

## **Outcome of ABN AMRO CAO and Social Plan CAO negotiations**

During the evening of Wednesday 16 to Thursday 17 December, ABN AMRO and the trade unions FNV Finance, De Unie and CNV Dienstenbond successfully concluded the negotiation of new Collective Labour Agreements (CAOs) on Employment Conditions and the Social Plan. The Employment Conditions CAO will run for two years, from 1 January 2016 to 1 January 2018. A four-year agreement was reached, meanwhile, regarding the Social Plan CAO. The current Social Plan CAO, which runs from 1 January 2013 to 1 January 2016, will be extended by one year to 1 January 2017. It will be succeeded by the new Social Plan CAO, which will run for three years, from 1 January 2017 to 1 January 2020.

## **Continuous talent development**

Every employee has talent and the bank wants to invest in developing it. An important element of this is the employee's own responsibility and self-direction. Continuous development of employees' talents was at the heart of the new CAO negotiations. The bank will enable employees – regardless of their age or education – to develop and to grow. Preparing yourself as effectively as possible for the employment market of the future is part of working at the bank. It's something employees and managers discuss regularly. The focus is not only on how employees function and develop in their current roles, but also on their future, taking account of their individual circumstances and wishes during the different stages of their lives and careers – a future that might be within the bank or elsewhere. It's a question of maximising people's employability at this company or outside it, by investing in vitality, training, mentoring and commitment. The bank, the employee representation bodies and the unions all agree that new technologies, regulations and globalisation will drive changes in the organisation and in the associated job requirements. The competencies required for future positions are being constantly recalibrated, therefore, in anticipation of these changes. The bank wants to be an employer that adds value to its people's talents, which is why it has adopted the principle of shared responsibility between employee and manager.

Continuous talent development means that employees always have the necessary opportunities and resources to maintain their employability now and in the future. The bank will offer additional support and facilities to employees who need it, including (partially) disabled people. ABN AMRO will also continue to pursue its diversity policy to ensure the greatest possible opportunities for all target groups.

Continuous talent development is an essential element of the bank's Top Class Employer strategy. Managers and employees engage in an ongoing discussion about competencies, knowledge and skills, motivation, resilience and potential. The focus is on the person's current position, career opportunities within the bank or elsewhere, and foreseeable changes in the organisation and in the associated job requirements. The bank has launched Talent2Grow (T2G) to stimulate and facilitate continuous dialogue. T2G helps highlight people's talents and allows developmental actions to be identified and incorporated into a Personal Development Plan. Employees discuss these actions with their managers throughout the year. They can take the form of training agreements, but also on-the-job learning activities, participation in projects, placements or temporary assignments inside or outside the bank. The costs of these development agreements are covered by the bank. Budget and the employee's age and length of service are not a hindrance. Where applicable, a discussion of whether or not to fund particular training can be presented to a desk that will be set up for this purpose. Part of the dialogue will also consist of agreements regarding the time available to the employee to work on his or her development.

Based on this continuous dialogue, employees will determine where they want to be in the shorter (one to two years) and longer term (three to five years).

Opportunities the bank offers in this regard include talks with a talent development advisor, over 50 talent development tools, the ABN AMRO Coaches Network (coaches trained by the FNV, De Unie or CNV unions and employed within the bank can also be used), the nationally recognised EVC certificate, and other resources listed under the CAO rules set out below.

## **Social Plan CAO**

The parties to the Collective Labour Agreement (CAO) agree that continuous talent development enables employees to prepare themselves effectively for the future. A different safety net will apply after reorganisations in terms of the investments made by the bank in this regard.

To give employees time to adapt to this new reality, the agreements on the new Social Plan CAO have been based on the principle of ‘extend and renew’.

### *Run-up to reorganisation*

A change within the organisation has a run-up period during which the reorganisation as such is prepared. The period begins with a kick-off meeting, at which the employee representation body will be present. Union representatives too will be invited to attend in the event of major reorganisations. Following the kick-off, the possibilities described in the currently applicable text version of the present Social Plan CAO under Section II ‘Transfer to the Mobility Organisation to be minimised as far as possible’ will be made available. Extra resources will be added to this: coaching and counselling by talent development advisors, secondments, training opportunities, and job interviews during working hours. The bank will gain the first experience in this regard in the course of 2016.

