MY EMPLOYMENT CONTRACT
My Employment Contract

What will you find in this chapter?
This chapter considers the general stipulations of your employment contract, the general terms and conditions under which you perform work for TNO, how we treat intellectual property and rules concerning ancillary activities.

Index
- Application of the Dutch Civil Code stipulations
- Change in terms and conditions of employment
- Appointment
- Performing work
- Ancillary activities
- Non-competition/Relation clause
- Suspension and denial of access
- Industrial and intellectual property
- Goods
- Confidentiality
- Pension
- Compensation of damages
Application of the Dutch Civil Code stipulations
version 1.0 / 1 July 2016

The stipulations of the Dutch Civil Code apply to the employment contract insofar as these do not deviate from the terms and conditions of employment or in de employment contract.
Change in terms and conditions of employment
version 1.0 / 1 July 2016

TNO is authorised to change the terms and conditions of employment and to take transition measures where necessary.
Appo

version 1.0 / 1 July 2016

TNO enters into an individual employment contract with you for a fixed or permanent period in which the applicable terms and conditions of employment are stated. Any variants in the terms and conditions of employment as agreed with you are stated in your employment contract.

The employment contract, of which you receive a signed copy, will be signed by TNO and yourself.

You begin work at TNO on the day as stated for commencement of work in the signed employment contract. Your period of service begins at that moment and continues as long as the employment exists.
Performing work
version 1.0 / 1 July 2016

TNO aims to enable your work to be performed in line with your professional knowledge, experience, aptitude, ambition and age.

You are co-responsible for expediency in the entity in which you work. You perform your work to the best of your ability and thereby adhere to the rules, regulations and instructions of TNO.

You may refuse to perform a specific task on the grounds of conscience. TNO will try to find a solution to this in consultation with you. If in the opinion of TNO does not lead to an acceptable outcome, this may ultimately result in the termination of your employment.
Ancillary activities
version 1.2 / 13 July 2017

What are they?
By ancillary activities¹ TNO means:
• any kind of professional work, direct or indirect, for another employer or contractor;
• or any substantial financial engagement at another company, such as a majority shareholding or structural time commitment to another company or organisation;
• or undertaking professional work at your own expense and risk, paid or unpaid.

TNO distinguishes the following kinds of ancillary activities:
• professional ancillary activities in supervisory boards, boards in associations or other board positions;
• professor and/or lecturer;
• professional (ancillary) work such as freelancer or for another employer;
• private activities.

Subsequently TNO differentiates:
• perfuming ancillary activities upon request from TNO or own request;
• ancillary activities performed within or outside working hours.

May I?
In principle, TNO is in favour of performing ancillary activities. In many cases they can provide enrichment and be of added value to both the employee and TNO. Ancillary activities can have a beneficial effect on the employee’s performance, they can be important to the link between TNO and society, and they can help create a positive image for TNO.

It is prohibited to develop professional activities that fall within the scope of TNO, or to carry out any activities that could in any way be considered as being competitive vis-à-vis TNO, or that could lead to a conflict of interest.

General rules for performing ancillary activities
The interests of TNO and the employee are always considered carefully before consent is given or refused. The interests of TNO will generally be paramount and prevail over your interests. The rules listed below have been drawn up for that reason:
A. For ancillary activities performed
   - as a professor or university lecturer
   - professionally in supervisory boards
   - as a governor in a foundation or
   - in other board positions and
   - in first or second echelon
   permission is always needed from the TNO Executive Board.

B. Other professional ancillary activities can only be performed with the prior permission of your immediate manager. Without this permission, TNO can consider to terminate the employment contract or not to enter into the employment contract.

C. The TNO Supervisory Board decides on ancillary activities performed by members of TNO’s Board of Directors.

D. Before joining TNO you are required to notify TNO of existing ancillary activities entered into prior to employment. The future manager or the Board of Directors determines whether, and to

¹ By ancillary activities TNO includes the terms ancillary job and ancillary activities.
what extent, the activities may continue and under what conditions. This also applies to new ancillary activities during your employment.

E. It is important that TNO is indemnified against any kind of liability with regard to the ancillary activities and that such liability applies to the party where, or in whose name, the ancillary activities are performed. TNO can request you to take action in this respect, if necessary in consultation with the legal department of TNO.

F. Ancillary activities may not hinder or impede you in fulfilling your job at TNO.

G. Neither may they harm your health or cause a work overload.

H. Ancillary activities may not harm the interests of TNO, due to, for instance, unfair competition or loss of reputation.

I. You will take proactive measures to prevent (apparent) conflict of interest, making a clear distinction between your position as a private individual and your position as an employee of TNO in your contacts with third parties.

