



Standards for Remuneration Act (The Netherlands)

The purpose of the Standards for Remuneration Act is restricting excessive remuneration and severance payments in the public and semi-public sector. The act entered into force on 1 of January 2013.

Effective January 1, 2015, senior government officials' salaries cannot exceed those of government ministers. The maximum remuneration will not exceed € 178.000 gross income per calendar year. This amount is indexed annually. The maximum remuneration in 2016 is € 179.000.

This Act also applies to the salaries of senior officials of organisations in the semi-public sector, such as hospitals, schools, drinking-water suppliers, electricity transmission companies, gas distribution companies, and public broadcasters.

The maximum remuneration will be adjusted by ministerial regulation on January 1 of each year. Separate lower standards apply to parts of the semi-public sector such as healthcare, education, culture, and housing.

Maximum remuneration

The remuneration includes, among other things, the regular salary, the taxable fixed and variable expenses allowances, and the post-employment benefits. Profit-sharing payments, bonus payments, or other forms of variable consideration are not allowed.

Payments due to termination of the employment contract

A separate maximum standard applies in case of termination of the contract. This amounts to one year's salary, with a maximum of € 75.000.

Disclosure and publishing

The (semi) public entities will disclose details of each (former) senior official in the financial report, such as the name, the remuneration, the position, the duration, and scope of employment during the financial year. Remunerations of non-senior officials exceeding the maximum standard will also be disclosed in the financial report.

The (semi) public entities will, by electronic means, send the details to the minister. In case the remuneration of the senior official or former senior official has exceeded the maximum remuneration, the details will be published in an overview and sent to the Senate and House of Representatives each year.

The minister concerned is authorized to enforce this Act in case of any violation by an institution or a (former) senior official.

Act of 15 November 2012 containing regulations on the standards for remunerations of senior officials in the public and semi-public sector (Standards for Remuneration) Act, as amended

We, Beatrix, by the grace of God, Queen of the Netherlands, Princess of Orange-Nassau, etc., etc., etc.

Greetings to all who shall see or hear these presents!

Be it known:

Whereas We have considered that it is desirable that the regulations on the disclosure of top incomes in the public and semi-public sector be extended with regulations on the amount of these incomes;

We, therefore, having heard the Council of State and in consultation with the States General, have approved and decreed as We hereby approve and decree:

§ 1. General provisions

Article 1.1

In this Act and in the provisions based on it, the following terms are defined as follows:

a. *responsible party*:

- 1°. Our Ministers referred to in Articles 12 and 51 of the Government Accounts Act 2001;
- 2°. the provincial executives;
- 3°. the municipal executives;
- 4°. the executive boards of the water authorities;
- 5°. the executive boards of the public bodies for the professions and trades;
- 6°. the bodies of a legal entity as referred to in Article 1.2(f), (g) and (h), who are ultimately responsible for the remuneration paid within the legal entity or are charged by or pursuant to the law with the adoption of a financial reporting document, and
- 7°. the bodies of a legal entity or competent authority of an institution as referred to in Article 1.3, Article 1.4 or Article 1.5, who are ultimately responsible for the remuneration paid within the legal entity or organisation or are charged by or pursuant to the law with the adoption of a financial reporting document;

b. *senior official*:

- 1°. the secretaries-general, the directors-general, the inspectors-general and the other members of the Central Government's senior management, the vice-admirals, the generals, the lieutenant admirals and the lieutenant

generals, the person(s) charged with the day-to-day management of the bodies referred to in Article 1(e) through (h) of the Government Accounts Act 2001, as well as the members of an autonomous administrative authority without legal personality and the highest subordinate or the members of the group of highest subordinates to that body and the person(s) charged with the day-to-day management of that body;

- 2°. the secretaries of the provincial, municipal and water authorities and the clerks of the provincial and municipal authorities;
 - 3°. the chairpersons and secretaries of the public bodies for the professions and trades, the highest subordinate or the members of the group of highest subordinates to the executive board and the person(s) charged with the day-to-day management of the entire public body;
 - 4°. the members of the highest executive and supervisory bodies of a legal entity as referred to in Article 1.2(f), (g) and (h), as well as the highest subordinate or the members of the group of highest subordinates to that body and the person(s) charged with the day-to-day management of the entire legal entity;
 - 5°. the members of the highest executive and supervisory bodies of a legal entity or institution as referred to in Article 1.3, Article 1.4 or Article 1.5, as well as the highest subordinate or the members of the group of highest subordinates to that body and the person(s) charged with the day-to-day management of the entire legal entity or the entire institution;
- c. *parties*: the legal entity of which the responsible party forms part and the senior official who have agreed on a remuneration in consideration of the performance of the duties assigned to the senior official and, in the cases referred to in Articles 2.1(4) and 3.1(5), also the natural person or legal entity assigning the senior official;
- d. *employment*: appointment, employment contract or other title based on which a senior official performs the duties assigned to him for payment;
- e. *remuneration*: the total of the consideration, the taxable fixed and variable expense allowances and the post-employment benefits, with the exception of turnover tax, or, if duties are performed other than on the basis of an employment relationship, the total of the fees for the performance of the duties, with the exception of the fees that would be tax-free if duties were performed on the basis of an employment relationship, and with the exception of turnover tax;

