2023/2025

NATIONAL COLLECTIVE AGREEMENT

For shops between Dansk Erhverv Arbejdsgiver and HK HANDEL

Translation – not legally binding. In case of uncertainties in the translation, the Danish original version will take precedence.

(Revised version - August 2023)

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SECTION 1 WORKING HOURS

1. Planning working hours, etc.

A. NUMBER OF HOURS

1.1. Number of hours for full-time employment

The normal effective working hours are 37 hours per week, equivalent to 160.33 hours per month. Working hours can be planned using 37 hours per week or as an average over 16 weeks in a fixed schedule – a total of 592 hours.

Working hours in excess of 37 hours on average in the 16-week period shall be paid as overtime, in accordance with Section 1(6).

1.2. Number of hours for part-time employment

When hiring part-time employees, normal working hours (length and location) shall be agreed on a case-by-case basis. Working hours can be planned as an average over 16 weeks in a fixed schedule.

However, in exceptional cases, it can be agreed that part-time employees participate in extra work and overtime.

1.3. Number of hours for flexible part-time employment

When hiring flexible part-time employees, a working time interval is agreed on a case-by-case basis. Working hours shall be scheduled as an average over 16 weeks in a fixed plan (plan period).

This form of employment can be used to hire employees with a minimum of 8 hours and a maximum of 20 hours per week on average.

The working time interval can be agreed to either be between 8-15 hours on average per week or between 13-20 hours on average per week.

Please refer to the Agreement on Flexible Part-Time Employment on page 62, where you can find these rules, including the delimitation of the groups that can be employed as flexible part-time employees.

B. WORKING TIME SCHEDULES

A written working time schedule shall be drawn up for each employee, specifying the length and location of working hours.

In the absence of a working time schedule, hours worked in excess of 37 hours per week will be paid as overtime, in accordance with Section 1(6).

The working time schedule shall be planned so that the actual working hours in a single week do not exceed 45 hours. If, in exceptional cases, the work schedule consists of more than 45 working hours in an individual week, such working hours must be paid in accordance with the rules on overtime in Section 1(6). These rules do not preclude additional overtime being performed.

The average weekly working hours calculated over a 16-week period may not exceed 48 hours including overtime, cf. EUWork Time Directive.

C. RULES FOR WORK SCHEDULING

Working hours shall be scheduled taking into account the employee's and the company's needs and shall, as much as possible, be scheduled on 5 of the week.

Working hours shall be planned so that no more than 2 days per week are worked after 17:45 and no more than every second Saturday after 14:15. These rules can be deviated from by agreement between the employee and the company.

Shops open on Sundays

For employees working in shops that are open on Sundays, working hours must generally be organised so that the employee has 8 weekends off, from the end of working hours on Friday to the beginning of working hours on Monday, over a 16-week period.

As far as possible, the weekends off should be organised so that a maximum of 2 consecutive Sundays are worked. It is agreed that time off in weekends shall be distributed appropriately over the schedule period, such that 2 consecutive working weekends should, as far as possible with regard to the company's operations, be followed by 2 consecutive weekends off.

Where reasonably justified by the company's circumstances, working hours may be scheduled in such a way that instead of the aforementioned weekend off

- time off is granted at another time during the plan period, with 20 minutes for each hour of effective working time performed on Sundays, or
- a special supplement is paid equal to 1/3 of the employee's personal hourly wage per hour for each hour of effective working time.

Compensatory time off or payment is only granted for work on the number of working Sundays that exceeds 8, calculated over a 16-week period.

Shops closed on Sundays

For employees employed in shops that are not open on Sundays, working hours must, as a general rule, be scheduled so that the employee has 8 weekends off, from the end of working hours on Friday to the beginning of working hours on Monday, over a 16-week period, cf. also clause C, 3rd paragraph. Exceptions to this general rule can be made by agreement between the employee and the company. The provisions sentences 1 and 2 of this paragraph apply correspondingly to employees employed in shops that are open on Sundays, but where the employee does not work on Sundays.