The employee’s Personal Development Plan can be amended. During the run-up period, employees can devote up to 10% of their working time to development. Managers will help employees make their choices. All agreements will be registered in T2G.

Employees can be notified of their redundancy during this period. From 1 January 2017, the notification period will remain three months and the employee will be assigned a personal mobility budget of EUR 3,000. This amount is on top of the standard counselling that is offered. During this period, employees can perform temporary duties or accept a temporary post.

If the period from the kick-off and the notification period is less than six months, the term in the Mobility Organisation will be extended by the difference between this period and six months.

As soon as the positions within the new organisation and the associated job requirements have been established during the run-up period, employees will be given training opportunities to help them achieve these requirements and competencies.

With effect from 2017, if reorganisation is expected to give rise to redundancies, the bank can offer employees the possibility of a voluntary redundancy package with a payment. In that case, following consultation with the employee representation body, the bank will designate a

unit within the organisation during the run-up period to which employees can apply within one month for a voluntary redundancy package of this kind. It is then up to the bank to decide whether it agrees. The payment is as high as the redundancy payment for which the employee would qualify at that moment. The RVU (early retirement scheme) test will be taken into account so as to avoid extra tax levies. The voluntary redundancy package will be set out in a separate agreement between the parties to the CAO.

#### *1 January 2016–1 January 2017*

The current Social Plan CAO (which runs from 1 January 2013–1 January 2016, text version 1 July 2015–1 January 2016) will be extended to the period 1 January 2016 to 1 January 2017.

The redundancy payment cap will, however, be adjusted as described under Point C of the redundancy payment calculation method set out below.

The passage under IV.7 on employee mortgage conditions will also be amended. The stated reference date will be changed to 17 December 2015. The benefit to the employee of the extension of these conditions will be calculated over a period of five years and paid out as a lump sum on departure. This provision is also included in the Social Plan CAO for 1 January 2017–1 January 2020.

#### *1 January 2017–1 January 2020*

The redundant employee will be transferred to the Mobility Organisation. As of 1 January 2017, the term in the Mobility Organisation will be a maximum of six months. Intensive counselling and mediation will begin immediately with a view to finding alternative employment. It is possible that temporary duties will be performed during this period. The period in the Mobility Organisation will be suspended if this relates to duties for at least six months. On joining the Mobility Organisation, the personal mobility budget will be increased by EUR 2,000. The unused portion of the personal mobility budget will lapse on termination of employment.

At the end of the period in the Mobility Organisation, or on earlier departure from the bank, the employee will receive 65% of the redundancy payment calculated under Point C (see redundancy payment calculation method below) that he or she would have received if they had not been transferred to the Mobility Organisation. The compensation scheme on acceptance of lower-paid work outside the bank would not then apply.

#### *Hardship clause*

The term of the notification period or the period in the Mobility Organisation can be suspended if, in the opinion of the Disputes Committee, application of the provisions of this CAO would have clearly unreasonable consequences, in view of the individual circumstances of the employee in question.

Once an employee has been transferred to the Mobility Organisation for three months, he or she can ask the Disputes Committee to assess the bank's mediation efforts, compared with the employee's own efforts. If the Disputes Committee considers that the bank's efforts have been inadequate, it can order an individual, customised approach. The Disputes Committee may, in this instance, also extend transfer to the Mobility Organisation by up to six months.

If the employee has been (partially) absent due to sickness for at least six consecutive weeks,

the head of the Mobility Organisation will extend transfer to the Mobility Organisation. The head of the Mobility Organisation may, in this instance, extend transfer to the Mobility Organisation by up to six months.

Transfer to the Mobility Organisation is extended by the period of prenatal and postnatal maternity leave, insofar as this leave falls during transfer to the Mobility Organisation.

*Redundancy ('Transitional Compensation x 1.9')*

As an alternative to transfer to the Mobility Organisation, redundant employees can opt to end their employment with a redundancy payment. The base figure for the redundancy payment will be expanded as of 1 January 2017.

