before the leave begins. Your request must state how long you wish to take as parental leave, the number of hours per week and the days and hours when you want to take the leave. You can let the start and finish of the leave depend on the date of childbirth, the end of maternity leave or the start of care for your child.
Your manager may change your requested days and hours of parental leave, but only if there are important reasons for doing so and after consultation with you. An example of an important reason is the wish of other employees to take parental leave at the same times in the same period. Your manager may change the distribution of the hours over the week up to four weeks before the leave starts.
- 4 During parental leave you will be a part-time worker. You will receive salary for the hours that you work during the leave. You will not be paid for the time spent on leave. Similarly, you will receive other employee benefits in proportion to the time worked. However, your pension accrual will remain unchanged, i.e. you will accrue just as much pension as you would have done had you not taken parental leave.
- 5 A period of parental leave counts fully when establishing the number of service years.
- 6 KPN will pay the costs of a course of study that you take in KPN's interests during your parental leave. A precondition for this payment is that you must successfully complete the course.

7.16 Life-course scheme (Levensloopverlof)

KPN has entered into a group insurance with two insurance companies for savings for life-course leave. You can see on TEAMKPN Online, whether you can use the balance for the purposes referred to in Appendix 3. You will also find information on how you can take up the savings.

7.17 Sabbatical leave

- 1 You are entitled to sabbatical leave if you have been continuously employed by KPN for at least 36 months. Sabbatical leave is a period in which you take completely unpaid leave. A period of sabbatical leave lasts no more than six months and must be agreed in advance between the employee and the manager. The period between two periods of sabbatical leave cannot be less than 36 months.
- 2 Your employment contract with KPN during your sabbatical leave remains binding. Following your period of sabbatical leave, KPN will place you back in your former job, provided that this period of leave has not been longer than six months. This does not apply if during your sabbatical leave you are given notice in accordance with Article 2.2 of the KPN Social Plan 2014-2015 (the supernumerary notice). You will then become supernumerary as of the final day of the sabbatical leave or such later date as supernumerary notice takes effect.
- 3 During sabbatical leave you must be available to receive information about reorganisations that are relevant to your employment contract with KPN. Your manager and you will make arrangements concerning your contactability.
- 4 During sabbatical leave neither you nor KPN are liable for any premiums. If wages or any wage components are paid out during sabbatical leave, KPN will deduct the employee's premiums payable on these, in the same way as if you had not taken any sabbatical leave.
- 5 If you are entitled to any payments based on a period that you have worked, such as variable remuneration, then the period of sabbatical leave is disregarded in calculating such payment. Any payment will be calculated pro rata the period worked.
- 6 The collective accidents insurance cover as referred to in Article 1.11 remains in force throughout the sabbatical leave.
- 7 No vacation entitlement is accrued during a period of sabbatical leave.
- 8 During a period of sabbatical leave you are not entitled to allowances, supplements or contributions, including the contribution towards commuting costs, (Article 6.2), telephone costs (Article 6.5 and the company regulations) or the reimbursement of other costs.

- 9 If you so request, the pension scheme can be continued, but at your expense. This means that during your period of leave you are liable to pay both the employer's and the employee's contributions. If you so choose, supplementary insurance and the surviving dependants' shortfall insurance cover will automatically be continued. These two types of insurance cover can only be continued if you continue with your pension scheme. During sabbatical leave you will continue to have WIA and WGA top-up insurance for as long as there is a contract of employment, unless you sign a statement of waiver. For the time that you receive zero salary during sabbatical leave, you are not liable for any premiums for the WIA and WGA top-up insurance.
- 10 If you have loaned property belonging to KPN such as a company car, mobile phone, or notepad, these must be returned to KPN before the start of the sabbatical leave. During your sabbatical leave you may not use such company property.
- 11 If you die during a period of sabbatical leave, KPN will pay out the death benefit as described in Article 5.8 of this Collective Agreement on the basis of the monthly income you received prior to the period of sabbatical leave.

Miscellaneous provisions

7.18 Position of disadvantaged groups in the labour market

KPN will attempt to improve the position of disadvantaged groups in the labour market. One of the ways in which KPN will do so is by recruiting new employees from these groups. Each calendar year, KPN will make available 20 temporary jobs to persons who, as a result of a permanent/chronic medical restriction, have a weak position in the labour market.

PART B

This part of the Collective Agreement contains the employment conditions that apply to different groups of employees. Your manager will already have informed you of the group you are in.

CHAPTER 8

Employment conditions specific to employees placed in the General group

8.1 Categorisation

- 1 If KPN decides, on the basis of your work, that you fall into this group, your employment conditions are set out in this Chapter.
- 2 If on 31 October 2014 you were placed within this group you have been placed in the Customer Expert group on the basis of the nature of your work including the criteria set out in Appendix 20 as of 1 November 2014. In this case the specific employment terms applicable to the General group continue to apply to you with the proviso that from 1 January 2015 to 1 July 2015 the KPN Plan does not apply to you and the KPN Service Plan applies instead. As from 1 July 2015 the KPN Plan does apply to you because from that date the KPN Service Plan lapses. Where relevant, a number of specific transitional provisions in this Collective Agreement also apply to you.
- 3 Were you placed in Chapter 13 (staff directly employed by KPN Contact) as at 31 October 2014 and then placed in this chapter as of 1 November 2014? Your salary scale is calculated on the basis of Appendix 17 ('Conversion matrix KPN Contact job matrix to KPN job matrix').
- 4 This chapter applies to you in any event if on 31 December 2014 you were employed by ITS, at such time came within the KPN Corporate Market Collective Agreement, and as of 1 January 2015 were placed in the General group/salary grade by virtue of Article 1 section 2 of Appendix 19. The transitional provisions set out in Appendices 18 and 19 apply to you.

8.2 Working hours

The normal working hours for a full-time employee are an average 37 hours per week.

8.3 Flextime

If you are a full-time employee and wish to work an average of 36, 38, 39 or 40 hours per week, you may do so by means of Flextime. Appendix 5 explains the conditions applicable to Flextime. This Appendix describes the implications, if you opt for Flextime.

8.4 Vacations

Each calendar year you are entitled to vacations. Over the period of one calendar year you will accrue an entitlement equal to four times the working hours applicable to you.

8.5 Salary

The salary scale that applies to you depends on the level of your position (see also 4.3).

As of 1 April 2015 the following salary table will apply. The gross amounts per month for a full-time employee working 37 hours per week are set out.

Salary table General group as of 1 April 2015

Monthly full-time salaries in euros

scale	starting salary	normative salary
1	1,585	1,862
2	1,612	2,000
3	1,677	2,191
4	1,744	2,315
5	1,883	2,453
6	2,003	2,623
7	2,233	2,899
8	2,421	3,238
9	2,646	3,685
10	3,026	4,176
11	3,395	4,816
12	3,851	5,606
13	4,414	6,580

8.6 Individual salary adjustment on 1 April 2015

Your monthly salary for March 2015 may be raised on 1 April 2015 depending on your appraisal for 2014 and your relative position in the salary scale (RSP) on 31 March 2015. The relative salary position is your actual salary divided by the normative salary for the salary scale. The table below shows what kind of increase you may receive. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

Increments table as of 1 April 2015

Percentage of the actual salary

		development			
		unsatisfactory	needed	successful	excellent
RSP	up to 80%	-	2.8	3.7	6.2
	80 to 90%	-	1.9	3.5	4.9
	90 to 100%	-	1.15	2.5	4.2
	100 to 105%	-	1.0	1.15	3.1
	105 to 115%	-	-	-	1.3

If your RSP is 100% or more and your appraisal score is 'successful' or higher, your new RSP as of 1 April will not be lower than 100%.

The maximum RSP attainable is:

- 105% for an appraisal score of 'development needed';
- 105% for an appraisal score of 'successful';
- 115% for an appraisal score of 'excellent'.

You will receive an increase on 1 April 2015 only if you were already in the service of the company on 30 September 2014.

Do you come within the Young Talent Program? In addition to your normal appraisal you will undergo a potential appraisal that assesses your potential for growth for more demanding jobs in the future. This potential appraisal has no direct consequences for your salary. Additionally, at the end of the Young Talent Program you can undergo an assessment. The results of this assessment can be used to help determine your salary scale after the Young Talent Program. Based on your assessment score and following agreement from the HR VP of the relevant business unit, a different salary increase can be determined as referred to in Article 4.3 section 11.

8.7 KPN Plan

1 You are eligible under the KPN Plan, whereby the Special Collective Agreement Bonus and Collective Agreement Bonus schemes lapsed. Appendix 1A contains the arrangements agreed for the KPN Plan. The table below shows the percentages achievable, if you meet the agreed collective targets and your appraisal score is 'successful'. The salary scale determines the percentage that applies to you.

KPN Plan percentages as at 1 April 2015	
Percentage of the actual salary	
scale	
1	4.5%
2	4.5%
3	4.5%
4	4.5%
5	5.0%
6	5.0%
7	5.0%
8	5.0%
9	5.0%
10	7.0%
11	7.0%
12	9.0%
13	9.0%

- 2 If as at 1 January 2015, as a result of the Special Collective Agreement Bonus scheme no longer applying to you and the KPN Plan applying to you instead, your bonus opportunity was reduced, you have been paid a gross allowance as of 1 January 2015. This allowance has been calculated as 40 per cent of the difference between the bonus opportunity applying to you as at 31 December 2014 and the bonus opportunity applying to you as at 1 January 2015, multiplied by your salary for December 2014. This allowance is not indexed and also not varied in line with salary increases, with the proviso that in the case of a change to a higher salary scale within KPN the amount of the allowance will be converted to salary insofar as the normative salary is not yet reached on the new scale. This allowance is the basis for calculating the Collective Agreement Budget, the variable remuneration, pension accrual, and hours-related supplements as allocated by KPN and is still paid in the event of sick leave. For this specific situation this allowance is also the benefit basis for any Social Plan calculation.
- 3 Sections 1 and 2 of this article will apply as appropriate.
- 4 Is the transitional arrangement under Article 9.11 applicable to you? If so, the above sections of this article do not apply to you up to 1 January 2019.
- 5 Does the KPN Service Plan apply to you from 1 January 2015 to 1 July 2015 by virtue of Article 8.1, section 2? If so, the above sections of this article do not apply to you in that period. As from 1 July 2015 section 1 applies instead.

CHAPTER 9

Employment conditions specific to employees placed in the Retail group

9.1 Categorisation

If KPN decides, on the basis of your work, that you fall into this group, your employment conditions are set out in this Chapter.

Are you placed in this group as at 31 October 2014 and do you have job code SSS11 (regional manager) on that date? If so, you will be placed in the General group as of 1 November 2014, from which time the specific employment conditions of Chapter 8 and (if relevant) the transitional arrangements under Article 9.12 will apply to you instead, therefore, of the other specific employment conditions under this Chapter.

9.2 Working hours

The normal working hours for a full-time employee are an average 37 hours per week.

9.3 Flextime

If you are a full-time employee and wish to work an average of 36, 38, 39 or 40 hours per week, you may do so by means of Flextime. Appendix 4 explains the conditions applicable to Flextime. The same Appendix describes the implications, if you opt for Flextime.

9.4 Vacations

Each calendar year you are entitled to vacations. Over the period of one calendar year you will accrue an entitlement equal to four times the working hours applicable to you.

9.5 Salary

The salary scale that applies to you depends on the level of your position (see also 4.3).

As of 1 April 2015 the following salary table will apply. The amounts stated in the salary scales are gross amounts per month. The amounts apply to a full-time employee aged 21 years or older working 37 hours a week.

Salary table Retail as of 1 April 2014		
Monthly full-time salaries in euros		
scale	starting salary	normative salary
3	1,514	2,043
4	1,548	2,158
5	1,572	2,289
6	1,683	2,446
7	1,950	2,847
8	2,131	3,180
9	2,524	3,619
10	2,971	4,100
11	3,332	4,727
12	3,781	5,506
13	4,335	6,462

9.6 Individual salary adjustment on 1 April 2015

Your monthly salary for March 2015 may be raised on 1 April 2015 depending on your appraisal for 2014 and your relative position in the salary scale (RSP) on 31 March 2015. The relative salary position is your actual salary divided by the normative salary for the salary scale. The table below shows what kind of increase you may receive. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

Increments table as of 1 April 2015					
Percentage of the actual salary					
RSP		unsatisfactory	development		excellent
			needed	successful	
	up to 80%	-	2.8	3.7	6.2
	80 to 90%	-	1.9	3.5	4.9
	90 to 100%	-	1.15	2.5	4.2
	100 to 105%	-	1.0	1.15	3.1
	105 to 115%	-	-	-	1.3

If your RSP is 100% or more and your appraisal score is 'successful' or higher, your new RSP as of 1 April will not be lower than 100%.

The maximum RSP attainable is:

- 105% for an appraisal score of 'development needed';
- 105% for an appraisal score of 'successful';
- 115% for an appraisal score of 'excellent'.

You will receive an increase on 1 April 2015 only if you were already in the service of the company on 30 September 2014.

Do you come within the Young Talent Program? In addition to your normal appraisal you will undergo a potential appraisal that assesses your potential for growth for more demanding jobs in the future. This potential appraisal has no direct consequences for your salary. Additionally, at the end of the Young Talent Program you can undergo an assessment. The results of this assessment can be used to help determine your salary scale after the Young Talent Program. Based on your assessment score and following agreement from the HR VP of the relevant business unit, a different salary increase can be determined as referred to in Article 4.3 section 11.

9.7 Age-linked salary

If you are younger than 21 and you are not a Telfort shop employee, you will receive a salary appropriate to your age. The table below shows what that salary will be, indicating the gross monthly amounts as of 1 April 2014. The amounts apply to a full-time employee aged under 21, with a 37-hour working week.

Age-linked salaries Retail as of 1 April 2015					
Monthly full-time salaries in euros					
age scale	16	17	18	19	20
3	939	1,064	1,189	1,313	1,438
4		1,107	1,237	1,366	1,498
5			1,336	1,476	1,522
6				1,569	1,622

On your birthday your salary will be adjusted to your new age. This will occur on the first day of the month in which you have your birthday. Once you reach the age of 21, you will receive the starting salary of the regular scale applicable to you.

If you were aged 21 on 30 September 2014, you will receive a salary adjustment based on your appraisal as of 1 April 2015. This adjustment is shown in the table in Article 9.6. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

9.8 Age-linked salary of Telfort shop employees

Until 2015, the age-linked salaries in a separate table apply to all Telfort shop employees aged under 23. As of 1 January 2015 the following salary table will apply, stating the gross amounts per month. The amounts apply to a full-time employee aged under 23, with a 37-hour working week.

Age-linked salaries Retail for Telfort shop employees as of 1 January 2015							
Monthly full-time salaries in euros							
age	16	17	18	19	20	21	22
	838	985	1,183	1,314	1,379	1,453	1,493

On your birthday your salary will be adjusted to your new age based on the salary scale applicable on that date. This will occur on the first day of the month in which you have your birthday. Once you reach the age of 23, you will receive the starting salary of the regular scale applicable to you.

If you were aged 23 on 30 September 2014, you will receive a salary adjustment based on your appraisal as of 1 April 2015. This adjustment is shown in the table in Article 9.6. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

The age-linked salaries included in the table for Telfort shop employees are in part a consequence of the harmonisation as set out in Chapter 16 of the KPN Collective Agreement 2012. In this context, the agreement was made to take the age-linked Telfort salaries to the level of regular age-linked Retail group salaries during the period up to 1 January 2016.

9.9 KPN Sales Plan

You qualify for the KPN Sales Plan. Appendix 1B contains the arrangements agreed for the KPN Sales Plan.

The table below shows the percentages that apply if you fulfil the agreed arrangements.

Bonus percentages KPN Sales Plan as of 1 April 2015	
Percentage of the actual salary	
scale 1 - 13	12%

9.10 Transitional arrangement for staff with job code PSI04A, PSI05A, PSI06A, PSI07A or PSI09A (shop salesperson)

- 1 If you were employed on 27 May 2014 in any of the aforesaid job codes and were continuously employed in such job codes up to 1 August 2014 then the transitional arrangement under section 2 applies to you. This also applies if you received confirmation on or before 27 May 2014 that you have been appointed to one of these jobs, from the date on which you start such job, but not before 1 August 2014. The transitional arrangement applies to you for as long as you are employed in a job placed within this group and is not cumulative with the transitional arrangement under Articles 9.11 and 9.12.
- 2 As from 1 August 2014 you will receive an allowance equal to 2 per cent of your monthly salary on 1 August 2014. This allowance is not indexed and not varied in line with salary increases, and thus remains unchanged. In the case of a transfer to a higher salary scale within KPN, the amount of the allowance will be converted to salary insofar as the normative salary in the new scale has not yet been reached. This allowance is the basis for calculating the Collective Agreement Budget, the variable remuneration, pension accrual, and hours-

related supplements as allocated by KPN and is still paid in the event of sick leave. This allowance also forms the benefit basis for any Social Plan calculation.

9.11 Transitional arrangement for staff with job code SSS07, SSS08 or SSS09 (shop manager)

- 1 If you were employed on 27 May 2014 in one of the job codes SSS07, SSS08 or SSS09 and were continuously employed in such job codes up to 1 August 2014 then the transitional arrangement under section 2 applies to you. This also applies if you received confirmation on or before 27 May 2014 that you have been appointed to one of these jobs, from the date on which you start such job, but not before 1 August 2014. The transitional arrangement applies to you for as long as you are employed in a job placed within the Retail group and is not cumulative with the transitional arrangement under Articles 9.10 and 9.12.
- 2 In the period 2014 to 2018 if the agreements made are reached, Payplan/KPN Sales Plan percentages set out in the following table apply:

Percentages for Payplan Retail/KPN Sales Plan in the context of Article 9.11					
Percentage of the actual salary					
year level	2014	2015	2016	2017	2018
7	21.50	19.13	16.75	14.38	12.00
8	26.00	22.50	19.00	15.50	12.00
9-10	29.50	25.13	20.75	16.38	12.00

9.12 Transitional arrangement for staff with job code SSS11 (regional manager)

- 1 If you were employed on 27 May 2014 in the job code SSS11, and were continuously employed in such job code up to 1 November 2014 then the transitional arrangements under sections 2 and 3 apply to you. This also applies if you received confirmation on or before 27 May 2014 that you have been appointed to this job, from the date on which you start such job, but not before 1 November 2014. The transitional arrangement applies to you for as long as you are employed as a regional manager (job code SSS11) and is not cumulative with the transitional arrangement under Articles 9.10 and 9.11.
- 2 Up to the end of 2018 the KPN Plan does not apply to you, and instead the KPN Sales Plan, in accordance with the percentages set out in the following table:

Percentages for Payplan Retail/KPN Sales Plan in the context of Article 9.12					
Percentage of the actual salary					
year level	2014	2015	2016	2017	2018
11	29.50	25.13	20.75	16.38	12.00

- 3 As of 1 January 2019 the KPN Plan applies to you instead of the KPN Sales Plan.

CHAPTER 10

Employment conditions specific to employees placed in the Sales group

10.1 Categorisation

1. If KPN decides, on the basis of your work, that you fall into this group, your employment conditions are set out in this Chapter.
2. This chapter applies to you in any event if on 31 December 2014 you were employed by ITS, at such time came within the KPN Corporate Market Collective Agreement, and as of 1 January 2015 were placed in the Sales group/salary grade by virtue of Article 1 section 3 of Appendix 19. The transitional provisions set out in Appendices 18 and 19 apply to you.

10.2 Working hours

The normal working hours for a full-time employee are an average 40 hours per week.

10.3 Flextime

If you are a full-time employee and wish to work an average of 36, 37, 38 or 39 hours per week, you may do so by means of Flextime. Appendix 4 explains the conditions applicable to Flextime. The same Appendix describes the implications, if you opt for Flextime.

10.4 Vacations

Each calendar year you are entitled to vacations. Over the period of one calendar year you will accrue an entitlement equal to four times the working hours applicable to you.

10.5 Salary

The salary scale that applies to you depends on the level of your position (see also 4.3).