- f. *consideration*: the total of the regular salaries paid and profit-sharing and bonus payments, with the exception of taxable fixed and variable expense allowances and with the exception of social insurance premiums - payable by employers by law or under a collective agreement declared compulsorily applicable - not deducted from the consideration;
- g. *employment relationship*: employment relationship or notional employment relationship within the meaning of the Wages and Salaries Tax Act 1964;
- h. *post-employment benefits*: the employer's share of the post-employment benefits with the exception of the employer's share of the post-employment benefits relating to the termination of the employment;
- i. *payments due to termination of the employment*: the total of payments made upon termination of the employment and post-employment benefits relating to the termination of the employment, with the exception of payments resulting from a collective agreement declared compulsorily applicable or a legal provision;
- j. *financial reporting document*: annual report as referred to in Article 51 of the Government Accounts Act 2001, financial statements as referred to in Article 201 of the Provinces Act, financial statements as referred to in Article 197 of the Municipalities Act or financial statements within the meaning of Book 2, Title 9, of the Dutch Civil Code or, if these articles do not apply, another document prescribed by or pursuant to the law and prepared annually in order to provide information about the financial position of a legal entity or an organisation of a legal entity;
- k. *payment*: payment for remuneration or payment due to termination of the employment, made at the expense of the legal entity of which the responsible party forms part
 1°. to a senior official, or
 2°. in the cases referred to in Articles 2.1(4) and 3.1(5), to the natural person or legal entity assigning the senior official, or
 3°. for the benefit of the senior official to third parties;
- l. *financial year*: the year covered by the financial reporting document;
- m. *affiliated legal entity*: a legal entity other than incorporated under public law,
 1°. which has been founded or co-founded by a legal entity included in the annex to Article 1.3(1)(d) or (e) or Article 1.4(1), or
 2°. in which a body or officer of a legal entity included in the annex to Article 1.3(1)(d) or (e) or Article 1.4(1) appoints one or more members to the board on behalf of the legal entity or otherwise influences the management or policy;
- n. *Our Minister*: Our Minister of the Interior and Kingdom Relations;
- o. *Our minister concerned*:
 1°. with respect to the legal entities referred to in Article 1.2(1): Our minister or, with respect to the autonomous administrative authorities without legal personality, the public bodies referred to in Article 1.2(1)(e) and (f), or the legal entities referred to in Article 1.2(1)(h), Our minister in whose policy area the autonomous administrative authority, the public body, the other body or the legal entity operates or, with respect to a public body incorporated under the Joint Schemes (Public Bodies) Act: Our minister;
 2°. with respect to the legal entities referred to in Article 1.3(1) (a): Our minister in whose policy area the relevant body operates;
 3°. with respect to the legal entities referred to in Article 1.3(1) (b): Our minister being the body referred to in Article 1.3(1)(b) which appoints one or more members of the board of the legal entity or otherwise influences the management or policy of the legal entity, or, if the body is not a minister, Our minister;
 4°. with respect to the legal entities referred to in Article 1.3(1) (c): Our minister or, if the legal entity is granted one or more subsidies of at least € 500,000 that are charged to the budget of one of Our other ministers, Our other minister granting the highest subsidy;
 5°. with respect to the legal entities and institutions referred to in Articles 1.3(1)(d), 1.4(1) and Article 1.5(1): Our minister charged with the management of the ministry indicated in the annex;
 6°. with respect to the legal entities referred to in Article 1.3(1) (e): Our Minister of Education, Culture and Science.

Article 1.2

1. Paragraphs 2 and 4 apply to:
- the organisations for which the ministers referred to in Article 51(1) in conjunction with Article 1 of the Government Accounts Act 2001, with the exception of Article 1(d) of that act, are financially responsible;
 - the provincial authorities;
 - the municipal authorities;
 - the water authorities (water boards);
 - the public bodies for the professions and trades;
 - the other bodies to which regulatory powers are granted under the Constitution;
 - the European groupings of territorial cooperation having their seat in the Netherlands;
 - the other legal entities incorporated by or pursuant to public law, with the exception of those legal entities included in the annex to Article 1.3(1)(d) or Article 1.4(1).

2. In derogation of the first paragraph, paragraphs 2 and 4 do not apply to office holders as referred to in Article 2(2) of the General Pensions (Holders of Political Office) Act and as referred to in Article 1 of the Council of State, Court of Audit and National Ombudsman (Legal Status) Act.

Article 1.3

1. Paragraphs 2 and 4 apply to:
 - a. legal entities other than those incorporated under public law, a body of which is invested with public authority, the exercise of which authority forms the legal entity's core activity;
 - b. legal entities other than those incorporated under public law, in which a body of a legal entity referred to in Article 1.2 appoints one or more members to the board or otherwise influences the management or policy, with the exception of public and private limited liability companies, the Foundation for the Exploitation of the Dutch State Lottery and the National Foundation for the Exploitation of Casino Games in the Netherlands;
 - c. legal entities established in the Netherlands to whom one or more subsidies have been granted for a period of at least three consecutive calendar years, jointly amounting to at least € 500,000 per calendar year and forming at least 50% of the income of the legal entity in that calendar year, with the exception of those legal entities included in the annexes to Articles 1.4(1) and 1.5(1) and with the exception of public and private limited liability companies conducting a business aimed at making a profit;
 - d. the legal entities or institutions included in Annex 1 to this Act;
 - e. the associations of educational institutions included in Annex 2 to this Act, which, on behalf of their members, act as employer representative for collective agreements or as representative in consultations with the central government.
2. On the recommendation of Our minister in agreement with Our minister(s) concerned, the annex to the first paragraph, under (d), may be amended by an order in council in the following cases:
 - a. legal entities or institutions may be added to the annex if these legal entities or institutions are or have been funded, directly or indirectly, fully or to a significant degree, using public resources or if these legal entities or institutions perform a statutory duty or otherwise serve a public interest;
 - b. legal entities or institutions may be added to the annex in the case of affiliated legal entities;
 - c. legal entities or institutions may be removed from the annex if the ground for including them in the annex no longer exists;
 - d. due to a change to the names used in the annex or in the case of editorial improvements.