J. Ancillary activities on behalf of third parties with whom TNO has a business relationship (i.e., supplier-buyer), are only allowed if, and insofar, as any conflict of interest is excluded beforehand.

K. If by virtue of your position, you are involved in drawing up contracts between TNO and third parties, you are not allowed to perform ancillary activities on behalf of those third parties.

L. Ancillary work for TNO (TNO buyer) is not allowed.

M. You may not perform ancillary activities during office hours, unless explicitly agreed otherwise. If it has been agreed that ancillary activities may, or must be, performed during office hours, those activities will not be remunerated by TNO.

N. All agreements regarding ancillary activities are laid down in writing and saved in your personnel file. This also applies to ancillary activities you were already engaged in prior to joining TNO and wish to continue with upon joining TNO. Also if you have no ancillary activities, you must state this in writing via Mijn-HR Services. You are responsible for keeping the list of ancillary activities up-to-date. You will be reminded of this each year during your performance management cycle.

O. TNO reserves the right to withdraw a previously granted consent, providing reasons and observing a reasonable amount of time for you to phase out the work in progress.

P. If you hold a board position by virtue of your position in which you represent TNO and you leave TNO, you must notify TNO immediately of this. In your written resignation letter you must list the board positions, after which TNO will appoint a successor. Upon leaving employment, you will step down from that board position.

Taking special leave to perform ancillary activities is stipulated in the chapter My Time, section Special leave without retention of salary (unpaid leave). Should the rules be violated, TNO will, at its own discretion, consider taking measures against you.

In the event of any damage TNO also reserves the right to claim (full) compensation from you.

**Supplementary rules per type of ancillary activity**

**Commissioner’s posts, professional participation in management board or foundation, and other board positions**

These ancillary activities always require the authorisation of the Executive Board. Any board positions filled at the request of TNO can fall under TNO’s director’s liability.
(LIFT) Professors and university lecturers

Professorships and lectureships are important because they contribute to TNO’s knowledge base, they strengthen relationships with university and higher educational institutes and they provide the opportunity to recruit suitable new employees early on.

Upon the recommendation of the Managing Director and after consulting the HR Director, the Executive Board will or will not grant you approval to accept an appointment as professor or lecturer. When considering this approval it is essential to also consider TNO’s interest in this appointment, especially in the field of science at a university or institute of higher education whereby scientific, market and personnel recruitment may play a role.

Chairs funded or co-funded by TNO fall under the supervision of the Lorentz - van Iterson Fund TNO (LIFT). LIFT was set up to support the establishment of special chairs in Dutch and foreign universities and to promote that professorial-level TNO employees are nominated for appointment. Fully externally-funded chairs are not supervised by LIFT.

Form of the contract

- You are given a part-time appointment at a university or college. Their employment at TNO is adjusted accordingly or
- if you are offered a ‘zero-hour appointment’ at the university or college, remains fully employed by TNO, and is posted part-time to the university or college. Their work for the university or college is then performed during TNO office hours (for professorships and lectureships at the request of TNO, the latter option is preferred). The employee will receive no additional remuneration on top of their TNO salary.

If the professorships and lectureships are carried out in the employment of TNO, this ancillary activity will be included in the performance management cycle. The appointment as professor/lecturer under the employment of TNO terminates when you leave the employment of TNO.

Professional (ancillary) activities independently or at a different employer

Should TNO plan to charge you with an assignment and TNO suspects that this task/role affects the ancillary activities for which you have already been granted permission, deliberations will be held to enter into additional agreements. These agreements will be checked by the Legal Department against the independent position of TNO. Legal advises the employee’s Managing Director. These agreements are reviewed annually during the Performance Management interview and its evaluation is included as an appendix to the Performance Plan.

Private activities

No permission is required for private activities as a volunteer in the area of sport, wellbeing, culture and recreation, or membership of political parties. Where private activities by their nature conflict with the interests of TNO, such as membership of an action group, then the employee is responsible for consulting with his/her manager on this matter. Examples might be the use of the results of TNO research or expertise in the sense of these private activities, or to be involved in action that could harm the interests of TNO.

Ancillary activities may have a positive impact on the employee’s development and it can therefore be to the employee’s advantage to discuss them with their manager.

If the private activities ensue from a membership of a representative body, the rules as stated in chapter My Time.