As of 1 April 2015 the following salary table will apply. The gross amounts per month for a full-time employee working 40 hours per week are set out.

Salary table Sales as of 1 April 2015

Monthly full-time salaries in euros

scale	starting salary	normative salary
1	1,679	1,972
2	1,709	2,119
3	1,777	2,323
4	1,850	2,451
5	1,997	2,600
6	2,123	2,780
7	2,366	3,073
8	2,565	3,433
9	2,804	3,908
10	3,207	4,426
11	3,599	5,106
12	4,083	5,944
13	4,680	6,976

10.6 Individual salary adjustment on 1 April 2015

Your monthly salary for March 2015 may be raised on 1 April 2015 depending on your appraisal for 2014 and your relative position in the salary scale (RSP) on 31 March 2015. The relative salary position is your actual salary divided by the normative salary for the salary scale. The table below shows what kind of increase you may receive. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

Increments table as of 1 April 2015					
Percentage of the actual salary					
		unsatisfactory	development		excellent
			needed	successful	
RSP	up to 80%	-	2.8	3.7	6.2
	80 to 90%	-	1.9	3.5	4.9
	90 to 100%	-	1.15	2.5	4.2
	100 to 105%	-	1.0	1.15	3.1
	105 to 115%	-	-	-	1.3

If your RSP is 100% or more and your appraisal score is 'successful' or higher, your new RSP as of 1 April will not be lower than 100%.

The maximum RSP attainable is:

- 105% for an appraisal score of 'development needed';
- 105% for an appraisal score of 'successful';
- 115% for an appraisal score of 'excellent'.

You will receive an increase on 1 April 2015 only if you were already in the service of the company on 30 September 2014.

Do you come within the Young Talent Program? In addition to your normal appraisal you will undergo a potential appraisal that assesses your potential for growth for more demanding jobs in the future. This potential appraisal has no direct consequences for your salary. Additionally, at the end of the Young Talent Program you can undergo an assessment. The results of this assessment can be used to help determine your salary scale after the Young Talent Program. Based on your assessment score and following agreement from the HR VP of the relevant business unit, a different salary increase can be determined as referred to in Article 4.3 section 11.

10.7 KPN Sales Plan

You qualify for the KPN Sales Plan. Appendix 1B contains the arrangements agreed for the KPN Sales Plan. The table below shows the percentages that apply if you fulfil the agreed arrangements. The salary scale determines the percentage that applies to you.

Percentages for Payplan Sales as of 1 April 2015	
Percentage of the actual salary	
level	
5	16.75%
6	16.75%
7	22.75%
8	31.25%
9	31.25%
10	36.25%
11	36.25%
12	36.25%
13	36.25%

CHAPTER 11

Employment conditions specific to employees placed in the Customer Expert group

11.1 Categorisation

- 1 If you fall into this group, which KPN will determine on the basis of your work, including the criteria from Appendix 15, your employment conditions will be those stated in this chapter.
- 2 At the time the text of this Collective Agreement was drawn up, this chapter included, but was not limited to, the job groups listed in Appendix 16 that are referred to in this chapter as 'job groups that come within the Customer Expert salary grades'. The Appendix also includes a number of job groups that at the time the text of this Collective Agreement was drawn up did not fall within the Customer Expert group, but within the General group.
- 3 Have you been placed in Chapter 13 of the 2014 KPN Collective Agreement (staff directly employed by KPN Contact on 31 December 2014) as at 31 October 2014 and placed in the Chapter Customer Expert as of 1 November 2014? Your salary scale is calculated on the basis of Appendix 17 ('Conversion matrix KPN Contact job matrix to KPN job matrix').
- 4 Have you been placed in the General Chapter as at 31 October 2014 and placed under this Chapter as of 1 November 2014? If so, as an exception to the last sentence of section 1, the employment conditions for the General group will apply to you with the proviso that as of 1 January 2015 the KPN Plan will not apply to you and the KPN Service Plan will apply instead. The KPN Service Plan will lapse as at 1 July 2015, from which date onwards the KPN Plan will apply to you. If relevant, a number of specific transitional provisions in this Collective Agreement also apply to you.

11.2 Working hours

The normal working hours for a full-time employee are an average 40 hours per week.

11.3 Flexitime

If you are a full-time employee and wish to work an average of 36, 37, 38 or 39 hours per week, you may do so by means of Flexitime. Appendix 4 explains the conditions applicable to Flexitime. The same Appendix describes the implications, if you opt for Flexitime.

11.4 Vacations

Each calendar year you are entitled to vacations. Over the period of one calendar year you will accrue an entitlement equal to four times the working hours applicable to you.

11.5 Salary

The salary scale that applies to you depends on the level of your position (see also 4.3).

As of 1 November 2015 the following salary table will apply. The gross amounts per month for a full-time employee working 40 hours per week are set out.

Salary table Customer Expert as of 1 April 2015

Monthly full-time salaries in euros

scale	starting salary	normative salary
1	1,514	1,514
2	1,514	1,687
3	1,585	1,771
4	1,634	1,967
5	1,784	2,248
6	1,973	2,584
7	2,414	3,134
8	2,618	3,501
9	2,861	3,985
10	3,272	4,515
11	3,671	5,208
12	4,164	6,061
13	4,772	7,114

11.6 Individual salary adjustment on 1 April 2015

Your monthly salary for March 2015 may be raised on 1 April 2015 depending on your appraisal for 2014 and your relative position in the salary scale (RSP) on 31 March 2015. The relative salary position is your actual salary divided by the normative salary for the salary scale. The table below shows what kind of increase you may receive. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

Increments table as of 1 April 2015

Percentage of the actual salary

			development		
		unsatisfactory	needed	successful	excellent
RSP	up to 80%	-	2.8	3.7	6.2
	80 to 90%	-	1.9	3.5	4.9
	90 to 100%	-	1.15	2.5	4.2
	100 to 105%	-	1.0	1.15	3.1
	105 to 115%	-	-	-	1.3

If your RSP is 100% or more and your appraisal score is 'successful' or higher, your new RSP as of 1 April will not be lower than 100%.

The maximum RSP attainable is:

- 105% for an appraisal score of 'development needed';
- 105% for an appraisal score of 'successful';
- 115% for an appraisal score of 'excellent'.

You will receive an increase on 1 April 2015 only if you were already in the service of the company on 30 September 2014.

Do you come within the Young Talent Program? In addition to your normal appraisal you will undergo a potential appraisal that assesses your potential for growth for more demanding jobs in the future. This potential appraisal has no direct consequences for your salary. Additionally, at the end of the Young Talent Program you can undergo an assessment. The results of this assessment can be used to help determine your salary scale after the Young Talent Program. Based on your assessment score and following agreement from the HR VP of the relevant business unit, a different salary increase can be determined as referred to in Article 4.3 section 11.

11.7 KPN Service Plan as at 1 July 2015

- 1 Up to 1 July 2015, you qualify for the KPN Service Plan. Appendix 1C contains the arrangements agreed for the KPN Service Plan.
- 2 The table below shows the percentages that apply if you fulfil the agreed arrangements. The salary scale determines the percentage that applies to you.

This Collective Agreement applies from 1 April 2015 to 1 July 2015, inclusive

Percentage of the actual salary

scale	
1	4.5%
2	4.5%
3	4.5%
4	4.5%
5	5.0%
6	5.0%
7	5.0%
8	5.0%
9	5.0%
10	7.0%
11	7.0%
12	9.0%
13	9.0%

- 3 If as at 1 January 2015 as a result of the Special Collective Agreement Bonus scheme no longer applying to you and the KPN Service Plan applying to you instead, you receive a lower bonus percentage, you will be paid a gross allowance as at 1 January 2015. This allowance has been calculated as 40 per cent of the difference between the Collective Agreement bonus percentage applying to you as at 31 December 2014 and the KPN Service Plan percentage applying to you as at 1 January 2015, multiplied by your salary for December 2014. This allowance is not indexed and also not varied in line with salary increases, with the proviso that in the case of a change to a higher salary scale within KPN the amount of the allowance will be converted to salary insofar as the normative salary is not yet reached on the new scale. This allowance is the basis for calculating the Collective Agreement Budget, the variable remuneration, pension accrual, and hours-related supplements as allocated by KPN and is still paid in the event of sick leave. For this specific situation this allowance is also the basis for any Social Plan calculation.
- 4 Were you placed in the General group as at 31 October 2014 and will you be placed in this Customer Expert group as of 1 November 2014? In the month of December 2015 you will receive a single gross payment of €200 if you have come under the KPN Service Plan throughout the whole of 2015. If you have come under the KPN Service Plan for part of 2015, you will receive such payment pro rata the number of months you came under this scheme in that year. This will take account of the lapse of the KPN Service Plan as at 1 July 2015.
- 5 The KPN Service Plan lapses as at 1 July 2015 and is replaced on that date by the KPN Plan.
- 6 This article will apply as appropriate.

11.8 KPN Plan

As of 1 July 2015 you are eligible under the KPN Plan, and the KPN Service Plan scheme lapses. Appendix 1A contains the arrangements agreed for the KPN Plan. The table below shows the percentages achievable, if you meet the agreed collective targets and your appraisal score is 'successful'. The salary scale determines the percentage that applies to you.

KPN Plan percentages as at 1 April 2015	
Percentage of the actual salary	
scale	
1	4.5%
2	4.5%
3	4.5%
4	4.5%
5	5.0%
6	5.0%
7	5.0%
8	5.0%
9	5.0%
10	7.0%
11	7.0%
12	9.0%
13	9.0%

CHAPTER 12

Employment conditions specific to employees who are employed by ITS and placed in the Consulting group

12.1 Categorisation

- 1 Are you employed by ITS? If KPN decides, on the basis of your work, that you fall into this group, your employment conditions will be those stated in this chapter.
- 2 At the time when the text of this Collective Agreement is drawn up, and additionally to section 1 of this article, all employees under this chapter who on 31 December 2014 come within the KPN Corporate Market Collective Agreement and who work for 'KPN Consulting', are employed within one of the job groups listed (as examples only) in Appendix 23.

12.2 Working hours

The normal working hours for a full-time employee are an average 40 hours per week.

12.3 Vacations

Each calendar year you are entitled to vacations. Over the period of one calendar year you will accrue an entitlement equal to four times the working hours applicable to you.

12.4 Mandatory free days

If you are working for an external client and this client has prescribed fixed collective vacation days, then these fixed collective vacation days are binding upon you for the period that you work for this client.

12.5 Salary

- 1 The salary scale that applies to you depends on the level of your position (see also Article 4.3 of this Collective Agreement).
- 2 As of 1 April 2015 the following salary table will apply. The amounts set out in this table are gross amounts per month for a full-time employee working 40 hours per week.

Salary table Consulting as of 1 April 2015

Monthly full-time salaries in euros

scale	Minimum	100%	Maximum
1	1,252	2,084	2,187
2	1,323	2,205	2,315
3	1,412	2,354	2,471
4	1,521	2,533	2,787
5	1,652	2,752	3,027
6	1,809	3,015	3,316
7	1,999	3,331	3,663
8	2,227	3,711	4,267
9	2,402	4,169	4,794
10	2,598	4,722	5,430
11	2,966	5,392	6,201
12	3,415	6,208	7,139
13	3,710	6,743	7,751

12.6 Individual salary adjustment on 1 April 2015

Your monthly salary for March 2015 may be raised on 1 April 2015 depending on your appraisal for 2014 and your relative position in the salary scale (RSP) on 31 March 2015. The relative salary position is your actual salary divided by the normative salary for the salary scale. The table below shows what kind of increase you may receive. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

Percentage of the actual salary		development			
		unsatisfactory	needed	successful	excellent
RSP	up to 80%	-	2.8	3.7	6.2
	80 to 90%	-	1.9	3.5	4.9
	90 to 100%	-	1.15	2.5	4.2
	100 to 105%	-	1.0	1.15	3.1
	105 to 115%	-	-	-	1.3

If your RSP is 100% or more and your appraisal score is 'successful' or higher, your new RSP as of 1 April will not be lower than 100%.

The maximum RSP attainable is:

- 105% for an appraisal score of 'development needed';
- 105% for an appraisal score of 'successful';
- 115% for an appraisal score of 'excellent'.

You will receive an increase on 1 April 2015 only if you were already in the service of the company on 30 September 2014.

12.7 Salary higher than salary scale

If your salary exceeds the maximum salary for the scale within which your job is placed, your salary will be subject to a 'claw-back process' whereby you will not be eligible for any increase in salary until such time as your monthly salary comes within the maximum for this salary scale.

Claw-back process

1. If your salary is above the maximum for the relevant salary scale, your gross monthly salary will remain nominally the same.
2. However, you will not be eligible for any salary increase.
3. Your monthly salary will be split into one part equal to the maximum salary for the relevant salary scale ('gross monthly salary') and another part equal to the amount by which your actual salary exceeds this maximum salary ('**supplement**').
4. If the maximum according to the salary scale is increased, your gross monthly salary is increased by the difference between your gross monthly salary and the maximum according to the salary scale. The salary increase thus calculated will be set off against the supplement. On balance, if you are paid above the maximum salary, the amount of the new gross monthly salary and the new supplement will remain the same as the total amount under the previous situation. The aim of this claw-back process is to reduce the amount by which your salary exceeds the maximum amount for the relevant salary scale to zero.
5. Once this is achieved, you no longer earn above the maximum salary and you are therefore eligible for salary increases.
6. This supplement is the basis for calculating the Collective Agreement Budget, pension accrual, and hours-related supplements as allocated by KPN.

12.8 Variable remuneration

1. Right to variable remuneration
You are entitled to variable remuneration.

The following table applies to you as from 1 January 2015:

Salary scale	Non fee earner	Fee earner	management
1	5%	10%	
2	5%	10%	
3	5%	10%	
4	5%	10%	
5	5%	15%	
6	5%	15%	
7	7%	15%	
8	7%	15%	
9	7%	15%	
10	10%	15%	12%
11	10%	15%	12%
12	10%	15%	12%
13	10%	15%	12%

In accordance with the timelines as set out in the procedural arrangements for variable remuneration (Appendix 20 of this Collective Agreement) you will be given information concerning your on-target percentage, and defined position (fee earner, non fee earner, or management).

Fee earners: employees with a deployment ratio as a parameter, whose hours worked are invoiced directly to the client.

Management: employees placed within a salary scale of 10 or higher and who occupy a general management position (such as Unit Manager, Manager Unit I).

Non fee earners: employees that do not fall within either of the two above definitions.

2. Basis for variable remuneration

The basis for your variable remuneration is your fixed annual income (fixed gross monthly salary less any supplements, x 12.96). Other components are excluded for this basis.

3. Payment threshold

If you come within the categories of Management or Non fee earners, your variable remuneration will only be paid to you if at least 80% of the targets (results) stipulated for the relevant group of employees, as well as your personal targets, are met overall.

If you are a Fee earner, then the payment threshold is linked to the billability levels fixed for the relevant calendar year within the organisational unit within which you work. The calculation methods may differ per unit, with the proviso that all Fee earners are subject to a payment threshold. The method that applies to you also applies to all other Fee earners within your organisational unit.

4. Payments scale

The following payments scale applies:

Payment is made if you achieve results of 80% or more. Payment is made gross.

Results %	Payment per % results	Cumulative % of the basis
From 0% to 80%		0%
From 80% to 85%	-	12.5%
From 85% to 90%	-	15%
90%		60%
From 91% to 95%	4%	80%
From 96% to 100%	4%	100%
From 101% to 110%	2.5%	125%
From 111% to 120%	2.5%	150%
121% and above	3%	

5. Maximum payment

Your maximum annual income is 150% of the total of your fixed annual salary (fixed gross monthly salary x 12.96) and the on-target variable remuneration. Given that the fixed annual salary is included in this calculation, the maximum payment of variable salary is also calculated.

6. Consultation structure

Appendix 20 sets out the procedural arrangements for the application of parameters and the respective weighting of these parameters, the timeline for announcement of the targets and parameters, and an evaluation.

CHAPTER 13

Employment conditions specific to employees who are employed by ITS and placed in the ITS group

13.1 Categorisation

- 1 Are you employed by ITS? If KPN decides, on the basis of your work, that you fall into this group, your employment conditions will be those stated in this chapter.
- 2 At the time when the text of this Collective Agreement is drawn up, and additionally to section 1 of this article, all employees under this chapter who on 31 December 2014 were employed by ITS and at that moment came within the KPN Corporate Market Collective Agreement, but who as of 1 January 2015 were not placed within the General, Sales, or Consulting groups/salary grades (Chapters 8, 10 and 12, respectively).

13.2 Working hours

The normal working hours for a full-time employee are an average 40 hours per week.

13.3 Vacations

Each calendar year you are entitled to vacations. Over the period of one calendar year you will accrue an entitlement equal to four times the working hours applicable to you.

13.4 Overtime

As of 1 January 2015 the overtime scheme as set out in this Collective Agreement (e.g. Article 4.10, Part A) applies to you. This means that you are required to work outside your normal working hours. You are no longer required to work overtime once you reach the age of 58.

13.5 Salary

- 1 The salary scale that applies to you depends on the level of your position (see also Article 4.3 of this Collective Agreement).
- 2 As of 1 April 2015 the following salary table will apply. The amounts set out in this table are gross amounts per month for a full-time employee working 40 hours per week.

Salary table ITS as of 1 April 2015

Monthly full-time salaries in euros

scale	Minimum	100%	Maximum
1	1,181	1,966	2,064
2	1,249	2,079	2,184
3	1,333	2,219	2,331
4	1,437	2,392	2,629
5	1,559	2,597	2,856
6	1,706	2,844	3,128
7	1,886	3,141	3,456
8	2,102	3,501	4,026
9	2,244	3,932	4,521
10	2,450	4,453	5,122
11	2,797	5,086	5,849
12	3,221	5,855	6,733
13	3,879	7,052	8,109

13.6 Individual salary adjustment on 1 April 2015

Your monthly salary for March 2015 may be raised on 1 April 2015 depending on your appraisal for 2014 and your relative position in the salary scale (RSP) on 31 March 2015. The relative salary position is your actual salary divided by the normative salary for the salary scale. The table below shows what kind of increase you may receive. The increase for the months from April to no later than October 2015 will be allocated and paid no later than October 2015.

Increments table as of 1 April 2015					
Percentage of the actual salary					
		unsatisfactory	development		excellent
			needed	successful	
RSP	up to 80%	-	2.8	3.7	6.2
	80 to 90%	-	1.9	3.5	4.9
	90 to 100%	-	1.15	2.5	4.2
	100 to 105%	-	1.0	1.15	3.1
	105 to 115%	-	-	-	1.3

If your RSP is 100% or more and your appraisal score is 'successful' or higher, your new RSP as of 1 April will not be lower than 100%.

The maximum RSP attainable is:

- 105% for an appraisal score of 'development needed';
- 105% for an appraisal score of 'successful';
- 115% for an appraisal score of 'excellent'.

You will receive an increase on 1 April 2015 only if you were already in the service of the company on 30 September 2014.

13.7 Salary higher than salary scale

If your salary exceeds the maximum salary for the scale within which your job is placed, your salary will be subject to a 'claw-back process' whereby you will not be eligible for any increase in salary until such time as your monthly salary comes within the maximum for this salary scale.

Claw-back process

1. If your salary is above the maximum for the relevant salary scale, your gross monthly salary will remain nominally the same.
2. However, you will not be eligible for any salary increase.
3. Your monthly salary will be split into one part equal to the maximum salary for the relevant salary scale ('gross monthly salary') and another part equal to the amount by which your actual salary exceeds this maximum salary ('**supplement**').
4. If the maximum according to the salary scale is increased, your gross monthly salary is increased by the difference between your gross monthly salary and the maximum according to the salary scale. The salary increase thus calculated will be set off against the supplement. On balance, if you are paid above the maximum salary, the amount of the new gross monthly salary and the new supplement will remain the same as the total amount under the previous situation. The aim of this claw-back process is to reduce the amount by which your salary exceeds the maximum amount for the relevant salary scale to zero.
5. Once this is achieved, you no longer earn above the maximum salary and you are therefore eligible for salary increases.
6. This supplement is the basis for calculating the Collective Agreement Budget, pension accrual, and hours-related supplements as allocated by KPN.