3. On the recommendation of Our minister in agreement with Our minister(s) concerned, the annex to the first paragraph, under (e), may be amended by an order in council in the following cases:
 - e. associations may be added to the annex if they are associations of educational institutions which, on behalf of their members, act as employer representative for collective agreements or as representative in consultations with the central government;
 - b. associations may be removed from the annex if the ground for including them no longer exists;
 - c. due to a change to the names used in the annex or in the case of editorial improvements.

Article 1.4

1. Paragraphs 3 and 4 apply to the legal entities or institutions included in Annex 3 to this Act.
2. On the recommendation of Our minister in agreement with Our minister(s) concerned, the annex to the first paragraph may be amended by an order in council in the following cases:
 - a. legal entities or institutions may be added to the annex if these legal entities or institutions are or have been funded, directly or indirectly, fully or to a significant degree, using public resources or if these legal entities or institutions perform a statutory duty or otherwise serve a public interest, but where a remuneration of the senior officials with the maximum remuneration referred to in Article 2.3 is insufficient in view of the factors referred to in Article 3.6(2);
 - b. legal entities or institutions may be added to the annex in the case of affiliated legal entities;
 - c. legal entities or institutions may be removed from the annex if the ground for including them in the annex no longer exists;
 - d. due to a change to the names used in the annex or in the case of editorial improvements.

Article 1.5

1. Paragraph 4 applies to the legal entities or institutions included in Annex 4 to this Act.
2. On the recommendation of Our minister in agreement with Our minister(s) concerned, the annex to the first paragraph may be amended by an order in council in the following cases:
 - a. legal entities or institutions may be added to the annex if these legal entities or institutions are or have been funded, directly or indirectly, fully or to a significant degree, using public resources or if these legal entities serve a public interest;

- b. legal entities or institutions may be removed from the annex if the ground for including them in the annex no longer exists;
- c. due to a change to the names used in the annex or in the case of editorial improvements.

Article 1.6

1. Insofar as the parties agree on a remuneration higher than permitted by or pursuant to this Act, the remuneration will, by operation of law, be the maximum amount permitted. Any payments exceeding this amount will be undue payments.
2. Insofar as the parties agree on a payment due to termination of the employment which is higher than permitted by or pursuant to this Act, the payment will, by operation of law, be the maximum amount permitted. Any payments exceeding this amount will be undue payments, unless the payment results from a court decision.
3. Insofar as the parties agree on a profit-sharing payment, bonus payment or other form of variable consideration, this agreement will be null and void, unless this agreement relates to exceptions pursuant to an order in council, referred to in Article 2.11 or Article 3.8. The profit-sharing payment, bonus payment or payment of another form of variable consideration will be null and void, unless this payment relates to certain exceptions laid down by or pursuant to an order in council.
4. Any stipulation between the parties with respect to a remission of an undue payment or a donation that is offset against the undue payment will be null and void.

Article 1.7

1. Insofar as this does not already follow from another statutory provision, the data to be included pursuant to this Act in the financial reporting document will be subject to the opinion of an auditor as referred to in Article 393(1) of Book 2 of the Dutch Civil Code.
2. In the financial reporting document, any undue payments as referred to in Article 1.6 will be included as claims against the senior official involved or former senior official involved and, in the cases referred to in Articles 2.1(4) and 3.1(5), also the natural person or legal entity assigning the senior official, and will always be mentioned separately in the explanatory notes.

Article 1.8

With respect to persons on whom Our Minister so decides, the remuneration within the meaning of this Act will not include the wage components relating to security measures taken.

Article 1.9

1. By ministerial regulation, Our Minister may set further rules with respect to:
 - a. that which is included in the remuneration;
 - b. the allocation of parts of the remuneration to any calendar year;
 - c. that which is included in the payments due to termination of the employment;
 - d. the audit of the financial reporting document by the auditor for compliance with this Act and the related provisions.
2. Without prejudice to Articles 2.11 and 3.8, income components not forming part of the remuneration may be designated by an order in council in the case of one-off income components which result from regular terms and conditions of employment and which should reasonably not be classified as remuneration.

Article 1.10

Our Minister may, in agreement with Our Minister concerned, lay down policy rules with respect to the exercise of a power vested in Our Minister concerned pursuant to this Act or the provisions based thereon.

§ 2. Maximum remuneration

Article 2.1

1. The parties will not agree on a remuneration per calendar year which exceeds the maximum remuneration referred to in Article 2.3.
2. In the case of employment that is less than full-time employment as is customary for the responsible party, the parties will not agree on a remuneration per calendar year which exceeds the maximum remuneration referred to in Article 2.3, multiplied by the number of hours of the relevant employment and divided by the number of hours of full-time employment.

