

Special collective wage agreement between

VR, on the one hand, and the Confederation of Icelandic Employers (SA) for Icelandair at Keflavík International Airport, on the other hand, regarding the wages and terms of employees who do shift work in the company's passenger and loading services.

The agreement forms part of the general collective wage agreement between the parties and is valid for the same period.

1. On wages

1.11.2022

Starting wage	431,086
After 1 year in job	436,905
After 3 years in job	446,174
After 5 years in job	453,502
After 10 years in job	457,813

Length of service according to the above is in all cases based on the length of service in the job that this special wage agreement applies to. If an employee takes this type of job after having held a different position within Icelandair, their work experience is evaluated as 1 year if they have completed that length of service with Icelandair.

Supervisors:

Permanent employees who work as a supervisor shall be paid a supervisory supplement based on a full-time position, due to supervising the training of new employees in the field, safety control, quality control, supervision of computers and equipment, monitoring process updates outside fixed working hours, and other supervisory duties:

1.11.2022

Starting wage	64,546
After 1 year in job	67,847
After 3 years in job	72,644
After 5 years in job	92,957

2. Permanent employees

A permanent employee is considered to be an employee who has been employed indefinitely for three consecutive months and has completed their trial period.

3. On shifts

During shifts, a supplement must be paid on the basic wage according to the following:

On Saturdays and Sundays, as well as during the period from 00:00-08:00 daily, 45% supplement.

33% supplement for the period 17:00–24:00, Monday–Friday.

90% supplement on national holidays.

Shifts are organised according to the scope of the activity at any given time, and a time management system is used to organise shifts. Wages are paid according to the clock-ins and clock-outs.

Shifts must be a minimum of 4 hours. The shift rota shall generally be based on 164.67 hours per month based on 100% employment rate and proportionally for part-time workers. Icelandair is permitted, in consultation with employees, to change the scheduled start of shifts or part of them with 30 days' notice. Shift rotas must be organised one month in advance and must be available one week before the effective date. They must be posted at the employees' workplace or presented on the website or delivered to each employee.

4. Working hours

The weekly working hours of full-time employees shall be 38 hours on average, based on day-time work, but the normal working hours may be extended to up to 42 hours. The difference of 42/38 shall be paid with an overtime payment amounting to 1.0385% of the monthly wage.

5. Overtime

If an individual works continuously for longer than a 12-hour shift according to the rota, overtime must be paid.

If a supervisor works overtime as a supervisor, a 15% management supplement is applied on top of the standard overtime rate. The payment is for hours worked.

When an employee has worked 30 min beyond the regular 12-hour shift due to flight disruptions, a minimum of 2 hours of overtime must be paid. Similarly, if they work longer than 2 hours, 4 hours are paid.

When an employee is called out for work that is not in direct continuation of their daily work, overtime shall be paid for at least 4 hours except when their regular working hours commences within four hours.

Meal and refreshment breaks during overtime are not deducted from working hours.

6. Winter leave

In the general collective wage agreement for commercial workers, Article 2.2.4., full-time permanent employees must receive 96 hours (eight 12-hour work shifts) in winter leave based on a year's employment for work on public holidays according to Art. A payment (12/30 of the monthly wage) is permitted as substitution for the agreed leave if an agreement is reached with the employees.

7. Allocation of summer leave and winter leave

Summer and winter leave must be decided one month before the first holiday begins. The employer allocates the leave in consultation with the employees.

- 1) On the allocation of summer leave and winter leave of permanent shift workers:
 - a. Summer leave and winter leave shall be allocated in such a way that it begins on the first day of the respective employee's shift cycle and ends at the end of the above-mentioned leaves.

- b. Now, the National Church's holiday is included in an employee's summer leave or winter leave according to the above and such a holiday is then considered included in the leave, cf. item a.
 - c. Summer leave must be taken in the period 02.05-30.09 and winter leave in the period 01.10-30.04 each year, taking into account authorisations for deferment of leave-taking.
 - d. During the traditional summer leave period, 20 days of earned summer leave are allocated. Leave beyond that can be granted outside this period without supplement.
- 2) Summer leave and winter leave for part-time workers are calculated in proportion to work contribution.
- 3) Freelance employers who work on shifts shall be paid holiday pay instead of paid winter leave for the work done on holidays, cf. Art. 2.2.4. in the general collective wage agreement of the parties.

8. Meal and coffee breaks

Refreshment breaks shall be equivalent to 5 minutes for each hour worked and shall be divided as agreed by the immediate supervisor and employee, when convenient, so that urgent matters and services will not be disrupted. In a 12-hour shift, there are generally a 30-minute meal break and two coffee breaks. Employees pay for food and pastries at the internal company price. Staff representatives shall be allowed to review pricing.

9. Education and training

Employees must attend and take part in the courses that Icelandair deems necessary to establish, to increase their education in their work, and take exams if requested. This applies whether the course is held in Iceland or abroad.

When attending courses domestically, according to the aforementioned, the employees should be paid the full fixed wage for the entire duration of the course as well as a shift supplement, provided that the person was working according to a fixed shift work arrangement when the course attendance began. However, course attendance must not be planned during shift breaks, except in exchange for a day's work in accordance with the timecard and not immediately after or before a shift. An employee is allowed to take leave in lieu of payment for attending a course during a shift break, hour for hour. However, the timing of the leave is subject to the employer's approval in each case.

A minimum of 4 hours must be paid in daytime work for the courses organised by Icelandair Keflavík Airport that employees are required to attend.

10. Uniforms

No later than at the end of the trial period, Icelandair will assign a permanent employee appropriate uniform/work clothes according to the company's rules. The employee must comply with Icelandair's rules regarding the use of uniforms. Uniforms/work clothes are the property of Icelandair. If a monetary payment is made in lieu of footwear, the price must be taken into account. Payment must take place no later than October 1 and be proportional to work.

Renewal of uniforms/work clothes is in accordance with requirements and the company's rules.

11. Travel allowances

Included in the employees' fixed wages are travel allowances that were previously paid separately.

12. Travel allowances for extra shifts

When employees are called to an extra shift that is not directly before their shift or immediately following their shift, they must receive a special payment, ISK 2,828 per shift.

13. Job responsibilities

- a) The duties of the staff in passenger and loading services consist of providing customers with all the necessary services, including check-in, in order for flight operations and services to run smoothly and optimally in and around the Leif Eiríksson Terminal. As well as other tasks in connection with passenger and loading services according to the detailed instructions of the superiors.
- b) Employees must be ready for work as soon as the shift starts.

14. Confidential

Employees are not permitted to share with others information that should be kept confidential but that they may come across in the course of their work, or because of it, unless it is necessary for the operation of the airport.

Reykjavík, 12 December 2022

Protocol (2019)

Icelandair Keflavík International Airport is prepared to review the wage structure of supervisors.

Protocol (1997)

VR(VS) does not comment on flight attendants working at the gates at Leif Eiríksson Terminal according to Article 4 of the collective wage agreement of the Flight Attendants Association of Iceland and Flugleiðir from April 26, 1995.

*Please note this is a translation.
In matters of dispute, please refer to the original in Icelandic.*