13.8 Variable remuneration

- 1 Right to variable remuneration
You are entitled to variable remuneration.

The following table applies to you as from 1 January 2015:

Salary scale	Non fee earner	Management
1	5%	
2	5%	
3	5%	
4	5%	
5	5%	
6	5%	
7	7%	
8	7%	
9	7%	
10	10%	12%
11	10%	12%
12	10%	12%
13	10%	12%

In accordance with the timelines as set out in the procedural arrangements for variable remuneration (Appendix 20 of this Collective Agreement) you will be given information concerning your on-target percentage, and defined position (non fee earner or management).

Management: employees placed within a salary scale of 10 or higher and who occupy a general management position (such as Unit Manager, Manager Unit I).

Non fee earners: employees that do not fall within either of the two above definitions.

2. Basis for variable remuneration

The basis for your variable remuneration is your fixed annual income (fixed gross monthly salary less any supplements, x 12.96). Other components are excluded for this basis.

3. Payment threshold

If you come within the categories of Management or Non fee earners, your variable remuneration will only be paid to you if at least 80% of the targets (results) stipulated for the relevant group of employees, as well as your personal targets, are met overall.

4. Payments scale

The following payments scale applies:

Payment is made if you achieve results of 80% or more. Payment is made gross.

Results %	Payment per % results	Cumulative % of the basis
From 0% to 80%		0%
From 80% to 85%	-	12.5%
From 85% to 90%	-	15%
90%		60%
From 91% to 95%	4%	80%
From 96% to 100%	4%	100%
From 101% to 110%	2.5%	125%
From 111% to 120%	2.5%	150%
121% and above	3%	

5. Maximum payment

Your maximum annual income is 150% of the total of your fixed annual salary (fixed gross monthly salary x 12.96) and the on-target variable remuneration. Given that the fixed annual salary is included in this calculation, the maximum payment of variable salary is also calculated.

6. Consultation structure

Appendix 20 sets out the procedural arrangements for the application of parameters and the respective weighting of these parameters, the timeline for announcement of the targets and parameters, and an evaluation.

Agreed and signed by the parties
on in The Hague on 16 July 2015.

For Koninklijke KPN N.V.,
Chief HR Officer

Janine Vos

For the trade unions,
Qlix in Leidschendam,

Caspar Vlaar

CNV Publieke Diensten in The Hague,

Albert Spieseke

VHP2 in Eindhoven,

Casper Vaandrager

CNV Dienstenbond in Hoofddorp,

M. Jukema	D. Swagerman	G.F. van Linden
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De Unie in Culemborg,

Harma Pethke

APPENDICES

APPENDIX 1A-1

KPN Plan

1 Do you fall under this scheme?

These arrangements apply to you until 1 January 2016. They lapse as of this date and are replaced by the KPN Plan as set out in Appendix 1A-2 insofar as the specific employment conditions set out in Chapter 8 apply to you. These regulations apply to you from 1 July 2015 to 1 January 2016 insofar as the specific employment conditions set out in Chapter 11 (Customer Expert) apply to you and the employees as referred to in Article 8.1 section 2. If you come within the KPN Plan, then the provisions of the KPN Sales Plan (Appendix 1B) and the KPN Service Plan (Appendix 1C will lapse as of 1 July 2015) do not apply to you.

2 Amount of the KPN Plan remuneration

You may receive remuneration under the KPN Plan that will be dependent upon the following elements:

- a. bonus opportunity;
- b. achievement of collective targets expressed as a collective bonus percentage;
- c. modifier.

The applicable bonus percentage will be determined by multiplying the bonus opportunity by the collective bonus percentage and by the personal modifier. Your actual salary is the base for the bonus. In this appendix 'actual salary' means your monthly salary plus any transfer allowance and/or placement allowance.

Re a: bonus opportunity

The percentages that you can obtain if you have achieved the agreed collective targets and have received a successful job performance appraisal are based on your salary scale. The table of percentages is set out in Chapters 8 and 11.

Re b: collective bonus percentage

KPN defines a maximum of four collective targets for large groups of employees, of which at least two are financial and at least one qualitative, and determines at which level this is performed. This is based on either the segment level or the level just above. KPN must give reasons for any exceptions. KPN will discuss the collective targets with the Works Council.

KPN sets for each target a threshold value, an 'on target' value, and a maximum value. A percentage is linked to each of the three values. These percentages are shown below:

- | | |
|--------------|------|
| - threshold: | 25% |
| - on target: | 100% |
| - maximum: | 200% |

The result achieved per collective target determines the allocation of a percentage. At least the threshold value must be achieved and the score cannot exceed the maximum value of 200%. If the result in respect of a collective target does not correspond exactly with one of the three values to which the above percentages are linked, but lies between two of these values, the associated percentage will be calculated linearly between these two values.

The extent to which a collective target affects your KPN plan remuneration depends on the weighting of that target. This may differ per target. The collective bonus percentage is the weighted average of the percentages achieved in respect of each target. On TEAMKPN Online you can find a sample calculation on the basis of which this system is explained.

Re c: modifier

Your modifier is based on the result of your job performance appraisal:

- | | |
|-------------------------------|------|
| excellent appraisal: | 1.25 |
| successful appraisal: | 1 |
| development needed appraisal: | 0.7 |
| unsatisfactory appraisal: | 0 |

The percentage of your KPN Plan remuneration is calculated by first multiplying the bonus opportunity by the collective bonus percentage and by your modifier. The result of this is the actual bonus percentage that is then multiplied by the total of the monthly salaries actually paid out to you in the calendar year concerned. If from 1 July 2015 to 31 December 2015 the KPN Plan applies to you, as replacement for the KPN Service Plan that applied to you up to 1 July 2015, then the KPN Plan remuneration is calculated over the monthly salary actually paid in the period 1 July 2015 to 31 December 2015. The KPN Plan remuneration is paid out in April 2016 following the year in which the targets are realised (2015).

3 Pension

You do not accrue any pension over the KPN Plan remuneration.

4 KPN Plan remuneration in exceptional situations

- 1 If you are unable to work fully due to sickness or otherwise for 4 months or less, you will receive the KPN Plan remuneration which you would have received if you had been able to work in this period.
- 2 If you are unable to work fully for more than 4 months due to sickness or otherwise (even if this falls in two calendar years), you will receive:
 - Over the period starting from the date you report sick until the end of the month in which you are sick plus four calendar months, the KPN Plan remuneration you would have received if you had been able to work in this period. However, if you report sick on the first day of a month the above does not apply and you will receive the KPN Plan remuneration you would have received if you had been able to work in this period plus the next three consecutive months.
 - After the period specified in the previous indent, as long as you are incapacitated for work and subject to section 3, each calendar month your average degree of incapacity will be assessed based on the absentee registration in MijnHR/ESS. This will be done up to and including the month in which you are reported as fit to work in MijnHR/ESS. Over this period you will receive the KPN Plan remuneration in proportion to your capacity for work.
 - From the month following the month in which you are reported fully fit for work in MijnHR/ESS, you will receive the full KPN Plan remuneration.

The factor by which the outcome of the KPN Plan remuneration over that year, as described in Article 2, is multiplied, is determined over the 12 months of a calendar year on the basis of the above.
- 3 When determining the period during which you are unable to work, periods will be linked together if they succeed one another without an interruption of more than 4 weeks. This also applies to periods in which you cannot work but which fall within different calendar years.
- 4 Leave for reasons of maternity and childbirth will not be included in any calculation of the periods in which you were unable to work.
- 5 Your manager may set the KPN Plan remuneration over the calendar year in proportion to the time that you worked in your position. This will occur in the following situations:
 - if you join the company in the calendar month;
 - if you move to a different position, such that different targets will apply and/or the bonus opportunity will change;
 - if the organisation changes, as a result of which different targets apply and/or the bonus opportunity changes;
 - on termination of your employment contract. You will then receive the KPN Plan remuneration over the months that you were employed by KPN in the calendar year. The calculation will be made using the modifier linked to a 'successful' job performance appraisal, unless the job appraisal process has been completed, in which case the modifier is based on the job appraisal score or unless manager and employee have agreed upon the application of a different modifier.

APPENDIX 1A-2

KPN Plan

This Appendix comes into effect on 1 January 2016.

1 Do you fall under this scheme?

This scheme applies to you as of 1 January 2016 if the specific employment conditions set out in Chapters 8 (General) and 11 (Customer Expert) and the employees as referred to in Article 8.1 section 2. If the KPN Plan applies to you, then the provisions of the KPN Sales Plan (Appendix 1B) do not.

2 Amount of the KPN Plan remuneration

You may receive remuneration under the KPN Plan that will be dependent upon the following elements:

- d. bonus opportunity;
- e. achievement of collective targets expressed as a collective bonus percentage;
- f. modifier.

The applicable bonus percentage will be determined by multiplying the bonus opportunity by the collective bonus percentage and by the modifier. Your actual salary is the base for the bonus. In this appendix 'actual salary' means your monthly salary plus any transfer allowance and/or placement allowance.

Re a: bonus opportunity

The percentages that you can obtain if you have achieved the agreed collective targets and have received a successful job performance appraisal are based on your salary scale. The table of percentages is set out in Chapters 8 and 11.

Re b: collective bonus percentage

KPN will determine the collective targets in line with the targets that are decided at any time for the Board of Directors. If the targets for the Board of Directors are changed in full or part, then such full or part changes will also apply to you as from the date when the changes apply to the Board of Directors. KPN will outline the collective targets to the Works Council.

KPN sets for each target a threshold value, an 'on target' value, and a maximum value. A percentage is linked to each of the three values. These percentages are shown below:

- threshold: 25%
- on target: 100%
- maximum: 200%

The result achieved per collective target determines the allocation of a percentage. At least the threshold value must be achieved and the score cannot exceed the maximum value of 200%. If the result in respect of a collective target does not correspond exactly with one of the three values to which the above percentages are linked, but lies between two of these values, the associated percentage will be calculated linearly between these two values.

The extent to which a collective target affects your KPN plan remuneration depends on the weighting of that target. This may differ per target. The collective bonus percentage is the weighted average of the percentages achieved in respect of each target. On TEAMKPN Online you can find a sample calculation on the basis of which this system is explained.

Re c: Modifier

Your modifier is based on the result of your job performance appraisal:

- excellent appraisal: 1
- successful appraisal: 1
- development needed appraisal: 1
- unsatisfactory appraisal: 0

The percentage of your KPN Plan remuneration is calculated by first multiplying the bonus opportunity by the collective bonus percentage and by your modifier. The result of this is the actual bonus

percentage that is then multiplied by the total of the monthly salaries actually paid out to you in the calendar year concerned. The KPN Plan remuneration is paid out in April 2017 following the year in which the targets are realised (2016).

3 Pension

You do not accrue any pension over the KPN Plan remuneration.

4 KPN Plan remuneration in exceptional situations

- 1 If you are unable to work fully due to sickness or otherwise for 4 months or less, you will receive the KPN Plan remuneration which you would have received if you had been able to work in this period.
- 2 If you are unable to work fully for more than 4 months due to sickness or otherwise (even if this falls in two calendar years), you will receive:
 - Over the period starting from the date you report sick until the end of the month in which you are sick plus four calendar months, the KPN Plan remuneration you would have received if you had been able to work in this period. However, if you report sick on the first day of a month the above does not apply and you will receive the KPN Plan remuneration you would have received if you had been able to work in this period plus the next three consecutive months.
 - After the period specified in the previous indent, as long as you are incapacitated for work and subject to section 3, each calendar month your average degree of incapacity will be assessed based on the absentee registration in MijnHR/ESS. This will be done up to and including the month in which you are reported as fit to work in MijnHR/ESS. Over this period you will receive the KPN Plan remuneration in proportion to your capacity for work.
 - From the month following the month in which you are reported fully fit for work in MijnHR/ESS, you will receive the full KPN Plan remuneration.

The factor by which the outcome of the KPN Plan remuneration over that year, as described in Article 2, is multiplied, is determined over the 12 months of a calendar year on the basis of the above.

- 3 When determining the period during which you are unable to work, periods will be linked together if they succeed one another without an interruption of more than 4 weeks. This also applies to periods in which you cannot work but which fall within different calendar years.
- 4 Leave for reasons of maternity and childbirth will not be included in any calculation of the periods in which you were unable to work.
- 5 Your manager may set the KPN Plan remuneration over the calendar year in proportion to the time that you worked in your position. This will occur in the following situations:
 - if you join the company in the calendar month;
 - if you move to a different position, such that different targets will apply and/or the bonus opportunity will change;
 - if the organisation changes, as a result of which different targets apply and/or the bonus opportunity changes;
 - on termination of your employment contract. You will then receive the KPN Plan remuneration over the months that you were employed by KPN in the calendar year. The calculation will be made using the modifier linked to a 'successful' job performance appraisal, unless the job appraisal process has been completed, in which case the modifier is based on the job appraisal score or unless manager and employee have agreed upon the application of a different modifier.

APPENDIX 1B

KPN Sales Plan

1 Do you fall under this scheme?

These arrangements apply to you if you are covered by the specific employment conditions set out in Chapters 9 or 10. The provisions in those Chapters and in Chapters 1 to 7 apply to you unless otherwise stated in this Appendix 1B. If you fall under this KPN Sales Plan, then the KPN Plan (Appendix 1A) and the KPN Service Plan (Appendix 1C lapses as from 1 July 2015) do not apply to you.

2 Amount of KPN Sales Plan remuneration

Depending on the group within which you are placed - Retail or Sales - KPN will determine a percentage of your actual salary depending on your on-target performance (OTP). This percentage is set out in Chapters 9 or 10. If you do not fully achieve the targets for on-target performance, you will receive a proportionate part of the KPN Sales Plan remuneration. However, you must always achieve a target minimum set by your manager. Similarly, if you beat the targets applicable to 'on-target performance', you will receive the KPN Sales Plan remuneration in proportion to your achievement. In this appendix 'actual salary' means your monthly salary plus any transfer allowance and/or placement allowance.

3 Pension

You do not accrue any pension over the KPN Sales Plan remuneration.

4 KPN Sales Plan remuneration in exceptional situations

- 1 If you are unable to work fully due to sickness or otherwise you will receive your KPN Sales Plan remuneration if the duration is 4 months or shorter. If you are placed in the Retail group (Chapter 9), you will receive the same KPN Sales Plan remuneration as your colleagues doing jobs on the same level as yours in the same shop during the same period. If you are placed in the Sales group (Chapter 10), you will receive KPN Sales Plan remuneration based on the effect of the achievement from your personal client group. Your job level is also taken into account.
- 2 If you are unable to work fully for more than 4 months due to sickness or otherwise (even if this falls in two calendar years), you will receive:
 - Over the period starting from the date you reported sick until the end of the month in which you are sick plus four calendar months, the KPN Sales Plan remuneration you would have received if you had been able to work in this period. However, if you report sick on the first day of a month the above does not apply and you will receive the KPN Sales Plan remuneration you would have received if you had been able to work in this period plus the next three consecutive months.
 - After the period specified in the previous indent, as long as you are incapacitated for work and subject to section 3, each calendar month your average degree of incapacity will be assessed based on the absentee registration in MijnHR/ESS. This will be done up to and including the month in which you are reported as fit to work in MijnHR/ESS. Over this period you will receive the KPN Sales Plan remuneration in proportion to your capacity for work.
 - From the month following the month in which you are reported fully fit for work in MijnHR/ESS, you will receive the full KPN Sales Plan remuneration.
- 3 When determining the period during which you are unable to work, periods will be linked together if they succeed one another without an interruption of more than 4 weeks. This also applies to periods in which you cannot work but which fall within different calendar years.
- 4 Leave for reasons of maternity and childbirth will not be included in any calculation of the periods in which you were unable to work.

- 5 If you move to a different position or sales area, and on termination of your employment contract, your manager will determine your KPN Sales Plan remuneration in proportion to the time that you held the position or worked in the sales area concerned.

5 Other

If you fall under the KPN Sales Plan, you will not qualify for the allowances and/or supplements described in provisions 4.7 or 4.10 to 4.13 of Chapter 4. The same applies to the provisions contained in the KPN Social Plan about the phasing out of the allowance for working unusual hours and the phasing of stand-by duty.

This provision does not apply if you hold a sales position in the Retail group.

6 Other obligations

- 1 You must adhere to the guidelines that KPN has set out for the implementation of the KPN Sales Plan. KPN will inform you of these guidelines.
- 2 You must comply with the instructions given by KPN regarding the KPN Sales Plan. Your manager may impose disciplinary measures if you fail to comply with these rules.
- 3 These measures include:
 - a. a written warning or dismissal; and/or
 - b. a suspension or removal from your job, temporary or permanent; and/or
 - c. non-payment of some or all of the KPN Sales Plan bonus, whereby the manager will decide the percentage of non-payment based on the facts of the case; and/or
 - d. suspension of the implementation of the KPN Sales Plan for such period as the manager shall decide based on the facts of the case (temporary cessation).
- 4 Irrespective of the above, the KPN Sales Plan bonus may be corrected at any time if it appears that the results on which it was based are incorrect. If the KPN Sales Plan bonus has already been paid at the time of correction, you must repay the amount that was overpaid.

7 Establishing the implementation guidelines and setting targets

As from 2015, KPN will consult with its partners regarding the implementation guidelines and the setting of targets, which KPN will determine.

APPENDIX 1C

As of 1 July 2015 this Appendix and thus the KPN Service Plan lapses, and as of that date is replaced by the KPN Plan as described in Appendix 1A-1 and as of 1 January 2016 in Appendix 1A-2.

KPN Service Plan

Short-cycle variable remuneration scheme for employees placed in the Customer Expert group. This Appendix will apply as appropriate.

1 Do you fall under this scheme?

This scheme applies to you if you are covered by the specific employment conditions set out in the Customer Expert chapter. The KPN Service Plan replaces the Bee the Best scheme agreed with the Works Council of KPN Contact. If you fall under the KPN Service Plan, the KPN Plan (Appendix 1A) and KPN Sales Plan (Appendix 1B) do not apply to you.

2 Amount of KPN Service Plan remuneration

- 1 For each level of a position, KPN awards a percentage of your actual salary for the attainment of 'on-target performance' (OTP). This percentage is set out in the table in Chapter 11.
- 2 Depending upon your profile (Service or Service & Sales) you are assigned the following targets:
 - both profiles have a minimum of 1 and a maximum of 3 Service targets;
 - the Service & Sales profile has an additional minimum of 1 and maximum of 2 Sales targets.
- 3 The KPN Service Plan remuneration is calculated pro rata the extent to which you achieve your targets. KPN may determine in advance that a minimum of targets must be achieved for you to be eligible for remuneration.
- 4 If you have the Service profile, you can achieve a maximum 100% of your on-target percentage. If you have the Service & Sales profile, your total bonus percentage can be a maximum of 120% of your on-target percentage.
- 5 In this appendix 'actual salary' means your monthly salary plus any transfer allowance and/or placement allowance.

3 Pension

You do not accrue any pension over the KPN Service Plan remuneration.

4 KPN Service Plan remuneration in exceptional situations

- 1 If you are unable to work fully due to sickness or otherwise you will receive your KPN Service Plan remuneration if the duration is 4 months or shorter. In this period you will receive the same KPN Service Plan remuneration as your colleagues for whom the same targets are formulated and who have a job on the same level as yours.
- 2 If you are unable to work fully for more than 4 months due to sickness or otherwise (even if this falls in two calendar years), you will receive:
 - Over the period starting from the date you reported sick until the end of the month in which you are sick plus four calendar months, the KPN Service Plan remuneration you would have received if you had been able to work in this period. However, if you report sick on the first day of a month the above does not apply and you will receive the KPN Service Plan remuneration you would have received if you had been able to work in this period plus the next three consecutive months.
 - After the period specified in the previous indent, as long as you are incapacitated for work and subject to section 3, each calendar month your average degree of incapacity will be assessed based on the absentee registration in MijnHR. This will be done up to and including the month in which you are reported as fit to work in MijnHR. Over this period you will receive the KPN Service Plan remuneration in proportion to your capacity for work.