D. SPECIAL RULES - WORKING HOURS

The rules for the scheduling of work, cf. clause C, do not apply to the week before Christmas, Easter and Whitsun Saturday, nor for a 14-day sale.

The rules for work scheduling, cf. clause C, also do not apply in the following situations:

Sale of cars

Sales from shops on campsites

Sale of yachts, caravans, tents and camping equipment

Sale of plants, flowers, wreaths and gardening supplies

Sale of livestock

Sale of items from zoos

Sales from amusement parks

Sales from shops associated with exhibitions

Sales from service stations located on the motorway network

Sales from shops in station buildings

Sales from shops in airports and traffic centres

Sales from shops by harbour areas

Sales from bakeries open on Sundays

Sales from shops on ships sailing in international waters

Sales from general stores, cf. the 1994 Shop Business Hours Act (lov om butikstid)

F. BREAKS

Employees are entitled to a break of at least 30 minutes when working hours exceed 5 hours. The daily break time cannot exceed 1 hour, except on days where the daily working hours exceed 7.5 hours excluding breaks, and in such cases, breaks may not exceed 90 minutes.

On Saturdays with a closing time of 14:00 and other days of similar length, agreements may be reached locally to have no breaks.

F. CHANGES TO THE WORKING TIME SCHEDULE

The working time schedule can be changed on an ongoing basis with 4 weeks' notice; however, employees must always be aware of their working time schedule at least 16 weeks ahead.

In cases where the employee cannot accept the notified change in working hours due to significant changes, please refer to the provisions of the Danish Salaried Employees Act (funktionærloven).

For employees not employed on a salary basis, changes that are significant for the individual employee must be notified in accordance with Section 11(2).

By agreement between the employee and the company, it is possible to deviate from the rules on notice required for working hours.

2. Weekday holidays

A. WEEKDAY HOLIDAY REDUCTION

In weeks with weekday holidays, the working hours for the individual employee are reduced by a number of hours for each weekday holiday (New Year's Day, Maundy Thursday, Good Friday, Easter Sunday, Easter Monday, Great Prayer Day, Ascension Day, Whit Sunday, Whit Monday, 1st Christmas Day and 2nd Christmas Day as well as Constitution Day and the day of Christmas Eve).

The reduction is proportionate to the employee's average weekly working hours, so that for employees with average weekly working hours of:

over 10 hours there is a reduction of 3.5 hours over 20 hours there is a reduction of 4.5 hours over 25 hours there is a reduction of 5.5 hours over 30 hours there is a reduction of 7.0 hours 37 hours there is a reduction of 7.5 hours

per weekday holiday, Constitution Day or the day of Christmas Eve in that week or plan period.

For flexible part-time employment, cf. Section 1(1)(A)(1.3), with the working time interval of 8-15 hours on average per week, there shall be a reduction of 2 hours per weekday holiday, Constitution Day and Christmas Eve.

For flexible part-time employment, cf. section 1(1)(A)(1.3), with the working time interval of 13-20 hours on average per week, there shall be a reduction of 3.5 hours per weekday holiday, Constitution Day and Christmas Eve.

If the shop closes earlier than normal on New Year's Eve, the working hours for the individual employee must be reduced by the number of hours the shop closes earlier than normal on this weekday.

B. AGREEMENT ON THE TRANSFER OF REDUCED HOURS

If the employee so wishes, a written agreement can be entered into with the company that the reduced hours will be transferred to the next schedule period at a ratio of 1:1. This must be done in such a way that the employee has access to the balance, for example by specifying the balance on the payslip.

Reduction must be specified in full days unless otherwise agreed.

Taking time off with reduced hours is subject to agreement between the company and the employee.

Upon termination, unused reduced hours shall be paid out at a ratio of 1:1, plus pension, free choice and holiday allowance.