3. In the case of employment for less than a calendar year, the parties will not agree on a remuneration which exceeds the maximum remuneration referred to in Article 2.3, multiplied by the number of days of the relevant employment and divided by 365.
4. If the position of senior official is held for more than twelve months during a period of eighteen months other than on the basis of an employment relationship, the parties will, with effect from the first day of the thirteenth month during the eighteen-month period, not agree on a remuneration per calendar year which exceeds the maximum remuneration referred to in Article 2.3. Paragraphs 2 and 3 apply mutatis mutandis. Rules are laid down by or pursuant to an order in council with respect to the maximum remuneration should the position of senior official be held for a maximum of twelve months during a period of eighteen months, other than on the basis of an employment relationship.
5. A senior official who also works for an affiliated legal entity or for a legal entity as referred to in Article 1.3(1)(b), the relevant responsible party and the responsible party of the affiliated legal entity or the legal entity referred to in Article 1.3(1)(b) will not agree on a remuneration insofar as the total of the remunerations exceeds the maximum remuneration referred to in Article 2.3.
6. Paragraphs 2 through 5 will apply mutatis mutandis if an amount that differs from Article 2.3 has been set for the parties pursuant to Article 2.4, 2.6 or 2.7.

Article 2.2

1. In derogation of Article 2.1(1), the parties will, with respect to the members, and chairpersons respectively, of the highest supervisory bodies of a legal entity or institution as referred to in Article 1.2(f), (g) and (h) and Article 1.3, not agree on a remuneration per calendar year which exceeds ten percent, and fifteen percent respectively, of the maximum remuneration applicable to the legal entity or institution pursuant to Article 2.3, Article 2.5, Article 2.6 or Article 2.7. The previous sentence will not apply to exceptions made by or pursuant to an order in council.
2. Article 2.1(3) and (4), first sentence, will apply mutatis mutandis to the remuneration of the members, and chairpersons respectively, referred to in first paragraph, on the understanding that in these paragraphs, «Article 2.3» will read «Article 2.2 or 2.8».

Article 2.3

1. The remuneration of a senior official will not exceed € 178,000 per calendar year.
2. The amount referred to in the first paragraph will be adjusted, by ministerial regulation and on 1 January of each year, to the development of contractual wage costs for the government as established by Statistics Netherlands for the year preceding the year in which the ministerial regulation is drawn up, and will be rounded to thousands in euros.
3. The amount referred to in the first paragraph will not be changed pursuant to the second paragraph if the application of the second paragraph will not result in an increase of the amount.
4. The ministerial regulation referred to in the second paragraph will be published before 1 November of the year preceding the year to which the change relates.

Article 2.4

1. Our Minister concerned and Our Minister may jointly decide that the parties may agree on a remuneration - to be set by such decision - that is higher than the maximum remuneration referred to in Article 2.3.
2. Our Minister concerned and Our Minister will make a decision as referred to in the first paragraph with respect to a legal entity under public law or a legal entity as referred to in Article 1.3(1)(a) in accordance with the view of the council of ministers.
3. A notification of a decision as referred to in paragraph 1 will be published in the Government Gazette.

Article 2.5

By ministerial regulation and in accordance with the view of the council of ministers. Our Minister concerned and Our Minister may, for one or more positions of senior officials with a legal entity or institution, jointly set a maximum which exceeds the maximum remuneration referred to in Article 2.3 if special labour market conditions justify a higher amount, but which does not exceed the maximum remuneration referred to in Article 2.3(1) as this article read on the day prior to the date of entry into force of the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act.

Article 2.6

1. By ministerial regulation and having consulted Our Minister, Our Minister concerned may, for legal entities and institutions as referred to in Article 1.2(e) through (h), Article 1.3(a), (b) and (c) and the annexes to Article 1.3(1)(d) and (e), set an amount that is lower than the maximum remuneration referred to in Article 2.3. Our Minister concerned will set this amount every year in the month of November preceding the year to which this amount relates.
2. Our Minister concerned may decide that the parties are allowed to agree on an amount - to be set by such decision - that exceeds the amount referred to in the first paragraph. The amount will not exceed the maximum remuneration referred to in Article 2.3.
3. A notification of a decision as referred to in paragraph 2 will be published in the Government Gazette.

Article 2.7

1. By ministerial regulation of Our Minister concerned, the various legal entities or organisations may, within a category designated pursuant to Article 1.3(1)(d), be classified in classes based on criteria relating to, among other things, the size of the legal entities or institutions.
2. Having consulted Our Minister, Our Minister concerned may, for the various classes, set an amount that is lower than the maximum remuneration referred to in Article 2.3 or the amount referred to in Article 2.6(1). Our Minister concerned will set the amounts every year in the month of November preceding the year to which the amounts relate.
3. With respect to a legal entity or institution, Our Minister concerned may decide that the use of the criteria will result in a classification in a particular class. A legal entity or institution may ask Our Minister concerned to be classified in a different class. The ministerial regulation will contain rules with respect to the procedure.
4. Our Minister concerned may decide that the parties are allowed to agree on an amount - to be set by such decision - that exceeds the applicable amount referred to in the second or third paragraph. The amount will not exceed the maximum remuneration referred to in Article 2.3. Rules with respect to the procedure may be laid down by ministerial regulation.
5. A notification of a decision as referred to in paragraphs 3 and 4 will be published in the Government Gazette.