- From the month following the month in which you are reported fully fit for work in MijnHR, you will receive the full KPN Service Plan remuneration.

- 3 When determining the period during which you are unable to work, periods will be linked together if they succeed one another without an interruption of more than 4 weeks. This also applies to periods in which you cannot work but which fall within different calendar years.
- 4 Leave for reasons of maternity and childbirth will not be included in any calculation of the periods in which you were unable to work.
- 5 If you move to a different position or sales area, and on termination of your employment contract, your manager will determine your KPN Service Plan remuneration in proportion to the time that you held the position or worked in the sales area concerned.

5 Other obligations

- 1 You must adhere to the guidelines that KPN has set out for the implementation of the KPN Service Plan scheme. KPN will inform you of these guidelines.
- 2 You must comply with the instructions given by KPN regarding the KPN Service Plan. Your manager may impose disciplinary measures if you fail to comply with these rules.
- 3 These measures include:
 - a. a written warning or dismissal; and/or
 - b. a suspension or removal from your job, temporary or permanent; and/or
 - c. non-payment of some or all of the KPN Service Plan bonus, whereby the manager will decide the percentage of non-payment based on the facts of the case; and/or
 - d. suspension of the implementation of the KPN Service Plan for such period as your manager shall decide based on the facts of the case (temporary cessation).
- 4 Irrespective of the above, the KPN Service Plan bonus may be corrected at any time if it appears that the results on which it was based are incorrect. If the KPN Service Plan bonus has already been paid at the time of correction, you must repay the amount that was overpaid.

6 Establishing the implementation guidelines and setting targets

The implementation guidelines of the KPN Service Plan will be determined separately by KPN, and will include, for example, the weighting of the targets and threshold, on-target, and maximum values. As from 2015, KPN will consult with its partners regarding the implementation guidelines and the setting of targets, which KPN will determine.

APPENDIX 2

Collective Agreement Budget supplement

You are entitled to a Collective Agreement Budget supplement each month. The budget equals 12.5% of your gross monthly salary.

You may use the supplement or part thereof to:

- purchase extra vacation hours. Each will cost you 1.15 times your prevailing hourly salary. If you work 40 hours (Sales, Customer Expert, Consulting and ITS) or 37 hours (General and Retail) you can purchase up to 47 vacation hours per year. There is, however, an exception to this scheme, if at the time you wish to buy extra vacation hours you have a balance of more than 200 vacation hours. In such cases, you may only use the supplement or part of it to buy extra vacation hours if you have your manager's permission. Your manager will give permission if you need the extra vacation hours for a good reason. If you are a part-timer, this maximum will be calculated in proportion to your working hours. Subject to the approval of your manager, you can increase the number of purchasable extra vacation hours to not more than twice your working hours. As of 1 November 2015 you can purchase three times your working hours. The above provisions are summarised in the following tables.

Summary of maximum number of purchasable vacation days up to 1 November 2015

	For a 37-hour working week	For a 40-hour working week
Without permission (balance <200 hours)	47 hours	47 hours
With permission from your manager	74 hours	80 hours

Summary of maximum number of purchasable vacation days as from 1 November 2015

	For a 37-hour working week	For a 40-hour working week
Without permission (balance <200 hours)	47 hours	47 hours
With permission from your manager	111 hours	120 hours

- save for a life-course scheme;
- make a deposit or extra deposit for your pension (IPS);
- purchase a bicycle from your gross salary;
- pay keep-fit fees from your gross salary;
- purchase furniture from your gross salary, if you are participating in the New Way of Living and Working and, consequently, need to furnish a workplace at home;
- pay union dues from your gross salary;
- 'Green driving'.

There are statutory limits to what you may save for a life-course scheme and the level of a pension contribution or extra contributions that you may make. The way you spend your budget must be within these limits. This also applies to expenditure from your gross salary. These limits are often related to maximum amounts.

You can also have the Collective Agreement Budget paid out monthly.

Part of the supplement is pensionable. You accrue pension over 75% of the supplement.

APPENDIX 3

Regulations on leave under the life-course savings scheme (Levensloopverlof)

1 Taking life-course leave during employment, other than immediately before your retirement date

- 1 You can take an uninterrupted period of life-course leave equal to the entire working hours that apply to you. This period of leave must be at least one month and at most six months. If you wish to use the life-course leave for care leave or for parental leave, you may opt in this period to take the life-course leave for part of your working hours.
- 2 You can take a period of life-course leave once every three years.
- 3 For the financing of your life-course period, you can withdraw any amount you want from your life-course balance. However, your monthly income during your life-course leave cannot exceed your monthly income immediately prior to your period of leave.
- 4 During your life-course leave, you will not be entitled to any of the employment conditions under the KPN Collective Agreement, the KPN company regulations or other arrangements, individual or otherwise. This condition does not apply to risk-based partner pensions. If you have life-course leave for part of your working hours, these entitlements to employment conditions will apply proportionately.
- 5 You must submit a written request to take life-course leave to your manager, not later than three months before the date you want the leave to start.
- 6 Your manager may reject your request on the grounds of compelling company interests. If this occurs, your manager will inform you in writing, explaining the reasons.

2 Using a life-course balance for parental leave

You may use your life-course balance to finance unpaid parental leave. However, your monthly income during your life-course leave cannot exceed your monthly income immediately prior to your period of leave.

3 Taking life-course leave immediately prior to your retirement date

- 1 Life-course leave in this article concerns leave taken immediately before you retire. This leave may be for all or some of your working hours.
- 2 Life-course leave for part of your working hours must be for at least one continuous month.
- 3 For the financing of your life-course period, you can withdraw any amount you want from your life-course balance. However, your monthly income during your life-course leave cannot exceed your monthly income immediately prior to your period of leave.
- 4 During your life-course leave, you will not be entitled to any of the employment conditions under the KPN Collective Agreement, the KPN company regulations or other arrangements, individual or otherwise. This condition does not apply to risk-based partner pensions. If you have life-course leave for part of your working hours, these entitlements to employment conditions will apply proportionately.
- 5 You must submit a written request to take life-course leave to your manager, not later than six months before the date you want the leave to start.

4 Converting your life-course balance to pension

You may use your life-course balance that you do not take up for life-course leave to make an extra contribution to your pension. This is only possible immediately prior to your retirement date. Another condition is that this extra contribution must not lead to an excessive entitlement within the meaning of the Payroll Tax Act 1964.

APPENDIX 4

Flexitime scheme

1 Reason for choosing Flexitime

If you fall under the Chapters 8, 9, 10 or Chapter 11, Flexitime gives you an opportunity to determine your own average working hours per week. If you fall under Chapters 10 or 11, you can reduce your average weekly working hours to 36, 37, 38 or 39 hours. If your job is placed in Chapters 8 or 9, you can opt to work shorter (an average of 36 hours per week) or to work longer (an average of 38, 39 or 40 hours per week). To work longer or shorter hours under these arrangements you need the permission of your manager. Your manager may refuse permission to work longer hours only if there is an insufficient volume of work. He is required to give you the reasons for such a refusal.

2 Participation in this scheme

You can register for Flexitime once per year in MijnHR/ESS. The choice you make will apply throughout the calendar year. Interim changes are not possible unless you move to a different job with different average weekly working hours, for example, from a 37-hour per week job to a 40-hour per week job, or vice versa.

If you join KPN in the course of the calendar year, you will be able to participate in Flexitime as from the first day of a calendar month if you start work on that date. If you join the company on a different day of the month, you can participate in Flexitime from the first day of the next month.

3 Flexitime allowance if you work extra hours

You receive any extra Flexitime hours that you have worked as an allowance each month. This allowance will amount to 2.9% of your monthly salary for each hour worked extra. You accrue pension over this allowance. Have you been given permission to work Flexitime? If so, you may make a once-only choice that for the year 2016 instead of being paid for all Flexitime hours you work, you are compensated in free time for one hour worked. This means that for 2016 you can take 6 free days on which you do not need to work. The intention is that you should plan to take these 6 free days as far as possible during periods during 2016 where your work is relatively quiet. If you wish to exercise this option you should report this in MijnHR/ESS in November/December. If you don't succeed in taking all these hours off as free time, then you will be paid for them in 2016 instead.

4 Adjustment of monthly salary, if you work fewer hours

If you wish to work fewer than the normal working hours of 37 or 40 hours per week, your monthly salary will be reduced proportionately. For example: you normally work 40 hours but under Flexitime wish to work an average of 37 hours per week. Your monthly salary will then be 37/40th part of the monthly salary applicable to an average working week of 40 hours.

5 Continued payment of allowance during work incapacity

If you opted for Flexitime but fall sick, the rules stated in Chapter 5 of this Collective Agreement will apply with regard to continued payment of the Flexitime allowance.

6 Part-time workers

Part-time employees cannot participate in the scheme, but if you are a part-time employee and wish to increase or reduce your working hours, you may submit a request to your manager under the provisions of the Working Hours (Adjustment) Act. If you do this you will be subject to the rules contained in that act.

APPENDICES SPECIFICALLY APPLYING TO KPN EXCEPT FOR (I) EMPLOYEES WHO AFTER 1 APRIL 1996 (APPENDIX 6) OR AFTER 1 APRIL 2000 (APPENDIX 5) AS A RESULT OF A TRANSFER OF UNDERTAKING/MERGER AUTOMATICALLY BECAME EMPLOYEES OF KPN B.V., AND (II) EMPLOYEES WHO ON 31 DECEMBER 2014 FELL WITHIN THE KPN CORPORATE MARKET COLLECTIVE AGREEMENT

APPENDIX 5

Transitional provisions for loss of prospect of pre-pension for employees born on or after 1 January 1950

1 Applicability

This scheme applies to employees born on or after 1 January 1950 and for whom the prospect of the transitional pre-pension provisions, as included in the Collective Agreement that applied on 31 December 2005, has ceased to apply. These employees will be compensated for this in the manner indicated in Article 2.

2 Compensation

An employee shall receive compensation for the loss of the prospect of pre-pension provisions by conditionally being awarded an extra entitlement to pension within the meaning of the 2004 Social Accord Implementation Decree on Pension Matters ('soft pension'). Actual granting and funding takes place on the retirement date. The claim to the conditional entitlement ceases to apply if the employment is terminated before the 'departure date'. The size of the conditional pension is determined once only on 31 December 2005 and based on a departure age and benefit percentage according to the table below.

Year of birth	Departure age	Benefit until the age of 65 as a percentage of the basis for supplements as of 31 December 2005, as referred to in Appendix 8, Article 2, of the KPN Collective Agreement 2004/2005 (in force on 31 December 2005)
1950	62 years	75%
1951	62 years and 2 months	75%
1952	62 years and 4 months	75%
1953	62 years and 6 months	75%
1954	62 years and 8 months	75%
1955	62 years and 10 months	74%
1956	63 years	73%
1957	63 years and 2 months	72%
1958	63 years and 4 months	71%
1959	63 years and 6 months	70%

3 Funding

The following will be taken into account in the calculation of the conditional pension entitlement:

- the pension entitlements of the employee before the age of 65 years which were accrued between 1 April 2000 and 1 January 2006. These entitlements are increased actuarially and paid out from the expected departure age until 65 years;
- the employee's higher pension accrual after the age of 65 until the departure age, in comparison with the accrual under the pension scheme that applied for the employee until 1 January 2006;
- half pension accrual during the period from the departure age until the age of 65 (up to no more than 40 years of participation);
- an allocation with 2% interest accrued by the employer of 1.5% of the employee's salary into the life-course savings account over the period from 1 January 2006 until the departure age.

If the tax scope for this conditional pension entitlement is insufficient, the employee will be granted an extra employer's contribution for life-course savings, so that the said compensation together with the conditional pension commitment can be achieved. If the employee has received the notification referred to in Article 2.2 of the KPN Social Plan 2014-2015 or the corresponding article in a previous KPN Social Plan and the employment contract is terminated for these reasons, the additional

contributions the employer made payable to the relevant employee under the life-course scheme during the employment for the purpose of departure based on the content of this Appendix will be deducted from the payments referred to in Article 3.3 and – where relevant – Article 3.4 of the KPN Social Plan 2014-2015 or the corresponding articles in any previous KPN Social Plan, irrespective of whether or not the employee has transferred these additional employer contributions to a life-course account.

4 Supplementary pre-pension benefit

If the employee had the prospect of a supplementary pre-pension benefit, as referred to in Article 3 of Appendix 8 of Collective Agreement 2004/2005, it will be added to the benefit indicated in the table above.

5 Actual departure date and actual size of benefit

Employees can choose a departure date that precedes their retirement age. An employee who chooses a departure age as indicated in Article 2 shall have a benefit level as stated in Article 2, based on the adopted starting points, from the departure age until the age of 65. However, the actual benefit will be determined on the basis of the actual return on the life-course savings account and the extent to which the (conditional) pension entitlements are indexed.

6 Conditional pension entitlement adjustment

The conditional pension entitlement referred to in Article 2 is adjusted in accordance with the adjustment of the pension entitlements referred to in the KPN Pension Fund rules and regulations.

7 Miscellaneous provisions

An increase in the old-age pension on the basis of any balance in individual pension savings (IPS balance) is not taken into account. If the provisions of Article 18 of the pension scheme rules and regulations of the KPN Pension Fund have been applied in a divorce or upon the termination of cohabitation, this calculation will be made as if the divorce or termination of cohabitation had not taken place.

8 Group health insurance

Participants in the transitional arrangement can continue to participate in the group contract for health insurance taken out by the employer.

APPENDIX 6

Transitional provisions for loss of prospect of early retirement for employees born on or after 1 January 1950

1 Applicability

This scheme applies to employees born on or after 1 January 1950 and for whom the prospect of the voluntary early retirement transitional provisions, as included in the Collective Agreement that applied on 31 December 2005 (who on 31 March 1996 were employed by KPN BV otherwise than as a result of a transfer/merger) has ceased to apply.

These employees will be compensated for this in the manner indicated in Article 2.

2 Compensation

The employee will be compensated for the loss of the prospect of voluntary early retirement. The starting point for the compensation is 75% of the employee's monthly salary, plus the accrued emoluments pension up to 1 January 2006 from the date on which the employee had had a prospect of early retirement (the 'departure date'), by virtue of the Collective Agreement that applied to the relevant employee on 31 December 2005.

The compensation will be realised by means of:

- the employee's higher pension accrual after the age of 65 from 1 January 2006, in comparison with the accrual under the pension scheme that applied for the employee until 1 January 2006;
- conditional granting of an extra pension entitlement, as referred to in the Social Accord Implementation Decree on Pension Matters 2004 ('soft pension'). The size of the conditional pension is determined once only on 31 December 2005. Awarding and financing shall occur at the retirement date, but in any event not later than on 1 January 2021. The claim to the conditional entitlement ceases to apply if the employment is terminated before the 'departure date'.
- If the tax scope for this conditional pension entitlement is insufficient, the employee will be granted an extra employer's contribution for life-course savings, so that the said compensation together with the conditional pension commitment can be achieved. The extra employer's contribution will be granted for the period from 1 January 2006 until the 'departure age'. The starting point for determining the size of this is a return on the life-course savings account of 2%. The size of the contribution will be determined once only on 31 December 2005.
- If the conditional pension entitlement that is granted together with the extra employer's contribution for life-course savings is insufficient for departure on the 'departure date', the employee will be offered the opportunity to take paid leave for the missing period at 75% of the most recent monthly salary plus the emoluments pension. The payment of 75% of the last-earned monthly salary will be increased by 1.15 per cent as at 1 April 2015, if the relevant employee took the paid leave referred to here on 1 April 2015. The increase for the months from April to October 2015 will be allocated and paid no later than October 2015. The increase of the normal working hours as of 1 May 2008 to an average of 40 hours per week for those employees placed in the IT or Sales groups will be disregarded when the salary in the last full month is determined. The effect of the increase of the normal working hours for those employees will be discounted in the emoluments pension. In the case of participants who received payment for additional hours in the 12 months immediately preceding the month in which the paid leave commences, the benefit in the period of paid leave will be increased by the average number of paid additional hours in that period, multiplied by 75% of the salary per hour (including vacation pay) that applies to the participant concerned. For an employee who uses this scheme on or after 1 January 2009, the income determined in this way during the period of paid leave will be increased by 8% because from that date employees covered by the prevailing KPN Collective Agreement will stop receiving vacation allowance. The vacation entitlements the employee accrues during the period of paid leave will be considered to have been taken during this period. These accrued entitlements shall not be paid out upon the termination of the employment contract.

For the purposes of this article, 'monthly salary' also includes placement allowance and/or relocation allowance and the vacation pay on the salary and allowance(s).

If the employee has received the notification referred to in Article 2.2 of the KPN Social Plan 2014-2015 or the corresponding article in a previous KPN Social Plan and the employment contract is terminated for these reasons, the additional contributions the employer made payable to the relevant employee under the life-course scheme during the employment for the purpose of departure based on the content of this Appendix will be deducted from the payments referred to in Article 3.3 and – where relevant – Article 3.4 of the KPN Social Plan 2014-2015 or the corresponding articles in any previous KPN Social Plan, irrespective of whether or not the employee has transferred these additional employer contributions to a life-course account.

3 Actual benefit size

The calculation of the compensation on the grounds of Article 2 is based on a benefit level of 75% plus the emoluments pension. However, the actual benefit will depend on the extent to which the (conditional) pension entitlements are indexed and the actual return on the life-course savings account. In the case of employees who make use of paid leave before leaving at the 'departure age', the benefit during the paid leave will be 75% of the employee's monthly salary plus the emoluments pension.

4 Conditional pension entitlement adjustment

The conditional pension entitlement referred to in Article 2 is adjusted in accordance with the adjustment of the pension entitlements referred to in the KPN Pension Fund rules and regulations.

5 Miscellaneous provisions

An increase in the old-age pension on the basis of any balance in individual pension savings (IPS balance) is not taken into account. If the provisions of Article 18 of the pension scheme rules and regulations of the KPN Pension Fund have been applied in a divorce or upon the termination of cohabitation, this calculation will be made as if the divorce or termination of cohabitation had not taken place.

6 Premium contribution

Employees are obliged to pay a premium of 1.64% of their monthly salary up to the departure date. The premium contribution is calculated on the salary up to the normative salary, vacation pay and any relocation allowance/placement allowance. The premium contribution is deducted monthly from the salary.

7 Pension fund participation

In the case of employees who are participants in the KPN Pension Fund pension scheme on the day before their departure, participation pursuant to the pension scheme rules and regulations of the KPN Pension Fund shall continue. Half the period of paid leave and life-course leave shall count as participation time, insofar as the maximum participation period of 40 years is not exceeded.

8 Group health insurance

Participants in the transitional arrangement can continue to participate in the group contract for health insurance taken out by the employer.

APPENDICES SPECIFIC TO KPN CONTACT

APPENDIX 7

Transitional provisions

A. Agreements concerning OVR1 and OVR2 (2003 Transitional provisions SNT Collective Agreement, amended as of 1 January 2007 and 1 July 2008)

Article 1 Origin and elements of OVR1 and OVR2

OVR1 provides for the 'Transitional arrangements in the context of the start of the KPN Call center company, for KPN employees who are covered by the KPN Collective Agreement and who transferred to the KPN Call center company on 7 April 1999' and 'Transitional measures for employees of the Business telephone post (hereinafter referred to as 'BTP') dated 1 October 2001'. These agreements and measures were given substance upon the establishment of the SNT Collective Agreement 2003, under the name OVR1, by means of a personal gross allowance and schemes that are temporarily in place.

OVR2 provides for the transition from the employment conditions in effect on 31 December 2002 (SNT indirect, SNT Collective Agreement direct, KPN Collective Agreement, KCC Collective Agreement) to the SNT Collective Agreement 2003. OVR2 consists of two personal gross allowances, schemes that have since been bought off and schemes that are temporarily in place.