An agreement on the transfer of reduced hours can only be made with employees with at least 3 months seniority.

C. WEEKDAY HOLIDAY REDUCTION EMPLOYEES IN FLEXIBLE JOBS

With regard to the reduction of working hours for employees in flexible jobs, please refer to the Agreement on Weekday Holiday Rules for Employees in Flexible Jobs (Aftale om søgnehelligdagsregler for fleksjobansatte), cf. page 66.

3. Illness and holidays

Time off not taken due to illness or holiday does not entitle the employee to time off at another time.

4. Working hours, temporary assistance and temps

For temporary assistance and temp agency staff who are hired for a period of no more than 1 month, cf. Section 2(4) of the Danish Salaried Employees Act, the following applies:

Unless otherwise agreed in advance, payment is made for a minimum of 4 hours per day.

Weekday holidays shall be paid when these fall within the fixed dates of employment that have been agreed.

5. Staggered hours allowance

For work within the normal effective weekly working hours of 37 hours, the following supplements shall be paid per hour:

	1 March 2023	1 March 2024
Weekdays 18:00-23:00	DKK 29.00	DKK 30.00
Weekdays 23:00-06:00	DKK 38.95	DKK 40.30
Saturdays 15:00-24:00	DKK 51.00	DKK 52.80
Sundays and public holidays 00:00-24:00	DKK 56.80	DKK 58.80

The supplement is not paid for overtime and days off, and it is calculated on the basis of quarter hours.

For young people under 18 years of age and trainees/students, the supplement is half of the above rates.

For young people under the age of 25 who are employed for no more than 15 hours a week and who are completing a state-recognised full-time education programme, the supplements are also half the above rates. However, this is providing that there is no increasing trend to employ this group of people at the company in relation to the employment practices thus far. If an individual's employment exceeds 15 hours per week, full rates will be paid for all hours.

The employee must inform the company if the employee is no longer covered by paragraph 4 above. The company is required to pay staggered hours allowance from the start of the next pay period after the company has been informed that the employee is no longer covered by paragraph 4 above.

In paragraph 4 above, the statement "employed for no more than 15 hours a week" refers to flexible part-time employees, cf. Section 1(1)(A)(1.3), where the employee has worked no more than 15 hours a week on average during the plan period.

However, a dult learners who start the programme after the age of 25 will be paid the full staggered hours allowance.

However, the allowance is not granted for flexible working hours schemes where the flexible hour interval is set so that it extends beyond the period from 06:00 to 17:45, and to persons who are specifically hired to work at certain times outside the company's normal working hours.

6. Overtime work

The parties agree that overtime shall be minimised as much as possible with due regard to the needs of the company.

Overtime pay is only granted when the work is performed following an order from the company or its representative at the workplace. When possible, notice of overtime work shall be given no later than the previous day. For overtime work for which notice was given, but no part was actually done, and where notice of this change was given less than 4 hours before the overtime work was due to have started, 1 hourly rate + 50 per cent shall be paid.

A. PAYMENT - OVERTIME WORK

Overtime work for which supplements can be claimed, cf. Section 1(1), is calculated using an hourly rate +50% for the first 3 hours of overtime and 100% for additional hours as well as for any overtime on Sundays and public holidays.

If the employee is called in to work overtime without prior notice after the employee has left the company at the end of normal working hours, the overtime supplement is 100%.

The hourly rate shall be calculated as the employee's total monthly wages divided by 160.33.

When overtime work is performed, payment is calculated from the time of commencement of the overtime work, cf. paragraph 1. Overtime worked between 24:00 and 06:00 is paid at the hourly rate + 100%.

The calculation is based on half hours.

B. TIME OFF IN LIEU OF OVERTIME

If the employee so wishes and the company accepts it, overtime can be exchanged as time off in lieu, such that 50% hours are converted into 1.5 hours off for each hour of overtime, and 100% hours are converted into 2 hours off for each hour of overtime.