Article 2.8

By ministerial regulation, Our Minister concerned may, for legal entities and institutions as referred to in Article 2.6(1), for the purpose of Article 2.1(2), set a number that will indicate the scope of employment of the members of supervisory bodies as referred to in Article 1.1(b), under 4° and 5°. The number may be determined higher for chairpersons of supervisory bodies. The number will not exceed the percentages referred to in Article 2.2, unless the legal entity or institution has been exempted pursuant to Article 2.2.

Article 2.9

1. The relevant legal entities or institutions referred to in Article 1.2(e) through (h), Article 1.3(a), (b) and (c) and the annexes to Article 1.3(1)(d) and (e), or a joint venture of these legal entities or institutions, may, no later than in the month of September of the year prior to the year to which the amount relates, submit a proposal for the amount referred to in Article 2.6(1) or the amounts referred to in Article 2.7(2) to Our Minister concerned.
2. In setting the amounts referred to in Article 2.6(1) or Article 2.7(2), Our Minister concerned will take account of:
 - a. the remuneration for comparable positions held with bodies as referred to in Article 1.2;
 - b. the remuneration in relevant other labour market sectors;
 - c. the relation with the remuneration of the other staff within the relevant legal entities or institutions;
 - d. societal views on the amount.

Article 2.10

1. The parties will not agree on any payments due to termination of the employment which jointly exceed the total of the consideration and the provisions for post-employment benefits for the twelve months preceding the termination of the employment, up to a maximum of € 75,000. In the case of employment that is less than full-time employment as is customary for the responsible party, the payments will not exceed € 75,000, multiplied by the number of hours of the relevant employment and divided by the number of hours of full-time employment.
2. By an order in council on the recommendation of Our Minister, the amount referred to in the first paragraph may be changed if wage developments give reason to do so.

3. For the purpose of this Act, a remuneration for a period in which a senior official no longer performs any duties in anticipation of the termination of the employment, will be considered to be a payment due to termination of the employment and the date on which the senior official terminates the performance of his duties will be the date of termination of the employment.

Article 2.11

The parties will not agree on any profit-sharing payments, bonus payments or other forms of variable consideration, unless this agreement relates to certain exceptions laid down by or pursuant to an order in council.

§ 3. Sectoral standards for remuneration

Article 3.1

1. The parties will not agree on a remuneration per calendar year which exceeds the amount set for that year by Our Minister concerned for the applicable category designated in the annex to Article 1.4(1).

(Left out: includes provisions in accordance with § 2).

§ 4. Disclosure

Article 4.1

1. In the financial reporting document, the responsible party will, with respect to each senior official and each former senior official, state the following details:

- the name;
- the consideration;
- the taxable fixed and variable expense allowances;
- the provisions for post-employment benefits;
- the position or positions;
- the duration and scope of the employment during the financial year.

2. If the position is held other than on the basis of an employment relationship, the responsible party will, in derogation of the first paragraph and with respect to each senior official and each former senior official, state the following details:

- the name;
- the remuneration;
- the position or positions;

d. the duration and scope of the employment during the financial year.

3. In the financial reporting document, the responsible party will, with respect to each senior official and each former senior official, state the payments - made in the financial year - due to termination of the employment, as well as the name and position or positions held during the employment and the year of termination of the employment.

4. If the remuneration of a senior official or a former senior official exceeds the maximum remuneration set in respect of the institution by or pursuant to this Act or the total of the payments due to termination of the employment of a senior official or a former senior official exceeds or will exceed the amount referred to in Article 2.10(1) or Article 3.7(1), the responsible party will give reasons for this in the financial reporting document.

5. The responsible party will, by electronic means and by 1 July of the year following the financial year, send the details referred to in paragraphs 1 through 4 to Our Minister, unless Our Minister concerned has offered the possibility of electronic provision.

Article 4.2

1. In the financial reporting document, the responsible party will, with respect to any employed person whose remuneration has not already been included in the financial reporting document pursuant to Article 4.1 and whose remuneration of his position or positions has exceeded the maximum remuneration referred to in Article 2.3(1), state the following details:

- the consideration;
- the taxable fixed and variable expense allowances;
- the provisions for post-employment benefits;
- the position or positions;
- the duration and scope of the employment during the financial year.

2. The first paragraph will apply mutatis mutandis in the case of employment that is less than full-time employment as is customary for the responsible party, the remuneration of which exceeds the maximum remuneration referred to in Article 2.3, multiplied by the number of hours of the relevant employment and divided by the number of hours of full-time employment.

3. In the financial reporting document, the responsible party will state the payments - made in the financial year - due to termination of the employment, as well as the position or positions held during the employment and the year of termination of employment of any employed person whose

remuneration has not already been included in the financial reporting document pursuant to Article 4.1 and

- a. whose details were or should have been included in the financial reporting document in any previous year pursuant to the first paragraph or pursuant to Article 6(1) of the Executives' Pay Financed from Public Funds (Disclosure) Act, as that article read before this article entered into force, or
 - b. whose total payments due to termination of the employment exceeds or will exceed the maximum remuneration referred to in Article 2.3, applicable in the year of termination of the employment, recalculated in accordance with the second paragraph, if applicable.
4. If the financial year does not correspond with a calendar year, the statement referred to in the first paragraph will concern the remuneration, the position or positions relating to the calendar year immediately preceding the financial year.
 5. In the cases referred to in the first or third paragraph, under (b), the responsible party will, in the financial reporting document, give reasons for the fact that the maximum remuneration referred to in Article 2.3 was exceeded.
 6. The responsible party will, in the financial reporting document, also state these details of those persons whose remuneration, position or positions and duration of employment are stated, for the calendar year preceding the year to which the obligation referred to in the first and second paragraph pertains.
 7. The responsible party will, by electronic means and by 1 July of the year following the financial year, send the details referred to in the first, third, fifth and sixth paragraph to Our Minister, unless Our Minister concerned has offered the possibility of electronic provision.