Complaints procedure

If the employee disagrees with a decision made within the scope of this regulation, you can appeal to the complaints procedure as documented in Norms and Values.
<table>
<thead>
<tr>
<th>Rule</th>
<th>At the request of TNO</th>
<th>At one’s own request</th>
</tr>
</thead>
<tbody>
<tr>
<td>During office hours</td>
<td>No question of additional leave</td>
<td>Leave taken at one’s own account</td>
</tr>
<tr>
<td></td>
<td>No additional remuneration, possibly reimbursement of costs</td>
<td>Remuneration is a private matter&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Discuss activity in Performance Management interviews (development)</td>
<td>In principle, not included in the Performance Management interview</td>
</tr>
<tr>
<td></td>
<td>Directors’ liability coverage</td>
<td>Cannot be covered for directors liability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Test whether ancillary activities do not conflict with TNO interests</td>
</tr>
<tr>
<td>Outside office hours</td>
<td>Possible compensation in time</td>
<td>Leave: not applicable</td>
</tr>
<tr>
<td></td>
<td>No additional remuneration, (part of the job); Possible reimbursement of costs</td>
<td>Remuneration is a private matter</td>
</tr>
<tr>
<td></td>
<td>Discuss activity in Performance Management interviews</td>
<td>In principle, not included in Performance Management interview</td>
</tr>
<tr>
<td></td>
<td>Directors’ liability coverage</td>
<td>No directors’ liability coverage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Test whether ancillary activities do not conflict with TNO interests</td>
</tr>
</tbody>
</table>

<sup>2</sup> With the exception of Reservists in line with chapter My Time, section Commitment as serviceman or reservist
Non-competition/Relation clause

version 1.0 / 1 July 2016

**Non-competition clause**
A non-competition clause prohibits you after the end of your employment with TNO from performing specific work at or becoming employed by a competitor or undertaking competing activities independently without permission from TNO.

**Relation clause**
A relation clause prohibits you from taking customer data with you after the end of your employment with TNO.

**When**
TNO decides the jobs for which a clause must be agreed.

**How**
A non-competition or relation clause is agreed immediately upon commencing your employment contract. In the event of changes in your employment contract, for example if you change job, the non-competition or relation clause may be changed or agreed once again.
Suspension and denial of access
version 1.0 / 1 July 2016

TNO can suspend you and deny you access to work if TNO has serious cause for doing so.

You retain your salary if you are willing and able to perform your work.

You have no right to salary if you are suspended due to undesired forms of conduct, see chapter Norms and Values.
In that case TNO informs you directly, with a clear statement of the reasons.
Industrial and intellectual property
version 1.0 / 1 July 2016

TNO has the exclusive industrial and intellectual property rights to what you create or develop alone or with others during your employment. This may be inventions, results achieved, models, elaborated methods, drawings, software, written or manufactured items. This right also applies to intangible items that you may not have acquired during your work but which demonstrably attributable to the knowledge or competence derived from TNO.

In this regard you are still obliged to continue cooperating to acquire, be disposed of and enforce all the rights of TNO inside and outside the Netherlands.

TNO is not obliged to apply for a patent or other protection for you may have developed alone or with others. TNO is also entitled to help third parties to acquire such protection for inventions.

If TNO is not interested in your invention, you can gain permission to apply for a patent yourself. TNO is obliged to make a decision on this within three months of your written application. Until this application is not received, TNO is free to use the invention, publish about it and inform third parties of it.

Once a request is received, TNO will, until the decision, take account where possible of the interests of the submitter and exercise restraint in using or publishing about invention.

If you have acquired the patent and wish to grant licences to third parties, you are obliged, if TNO so requests, to stipulate that TNO may use, or allow the use of, the invention and its related knowledge. Where possible this clause comparable with the application of other forms of industrial and intellectual property.

Once you acquire patents or patent applications you must inform TNO of this immediately. TNO will then decide whether these interests are consistent with your employment. If you fail to give this notification, TNO may end your employment immediately.

Compensation for any lack of rights of industrial and intellectual property is considered to be included in your salary.
Everything TNO provides you with to do your work is the property of TNO, such as work clothing, identity documents (TNO badge), correspondence, memos, concepts, observation results, annotations, accounts, reports, materials, models, equipment, etc. This also applies to everything you have manufactured, presented or drawn or has been addressed to you in person, in confidence or with any other extensions.

All these goods must be returned to TNO during your employment or at the end of your employment without having to be asked.
You are obliged to adhere to all the instructions of TNO regarding the confidentiality of facts and circumstances.

During or after your employment you must also keep confidential all the knowledge you have acquired and all that you can reasonably expect to be of a confidential nature.

You are obliged, upon request by TNO, to sign a confidentiality statement.
Pension
version 1.0 / 1 July 2016

From the start of your employment you participate in the pension scheme of the TNO Pension Fund in which the rights and obligations for old/age, work disability and surviving dependants pension are contained.

You may only continue working beyond the pension if the employer gives permission in writing to do so.
Compensation of damages
version 1.0 / 1 July 2016

You are liable for damages that occur to TNO or third parties or intentionally or due to gross negligence during the exercising of your job.

Damage to your property due to the exercising of your job whereby there was no negligence or lack of care will be compensated at current value.