The scheduling of the time off shall be agreed between the company and the individual employee, normally with 1 week's notice. As far as possible, the time off must be granted as full or half days off and must be taken within 2 months of the overtime being worked.

If the employee reports sick to the company before the start of normal working hours on the day on which they were due to take agreed time off in lieu, the illness shall be considered an impediment to taking the time off in lieu.

If the employee has planned several days of time off in lieu, the impediment to the time off in lieu also applies to illness on any subsequent days.

7. Flexible working hours schemes

The provisions in this section do not preclude the possibility of agreeing on flexible working hours schemes.

8. Preventive measures for night work performed by night workers With effect from 1 March 2024, the following shall apply:

The parties agree that the planning of night work must follow the recommendations of the National Research Centre for the Working Environment (NFA), including the special recommendations for pregnant women. In the Agreement on Night work and Health Checks, the parties have agreed on the principles according to which the night work performed by night workers should be planned so as to follow the recommendations, as well as the measures to be taken if the recommendations are not followed.

SECTION 2 WAGES

1. Personal wages

- A. The wages for each employee shall be agreed directly between the company and the employee on a case-by-case basis. Assessment and possible adjustment of wages shall take place at least once a year on an individual basis. In connection with this, the parties recommend that an annual and individual salary interview be held with each employee.
- **B.** The company should use a systematic assessment when determining personal wages.
- **C.** Wages must reflect the individual's performance, qualifications, skills, ability, job flexibility, job content and responsibilities, as well as any education.
- **D.** If, in individual cases, there is agreement on this between the company and the employee(s), the negotiations may be conducted with the assistance of the trade union representative.
 - Where local parties wish to negotiate pay collectively, this can be agreed locally.
- **E.** In order to best support his/her colleagues in connection with entering into agreements on wages pursuant to Section 2(1)(A) and (C), the trade union

representative may request information on the company's productivity, competitiveness, financial situation and future prospects, including order backlog, market situation and production conditions.

- **F.** In cases where disparities are deemed to exist in this area as a whole, the parties have the right to institute proceedings, in accordance with the rules for handling disputes, cf. Section 9.
- G. If the personal wages determined for the individual employee are in obvious conflict with the condition set out in clause C, either party may request negotiations.
- H. Personal wages must be negotiated and determined in accordance with the principles of the Equal Pay Act.
- The wages for the individual employee may be determined in whole or in part as performance-related pay, bonus, commission, etc. cf. subsection 13.
- J. The parties have discussed the local wage formation. The pay increases that are, for example, derived from any increases in the Free-Choice Account can be included in the individual assessment of pay.

2. Wages, skilled labour

Employees with vocational education in the field of commerce are remunerated as follows:

	1 March 2023 DKK per month	1 March 2024 DKK per month
Minimum wage	22,411.00	23,132.00

3. Wages, shop assistant

Shop assistants are paid in accordance with the general wage provisions of the Collective Agreement for Shops for unskilled workers; however, a special shop-assistant supplement of DKK 750.00 per month shall be paid with effect from the 1st of the month in which the programme is completed.

Please see also the Agreement on Remuneration of Shop Assistants, cf. page 82.

4. Wages, unskilled labour

Unskilled workers are remunerated as follows:

	1 March 2023 DKK per month.	1 March 2024 DKK per month.
Minimum wage	20,911.00	21,632.00

5. Seniority allowance

Employees with vocational education in the field of commerce with 1 year seniority in the company are paid a supplement of DKK 2.90/hour.

Shop assistants with 1 year seniority in the company are paid a supplement of DKK 2.90/hour.

Unskilled workers with 1 year seniority in the company are paid a supplement of DKK 2.90/hour.