§ 5. Enforcement

Article 5.1

1. The persons designated by a decision of Our Minister concerned are charged with monitoring compliance with this Act.
2. A notification of a decision as referred to in paragraph 1 will be published in the Government Gazette.

Article 5.2

1. The auditor referred to in Article 393(1) of Book 2 of the Dutch Civil Code will report any undue payment to Our Minister, or to Our Minister concerned if the latter has offered the possibility of electronic provision, if a claim - against a senior official or former senior official and, in the cases referred to in Articles 2.1(4) and 3.1(5), the natural person or legal entity assigning the senior official - arising from undue payment:
 - a. has not been included in the financial reporting document, or
 - b. has, at the time when the auditor gives his opinion on the financial reporting document, not yet been repaid by the relevant senior official, former senior official or, in the cases referred to in Articles 2.1(4) and 3.1(5), the natural person or legal entity assigning the senior official.
2. If the financial reporting document does not contain the correct details prescribed in Articles 4.1 and 4.2 or the reasons referred to in Article 4.2(5), the auditor will report the missing details or the absence of the reasons to Our Minister, or to Our Minister concerned if the latter has offered the possibility of electronic provision.

Article 5.3

The Dutch Tax and Customs Administration, pension funds and insurers to whom payments were made for a senior official for the purpose of a post-employment benefit or a payment due to termination of the employment will be obliged to provide Our Minister concerned, upon request and at no charge, with statements and information required for the implementation of this Act.

Article 5.4

1. Our Minister concerned will, for the purpose of enforcement of paragraphs 2 and 3, be authorised to impose on the parties an order subject to a penalty.
2. A notification of an order subject to a penalty as referred to in paragraph 1 will be published in the Government Gazette.
3. Our Minister concerned may offset any penalties incurred against existing claims of the legal entity incurring the penalty against Our Minister concerned.

Article 5.5

1. If the order that was imposed is not executed, Our Minister concerned will, while withdrawing the order subject to a penalty, claim the undue payments mentioned in the order from the senior official or the former senior official. The claim arising from undue payment will be cancelled by the notification of the decision to claim. The amounts claimed will accrue to the State.
2. In the cases referred to in Articles 2.1(4) and 3.1(5), the undue payment may be claimed from the senior official or the former senior official and the natural person or legal entity assigning the senior official or the former senior official jointly.
3. The amounts claimed will be paid within three weeks. Our Minister concerned may collect the amounts claimed by means of a writ of execution. Sections 5:38 and 5:39 of the General Administrative Law Act apply *mutatis mutandis*.
4. Our Minister concerned will not claim any undue payment if the claim arising from undue payment has prescribed. The order referred to in Article 5.4 will interrupt the prescription. Our Minister concerned may interrupt the prescription of the claim arising from undue payment by notifying the parties.

Article 5.6

1. Our Minister concerned will be authorised to disclose the details insofar as they should have been included in the financial reporting document pursuant to Articles 4.1 and 4.2. Disclosure will take place as much as possible in the manner prescribed for the financial reporting document, as well as by a publication in the Government Gazette.
2. The costs related to the disclosure referred to in the first paragraph will be payable by the responsible party. These costs include the costs of drawing up the document to be disclosed. Further rules on how the amount of the costs is determined may be laid down by an order in council.
3. Our Minister concerned may collect the costs due under the second paragraph from the responsible party by a writ of execution.

§ 6. The advisory board on standards policy for remunerations of senior officials

Article 6.1

1. There is an advisory board on standards policy for remunerations of senior officials.
2. The board is comprised of a chairman and no more than five other members.

Article 6.2

1. The duties of the board are to advise the government on:
 - a. the policy on the remuneration of senior officials within the meaning of this Act;
 - b. the application of this Act by the parties.
2. The board advises the government at least once every four years on the remuneration policy for senior officials in the public and semi-public sector and on the improvement of the application and effectiveness of this Act.

§ 7. Transitional and final provisions

Article 7.1

Each year before 31 December, an overview with respect to the implementation of the Act will be sent to the States General. Our Minister will coordinate the sending of this overview. The overview will at least contain:

- a. for each legal entity or institution, the details that are or should have been included in the financial reporting document for the preceding year pursuant to Article 4.1(1) through (4), with the exception of the name of the senior official or former senior official, insofar as the remuneration of the senior official or former senior official has exceeded the maximum remuneration referred to in Article 2.3(1) or, if this is lower, exceeds the maximum remuneration set for him by or pursuant to this Act, or the total of the payments due to termination of the employment exceeds the amount referred to in Article 2.10(1) or Article 3.7(1);
- b. for each legal entity or institution, the details that are or should have been included in the financial reporting document for the preceding year pursuant to Article 4.2(1) through (6);
- c. the details of the exceptions;
- d. the details of violations and enforcement measures.