Current base figure	New base figure
<ul style="list-style-type: none"> <li>- Salary</li> <li>- Part of the benefit budget (16.33% of the salary)</li> <li>- Salary supplement</li> <li>- Part of the remuneration supplement (40%)</li> <li>- Roster allowance</li> </ul>	<ul style="list-style-type: none"> <li>- Salary</li> <li>- Complete benefit budget (20.94% of the salary)</li> <li>- Salary supplement</li> <li>- Complete remuneration supplement (100%)</li> <li>- Roster allowance</li> <li>- Stand-by allowance</li> <li>- Average result-based allowance over the three years prior to termination</li> </ul>

The redundancy payment is calculated in the following way:

- a. The length of service calculation for the transitional compensation under the Work and Social Security Act will be applied, including the capping rules (EUR 75,000 – index-linked according to the Act – or the full value of the base figure, whichever is higher).
- b. The result of the calculation is multiplied by a factor of 1.9.
- c. The redundancy payment calculated in this way is then capped at a notional retirement date determined on the weighted average retirement age over the following three periods:
  - Retirement age 62 in the period from commencement of employment to 1 January 2006;
  - Retirement age 63 in the period from 1 January 2006 (or later employment commencement date) to 1 January 2014;
  - Retirement age 67 in the period from 1 January 2014 (or later employment commencement date) to the calculated notional retirement age.

Where employment commenced prior to 2000 at an age below 25, the first period begins at the age of 25.

The payment calculated on this point may not be higher than the salary multiplied by the other elements of the base figure, which the employee would have received until the notional retirement date.

- d. In addition to the redundancy payment, the employee receives 2/12ths of his or her salary and salary supplement. An employee born on or after 1 January 1952 and before 1 July 1962, receives 8/12ths of his or her salary and salary supplement.
- e. The total payment may not be lower than the base figure on an annual basis. If the length of service calculation with a factor of 1.0 X is lower than 12, the payment is not lower than X/12th part of this base figure.

### *Transitional provisions*

The currently applicable transitional provisions with respect to earlier social plans will be continued.

The Social Plan CAO 1 January 2013–1 January 2016 will continue to apply for employees made redundant or notified of their redundancy under that plan. The relevant text version of the Social Plan CAO 1 January 2013–1 January 2016 applies to these employees, as it applied on the date of notification.

The extended Social Plan CAO 1 January 2016–1 January 2017 will have no retrospective effect after 31 December 2016 and will only apply to employees made redundant before 1 January 2017. The extended Social Plan CAO 1 January 2016–1 January 2017 does not apply to employees notified of their redundancy before 1 January 2016.

The new Social Plan CAO 1 January 2017–1 January 2020 will have no retrospective effect after 31 December 2019 and will only apply to employees made redundant before 1 January 2020. The new Social Plan CAO 1 January 2017–1 January 2020 does not apply to employees notified of their redundancy before 1 January 2016.

Reassuringly, the new Social Plan CAO will be written in plain language.

## **Employment Conditions CAO 1 January 2016–1 January 2018**

### *Pay*

Salaries and salary scales will be raised 1.5% on 1 January 2017.

### *Continuous talent development (CTD)*

The following agreements have been made in the context of continuous talent development.

In the case of voluntary demotion, the difference in salary (including possible existing salary supplement) will no longer be scaled down but paid out as a lump sum. The level of the lump sum will be calculated in the same way as the calculation method applying at that moment to the redundancy payment in the Social Plan CAO.

Each employee can ask his or her manager to be considered for the Career Switch scheme (50-50 extra). The contract of employment will be ended no later than two years after the scheme commences. The employee continues to work for 50% of his or her original working hours; his or her salary (including other income elements) and pension contributions will be adjusted accordingly. The employee will receive a supplement to his or her income for the non-active part. This supplement comprises a percentage of the old 100% salary including benefit budget, salary supplement and remuneration supplement. The level depends on the length of service:

- 0 to 10 years of service: 10%
- 10 to 20 years of service: 15%
- 20 to 30 years of service: 20%
- 30 or more years of service: 25%

The personal development budget (previously ‘sustainable employability budget’) will be raised from 1 January 2016 from EUR 500 to EUR 750 a year plus one study day per year: these may be saved up for a maximum of three years. The budget and the study days lapse

after three years, and the employee begins to accumulate budget and time once again. The current agreements regarding union products in the context of talent development will be extended. Career coaches can also be union-trained coaches. It is up to the employee to choose a coach.