6. Wages, part-time and flexible part-time employment

- **A.** Part-time and flexible part-time employees are graded according to the same rules as full-time employees, and their wages are calculated using the ratio between the individual's weekly working hours and the applicable normal weekly working hours of the company or the department.
- **B.** When a full-time employee continues in the company as a part-time or flexible part-time employee, the wages shall be calculated as above, but in relation to the employee's previous wages.
- C. Weekday holidays shall be paid when these fall within the agreed working dates.
- D. If the part-time or flexible part-time employee works beyond the normal working hours, such extra hours shall be paid at the employee's normal hourly rate. If the part-time or flexible part-time employee is covered by a 16-week plan, overtime pay is earned if the part-time or flexible part-time employee has additional working hours in each individual week, such that that the average of 37 hours is exceeded.

7. Wages, temporary assistance and temp agency staff

Temporary assistants and temp agency staff hired for a period of no more than 1 month, cf. Section 2(4) of the Danish Salaried Employees Act, are remunerated in accordance with subsections 1, 2, 3 and 4. Payment is made for a minimum of 4 hours per day, unless otherwise agreed in advance.

Weekday holidays shall be paid when these fall within the fixed dates of employment that have been agreed.

8. Wages, young people under 18 years old

A. All young people under the age of 18 are remunerated as follows:

	1 March 2023 DKK per month.	1 March 2024 DKK per month.
Minimum wage	11,896.00	12,313.00

- B. For part-time and temporary employees and young people under 18 years of age, the wages are calculated on a pro rata basis.
 The hourly wage is determined by dividing the monthly wages by 160.33.
- **C.** From the first of the month in which the employee turns 18, wages shall be paid in accordance with the rules in Section 2(4).
- D. This provision applies, inter alia, to all ancillary functions in the shop area and the associated warehouse functions, etc.

9. Wages, trainees

A. For trainees who have completed the basic course in accordance with the Danish Act on Vocational Education (erhvervsuddannelseslov) in force from 1 August 2015, the following applies:

	1 March 2023 DKK per month.	1 March 2024 DKK per month.
1st year	12,893.00	13,344.00
2nd year	14,282.00	14,782.00
3rd year	15,585.00	16,131.00

Pay for trainees on basic vocational courses follows the first-year trainee rate.

Trainees who have passed the Higher Commercial Examination, Upper Secondary School Leaving Examination, Higher Preparatory Examination, Higher Technical Examination and EUX prior to the start of the education programme shall be paid a supplement to the above-mentioned wages of DKK 1,045.00 per month.

If an education agreement is completed in less than 3 years, the number of wage rates shall be reduced accordingly, so that the last rates apply.

For example, if an education agreement is entered into for 1 year and 6 months, the first 6 months will be paid at the 2 rate and then at the 3 rate.

If the education period is extended because the theoretical part cannot be completed within the agreed period through no fault of the trainee, the minimum wage for a skilled worker in this sector will be paid for the extended period, cf. subsection (2).

B. TRAINEES OVER 21 YEARS OLD

If a trainee begins the practical education programme after the age of 21, the wages will be agreed in each individual case based on the trainee's previous employment and education. If the company or the trainee so wish, the wages can be agreed in consultation with the parties.

C. TRAINEES, 25 YEARS OR OLDER

Trainees who have turned 25 by the start of the education will be paid according to the rates for unskilled workers, cf. subsection 4.

10. Wages, retail education programme step 2

Trainees who commence the retail education programme's (detailhandelsud-dannelsen) step 2 (retail manager), cf. section 1(5) of Executive Order no. 475 of 26/04/2019, will be paid during education at the wage rate for skilled workers, cf. subsection (2).

11. Wages, students in short-cycle higher education programmes

Students in short-cycle higher education programmes are paid wages during the placement period:

1 March 2023	1 March 2024	
DKK per month.	DKK per month.	
16,805.00	17,393.00	

The wages are paid for the portion of the education that constitutes the placement period. This is paid monthly. However, the company and the trainee may agree that the total wages for the education period in the company, including collective agreement increases, are distributed over the entire education period (training and theory) and paid by the same amount per month regardless time spent at school.