Article 7.2

Within three years after the entry into force of this Act, and subsequently every three years, Our Minister will submit a report to the States General about the effectiveness and effects of this Act in practice.

Article 7.3

1. In derogation of Article 2.1 and Article 3.1 respectively, a remuneration agreed upon between the parties before the entry into force of this Act and exceeding the maximum remuneration referred to in Article 2.3, as this article read on the day prior to the date of entry into force of the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act, and the amount referred to in Article 3.3 respectively, will be permitted for no more than four years after the entry into force of this Act. The remuneration referred to in the preceding sentence will only be increased if this increase and the manner of calculating this increase were agreed upon between the parties before the entry into force of this Act. Articles 5.4 through 5.6 apply.
2. If, due to an amendment to the annex to Article 1.3(1)(d) or (e) or Article 1.4(1), this Act becomes applicable to the remuneration agreed upon between the parties, a remuneration agreed upon between the parties before the entry into force of this amendment and exceeding the maximum remuneration referred to in Article 2.3 and the amount referred to in Article 3.3 respectively will, in derogation of Article 2.1 and Article 3.1 respectively, be permitted for no more than four years after the entry into force of the amendment to the annex. The remuneration referred to in the preceding sentence will only be increased if this increase and the manner of calculating this increase were agreed upon between the parties before the entry into force of this amendment. Articles 5.4 through 5.6 apply.
3. A remuneration for the members of the highest supervisory bodies of a legal entity or institution which differs from Article 2.2 and Article 3.2 respectively will, if the remuneration was agreed upon before the entry into force of this Act, or before the entry into force of the amendment to the annexes to Article 1.3(1)(d) or (e) or Article 1.4(1), as a result of which this Act has become applicable to the relevant legal entity or institution, be permitted for no more than four years after the entry into force of this Act or the entry into force of the amendment to the annex. The remuneration referred to in the preceding sentence will only be increased if this increase and the manner of calculating this increase were agreed upon between the parties before the entry into force of this Act and the amendment to the annex respectively. The second paragraph applies *mutatis mutandis*. Articles 5.4 through 5.6 apply.
4. If the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act enters into force or Article 2.6(1), Article 2.7(2), Article 2.8, Article 3.4(2) or Article 3.5 is applied, a remuneration agreed upon between the parties and exceeding the applicable amount will be permitted, if the agreement was made before the entry into force of that act or the ministerial regulation, or before the entry into force of the amendment to the annex to Article 1.3(1)(d) or (e) or Article 1.4(1), as a result of which this Act has become applicable to the relevant legal entity or institution, for no more than four years after the entry into force of that act or the ministerial regulation or the amendment to the annex, unless a maximum period of four years already started earlier pursuant to paragraphs 1 through 5. The remuneration referred to in the preceding sentence will only be increased if this increase and the manner of calculating this increase were agreed upon between the parties before the entry into force of that act or the ministerial regulation, or before the entry into force of the amendment to the relevant annex. Articles 5.4 through 5.6 apply.
5. If a legal entity or institution classified in a class as referred to in Article 2.7(1) or 3.4(1) is, at any time and based on unchanged criteria, classified in a class for which a lower amount has been set, this classification will become effective as from 1 January of the next calendar year. A remuneration agreed upon between the parties before the change to the classification and exceeding the amount applicable to the relevant class will be permitted for no more than four years after the change to the classification. The remuneration referred to in the preceding sentence will only be increased if this increase and the manner of calculating this increase were agreed upon between the parties before the change to the classification. Articles 5.4 through 5.6 apply.
6. A stipulation in derogation of Article 2.10(1) and Article 3.7(1) respectively will, if the stipulation has been agreed upon before the entry into force of this Act, or before the entry into force of the amendment to the annex to Article 1.3(1)(d) or (e) or Article 1.4(1), as a result of which this Act has become applicable to the relevant legal entity or institution, or before the application for the subsidy decision as a result of which this Act has become applicable to the relevant legal entity or institution, be permitted for no more than four years after the entry into force of this Act or the amendment to the annex or the notification of the subsidy decision.
7. In derogation of Article 2.11 or Article 3.8, profit-sharing payments, bonus payments or other variable consideration agreed upon between the parties before the entry into force of this Act, or before the entry into force of the amendment to the annex to Article 1.3(1)(d) or (e) or Article 1.4(1), as a result of which this Act has become applicable to the relevant legal entity or institution, will be permitted for no more than four years after the entry into force of this Act or the amendment to the annex.