Article 2 OVR1 personal gross allowance

1. The OVR1 personal gross allowance is part of the monthly income as defined in this Collective Agreement and as such is a basis for pension, vacation allowance actually accrued until 1 January 2012 and benefits while incapacitated for work. The OVR1 supplement will be increased by 8%, once only, on 1 January 2012 as a result of the introduction of the Collective Agreement Budget supplement at KPN Contact.
2. The OVR1 allowance depends on the choice made by the employee, either a fixed amount determined on 31 December 2004 that expires on 31 December 2006 (or on 30 September 2008 for BTP employees), or an amount phased out over time, whereby 11.11% of the value determined on 31 December 2004 is reduced every six calendar months from 1 January 2005 to 1 January 2009 (or from 1 October 2006 to 1 October 2010 for BTP employees) (the 'soft landing').
3. If the employee accepts a higher level position, the temporary allowance is replaced insofar as possible with salary.
4. The OVR1 allowance is nominal as of 1 January 2010. That is to say, it does not change in response to salary increases from this moment.

Article 3 OVR2 personal gross allowance

The OVR2 personal gross allowance comes in two forms:

1. OVR2 salary; OVR2 salary is part of the monthly income as defined in this Collective Agreement and as such is a basis for pension, vacation allowance actually accrued until 1 January 2012 and benefits while incapacitated for work. The OVR2 supplement will be increased by 8%, once only, on 1 January 2012 as a result of the introduction of the Collective Agreement Budget supplement at KPN Contact.
2. OVR2 pension; OVR2 pension is not part of the monthly income as defined in this Collective Agreement.
3. If the employee has not yet reached the maximum of his salary range, an individual salary adjustment may be granted in line with the appraisal system and adjustment table of this Collective Agreement. In that case, the OVR2 personal gross allowance will be replaced insofar as possible with salary.
4. If the employee accepts a higher level position, the allowance is replaced insofar as possible with salary.
5. For employees who have a relative salary position (RSP) of higher than 100% as the result of placement in the salary table of the 2003 SNT Collective Agreement, an appraisal of 'standard / good' results in a salary adjustment of 0%, in deviation from the provisions of Article 39.
6. The OVR2 salary allowance is nominal as of 1 January 2010. That is to say, it does not change in response to salary increases from this moment.

Article 4 Application of general salary increase for employees with an OVR1 allowance and/or OVR2 allowance

Expired as at 1 January 2010

Article 5 Level of the work

During the term of the Collective Agreement the parties will make further agreements in order to ensure that the level of the work performed is in line with the individual monthly salary that applies plus the OVR1 personal gross allowance and/or the OVR2 personal gross allowance.

Article 6 Hourly wage guarantee scheme

A '2002 guaranteed hourly wage' has been determined for every employee in service on 31 December 2002, based on the gross salary and gross hourly wage definition in the employment conditions regime applying to him on 31 December 2002. If the 'gross hourly wage', based on the salary table and hourly wage definition of the Collective Agreement, differs adversely from the 2002 gross guaranteed hourly wage, the '2002 gross guaranteed hourly wage' applies for the following hourly wage-based remuneration elements: additional work supplement, overtime supplement, working times supplement and hourly value of vacation hours. As soon as the new gross hourly wage exceeds the 2002 guaranteed hourly wage, the new, higher gross hourly wage applies.

Article 7 Temporary schemes

For BTP employees who were entitled to the following schemes on 31 December 2002, these will be kept in place until 30 September 2008.

For OVR1:

- 'Perceptive Mental Workload' Scheme

For employees for whom agreements in relation to a reduction of working hours still apply in this context, these agreements will be continued until the end of the term of the OVR1. These agreements expire after this point.

- Company Product Reimbursement Scheme

The employee receives a contribution towards the expenses related to the use of company products at consumer rates of € 4.50 net for every month in which the employee was employed in the calendar year. For OVR1, the contribution is paid out once per year in November.

- Special leave

1. The employee is entitled to leave with continued payment of monthly income for the following events:
 - a. If the employee marries: 4 days;
 - b.
 - Upon the death of the employee's spouse, parent, step-parent, father or mother-in-law, child, step-child or son or daughter-in-law: 4 days;
 - Upon the death of a relative by blood or affinity in the second degree: 2 days;
 - Upon the death of a relative by blood or affinity in the third or fourth degree, at most one day;
 - If the employee is in charge of arranging the funeral or administering the estate or both, leave of at most 4 days;
 - c. Upon the employee's 25th and 40th wedding anniversary, upon the employee's parents', step-parents', in-laws', child's or step-child's 25th, 40th, 50th and 60th wedding anniversary and upon the employee's, employee's spouse's, employee's parent's, employee's step-parent's, employee's mother or father-in-law's, employee's child's or step-child's 25th, 40th and 50th anniversary with the company: one day;
 - d. In order to search for a home in the event of transfer: at most 2 days;
 - In the event of a move after being transferred: 2 days;
 - In the event of a move other than after being transferred: once in a calendar year and at most 2 days;
 - e. In order to satisfy a statutory obligation: the time needed to do so, insofar as this cannot take place in the employee's free time and it is impossible to adjust the employee's working hours. In this case the monthly income will continue to be paid with deduction of any compensation that can be obtained from third parties for these activities.

2. Depending on the concrete situation, the employer may grant the employee special leave with continued payment of the monthly income, if and as long as no other care can be arranged for sick children, a sick spouse or sick parents. The employer will make agreements with the employee on the duration and scope of the leave, whereby the employee is expected to be willing to use vacation and any other restitution in time for the time off.
3. The employer can also grant leave with or without continued payment of monthly income, at the employee's request and under certain conditions, if necessary, in the cases that make this necessary.
4. For the purposes of this article, the person with whom the unmarried employee cohabits as life partner is equated with the employee's spouse. This is only the case, if the employee has informed the employer in writing of this cohabitation.
5. For the purposes of this article, 'official notice of an intended marriage' includes the official notice of a registered partnership as described in Book 1, Article 80a, section 6 of the Dutch Civil Code. For the purposes of this article, 'marriage' includes the registration of a partnership as described in Book 1, Article 80a, section 5 of the Dutch Civil Code.

For OVR1 and OVR2:

- Age-related hours

1. The basic vacation (see Article 29) is increased by 16 hours for a full-time employee who has not yet reached the age of 19 in the particular calendar year.
2. Depending on the age reached by the employee in the particular calendar year, the basic vacation (see Article 29) is increased for the full-time employee in accordance with the table below:

Age	Increase
35 to 44 years	8 hours
45 to 49 years	16 hours
50 to 54 years	24 hours
55 to 59 years	39 hours
60 years or older	47 hours

3. As an exception to the provisions of sections 1 and 2, the table below applies to the full-time employee who was covered by the KCC Collective Agreement on 31 December 2002:

Age	Increase
45 to 49 years	8 hours
50 to 54 years	16 hours
55 years or older	24 hours

The entitlement of an employee as at 31 December 2006 arising from the age-related hours scheme in this appendix is frozen as of 1 January 2007. For BTP employees the entitlement of an employee as at 30 September 2008 is frozen as of 1 October 2008.

- Age-aware personnel policy

1. An employee who is 60 years or older and who performs no paid ancillary work can, if desired, be eligible for a half-hour reduction of working time per day with retention of his monthly salary. For employees aged 63 or older, this reduction is one hour. If organisational reasons make it impossible to grant the reduction each day, alternative compensation in free time may be arranged.
2. The reduction stated in section 1 applies both for an employee with a standard employment contract and for a part-time employee who works the same number of hours per day as an employee with a standard employment contract.

- Reduction in working hours for older employees

1. An employee who:
 - a. is 55 years or older, has a standard employment contract and performs no paid ancillary work, can exercise a right, if desired, to a one-day reduction in the working hours per week, resulting in an average of 32 hours, making him a part-time employee.

- b. is 58 years or older, has a standard employment contract and performs no paid ancillary work, can exercise a right, if desired, to a two-day reduction in the working hours per week, resulting in an average of 24 hours, making him a part-time employee.
2. If and insofar as the employee makes use of the working hours reduction as referred to in section 1 of this article, the accrual of pension and early retirement entitlements is continued as if he were still a full-time employee. The employee's contribution to participation in the pension scheme and the early retirement premium are, in that case, also calculated as if the employee were still a full-time employee.

B.

Article 8 Transitional provision for phase-out arrangements for working at unusual hours (Tot.)

For employees who were entitled to phase-out arrangements for working unusual hours (Tot.) on or after 31 December 2002 and who still benefit from this phase-out scheme, this scheme will remain in place until 31 December 2006 in line with Article 93 of the Collective Agreement 2003-2004.

C. New transitional provisions (Transitional provisions SNT Collective Agreement)

Article 9 Commutation arrangement for working times supplement/ Tot.

1. This commutation arrangement is in effect for the period from the implementation date (expected 1 January 2005) of the quarterly hour standard and the corresponding special remuneration (additional work and overtime compensation and the new working times supplement table) until 1 January 2007.
2. This commutation arrangement exclusively pertains to any deterioration in terms of working times supplement / Tot. The other forms of special remuneration are not included in the commutation arrangement.
3. Employees are eligible if they:
 - are covered by the SNT Collective Agreement;
 - are placed in job group A to H;
 - upon the introduction of the new working times supplement table, experience a deterioration compared to the tables for working times supplement and Tot. of the SNT Collective Agreement 2003.
4. The reference period for which any deterioration is determined is the year 2004. The average working times supplement per month for 2004 based on the SNT Collective Agreement 2003 (tables and system) is compared to the average working times supplement based on the SNT Collective Agreement 2004/2005 (table and system). The negative difference between the SNT Collective Agreement 2003 and the SNT Collective Agreement 2004/2005 serves as basis for the commutation arrangement.
5. The presumed number of months in service in 2005 and the presumed number of months in service in 2006 are set at 12, subject to the provisions of section 8 of this article.
6. In the spring of 2005, the employees that are in service at that time will be granted a lump-sum benefit equal to 12 times the basis.
7. In the spring of 2006, the employees that are in service at that time will be granted a lump-sum benefit equal to 12 times the basis.
8. For employees who leave the company before 1 January 2007 because of VUT, FLO or (pre-) pension entitlements, the commutation arrangement will be calculated for the period from 1 January 2005 until the departure date and paid out according to the tranches above.
9. The current guarantee allowances based on Article 102 of the SNT Collective Agreement 2003 and the individual scheme for 24-hour services in Eindhoven remain in effect for those employees who were still entitled to this on 1 January 2005. During the remaining term of the guarantee schemes, the employee will be paid a lump-sum benefit in the context of this commutation arrangement only on any additional deterioration.
10. For BTP employees, the commutation arrangement is in effect for the period from the implementation date (expected 1 January 2005) of the quarterly hour standard and the corresponding special remuneration (additional work and overtime compensation and the new working times supplement table) until 1 October 2008. In the spring of 2007 and 2008, these employees will be granted a lump-sum extra benefit in the amount of 12 and 9 times the basis, respectively. For VUT, FLO and (pre-) pension, see section 8.

Article 10 Supplementary scheme for reimbursement of travel expenses

Social Plan agreements and individual agreements

1. Social Plan agreements and individual agreements on supplementary travel expense reimbursement expired as of 1 January 2005.
2. The supplementary scheme is in effect from 1 January and the end date of the supplementary agreements from the relevant Social Plan. If the supplement is not based on a Social Plan, the end date of the supplementary scheme is set at 31 December 2006.
3. Employees are eligible if they:
 - a. were eligible for a supplement to the standard travel expense reimbursement until 31 December 2004 on the basis of a Social Plan or individual agreements;
 - b. would receive a lower reimbursement based on the new travel expense reimbursement scheme, assuming a presumed optimal number of travel days (261 workable days per year, less the maximum number of leave days to be taken).
4. For the eligible employees, the difference between the new and old reimbursement will be determined from the implementation date of the new travel expense reimbursement scheme during the term of the original agreements from the Social Plan or, at the latest, to 1 January 2007 if these agreements were not based on a Social Plan. (The new travel expense reimbursement is assessed on the basis of the optimal number of travel days of the employee.)
5. Any difference ascertained will be bridged by payment of a lump-sum advance.
6. An employee with a prospect of VUT/FLO or (pre-) pension receives a supplement for the period up to maximum the start date of the said schemes. If the employee does not exercise this right, the entitlement to the supplementary scheme for travel expense reimbursement is revived.
7. An employee with a fixed-term contract receives a supplement for the period up to maximum the end date of the said contract. If the employee's contract is extended, the entitlement to the supplementary scheme for travel expense reimbursement is revived.
8. For employees who have been granted an annual public transport/train pass in the context of a Social Plan, any payroll tax or national insurance contributions owed on the supplement are payable by the employer.
9. For employees who received a supplement to the travel expenses for own transport until 31 December 2004, any payroll tax and national insurance premiums owed on the supplement are at the employee's expense.
10. If the employee leaves the company during the period for which the supplement is calculated, any payroll tax and national insurance premiums owed on the supplement are payable by the employee.

APPENDIX 8

Transitional provisions for loss of prospect of pre-pension for employees born on or after 1 January 1950

Article 1 Applicability

This scheme applies to employees born on or after 1 January 1950 and for whom the prospect of the transitional pre-pension provisions in effect on 30 September 2005 have ceased to apply. These employees will be compensated for this in the manner indicated in Article 2.

Article 2 Compensation

An employee shall receive compensation for the loss of the prospect of pre-pension provisions by conditionally being awarded an extra entitlement to pension within the meaning of the 2004 Social Accord Implementation Decree on Pension Matters ('soft pension'). Actual granting and funding takes place on the retirement date. The claim to the conditional entitlement ceases to apply if the employment is terminated before the 'departure date'. The size of the conditional pension is determined once only on 31 December 2005 and based on a departure age and benefit percentage according to the table below.

Year of birth	Departure age	Benefit until the age of 65 as a percentage of the basis for supplements as of 31 December 2005 (scale salary, vacation pay, OVR1, OVR2 salary)
1950	62 years	75%
1951	62 years and 2 months	75%
1952	62 years and 4 months	75%
1953	62 years and 6 months	75%
1954	62 years and 8 months	75%
1955	62 years and 10 months	74%
1956	63 years	73%
1957	63 years and 2 months	72%
1958	63 years and 4 months	71%
1959	63 years and 6 months	70%

Article 3 Funding

The following will be taken into account in the calculation of the conditional pension entitlement:

- the pension entitlements of the employee before the age of 65 which were accrued between 1 April 2000 and 1 January 2006. These entitlements are increased actuarially and paid out from the expected departure age until 65 years;
- an allocation by the employee to the life-course account, increased by 2% interest, for the period from 1 January 2006 until the departure age, in the amount of the lowering of the pension premium from 33% of the BPR sliding scale (62 years old) to 15% of the BPR sliding scale (65 years old) as of 1 January 2006;
- half pension accrual during the period from the departure age until the age of 65 (up to no more than 40 years of participation).

If the tax scope for this conditional pension entitlement is insufficient, the employee will be granted an extra employer's contribution for life-course savings, so that the said compensation together with the conditional pension commitment can be achieved. If the employee has received the notification referred to in Article 2.2 of the KPN Social Plan 2014-2015 or the corresponding article in a previous KPN Social Plan and the employment contract is terminated for these reasons, the additional contributions the employer made payable to the relevant employee under the life-course scheme during the employment for the purpose of departure based on the content of this Appendix will be deducted from the lump sum payments that the employee may be entitled to pursuant to Article 3.3 and – where relevant – Article 3.4 of the KPN Social Plan 2014-2015 or the corresponding articles in any previous KPN Social Plan, irrespective of whether or not the employee has transferred these additional employer contributions to a life-course account.

Article 4 Supplementary pre-pension benefit

If the employee had the prospect of a supplementary pre-pension benefit, as referred to in Article 3 of Appendix 11 of the 2014 KPN Collective Agreement, it will be added to the benefit indicated in the table above.

Article 5 Actual departure date and actual size of benefit

Employees can choose a departure date that precedes their retirement age. An employee who chooses a departure age as indicated in Article 2 shall have a benefit level as stated in Article 2, based on the adopted starting points, from the departure age until the age of 65. However, the actual benefit will be determined on the basis of the actual return on the life-course savings account and the extent to which the (conditional) pension entitlements are indexed.

Article 6 Conditional pension entitlement adjustment

The conditional pension entitlement referred to in Article 2 is adjusted in accordance with the adjustment of the pension entitlements referred to in the regulations of the Stichting Pensioenfondsen KPN (KPN Contact pension scheme).

Article 7 Miscellaneous provisions

An increase in the old-age pension on the basis of any balance in individual pension savings (IPS balance) is not taken into account. If the provisions of Article 7 of the regulations of the Stichting Pensioenfondsen KPN (KPN Contact pension scheme) and/or Article 18 of the regulations of the KPN Pension Fund have been applied in the event of a divorce or upon the termination of cohabitation, this calculation will be made as if the divorce or termination of cohabitation had not taken place.

Article 8 Group health insurance

Participants in the transitional arrangement can continue to participate in the group contract for health insurance taken out by the employer.

APPENDIX 9

Transitional provisions for loss of prospect of early retirement for employees born on or after 1 January 1950

Article 1 Applicability

This scheme applies to employees born on or after 1 January 1950 and for whom the prospect of the transitional provisions for voluntary early retirement in effect on 30 September 2005 has ceased to apply.

These employees will be compensated for this in the manner indicated in Article 2.

Article 2 Compensation

The employee will be compensated for the loss of the prospect of voluntary early retirement. The starting point for the compensation is a benefit of 75% of the scale salary, OVR1 and OVR2 salary plus the emoluments pension accrued up to 1 July 2004 from the date on which the employee had had a prospect of early retirement (the departure date), by virtue of the Collective Agreement that applied to the relevant employee on 30 September 2005.

The compensation will be realised by means of:

- conditional granting of an extra pension entitlement, as referred to in the Social Accord Implementation Decree on Pension Matters 2004 ('soft pension'). The size of the conditional pension is determined once only on 31 December 2005. Actual granting and funding takes place on the retirement date. The claim to the conditional entitlement ceases to apply if the employment is terminated before the departure date;
- If the tax scope for this conditional pension entitlement is insufficient, the employee will be granted an extra employer's contribution for life-course savings, so that the said compensation together with the conditional pension commitment can be achieved. The extra employer's contribution will be granted for the period from 1 January 2006 until the 'departure age'. The starting point for determining the size of this is a return on the life-course savings account of 2%. The size of the contribution will be determined once only on 31 December 2005;
- If the conditional pension entitlement that is granted together with the extra employer's contribution for life-course savings is insufficient for departure on the departure date, the employee will be offered the opportunity to take paid leave for the missing period at 75% of the most recent scale salary earned, OVR1 and OVR2 salary, plus the emoluments pension accrued to 1 July 2004. The payment of 75% of the last-earned scale salary, OVR 1 and OVR 2 salary plus the emoluments pension accrued to 1 July 2004 will be increased by 1.15 per cent as at 1 April 2015, if the relevant employee took the paid leave referred to here on 1 April 2015. The increase for the months from April to October 2015 will be allocated and paid no later than October 2015. In the case of participants who received payment for additional hours in the 12 months immediately preceding the month in which the paid leave commences, the benefit in the period of paid leave will be increased by the average number of paid additional hours in that period, multiplied by 75% of the salary per hour (including vacation pay) that applies to the participant concerned. The vacation entitlements the employee accrues during the period of paid leave will be considered to have been taken during this period. These accrued entitlements shall not be paid out upon the termination of the employment contract.

In this article the scale salary is regarded as including the vacation pay on the scale salary.

If the employee has received the notification referred to in Article 2.2 of the KPN Social Plan 2014-2015 or the corresponding article in a previous KPN Social Plan and the employment contract is terminated for these reasons, the additional contributions the employer made payable to the relevant employee under the life-course scheme during the employment for the purpose of departure based on the content of this Appendix will be deducted from the lump sum payments that the employee may be entitled to pursuant to Article 3.3 and – where relevant – Article 3.4 of the KPN Social Plan 2014-2015 or the corresponding articles in any previous KPN Social Plan, irrespective of whether or not the employee has transferred these additional employer contributions to a life-course account.