12. Free-Choice Account

To accommodate individual preferences for free choice between leisure time, pension or wages, each employee shall be given their own Free-Choice Account.

CONTRIBUTIONS

7.0% of the wages qualifying for holiday pay shall be deposited in the Free-Choice Account. As of 1 March 2024, a total of 9.0% of the wages qualifying for holiday pay will be deposited to the Free-Choice Account.

SPECIAL HOLIDAYS AND PENSION

Employees who on 1 September are entitled to special holidays may, each year in May, by written notice to the company, choose to convert one or more of the days

of special holiday in the coming holiday year into a deposit to the Free-Choice Account instead of taking them. A day of special holiday can be converted to 0.5% of the wages qualifying for holiday pay. If all 5 days of special holiday are converted to contributions to the Free-Choice Account, 2.5% will thus be contributed on an ongoing basis in the holiday year.

All savings in the Free-Choice Account include holiday allowance and holiday supplement for the deposit, even though they are paid as wages.

Each year in May, employees who, according to the rules of the collective agreement, are entitled to labour market pension at the time the choice is made may notify that all or part of the savings to the Free-Choice Account should be paid into the pension scheme in the following holiday year (1 September - 31 August).

The company can set minimum monthly pension contribution limits of DKK 75 per month. If the amount per month is less than this minimum contribution, the company can decide to combine the contributions for 2 months.

The deposit of additional pension contributions does not trigger employer contribution on that deposit.

PAYOUT

An employee can opt to have paid out an amount from their Free-Choice Account via their wage payment in connection with the employee taking time off, e.g. holiday, special holidays, childcare days or days off under the collective agreement, and a child's day 2 of sickness and medical appointments in connection with children's illness, but no more than 2 times per holiday period.

The employee must notify the company when a payout is to be made from the Free-Choice Account. The notification must be given no later than the 10th of the month in which the payout should take place. The employee decides the size of the payout, but the amount paid out can never exceed the amount in the account at that time.

For employees who take days off for senior employees (seniorfridage) in accordance with the rules in this regard, the balance in the Free-Choice Account shall be reduced by the paid wages plus holiday supplement/holiday allowance.

ONGOING PAYOUT OPTION

If the employee does not make a decision concerning his/her entire Free-Choice Account in connection with his/her free choice before 1 June, cf. above, the company may pay the remaining contribution on an ongoing basis together with the employee's wages. It is a condition for payment that the company can document that the employee has been encouraged to make a choice.

The parties to the collective agreement encourage companies to take the initiative to inform employees about the options with the Free-Choice Account, and the parties to the collective agreement shall prepare information material to support this practice.

The company may enter into a local agreement with the local trade union representative that up to the full contribution to the free-choice account shall be paid on an ongoing basis together with the wages, cf. Section 2(12), paragraph 2 ("CONTRIBUTIONS"). If there is no local trade union representative, the local agreement must be entered into with the local HK branch. For groups and chains, agreements can only be made with HK HANDEL.

The company cannot make it a condition for individual employment terms that ongoing payment must be made.

RESIDUAL SAVINGS IN THE FREE-CHOICE ACCOUNT

If there are funds in the Free-Choice Account at the end of May, they must be paid out with the next payment of wages, unless otherwise agreed locally.

However, funds that the employee has chosen to set aside for days off for senior employees must not be paid out.

Upon resignation/dismissal, the Free-Choice Account shall be settled, and any surplus paid out together with the last payment of wages from the company.