The employee can have his or her employment market value assessed by an external party every two years.

The following topics are periodically discussed during regular union consultation: continuous talent development progress and developments, results of the diversity policy, recruitment of occupationally disabled people and 'Wajong' benefit recipients. During regular union consultation, insight will also be provided into outsourcing and the vendors, agency workers and other externals active within the bank.

#### *Being a social employer*

The parties to the CAO agree that employees should be able to combine informal care duties and work as effectively as possible. The duties of carers will therefore be focused on more clearly.

The Working Hours text in the CAO includes the following passage to facilitate part-time working: 'Your manager will permit you to take leave, in so far as this relates to the commencement date and extent of the leave, unless serious operational interests of the company may reasonably be regarded as taking precedence over your interests.'

The policy regarding occupationally disabled people will be continued. Employees with more significant disabilities will be offered appropriate facilities.

The allowances as of the third year of illness (WIA – benefit under the Work and Income (Capacity to Work) Act)) now end no later than the beginning of the month of the employee's 63rd birthday. This will be changed to the statutory retirement date. These allowances will be viewed as an 'equivalent provision' for the transitional compensation under the Work and Social Security Act.

#### *Other*

E-learning programmes that are compulsory bank-wide (e.g. compliance training) can be followed during working hours. In the case of legally required training, the employee will receive 50% time compensation for the study load prescribed by the training institution. For other training – in the context of current and future positions – the employee and the manager will agree time-budgets in the continuous talent dialogue.

Employees will be given more scope in which to arrange their working times. The following passage has been added to the current CAO text on Working Hours: 'If no roster is required for your function, you are free to determine whether and when you perform your duties. You must, however, comply with reasonable requests on the part of your manager to be present in the office at particular times, for team meetings, for instance. You will also make clear performance agreements with your manager.'

The Overtime Rules currently state that the manager can oblige the employee to work overtime if the employee is not older than 55. This provision will lapse.

The CAO section on ‘Divergent Working Times’ will be brought more into line with current practice.

The table for the familiarisation allowance in the Divergent Working Times rules now looks like this.

Duration of period	Percentage familiarisation allowance			
In years	80	60	40	20
½ to 1 year	6 months	0	0	0
1 to 2 years	6 months	6 months	0	0
2 to 4 years	6 months	6 months	6 months	0
4 years and longer	6 months	6 months	6 months	6 months

A workload survey will be performed in the course of the CAO within part of the bank to be decided. A New World of Work pilot will also be implemented at a unit to be decided.

The employer’s contribution to the unions involved with the CAO is based on the General Employers’ Association (AWVN) standard.

For the duration of this CAO, the unions will receive the sum of EUR 10,000 per union to support international trade union work.

The parties to the CAO will engage in further discussion during the course of the CAO regarding facilities that could raise the union participation rate. The possibility of free membership for one year for new members will be continued. A Union Month will be held every year. Unions will be invited to contribute to on-boarding programmes.

The remuneration arrangements for participation in the Disputes Committee will apply from the first day.

The parties to the CAO have undertaken to agree reparation for the third year of unemployment benefits. A separate agreement will be made in this regard for the duration of this CAO as soon as there is clarity regarding its national implementation and agreement as to the distribution of the payments.

The Net Pension Scheme agreed at the end of 2014 will be incorporated in the CAO text. The contribution to the employee will be maximised in the same way as the maximisation of the CDC payment.

The Disputes Committee rules amended in 2015 will be incorporated into the CAO text.

The Banker’s Oath text agreed in 2015 will be incorporated into the CAO text.

The provisions on succession of fixed-term employment contracts in the CAO text ‘Employment Contract’ will be amended in line with the Work and Social Security Act.

The text of the Employment Conditions CAO will also be adjusted in a number of other respects. The CAO will be rewritten during its period of application in clear language.

## **Membership consultation**

The unions will present these negotiation results to their members for approval. The result of this vote is expected in the second half of January.

Amsterdam, 17 December 2015

ABN AMRO Bank N.V.

FNV Finance  
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