Article 3 Actual benefit size

The starting point for determining the compensation on the grounds of Article 2 is a benefit level of 75%. However, the actual benefit will depend on the extent to which the (conditional) pension entitlements are indexed and the actual return on the life-course savings account. In the case of employees who make use of paid leave before leaving at the departure age, the benefit during the

paid leave will in any event be 75% of the employee's scale salary, OVR1 and OVR2 salary plus the emoluments pension accrued to 1 July 2004.

Article 4 Conditional pension entitlement adjustment

The conditional pension entitlement referred to in Article 2 is adjusted in accordance with the adjustment of the pension entitlements referred to in the regulations of the Stichting Pensioenfonds KPN (KPN Contact pension scheme).

Article 5 Miscellaneous provisions

An increase in the old-age pension on the basis of any balance in individual pension savings (IPS balance) is not taken into account. If the provisions of Article 7 of the regulations of the Stichting Pensioenfonds KPN (KPN Contact pension scheme) and/or Article 18 of the pension scheme have been applied in the event of a divorce or upon the termination of cohabitation, this calculation will be made as if the divorce or termination of cohabitation had not taken place.

Article 6 Premium contribution

Employees are obliged to pay a premium of 1.64% of their monthly salary up to the departure date. The premium contribution is calculated on the salary up to maximum the final salary and the vacation pay. The premium contribution is deducted monthly from the salary.

Article 7 Pension fund participation

In the case of employees who are participants in the Stichting Pensioenfonds KPN (KPN Contact pension scheme) on the day before their departure, participation pursuant to the pension scheme of this pension fund shall continue. Half the period of paid leave and life-course leave shall count as participation time, insofar as the maximum participation period of 40 years is not exceeded.

Article 8 Group health insurance

Participants in the transitional arrangement can continue to participate in the group contract for health insurance taken out by the employer.

APPENDIX 10

Article 1 Scope of application

As of 1 July 2006, the Collective Agreement for KPN Contact and SNT Nieuw 1 October 2005 to 1 January 2007 and the Agreement on transitional agreements below dated 27 April 2006 apply to employees employed by KCC Nederland BV (business division KPN Contact) after transfer from KPN Telecom B.V. and/or KPN Mobile The Netherlands B.V. (business division Consumer Market Telephone Customer Feedback KPN (KR) and/or KPN Mobile Contact Center (KMCC)). The provisions of the Collective Agreement for Koninklijke KPN N.V. are not applicable to these employees from 1 July 2006.

Article 2 Agreement on transitional agreements KPN-KPN Contact dated 27 April 2006

Parties:

KCC Nederland B.V. in The Hague, represented in this matter by Mr H.J.M. Knaapen, director of Human Resources KPN N.V.

and

- ABVAKABO FNV, in Zoetermeer, represented in this matter by Ms D.T.C. Wiek-Meulman
- Union of Telecom Employees, in Leidschendam, represented in this matter by Mr R. Pol
- CNV Publieke Zaak, in The Hague, represented in this matter by Ms B.J. Bakker
- CMHF/VPP, in The Hague, represented in this matter by Mr. R. Koopman (referred to hereinafter collectively as: 'the trade unions'),

Whereas:

- On 1 July 2006, KPN employees employed at Consumer Market Telephone Customer Feedback KPN and KPN Mobile Contact Center transfer to KCC Nederland B.V. (business division KPN Contact), where the KPN Contact Collective Agreement applies;
- The KPN Contact Collective Agreement applies to these employees from the date of transfer;
- There are differences between the KPN Contact Collective Agreement and the package of employment conditions of the relevant employees;
- The parties have reached agreement concerning these differences;

The parties are agreed that:

1 Transfer of employees

The relevant employees transfer to KCC Nederland B.V. with retention of the character of the current employment contract (fixed term/indefinite term) and with retention of the service years they have accrued. From the moment of transfer, the KPN Contact Collective Agreement, subject to the amendments to this over time and the transitional agreements included in this agreement apply.

2 Working hours

The standard working hours are 40 hours combined with a standard leave right of 292 hours based on the KPN Contact Collective Agreement. Age-related hours at KPN expire with the transfer to the KPN Contact Collective Agreement. During 2006 and 2007, however, the employee still accrues age-related days in accordance with the KPN Collective Agreement 2006/2007. The salary, income and hourly wage definitions of the KPN Contact Collective Agreement will apply to the employees.

2.1 Categorisation and placement in the salary scale

Employees will be categorised and placed in the KPN Contact salary scales on the basis of the job grading system of the KPN Contact Collective Agreement. Employees will be placed in the salary scale based on the placement income. The placement income is the gross salary as of 30 April 2006 (excluding compensation for payment of pension premium at KPN) plus any special allowance and any relocation allowance. The gross salary is therefore increased based on the increments table as of 1 January 2006 as included in the KPN Collective Agreement 2006-2007. The placement income is

multiplied by the factor net working hours KPN Contact / net working hours KPN. The term 'net working hours' is defined as the gross working hours on an annual basis less 292 KPN Contact leave hours or 195 KPN vacation hours, respectively. Finally, this amount is increased by the premium for the WIA supplementary insurance and an amount equal to what the employee must pay as personal contribution to pension at KPN Contact. For employees born before 1 January 1950 this is 33% of the Defined Premium applicable for them; for employees born on or after 1 January 1950, this is 15%. For employees who had a prospect of voluntary early retirement based on the KPN Collective Agreement 2004-2005 and who were born before 1 January 1950, this percentage is also 15%.

The result of this calculation is the placement income. The placement income is placed in the applicable KPN Contact salary scale. If the placement income is lower than the starting salary of the relevant salary scale, the employee is granted the starting salary. If the placement income exceeds the relevant final salary (for scales G and higher this is an RSP of 110), the excess is converted into a placement allowance.

For full-time employees the working hours are determined in line with the KPN Contact standard working hours of 40 hours per week. Part-time employees continue to work the same number of hours worked at KPN. Their salaries are determined proportionately to the standard working hours in the KPN Contact Collective Agreement. Consequently, the salary turns out to be lower. This is compensated, however, by increasing the number of leave hours.

The salary and any placement allowance will be increased after 1 May 2006 in line with the system of the KPN Contact Collective Agreement. The placement allowance becomes a nominal amount as of 1 January 2010 however. This placement allowance will be increased by 8%, once only, on 1 January 2012 as a result of the introduction of the Collective Agreement Budget supplement at KPN Contact.

2.2 Placement allowance and future salary increases

The placement allowance is part of the monthly income as referred to in the KPN Contact Collective Agreement. In the event of sickness or leave, this allowance continues to be paid in accordance with the provisions stipulated for this in the KPN Contact Collective Agreement. The allowance is taken into account when determining the hourly salary. The amount of the allowance is determined once only. During the years 2006 and 2007 this amount is increased by the general salary increase as agreed in the Collective Agreement for KPN Contact. After this the allowance changes in response to salary increases, in the sense that as of the date of a salary increase based on Article 38 or Article 40 of this Collective Agreement, 50% of this increase will be granted on the total amount in monthly salary plus placement allowance. This allowance will become a nominal amount and no longer change in response to salary increases with effect from 1 January 2010. If the employee advances to a higher salary scale, the placement allowance will be decreased proportionate to the increase in the salary. Employees who have an RSP of higher than 100% as a result of placement in the KPN Contact salary scale receive an individual salary adjustment of 0% if they receive a performance appraisal score of standard/good.

2.3 Voluntary early retirement

For employees who had a prospect of voluntary early retirement based on the KPN Collective Agreement 2004-2005, this prospect of voluntary early retirement is respected in the same way provided for in the KPN Collective Agreement 2006-2007.

Employees born before 1 January 1950

The transitional arrangement included in Appendix 11a of the KPN Collective Agreement 2006-2007 remains in place for employees born before 1 January 1950. Employees are required to pay an unchanged voluntary early retirement premium.

Employees born on or after 1 January 1950

The transitional arrangement for voluntary early retirement has expired for employees born on or after 1 January 1950. The relevant employees are compensated for this in the same way provided for in Appendix 11b of the KPN Collective Agreement 2006-2007, on the understanding that Article 2, third bullet, line 4 should read as follows: '(...) 75% of his monthly salary in December 2005' (...) increased by the general salary increases that are agreed in the KPN Contact Collective Agreement until the

departure date. Employees are obliged to pay a personal contribution of 1.64% up to the departure date.

Employees who, in 2007, are able to use the former early retirement scheme as referred to here will continue to participate in the KPN Pension Fund and will therefore not participate in the SNT Pension Fund. As a result of this, in deviation from the provisions of Article 2.2, for these employees the gross salary from KPN will not be reduced by the compensation for payment of the pension premium at KPN. Nor will the amount specified there be increased by an amount equal to what the employee must pay in personal contribution to pension at KPN Contact, since the employee will continue to pay the KPN Pension premium for which he has already been compensated in his gross salary from KPN.

2.4 Pre-pension

For employees who had a prospect of pre-pension based on the KPN Collective Agreement 2004-2005, this prospect of pre-pension is respected in the same way provided for in the KPN Collective Agreement 2006-2007.

Employees born before 1 January 1950

The transitional arrangement included in Appendix 10a of the KPN Collective Agreement 2006-2007 remains in place for employees born before 1 January 1950.

Employees born on or after 1 January 1950

The transitional arrangement for pre-pension has expired for employees born on or after 1 January 1950. The relevant employees are compensated for this in the same way provided for in Appendix 10b of the KPN Collective Agreement 2006-2007.

Employees who, in 2007, are able to use the former pre-pension scheme as referred to here will continue to participate in the KPN Pension Fund and will therefore not participate in the SNT Pension Fund. As a result of this, in deviation from the provisions of Article 2.2, for these employees the gross salary from KPN will not be reduced by the compensation for payment of the pension premium at KPN. Nor will the amount specified there be increased by an amount equal to what the employee must pay in personal contribution to pension at KPN Contact, since the employee will pay the KPN Pension premium for which he has already been compensated in his gross salary from KPN.

2.5 Life-course savings

KPN Contact does not grant an employer contribution to the Life-course savings scheme. During 2006 and 2007, the employee born on or after 1 January 1950 will receive a benefit for the life-course savings in the amount of 2% of 12 times his monthly salary plus any placement allowance from September 2006 and 2007, respectively. This percentage is 0.5% per year for employees born before 1 January 1950.

The above applies regardless of any contribution into life-course savings that may be agreed in the SNT Nieuw/KPN Contact Collective Agreement 2007. The benefit will be granted to an employee who is employed by KCC Nederland B.V. on 1 September 2006 and 1 September 2007, respectively, and will be paid with his salary for September 2006 and September 2007, respectively.

Employees born after 1 January 1950 to whom the provisions of Article 2.5 apply receive a one-time benefit of 0.5%, in deviation from the provisions of the previous paragraph.

Article 3 Other employment conditions

3.1 Individual salary adjustment

The system included in the KPN Contact Collective Agreement applies for the determination of the annual salary adjustment from 1 January 2007.

3.2 Results-based compensation

KPN Contact does not have a similar Results-based compensation scheme. In terms of results-based compensation for 2006 and 2007 (payment in 2007 and 2008, respectively), employees receive a payment of 3% of 12 times their monthly salary plus any placement allowance from December 2006 and December 2007, respectively. The payment is made in January 2007 and January 2008, respectively, if the employee is employed by KCC Nederland B.V. on 1 January 2007 and 1 January 2008, respectively.

3.3 Employment conditions provisions concerning absenteeism

The KPN Contact Collective Agreement has absenteeism measures that limit leave and a bonus/deduction scheme in the context of limiting absenteeism. These schemes shall apply to the employees.

3.4 Working hours supplement

Employees will be covered by the KPN Contact working times supplement scheme as of the transfer date. This scheme replaces the Allowance for working unusual hours (Tot.). If the Tot. scheme from the KPN Collective Agreement 2006/2008 would have resulted in a higher amount than the employee received based on the Working times supplement scheme in 2006 or 2007, this difference is compensated for the years 2006 and 2007. This compensation is provided in the form of a subsequent payment at the beginning of 2007 or 2008, respectively.

3.5 Overtime supplement

Employees will be covered by the KPN Contact overtime scheme as of the transfer date. If the overtime scheme from the KPN Collective Agreement 2006/2008 would have resulted in a higher compensation in 2006 or 2007, respectively, than the employee received based on the Overtime scheme under the KPN Contact Collective Agreement, whereby the allowance received on the basis of the working times scheme is also taken into account, this difference is compensated. This compensation is provided in the form of a subsequent payment at the beginning of 2007 or 2008, respectively.

3.6 Commuting expenses reimbursement scheme

The commuting expenses reimbursement scheme included in the KPN Contact Collective Agreement applies as of the transfer date. The loss of the reimbursement is compensated over a period of maximum two years for employees who travel 10 kilometres or less between home and work (one way). The commutation amount is paid out in two equal parts to employees employed by KCC Nederland BV on 1 September 2006 and 1 September 2007, respectively, and will be paid with the salary for September 2006 and September 2007, respectively.

3.7 Discount on company products

The KPN Contact Collective Agreement does not have a scheme for discounts on company products. The employee may utilise the Company Products Discount scheme from the KPN Collective Agreement during 2006, 2007 and 2008.

3.8 Vacations

Employees can bring their accrued entitlements to vacation hours with them to KPN Contact.

3.9 Employee option schemes

After the date of transfer, the options granted to employees may be exercised throughout the full remainder of the exercise period, once these become eligible for exercise.

3.10 Supplementary work incapacity pension

Employees who currently receive an allowance as a result of their 'supplementary incapacity pension' will retain this allowance at KPN Contact.

3.11 Guaranteed hourly wage

The 'guaranteed hourly wage' is taken into account for the payment of the additional work supplement, the working times supplement and the overtime supplement as referred to in the KPN Contact Collective Agreement.

The guaranteed hourly wage is the employee's hourly wage applicable for him in May 2006 at KPN on the basis of the KPN Collective Agreement. For the avoidance of doubt: the guaranteed hourly wage is exclusively calculated for the three supplements mentioned. The guaranteed hourly wage is therefore not paid for the worked hour for which the supplement applies and also not as an hourly wage for the part-time employee for instance.

3.12 One-time payment

In January 2008 the employee receives a one-time payment of 75% of the monthly salary plus any placement allowance applicable at that time, if he is employed by KCC Nederland BV on 1 January 2008.

3.13 Individual commitments

Individual agreements between the employee and KPN recorded in writing may only be amended in consultation with the relevant employee.

3.14 Changing legislation and regulations

In the event of drastic changes to legislation or regulations which impact the provisions of these transitional arrangements, the parties may decide to make interim revisions.

3.15 Reorganisations

In the event a reorganisation takes place at KPN Contact in 2006 and/or 2007 whereby employees become supernumerary, the parties will meet at that point to make supplementary agreements on top of the current 'SNT Social Plan'.

Drawn up and signed in eight copies,
on 16 May 2006 in The Hague;

on behalf of KCC Nederland B.V.:

drs. H.J.M. Knaapen
director of Human Resources KPN N.V.

on behalf of the trade unions:

D.T.C. Wiek-Meulman
ABVAKABO FNV in Zoetermeer

R. Pol
Union of Telecom Employees in Leidschendam

drs. B.J. Bakker
CNV Publieke Zaak in The Hague

meester R. Koopman
CMHF VHP-KPN & TPG in The Hague

APPENDIX 11

Purposes for individual assignment of vacation entitlement (Article 3.7)

Article 1 General

1. Employees with individually assigned vacation entitlements (Article 3.7) have the option of matching the design of their individual employment conditions package with their personal needs and requirements each year, within the limits set for this, by deploying the individual vacation hours assigned to them. The exchange takes place on the basis of cost-neutrality for the employer.
2. An employee with full disability benefits pursuant to the WIA is excluded from this.
3. Employees who are partially incapacitated for work within the meaning of the WIA and who work fewer hours than a full-time employee are treated as part-time employees for the hours they actually work.
4. The purposes that can be chosen are described in Articles 4 to 7.
5. An exchange cannot lead to a change in the total scale of the individual employment conditions package, nor can the individual choices alter the other rights and obligations of the employer and the employee in respect of each other.

Article 2 Definitions

1. Vacation hours: the hours described in Article 3.7.
2. Gross salary: the monthly salary, described in Article 1.1(d).
3. Hourly value: the gross hourly salary plus a financial supplement of 33%. For employees who are entitled to a guaranteed gross hourly wage pursuant to the transfer agreements in relation to the incorporation in the SNT Collective Agreement 2003, this guaranteed gross hourly wage plus the financial supplement of 33% is deemed to be the hourly value.

Article 3 Choices

1. The employee is given a once-only opportunity two months prior to the start of the calendar year to give notice of his choices for that calendar year, in writing. The choices may not be changed in the course of the year.
2. The employer will honour the choices made by the employee, unless there are explicit objections to this on the grounds of serious business interests.

The Purposes

Article 4 Gross salary

1. The employee may exchange vacation hours for gross salary.
2. The gross salary chosen will be paid out as a gross lump sum in the month of May of the year for which the choice applies, through the sale of vacation hours for the hourly gross salary applying at that time, plus the financial supplement in accordance with Article 2.

Article 5 Long-term leave

1. The employee may deploy vacation hours each year to save for a consecutive period of long-term leave.
3. The total leave saved and the vacation hours/compensation hours on the statement of vacation hours may not exceed 50 times the weekly working hours at the end of a calendar year, in compliance with the fiscal maximum set in Article 11(1) (r) of the Payroll Tax Act.
4. The limitation term of 5 years, as referred to in Book 7, Article 642 of the Dutch Civil Code, does not apply for the leave savings.
5. Long-term leave cannot be taken within a year prior to the commencement of the old-age pension or an early retirement facility.
6. The consecutive leave period may not exceed 13 times the agreed weekly working hours.

7. The employee may take up the saved hours, as referred to in section 1, no more than once every four years.
8. The employee may submit a written request to the employer no later than six months prior to the commencement date of the long-term leave.
9. The employer must grant or reject the employee's application in writing, stating the reasons, no later than one month following the submission of the employee's written request.
10. The employer will grant the request for long-term leave, unless there are compelling business interests to justify refusal.
11. Immediately following the commencement of the long-term leave, all expenses or allowances relating to the performance of the job and facilities will be halted.
12. The employee has a guarantee that following the completion of the long-term leave, he may return to his former position, unless the employer and employee reach other agreements in that regard.
13. In the event of long-term leave, the income for days taken will be determined on the basis of the monthly income, as defined in the Collective Agreement, that would be enjoyed for normal work.
14. If the employee becomes sick during the leave period, the procedure described in the brochure entitled 'KPN, A Healthy Company' must be followed. The leave period will be suspended during the period of sickness.

Article 6 Salary savings

1. In addition to the regular salary savings scheme, the employee may deploy vacation hours to finance salary savings, in compliance with the provisions of the SNT salary savings scheme, in observance of the fiscal maximum.
2. The hourly value is defined in accordance with the provisions of Article 2 of this scheme.
3. This Article lapsed on 1 January 2012 as a result of amended legislation.

Article 7 Pension

1. In addition to the regular possibilities of the pension scheme for extra pension contributions, the employee may deploy vacation hours to improve his pension, subject to the relevant regulations of Stichting Pensioenfonds KPN (KPN Contact pension scheme) and the statutory and fiscal possibilities and limits.
2. The hourly value is defined in accordance with the provisions of Article 2 of this scheme.

Article 8 Buying and selling vacation hours in the same year

Vacation hours may not be sold pursuant to this Appendix in the same year as extra vacation hours are purchased on the grounds of the Collective Agreement Budget supplement (Article 4.9).

Article 9 Consequences

1. The employee is personally responsible for the consequences of his choice(s).
2. If the vacation hours are deployed for the purpose of gross salary, these hours are paid as a lump sum in the month of May of the year for which the choice applies. This is treated as gross salary before the wage tax and social insurance and employee contributions.
3. If the vacation hours are deployed for a purpose other than gross salary, this has no consequences for the gross salary, wage tax and social insurance and employee contributions.