13. Pay systems (bonus, commission, performance pay, etc.)

- **A.** With the aim of strengthening the individual company's competitiveness and development, the parties agree to recommend that local agreements be put in place to carry out trials of or to introduce types of pay that improve competition so that both the company and the employees benefit.
- **B.** Such types or systems of pay may be based on e.g. performance appraisals in accordance with bonus, commission or extra performance principles, position and/or personal assessment, and/or qualification factors such as education, responsibility, seniority, vocational studies and flexibility.
- **C.** If the company or the relevant group of employees wishes to introduce such pay systems, local negotiations shall be initiated. If the company or employees so wish, the necessary assistance may be obtained from the parties.
- **D.** The parties agree the that it is appropriate to recommend that trials with new pay systems be initiated according to the guidelines below:

When deciding on the development and introduction of a pay system, a pay system committee shall be established. Where there are trade union representatives, it is standard practice for them to be involved. The committee shall organise its own working methods. Where relevant to the work of the committee, necessary education may be organised.

It is recommended that a pay system be based on transparent and open principles. A pay system must be functional, including clear to implement, easy to manage and easy to adapt to changing conditions, including rules for termination. Job evaluation, personal qualifications, education, performance-related pay, bonuses, etc. can be included as elements in the pay system.

14. Staggered wage payment

It is possible to postpone the settlement of overtime and additional work, staggered hours allowance and any other varying wage components from a given date in a month to the same date the following month, but no earlier than the 15th of a month, for payment at the end of the following month.

For part-time employees who are employed for a maximum of 15 hours per week on average and flexible part-time employees, it is also possible to stagger the settlement of the employee's wages as stated above.

15. Wage calculation for incomplete months

- A. When wages for individual days need to be calculated when employment commences or terminates during the course of the month, they shall be calculated as: the full-time monthly wage divided by 160.33, times the actual hours worked. This payment is also granted for weekday holidays, to the extent that these fall on the employee's normal working days.
- **B.** The same applies to absences due to holiday for which no wages/holiday pay has been earned, as well as to days off without pay.

16. Subscription deduction

According to the local agreement, the company can deduct the subscription fee for HK from the pay of unionised employees and forward it to HK.

SECTION 3 MIDDLE MANAGERS

- This provision covers middle managers who, without being covered by Section 12(2)(C), paragraph 2, of the collective agreement, have a special responsibility at the shop.
- 2. Middle managers are treated in accordance with Sections 1, 3 and 4 of the Salaried Employees' Collective Agreement for Trade, Knowledge and Service (Funktionæroverenskomsten for Handel, Viden og Service) between Dansk Erhverv Arbejdsgiver and HK HANDEL and HK Privat. These provisions can be found in the Agreement on the Understanding of the Agreement on Middle Managers, page 84.
- 3. Middle managers can be employed according to the following rules: In shops with at least 4 employees covered by the collective agreement, one may be employed as a middle manager. In addition, one more middle manager can be hired in shops with at least 12 employees.

One additional middle manager can subsequently be hired for every additional 9 employees at the shop. However, one middle manager can always be hired where there is neither a shop manager who is excluded from the collective agreement nor an owner who works in the shop to a significant extent.

The number of employees is calculated corresponding to the number of fulltime employees at the shop, calculated according to the basis for supplementary labour market pension contribution applicable as at 1 March 2004:

- · Employees with at least 117 hours per month are included in full
- Employees with less than 117 hours but at least 78 per month are included at 2/3
- Employees with less than 78 hours but at least 39 per month are included at 1/3
- · Employees with less than 39 hours per month are not included
- 4. Where there are special circumstances, middle managers can be appointed to a greater extent than that stated in subsection 3. This is subject to agreement with HK HANDEL. Such agreements can also cover an entire group of companies.
- **5.** An agreement on employment as a middle manager is entered into between the middle manager and the company.

- **6.** Existing employees whose employment conditions change under this provision shall retain their seniority at the shop. The same applies when an employee transitions from middle management to regular terms and conditions.
 - Workers already employed as at 1 March 2004 cannot be required to take on the role of middle manager without an agreement to this effect.
- The parties recommend that middle managers participate in relevant continuing and further education, e.g. basic or more advanced management education.