8. If, as a result of the granting of a subsidy referred to in Article 1.3(1)(c), this Act becomes applicable to a legal entity, a remuneration agreed upon between the parties before the application for this decision and exceeding the maximum remuneration referred to in Article 2.3 will, in derogation of Article 2.1 and Article 3.1 respectively, be permitted for no more than four years after the notification of the subsidy decision. The remuneration referred to in the preceding sentence will only be increased if this increase and the manner of calculating this increase were agreed upon between the parties before the application for this decision. Articles 5.4 through 5.6 apply.
9. If a four-year period as referred to in paragraphs 1 through 5 has expired, the remuneration agreed upon will, during a three-year period, be reduced to the maximum applicable to the legal entity or institution. In the first year, the reduction will be one quarter of the difference between the remuneration that was received pursuant to paragraphs 1 through 4 and the applicable maximum. In the second year, the reduction will be one third of the difference between the remuneration from the first year and the applicable maximum. In the third year, the reduction will be half of the difference between the remuneration from the second year and the applicable maximum. Any increase agreed upon as referred to in paragraphs 1 through 4 will not apply.
10. In the case of an extension of employment that is subject to this article, this article will not be applied any further after the extension.
11. For the purpose of this article, any change to the remuneration, or the duration of the employment agreed upon between 6 December 2011 and 1 January 2013 will not be taken into account, unless the change relates to a remuneration not exceeding the maximum remuneration referred to in Article 2.3 and the amount referred to in Article 3.3 respectively, or the amount applicable pursuant to Article 2.6, as applying with effect from 1 January 2013.

Article 7.3a

1. If, pursuant to Article 7.3, as this article read on the day prior to the date of entry into force of the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act, a higher remuneration was permitted than the maximum remuneration of Article 2.3 or the amount applicable pursuant to a ministerial regulation as referred to in Article 2.6(1), Article 2.7(2) or Article 2.8, and this amount is reduced simultaneously with the entry into force of the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act or pursuant to Article 7.4(2), “the

maximum applicable to the legal entity or institution” or “the applicable maximum” in Article 7.3(9) will each time be read as: the maximum applicable to the legal entity or institution on the day prior to the date of entry into force of the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act.

2. In the case referred to in the first paragraph, the remuneration will, after expiry of the three-year period referred to in Article 7.3(9), be reduced during a two-year period to the maximum applicable to the legal entity or institution. With effect from the first year, the remuneration will be reduced to the maximum applicable to the legal entity or institution on the day prior to the date of entry into force of the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act. In the second year, the reduction will be half of the difference between the maximum applicable on the day prior to the date of entry into force of the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act and the applicable maximum.
3. This article does not apply to the members and chairpersons of the highest supervisory bodies referred to in Article 2.2.

Article 7.4

1. If the Act Reducing the Maximum Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act enters into force on 1 January 2015, Our Minister concerned may, in derogation of Article 2.6(1) or Article 2.7(2), adopt the ministerial regulation for setting the amounts referred to in Article 2.6(1) and Article 2.7(2) with respect to the calendar year 2015, no later than in December 2014.
2. If Our Minister concerned fails to set the amounts referred to in the first paragraph for the calendar year 2015 before 1 January 2015, the amounts set by Our Minister concerned for the year 2014 pursuant to Article 2.6(1) and Article 2.7(2) will, in derogation of these articles, continue to apply to the calendar year 2015, even if these amounts exceed the statutory maximum remuneration referred to in Article 2.3.

Article 7.4a

1. As long as the order in council referred to in Articles 2.1(4) and 3.1(5) has not yet entered into force, this Act and the related provisions, as they read on the day prior to the date of entry into force of the Act Reducing the Maximum

Remuneration under the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act, will continue to apply with respect to senior officials performing their duties other than on the basis of an employment relationship.

2. By an order in council referred to in the first paragraph, rules will be laid down on transitional law with respect to remunerations agreed upon between the parties before the entry into force of the order in council.

Article 7.5

In the case of any payments due to termination of the employment as referred to in Article 4.2(3)(b), with the relevant employment being terminated before the entry into force of this Act, the responsible party will state the details referred to in Article 4.2(3) if the total of the payments due to termination of the employment exceeds or will exceed the maximum remuneration referred to in Article 2.3 which relates to the year in which this Act enters into force.

Articles 7.6 – 7.9 (amendments to other acts)

Article 7.10

This Act shall be cited as the: Standards for Remuneration Act. We order and command that this Act shall be published in the Bulletin of Acts and Decrees, and that all ministerial departments, authorities, bodies and officials whom it may concern shall diligently implement it.

Done in The Hague, 15 November 2012

BEATRIX

The Minister of the Interior and Kingdom Relations,
R. H. A. Plasterk

Published on the twenty-third of November 2012

The Minister of Security and Justice,
I. W. Opstelten

Annex 1.
to Article 1.3(1)(d) of the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act.

(List of institutions)

Ministry of the Interior and Kingdom Relations
(Includes a list).

Ministry of Infrastructure and the Environment
(Includes a list).

Ministry of Education, Culture and Science
(Includes a list).

Ministry of Economic Affairs
(Includes a list).

Ministry of Health, Welfare and Sport
(Includes a list).

Ministry of Security and Justice
(Includes a list).

Ministry of Foreign Affairs
(Includes a list).

Ministry of Finance
(Includes a list).

Ministry of Social Affairs and Employment
(Includes a list).

Annex 2.
to Article 1.3(1)(e) of the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act.

(Includes a list)

Annex 3.
to Article 1.4(1) of the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act.

Ministry of Health, Welfare and Sport

The healthcare insurers that have registered as such pursuant to Article 25 of the Healthcare Insurance Act or Article 4.1.1 of the Long-Term Care Act.

Annex 4.
to Article 1.5(1) of the Senior Officials in the Public and Semi-Public Sector (Standards for Remuneration) Act.

Ministry of Infrastructure and the Environment

1. The organisation designated under Articles 15a(2) and 15b(1) of the Shipping Traffic Act.

Ministry of the Interior and Kingdom Relations

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September 2015