Article 10 Request, application procedure and decisions

1. The employee gives notice of his choice by completing and signing an application form for that purpose. The form must be signed for consent by the employee's manager. The employee sends the application form to the HR Department, which further processes it.
2. The choice is fixed for one calendar year and may not be changed in the interim. A change in the number of hours of employment has consequences only for the following calendar year.

Article 11 Switch from Collective Agreement to Above Collective Agreement

If an employee transfers to a position valued at 'Above Collective Agreement' and has saved vacation hours, individual agreements will be reached on their deployment.

Article 12 Termination of employment

On termination of the employment contract, the saved hours as referred to in Article 5 will be paid out at the rate of the gross hourly salary at that time. To the extent that the hours have been deployed on the basis of leave rights since 2003, the supplement referred to in Article 2 applies. The statutory deductions will be made from the payout.

Article 13 Change in personal circumstances

The employee is required to report each change in his personal circumstances that could affect the application of the purposes chosen to the employer, in writing, without delay.

Article 14 Tax legislation

If changes in tax legislation affect the content of this Appendix, lapsed net benefits for the employee will not be converted to a gross amount.

Article 15 Hardship clause

The employer shall decide in all cases for which this Appendix does not provide.

**APPENDICES CONCERNING:
CHANGES TO DIVISION OF CHAPTERS AS OF 1 NOVEMBER 2014
INTRODUCTION OF CUSTOMER EXPERT CHAPTER AS OF 1 NOVEMBER 2014**

APPENDIX 12

Transitional provisions for employees who as at 31 October 2014 have been placed in the IT group and as at 1 November 2014 in the General group

1 Application

These transitional provisions apply to you if, following the transition of the IT group to the General group you are placed in the General group.

2 Working hours

- 1 Are you a part-time employee as at 31 October 2014 and are your normal working hours 37 hours per week or less? Your working hours and salary remain unchanged as a result of your transfer to the General group.
- 2 Are you as at 31 October 2014 a full-time employee or a part-time employee whose normal working hours are 37 hours per week or more? As of 1 November 2014:
 - a. you have a full-time employment contract for 37 hours per week;
 - b. your salary is adjusted pro rata these 37 hours;
 - c. up to the end of 2017 you are guaranteed entitlement to Flextime in accordance with the amount specified in your employment contract as at 31 October 2014, unless you indicate that you do not want this.

3 Variable remuneration

As of 1 November 2014 your bonus percentage will be 1.5 percentage points lower than on 31 October 2014 as a result of your transfer to the General group. For this reason, as at 1 November 2014 you will be paid an allowance of 0.6% of your salary for October 2014, after correction for your new working hours as of 1 November 2014.

This allowance is not indexed and also not varied in line with salary increases, with the proviso that in the case of a change to a higher salary scale within KPN the amount of the allowance will be converted to salary insofar as the normative salary is not yet reached on the new scale. This allowance is the basis for calculating the Collective Agreement Budget, the variable remuneration, pension accrual, and hours-related supplements as allocated by KPN and is still paid in the event of sick leave. For this specific situation this allowance is also the basis for any Social Plan calculation.

4 Collective Agreement Budget

If Article 2 section 2 applies to you, you will receive for the duration of your Flextime guarantee an additional monthly gross supplement.

The amount of this supplement is the difference between:

- your gross monthly salary* based on the number of hours for which you were employed as on 31 October 2014 (40, 39 or 38 hours) and the Collective Agreement budget on the basis of this number of hours, and
- your gross monthly salary* based on 37 hours, the Collective Agreement budget based on 37 hours, and the actual number of hours of Flextime as at 1 November 2014.

This monthly gross supplement is calculated once only and not adjusted during the period of the Flextime guarantee. This supplement is not pensionable.

It also covers any placement allowance and/or transfer allowance.

5 Additional transitional measure for variable remuneration

If Article 2 section 2 applies to you, you will receive as from 1 November 2014 for the duration of your Flextime guarantee an additional annual KPN Plan remuneration. This is calculated by multiplying the Flextime allowance you receive in the relevant year excluding vacation allowance (8%) by the bonus opportunity times the collective bonus percentage times the modifier (all as specified in Appendix 1A-1

and 1A-2). You receive this additional payment in the month after the KPN Plan is paid out in the relevant year.

APPENDIX 13

Transitional provisions for employees who as at 31 October 2014 have been placed in the Strategic Recruitment group and as at 1 November 2014 in one of the General, Retail, Sales or Customer Expert groups

1 Application

These transitional provisions apply to you if, following the transition of the Strategic Recruitment group to the General, Retail, Sales or Customer Expert groups you are placed within one of such groups.

2 Working hours

Are you placed in a group for which as at 1 November 2014 a normal working week of 37 hours applies? As of 1 November 2014:

- a. you have a full-time employment contract for 37 hours per week;
- b. your salary is adjusted pro rata these 37 hours;
- d. for the duration of the Young Talent Program you are guaranteed entitlement to three hours' Flexitime unless you indicate that you do not want this.

3 Salary scale

As at 1 November 2014 you will be placed in the scale that applies to your job title. If on 31 October 2014 the provisions of Article 4.3, section 5 applied to you and the period specified in that section has not expired on 1 November 2014, that section continues to apply to you.

4 Collective Agreement Budget

If Article 2 applies to you, then you will be paid an additional monthly gross supplement during the Young Talent Program.

The amount of this supplement is the difference between:

- your gross monthly salary* based on the number of hours for which you were employed as on 31 October (40, 39 or 38 hours) and the Collective Agreement budget on the basis of this number of hours, and
- your gross monthly salary* based on 37 hours, the Collective Agreement budget based on 37 hours, and the actual number of hours of Flexitime as at 1 November 2014.

This monthly gross supplement is calculated once only and not adjusted during the period of the Flexitime guarantee. This supplement is not pensionable.

It also covers any placement allowance and/or transfer allowance.

5 Additional transitional measure for variable remuneration

If Article 2 applies to you, then you will be paid an additional KPN Plan payment during the Young Talent Program. This is calculated by multiplying the Flexitime allowance you receive in the relevant year excluding vacation allowance (8%) by the bonus opportunity times the collective bonus percentage times the modifier (all as specified in Appendix 1A-1 and 1A-2). You receive this additional payment in the month after the KPN Plan is paid out in the relevant year.

APPENDIX 14

Transitional provisions for employees who as at 31 October 2014 have been placed in Chapter 13 (staff directly employed by KPN Contact on 31 December 2014) and as of 1 November 2014 in the General group

Working hours

- 1 Are you a part-time employee as at 31 October 2014 and are your normal working hours 37 hours per week or less? Your working hours and salary remain unchanged as a result of your transfer to the General group.
- 2 Are you as at 31 October 2014 a full-time employee or a part-time employee whose normal working hours are 37 hours per week or more? As of 1 November 2014:
 - a. you have a full-time employment contract for 37 hours per week;
 - b. your salary is adjusted pro rata these 37 hours;
 - c. up to the end of 2017 you are guaranteed entitlement to Flextime in accordance with the amount specified in your employment contract as at 31 October 2014, unless you indicate that you do not want this.

APPENDIX 15

Criteria for Customer Expert salary grades

You are placed in the Customer Expert group on the basis of your work and the following criteria:

- You have contact with unspecified customers/random customers via a general customer input. This contact is made over the telephone, online, chat, e-mail, letters, etc. You have no face-to-face-contact except for webcam contact.
- You answer service questions about, for example, service, breakdown, usage, invoicing, complaints and sales activities.
- You provide back office support (order and ticket management) and/or perform second-line activities and/or you have a specialism (e.g. internet, mobile, fibre optic).
- You have direct short-cycle customer contact.
- Your customers are end users and/or purchasers of standard KPN products and services.
- Your work relates to volume-driven services with standard processes.

APPENDIX 16

Job groups that come within the Customer Expert salary grades

department	unit	job code	job title
RSD CCC KC Glass Mobile Glass		SNT412	Customer Expert D
		SNT408	Customer Expert E
		SNT405	Customer Expert F
		SNT536	Coach
		SNT514	Team Leader (H)
RSD CCC KC Glass Mobile Mobile		SNT412	Customer Expert D
		SNT408	Customer Expert E
		SNT405	Customer Expert F
		SNT422	Customer Expert G
		AIK563	Support Desk Employee
		SNT536	Coach
		SNT514	Team Leader (H)
RSD CCC KC Service		SNT412	Customer Expert D
		SNT408	Customer Expert E
		SNT405	Customer Expert F
		SNT536	Coach
		SNT514	Team Leader (H)
RSD CCC KC Fixed Mobile		SNT418	Customer Expert B
		SNT412	Customer Expert D
		SNT408	Customer Expert E
		SNT405	Customer Expert F
		SNT422	Customer Expert G
		SNT536	Coach
		SNT537	Coach
RSD CCC KC Sales		SNT412	Customer Expert D
		SNT408	Customer Expert E
		SNT405	Customer Expert F
		SNT536	Coach
		SNT514	Team Leader (H)
RSD CCC KC Customer Service Complaints Organisation		CRA009	All-round Customer Feedback Employee
		SNT101	Complaints Handling Employee
		SNT102	Senior Complaints Handling Employee
		CRA017	LST Employee
		SNT103	Complaints Handling Specialist
		CRA007	LST Employee
		CRA018	All-round LST Employee
		SNT401	Team Manager
RSD CCC KC Contact BO	KSD	SNT412	Customer Expert D
		SNT408	Customer Expert E
		SNT405	Customer Expert F
		SNT422	Customer Expert G
		SNT536	Coach
		SNT514	Team Leader (H)
RSD CCC Backoffice Order & Ticket		PSP06A	Order Processor
		PSI07C	Customer Service Employee
		SSS08	General Manager
		SSS10	General Manager
		IPP07	Quality Employee

Job groups that come within the Customer Expert salary grades (continued)

department	unit	job code	job title
RSD CCC Backoffice TSD		PSI06C	Customer Service Employee
		PSI07C	Customer Service Employee
		PSP06A	Order Processor
		PSP07A	Order Processor
		IIP07	Administration Employee
		IPP07	Quality Employee
		PPP06	Technical Management Employee
		PPP07	Technical Management Employee
		SSP07	Supervisors
		SSP08	Supervisors
		SSS08	Manager
		SSS09	Manager
RSD CCC Backoffice Wholesale		IIP05	Administration Employee
		PSI06C	Customer Service Employee
		PSP04A	Order Processor
		PSP05A	Order Processor
		PSP06A	Order Processor
		PSP07A	Order Processor
		PSP08A	Order Processor
		SSP07	Supervisor
		SSS09	Manager
RSD CCC BO Delivery&Service Helpdesk		PPI06A	Engineer
		PSI05C	Customer Service Employee
		PSI06C	Customer Service Employee
		PSI07C	Customer Service Employee
		SSP07	Supervisor
		SSS07	Manager
		SSS08	Manager
SSS09	Manager		
RSD CCC BO Delivery		PSI06C	Customer Service Employee
		PSI07C	Customer Service Employee
		PSP04A	Order Processor
		PSP05A	Order Processor
		PSP06A	Order Processor
		PSP07A	Order Processor
		PSP08A	Order Processor
		SSP06	Supervisor
		SSP07	Supervisor
SSS09	Manager		
RSD CCC Telfort CS	Webcare	PSI06C	Customer Service Employee
		PSI07C	Customer Service Employee
		PPP06	Technical Management Employee
		SII09B	Advisor
	Second Line	PPP06	Technical Management Employee
		PSI07C	Customer Service Employee
		SSS08	Manager
		PSI06C	Customer Service Employee
		PSI05C	Customer Service Employee

Job groups that come within the General salary grades

department	unit	job code	job title
RSD CCC KC Glass Mobile Mobile	Specialists	ISI07	Process Organisation Employee
		AIK541	Network Services Specialist
		SNT514	Team Leader (H)
	Test Team	SNT405	Customer Expert F
		SNT514	Team Leader (H)
	Dealer Desk Fo CM	SNT408	Customer Expert E
		SNT405	Customer Expert F
		SNT514	Team Leader (H)
	RSD CCC KC Service	XL Shops Service Expert	SNT514
CRA009			All-round Customer Feedback Employee
CRA010			Regional Customer Feedback Employee
RSD CCC KC Fixed Mobile	ZM BRM 1 and 2	SNT405	Customer Expert F
		SNT514	Team Leader (H)
	ZM MMS	SNT412	Customer Expert D
		SNT405	Customer Expert F
		SNT536	Coach
		SNT514	Team Leader (H)
RSD CCC Backoffice Order & Ticket		ISI10	Process/Chain Manager
		ISI08	Process Organisation Specialist
		IPP10	Quality Manager
		IPP09	Quality Specialist
		IPP08	Quality Specialist
RSD CCC Backoffice TSD		IPP09	Quality Specialist
		IPP08	Quality Specialist
		PSS10	Project Leader
		SPS10	Workforce Manager
		SSS11	Manager
		SSS13	Manager
RSD CCC Backoffice Wholesale		PSP09B	Services Administrator
		PSP10B	Services Manager
RSD CCC BO Delivery&Service Helpdesk		SSS13	Manager
RSD CCC BO Delivery		SSS13	Manager
Corporate Departments		SII05A	Assistant
		MXXA13	Manager Business Line ZM
BO EC		III09	Specialist Information Analyst
		III10	Information Analyst
		IPP07	Quality Employee
		ISI08	Process Organisation Specialist
		ISI11	Process/Chain Manager
		PIP07	Planner
		PIP10	Specialist Planner
		SPS12	Workforce Manager

APPENDIX 17

Conversion matrix KPN Contact job matrix to KPN job matrix

KPN Contact standard position	KPN code	KPN job matrix standard position
Customer Expert B	PSI02C	Customer Service Employee
Customer Expert D	PSI04C	Customer Service Employee
Customer Expert E	PSI05C	Customer Service Employee
Customer Expert F	PSI06C	Customer Service Employee
Customer Expert G	PSI07C	Customer Service Employee
Complaints Handling Employee	PSI05C	Customer Service Employee
Senior Complaints Handling Employee	PSI06C	Customer Service Employee
Complaints Handling Specialist	PSI07C	Customer Service Employee
Complaints Region Employee	PSI06C	Customer Service Employee
All-round Customer Feedback Employee	PSI07C	Customer Service Employee
Support Desk Employee	PSI07C	Customer Service Employee
Network Services Specialist	PPP08	Technical Supervisor
Coach	SSP06	Supervisor
Team Leader	SSS08	Manager

Any jobs under the KPN Contact job matrix that do not appear in this conversion matrix will be placed as at 1 November 2014 in the KPN job matrix whereby the job and salary scale level will be determined as follows:

- band A = scale 1
- band B = scale 2
- band C = scale 3
- etc.

**APPENDICES RELATING TO EMPLOYEES OF ITS WHO ON 31 DECEMBER 2014 FELL WITHIN
THE KPN CORPORATE MARKET COLLECTIVE AGREEMENT**

APPENDIX 18

Transitional provisions for all ITS employees who as at 31 December 2014 were employed by ITS and on that date fell within the KPN Corporate Market Collective Agreement

Article 1 Applicability

1. This appendix does not apply to you if you fell within the KPN Collective Agreement 2014 and remained within this collective agreement after your transfer from KPN to ITS prior to this Collective Agreement coming into effect. If you come within this category, then this Collective Agreement applies to you in the same way as it applies to employees of KPN, and Chapters 12 and 13, and Appendices 18 to 23, inclusive, do not apply to you.
2. Were you an employee of ITS as at 31 December 2014 and did the KPN Corporate Market Collective Agreement apply to you on that date? Then the provisions of this Collective Agreement, including these transitional arrangements, replace the provisions of the KPN Corporate Market Collective Agreement and your employment contract covering matters including, but not limited to, working hours and pension. Accordingly, any standard employment condition previously applied that by virtue of the KPN Corporate Market Collective Agreement or your employment contract applied to you before 1 January 2015, but that differs from the employment conditions in this Collective Agreement, thereby lapse and are not deemed to constitute a valid deviation from the terms of this Collective Agreement.
3. Individual agreements recorded in writing between you and ITS continue to be binding for the period for which these agreements were entered into. However, this does not affect the already available possibility to amend these agreements if, for example, there is a change in circumstances.
4. If you are placed within the General or Sales groups/salary grades by virtue of Article 1 sections 2 or 3 of Appendix 19 of this Collective Agreement then Appendices 5 to 17, inclusive, of this Collective Agreement do not apply to you. If you are placed within the Consulting or ITS groups/salary grades by virtue of Chapters 12 or 13 of this Collective Agreement then Appendices 4 to 17, inclusive, of this Collective Agreement do not apply to you.

Article 2 Collective Agreement Budget

- 1 As of 1 January 2015 in addition to your monthly salary you will also receive 12.5% Collective Agreement Budget as defined in this Collective Agreement. This 12.5% is based on the monthly salary you were receiving as on 31 December 2014. The conversion of your monthly salary is explained further in Article 3 of this appendix.

For the purposes of this Collective Agreement, the Collective Agreement Budget is made up as follows:

- 8% holiday allowance
- 2% life-course scheme contribution
- 2.4% vacation hours in excess of the statutory minimum
- 0.1% special leave

75% of the Collective Agreement Budget is pensionable. The vacation allowance credit that you have accrued up to 31 December 2014 with ITS will be paid out in May 2015. Appendix 2 to this Collective Agreement applies in respect of the use of the Collective Agreement Budget.

- 2 Life-course scheme contribution
As indicated in Article 2 of this appendix the life-course scheme contribution forms 2% of the Collective Agreement Budget as from 1 January 2015. Since the KPN Corporate Market Collective Agreement did not include an employer's life-course scheme contribution, the monthly salary which you could claim as of 31 December 2014 will be reduced by 1.6%. The percentage difference arises because the monthly salary forms the basis for the Collective Agreement Budget.

3 Leave days

Under the KPN Corporate Market Collective Agreement you had a right to 25 vacation days (assuming full-time employment) and any Surplus vacation days. Under this Collective Agreement you have a right to 20 vacation days, assuming full-time employment. The value of the 5 vacation days is incorporated into the Collective Agreement Budget. If under the KPN Corporate Market Collective Agreement you were entitled as at 31 December 2014 to Surplus vacation days, you will retain these vacation rights. Your Surplus vacation days are added to your basic right to 20 vacation days.

Your vacation day balance as at 31 December 2014 remains as at 1 January 2015 and is not bought out.

Article 3 Calculation of monthly salary

The sequence by which the income to which you were entitled as at 31 December 2014 is converted to the income to which you are entitled under this Collective Agreement is as follows:

- Has there been a change to your working hours? If so, your monthly salary will be changed in line with the change in your working hours (this only applies if you are placed within the General group (Chapter 8)).
- Your monthly salary will then be changed as a result of the 2% life-course scheme contribution which forms a part of the Collective Agreement Budget (see Appendix 18 Article 2.2).
- Your monthly salary may then be changed as a result of the compensation under the Wang/Raet Bonus Guarantee provisions (see Appendix 18 Article 6).
- An assessment is then made of whether compensation as a result of a difference in your variable remuneration is necessary in your case (pursuant to Article 6 section 2b of Appendix 19 of this Collective Agreement) and, if so, this will be incorporated into your monthly salary.
- Finally an assessment is made of whether a placement Allowance is necessary (see Appendix 19 Article 4) and, if so, this will be incorporated into your monthly salary (this only applies if you are placed in the General or Sales groups (Chapters 8 and 10, respectively)).

Article 4 Salary system

1. As of 1 January 2015 the system as set out in the increases table in the KPN Collective Agreement 2014 will apply to you.

For the year 2014 you will still be appraised on the basis of the PMP method of ITS. Your appraisal scores are included as input for calculating any future salary adjustment in accordance with the system used in the increases table.

Because the appraisal scores under this Collective Agreement and the KPN Corporate Market Collective Agreement are divided according to different scales, your appraisal score for 2014 will be converted in line with the following table.

Final appraisal ITS	ITS	KPN	Final appraisal KPN
Excellent	5	4	Excellent
Very good	4	4	Excellent
Good	3	3	Successful
Improvement needed	2	2	Development needed
Unsatisfactory	1	1	Unsatisfactory

If you have earned a score of '3 -' on the basis of the PMP method of ITS, this means: 'good, but with points that have been clearly discussed with you over the year'. A '3-' will be converted to a '2' under the KPN appraisal scale in this Collective Agreement.

Article 5 Salary adjustment 2015

1. As of 1 April 2015 any salary adjustment in 2015 will be in accordance with the system of the increases table set out in the KPN Collective Agreement 2014. If there is to be any salary adjustment in 2015, an increases table pursuant to the system described above will be included in the next Collective Agreement. In line with the appraisal method described in Article 4 of this appendix, the above 'conversion table' will apply as the basis for any salary adjustments in 2015.
2. The increases table for the salary adjustment made as of 1 April 2014 (Articles 8.6 and 11.6 of Part A of this Collective Agreement) do not result in any salary increase for you since this is an increase relating to 2014.

Article 6 Wang/Raet Bonus guarantee provisions

Did the 'Wang and Raet transitional provisions' give you a guarantee to a minimum bonus percentage, a thirteenth month or a three-week payment (referred to jointly and individually as **guaranteed payment**)? Then instead of this you will receive compensation of 75%, 85% or 90% of that guaranteed payment as a part of your fixed salary. If as at 31 December 2014 your guaranteed payment accrued vacation allowance and was pensionable, then in place of this you will be paid compensation equal to 90% of this guaranteed payment. If as at 31 December 2014 your guaranteed payment was only pensionable (and therefore did not accrue vacation allowance) then in place of this you will be paid compensation equal to 85% of this guaranteed payment. If as at 31 December 2014 your guaranteed payment was neither pensionable nor accrued vacation allowance then in place of this you will be paid compensation equal to 75% of this guaranteed payment. The compensation you receive accrues pension, bonus and Collective Agreement Budget entitlements. The previously guaranteed payment thereby lapses. You will receive written notification of the calculation made in your particular situation.

Article 7 Pension

1. As of 1 January 2015 the KPN Pension scheme applies to you. This means that as of 1 January 2015 you become a 'sleeper' within the SVG scheme. For the duration of your employment with KPN (the active period) the annual administration costs – insofar as charged by SVG (currently 0.75%) – are payable by your employer.
2. Cover for the risk-based surviving dependants' pension over the years in which you participated in the SVG lapses. To ensure that for the duration of your active period you are not faced with a shortfall in the accrual of risk-based surviving dependants' pension within the KPN pension scheme, arrangements have been made with the KPN pension fund. The date on which you start to participate in the SVG scheme is deemed to be the start date for cover for the risk-based surviving dependants' pension.
3. You will be bound by future changes to the KPN pension scheme, including any changes to your own contribution. At the request of your employer, the pension fund administrators have indicated that in the event of any future request for a group value they will act constructively to achieve this, having regard to current laws and regulations and that the respective parties' interests are fairly weighed up.

Article 8 Other employment conditions

1. Special leave provisions
The Special leave provisions of the KPN Corporate Market Collective Agreement lapse with effect from 1 January 2015. To compensate for the lapse of these provisions, 0.1% of income is included in the Collective Agreement Budget.
2. Anniversaries scheme
As of 1 January 2015 the anniversaries scheme applies to you. If during the period 1 January 2015 to 31 December 2020 you are eligible for an anniversary payment and entitled to a

personal budget, then your employer will deduct your personal budget for the last four years from your anniversary payment.

3. Stand-by duty

Were you on stand-by duty in 2014 (as described in the KPN Corporate Market Collective Agreement) and are you on stand-by duty in 2015 (as described in this Collective Agreement)? If so, then up to 1 January 2016 you are eligible under the phase-out arrangements, provided that your average standby supplement during 2014 exceeded EUR 125 gross per month under the ITS stand-by scheme.

The average supplement for 2014 is calculated on the basis of stand-by hours claimed by you in that year. If you were paid a fixed stand-by payment then it is this fixed payment that constitutes your average stand-by supplement for 2014.

The average stand-by supplement for 2014 is a guaranteed sum. If there is a difference in money between your average stand-by supplement for 2014 and the actual amount claimed under this Collective Agreement, then you will be compensated each month for this difference up to the amount of your average stand-by supplement for 2014 as defined in this provision. In the first year (2015) this difference will be fully compensated (100%). In the second year (2016) 66% of this difference will be compensated. In the third year (2017) 33% of this difference will be compensated. There is no further right to compensation.

4. Payments in the event of sick leave

Under the KPN Corporate Market Collective Agreement, the statutory provision requiring payment of 70% of annual salary during a second year of sick leave had been increased to 80%. This Collective Agreement has new provisions covering the first and second years of sick leave. If on 30 June 2015 you have been on sick leave for an uninterrupted period of more than six months, you will be paid during the second part of the first year of sick leave to cover up to 100% of your salary. During your second year of sick leave you will be paid to cover up to 80% of your salary. If you become sick after 31 December 2014 the provisions of this Collective Agreement will apply to you.

5. Death benefit

Under the KPN Corporate Market Collective Agreement the death benefit was four months' salary. Under this Collective Agreement, you are entitled to a death benefit of three months' salary. As a transitional provision, were you to die in 2015 or 2016, you would be entitled to a death benefit of four months' salary. Thereafter, you are bound by the scheme under this Collective Agreement.

6. Promotion

Under the KPN Corporate Market Collective Agreement you were entitled to an increase in gross salary in the event of promotion in line with the table set out in that Collective Agreement. Under this Collective Agreement, you are entitled to an increase of 50% of the difference between the starting salary of the old scale and the starting salary of the new scale for the relevant group. As a transitional provision, if you are promoted during 2015, 2016 or 2017 to salary scales 1 to 5, inclusive, then you are entitled to an increase in your gross salary of 100% of the difference between the starting salary of the old scale and the starting salary of the new scale for the relevant group. If you are promoted during the said years to salary scales 6 to 10, inclusive, then you are entitled to an increase in your gross salary of 75% of the difference between the starting salary of the old scale and the starting salary of the new scale for the relevant group.

Article 9 Company regulations

1. General

The ITS company regulations applicable to you on 31 December 2014 are replaced by the KPN company regulations, subject to the following transitional provisions. The ITS company regulations will therefore cease to apply to you as of 1 January 2015.

2. Company cars

Do you have a company car? Then as of 1 January 2015 the KPN company car scheme applies to you subject to the following provisions of this Article 9.2. If as at 31 December 2014 you drive a company car procured under the ITS company car scheme the provisions of that scheme will remain binding for as long as you drive that car. Accordingly, your own contribution remains the same as that that you paid on 31 December 2014 under the ITS scheme. When your car is next replaced the entire KPN company car scheme will apply to you, including the policy of allocation, your own contribution, and the standard lease amount.

If your company car contract ends in 2015 or 2016 and you cease to be eligible thereafter for a company car, then up to 1 January 2017 you can make use of a car from the car pool.

The provisions of this article give no rights to a company car. Your employer will assess whether for the purposes of the performance of your job it is beneficial for you to have a company car. If there are terms in your individual employment contract covering this, these will remain unchanged.

3. Mobility scheme

If up to 1 January 2015 you took advantage of the ITS Mobility scheme, you can continue to do so in the same way up to 1 January 2018. If there are terms in your individual employment contract covering this, these will remain unchanged.

4. ADSL scheme

This Collective Agreement does not include any ADSL scheme. To give you the opportunity to transfer to a KPN subscription and to make use of the KPN 50% discount scheme, the ITS ADSL scheme will continue in operation for the first half of 2015. The ITS ADSL scheme ends on 1 July 2015.

Article 10 One-time payment

You will receive a one-time payment of €375 gross. You will receive this payment in January 2015, provided that this is practically feasible in terms of organising it within the system. Part-timers will receive a pro rata amount.

The one-time payment made on 1 April 2014 (Article 4.16 of Part A of this Collective Agreement) does not apply to you since this payment relates to the year 2014.

Article 11 Hardship clause

If, due to unforeseen circumstances, the consequences of combining the KPN Corporate Market Collective Agreement and the KPN Collective Agreement 2014 are disproportionately disadvantageous to you, your employer will endeavour to take appropriate measures.

APPENDIX 19

Transitional provisions for ITS employees who as at 31 December 2014 were employed by ITS and on that date fell within the KPN Corporate Market Collective Agreement, and who as of 1 January 2015 were placed in the General or Sales groups.

Article 1 Applicability

1. Placement in the Sales or General groups will be tested by the trade unions. Thereafter, employees are individually placed.
2. Employees covered by this Appendix 19 and who work within one of the job groups listed in Appendix 21 will be placed in the General group/salary grade as of 1 January 2015.
3. Employees covered by this Appendix 24 and who work within one of the job groups listed in Appendix 22 will be placed in the Sales group/salary grade as of 1 January 2015.

Article 2 General group

1. If you are placed in the General group, the conversion of your monthly salary (as this was on 31 December 2014) to your monthly salary under this Collective Agreement is in line with the following provisions:
2. The number of contract hours for a full-time employee in the General group is 37 hours. If prior to 1 January 2015 you had an employment contract for fewer than 37 hours, then your number of working hours will remain the same. Your old monthly salary will then be used as your new monthly salary as of 1 January 2015 on the basis of the number of hours specified in your employment contract.
If prior to 1 January 2015 you had an employment contract of 37 hours or more, then as of 1 January 2015 you will have a full-time contract of 37 hours. Your salary will be reduced proportionately (in the case of a previous contract for 40 hours, your new monthly salary will be $37/40$ of your old monthly salary; in the case of a previous contract for 39 hours, your new monthly salary will be $37/39$ of your old monthly salary; in the case of a previous contract for 38 hours, your new monthly salary will be $37/38$ of your old monthly salary).
There is also a correction factor of 1.6% (see Article 2.2 of Appendix 18). For the calculation of your monthly salary under this Collective Agreement, see Article 3 of Appendix 18.

If your monthly salary excluding the Flextime allowance, exceeds the normative salary for the relevant salary scale under this Collective Agreement as calculated in accordance with this article, then the provisions of Article 4 of this Appendix 19 concerning the placement allowance will apply.

3. If you worked more than 37 hours (fixed contractual hours) as at 31 December 2014 and continue to do so in 2015 and 2016, then for these years you will be guaranteed a maximum of 3 hours Flextime allowance, depending on the working hours specified in your contract as at 31 December 2014 and your contractual working hours for the years 2015 and 2016. The Flextime allowance is calculated as 2.9% of your full-time 37-hour monthly salary for each Flextime hour. The Flextime allowance is included as your pension base.

Article 3 Sales group

1. If you are placed in the Sales group, the conversion of your monthly salary (as this was on 31 December 2014) to your monthly salary under this Collective Agreement is in line with the following provisions:
2. The number of contract hours for a full-time employee in the Sales group is 40 hours. The number of working hours specified in your employment contract (full-time and part-time) remains unchanged.

If you are placed in the Sales group, then the monthly salary you received before 1 January 2015 will be used as your monthly salary under this Collective Agreement, subject to a correction factor of 1.6% (see Article 2.1 of Appendix 18).

If your monthly salary exceeds the normative salary for the relevant salary scale under this Collective Agreement then the provisions of Article 4 of this Appendix 19 concerning the placement allowance will apply.

Article 4 Placement allowance

1. If as a result of the preceding sections the monthly salary in the salary scale for the relevant group (General or Sales) exceeds the 100% point of the scale under this Collective Agreement, the employee will be paid a placement allowance.
2. In this situation the monthly salary calculated under this Collective Agreement will be split between one part that is equal to the 100% point on the salary scale, and the other part that exceeds this amount. The part that exceeds the 100% point is referred to as the placement allowance.
3. The placement allowance is awarded in the form of a monthly gross payment. The placement allowance does not benefit from any increase under the Collective Agreement. This placement allowance remains unchanged, with the proviso that in the case of a change to a higher salary scale the amount of the placement allowance will be converted to salary insofar as the normative salary is not yet reached on the new scale. For the calculation of your monthly salary under this Collective Agreement, see Article 3 of Appendix 18.
4. The placement allowance is taken into account (i) for calculating the Collective Agreement Budget, (ii) for awarding the hour-related supplements as applied as from 1 January 2015, (iii) for continued payment during sick leave, (iv) in calculating the basis for any variable salary payable to you under the KPN Plan or Sales Plan), and (v) for accrual of your pension.

Article 5 Prospect for KPN Collective Agreement scales

If the phase-out of your scale under this Collective Agreement is lower than the phase-out as applied to you as at 31 December 2014, then up to and including 31 December 2016 you will continue to receive the phase-out up to the average of the comparable scale as applied to you as at 31 December 2014. The comparison of the prospects will be made as between the old scale maximum in the KPN Corporate Market Collective Agreement and the 100% point of the comparable/parallel scale in this Collective Agreement, having regard to the increases system for the scales and the increases table for salaries as set out in this Collective Agreement.

Article 6 Incentives scheme

1. Allocation of variable remuneration scheme
As of 1 January 2015, by virtue of either Article 8.7 or 10.8 of Part B of this Collective Agreement, you fall entirely within the incentives scheme of either the KPN Plan (Appendix 1A of this Collective Agreement) or the KPN Sales Plan (Appendix 1B of this Collective Agreement). The on-target percentage (OTP) allocated depends on the scale and the group (General or Sales) within which you are placed. The variable remuneration system in this Collective Agreement is based on 12 months' salary.
2. Compensation scheme for the General group
 - a. If you are placed in the General group, your new on-target incentive (basis multiplied by OTP) under this Collective Agreement is lower than your on-target incentive under the KPN Corporate Market Collective Agreement, and for at least the years 2013 and 2014 you were entitled to an incentives scheme, then you will receive a single payment as compensation.

The gross compensation is based on the average gross variable remuneration paid out in respect of 2010, 2011, 2012, 2013 and 2014, and the difference between the 'new OTP' and the 'old OTP'.

The following formula is applied:

$$\frac{\text{average variable remuneration paid out for 2010/2011/2012/2013/2014} \times (\text{'old OTP'} - \text{'new OTP'})}{\text{'old OTP'}}$$

If on 1 April 2016 you are still employed by KPN, you will receive a single payment of gross compensation in April 2016.

- b. If in both 2013 and 2014 you had a bonus opportunity of more than 20% then, alongside the allocation of the KPN Plan and the single compensation payment as described above, you are entitled to compensation of salary up to a maximum of 3%. The compensation is calculated in the following way:

(ITS bonus opportunity – 20%) x average bonus percentage achieved for 2010, 2011, 2012, 2013 and 2014.

3. Allocation of Sales Plan to Sales group

If you are placed in the Sales group, then the KPN Sales Plan (Appendix 1B of this Collective Agreement) applies to you by virtue of this section of this article.

The Sales Plan scheme in this Collective Agreement is based on 12 months' salary. The OTP is dependent on job level and falls between 31.25% and 36.25%.

For job scales 9 and above, the on-target earnings (OTE, annual salary plus on-target incentive) are the same.

If you fall within the Sales Plan you will not be compensated under the compensation scheme set out in Article 6 section 2 of this appendix.

4. Settlement of variable Remuneration 2014

The variable remuneration for the year 2014 will be paid out in April 2015 in accordance with the KPN Corporate Market Collective Agreement and targets and objectives of ITS based thereon.

APPENDIX 20

Procedural arrangements for variable remuneration for employees covered by Chapters 12 or 13

Concerning the method of applying the parameters and the respective weighting to be given to these parameters.

Determining the parameters / weighting of the variable remuneration

Drawing up or amending of the variable remuneration scheme in consultation with the Works Council on the basis of Article 27 of the Works Councils Act. The periodic calculation of the parameters and their respective weighting within the context of the variable remuneration scheme is done in accordance with the following process.

- a. On behalf of the employer, a working group will consult with a committee of the Works Council with regard to the details of the scheme as well as the incorporation of the proposals of the Works Council regarding such details.
- b. The advice from the working group and the Works Council committee will be set out and discussed at the Works Council consultative meeting. If all parties are of like mind, the detail of the parameters and their weighting will be adopted by the employer.
- c. If the consultation as referred to under a or b, above, does not result in agreement, the working group and the Works Council committee will set out in writing the arguments for and against.
- d. On the basis of these arguments the executive boards of the Works Council and the employer will consult each other with the aim of reaching agreement. Should these consultations not lead to agreement, the employer will draw up the definitive parameters and their weighting.
- e. Any intermediate change of the targets, parameters and weighting set by the employer require the prior agreement of the Works Council following consultation.
- f. As regards the timelines for the targets, parameters and weighting of the parameters, notice of those parameters that are not dependent on financial data (the Personal Objectives and the Non-Financial parameters) will in principle be given no later than 28 February of the relevant year. In principle, notice of the financial parameters will be given no later than 1 June. If there is a risk that these dates will not be met, the Works Council and the relevant employees will be notified in good time, informing them of the reasons.

Relevant definition: the variable remuneration scheme: This scheme sets out the provisions governing variable remuneration. It therefore deals with the area between the provisions included in the Collective Agreement (percentages, thresholds, sliding scales, etc.) and the parameters and their respective weighting as drawn up by the board of directors. The scheme will therefore include:

1. the definitions of the parameters;
2. the dates when payments will be made;
3. rules applying to maternity leave and the start or end of employment at a midway point;
4. rules applying to a change in job at a midway point, part-time work and death.

APPENDIX 21

Job groups that come within the General group/salary grades

General
Administration Unit leader
Administration Unit leader Senior
Administrative Assistant I
Administrative Assistant II
Administrative Assistant II Senior
Administrative Assistant III
Administrative Assistant III Senior
Administrative Specialist
Administrative Specialist Senior
Buyer I Senior
Buyer II
Facilitator Support Services I
Facilitator Support Services II
Facilitator Support Services II Junior
Facilitator Support Services II Senior
Finance Specialist I Senior
Finance Specialist II
Human Resources Consultant I
Human Resources Consultant I Senior
Management Assistant Senior

APPENDIX 22

Job groups that come within the Sales group/salary grades

Sales (only if payplan)
Account Manager
Account Manager Senior
Major Account Manager
Sales Manager
Sales Manager Senior

APPENDIX 23

Job groups that come within the Consulting group/salary grades

Consulting	Consulting
Account Support Consultant I	Project Leader
Account Support Consultant II	Project Leader Junior
Application Consultant	Project Leader Senior
Application Consultant Junior	Project Manager I
Application Designer I	Project Manager I Junior
Application Designer II	Project Manager I Senior
Application Designer II Senior	Project Manager II
Application Developer I	Project Manager II Senior
Application Developer II	Project Manager III
Apprentice II	Service Manager I
Architect	Service Manager I Junior
Architect Junior	Service Manager I Senior
Business Consultant	Service Manager II
Business Consultant Senior	Service Manager II Senior
Chain Manager	System & Applications Adm.I
Consultant I	System & Applications Adm.I Junior
Consultant I Junior	System & Applications Adm.II
Consultant I Senior	System & Applications Adm.II Junior
Consultant II	System & Applications Adm.II Senior
Consultant II Senior	Team Leader I
Logistics Consultant	Team Leader I Junior
Manager Unit I	Team Leader I Senior
Manager Unit I Senior	Team Leader II
Manager Unit II	Team Leader II Senior
Network Management Analyst II Senior	Technical Consultant I
Network Support Specialist	Technical Consultant I Junior
Network Support Specialist Senior	Technical Consultant I Senior
Planner I	Technical Consultant II
Principal Technical Consultant	Technical Consultant II Senior
Process Manager	Technical Support Specialist I
Process Manager Junior	Technical Support Specialist I Junior
Process Specialist	Technical Support Specialist I Senior
Process Specialist Junior	Technical Support Specialist II
Process Specialist Senior	Technical Support Specialist II Senior
Programme Manager I	Unit Manager
Programme Manager I Senior	