SECTION 4 PENSION

1. Pension rates

A contribution of 11.5% of the wage subject to PAYE tax shall be charged, cf. subsection 2. Of this, the company's contribution is 7.7% and the employee's contribution is 3.8%. As at 1 June 2023, the company contribution is 9.7% and the employee contribution is 1.8%.

2. Basis of calculation

The following elements are included in the basis for calculating pension contributions:

- · Employer-paid wages during adult education
- Holiday pay, salaried employees and employees employed under terms similar to salaried employees
- · Holiday allowance, hourly paid employees
- · Staggered hours allowance
- · The Free-Choice Account
- Bonuses (except birthday, anniversary bonuses and similar)
- Wages during maternity/paternity leave
- Monthly wages (including personal allowances)
- · Profit sharing paid in cash
- · Overtime and overtime pay
- · Performance pay, commission and bonus
- · Sickness benefits paid by the employer
- · Holiday pay during illness
- · Hourly wages
- · Holiday supplement

It is agreed as at 1 March 2012 that the same wage components shall be considered subject to PAYE tax as those earned by the salaried workers in the industry.

3. Conditions for entitlement to pension

All employees must have a pension scheme when the following conditions are met:

- The scheme covers employees over the age of 20, except trainees/students. However, trainees on level 2 of the retail education programme (retail manager), cf. Section 1(5) of Executive Order no. 475 of 26/04/2019, who have reached the age of 20 on 1 July 2020 are entitled to a pension.
- The employee must have been employed without interruption for 3 months
 with one or more companies covered by the collective agreement. This seniority requirement shall be disregarded in cases where the employee is already
 covered by a labour market pension scheme based on a collective agreement
 when they were hired.
- Employees who fulfil the above conditions are also subject to the conditions
 otherwise agreed between the parties for obtaining risk coverage and receiving insurance benefits.
- For employees who have reached retirement age and where it is not possible
 to contribute premiums for risk insurance, the entire pension contribution
 shall go to old-age pension.
- For employees who receive old age pension benefits but are still active on the labour market and fulfil the conditions for entitlement to the pension scheme, the company's pension contributions go to life annuity / discontinuing old-age pension without insurance elements. An agreement can be entered into between the company and the employee on payment of the company contribution as a supplement not qualifying for holiday pay, which shall be paid together with the holiday supplement applicable under the Danish Holiday Act (ferieloven). Upon termination, this will be paid together with the last wage payment. Where the company and the employee have agreed that the company contribution is to be paid together with the holiday supplement, the company can instead choose to pay the company's pension contribution on an ongoing basis with the wages as a supplement without entitlement to holidays.

Note:

If the Danish Parliament should accommodate the requirements of the parties to finance pension to trainees/students, who have reached the age of 25 at the beginning of the education, the collective agreement shall be amended in accordance with agreement between the parties to this effect. In such a case, the amended text will appear in the collective agreement texts on the websites of the organisations.

• If the employee remains in employment after reaching state pension age on or after 1 May 2020, the employee must choose whether to continue savings for their pension (as far as is possible) or whether the pension is to be paid on

an ongoing basis as a supplement without entitlement to holidays. Insurance cover ceases when the employee reaches state pension age. If the employee does not make a choice, the company will continue to contribute to the pension scheme.

Employees who have reached the age of 60 and who are not already covered by the pension scheme must not have a labour market pension scheme be set up. For these employees, the company's pension contribution is paid together with the holiday supplement. The company can choose to pay the company's pension contribution on an ongoing basis with the wages as a supplement not qualifying for holiday pay.

4. Switching pension provider

Unless otherwise stated in this agreement, the pension scheme shall be established with:

Pension for Salaried Employees – PFA Pension Sundkrogsgade 4 2100 Copenhagen \emptyset Phone: 39175000

Companies covered by a collective agreement that wish to change their pension provider may do so. However, this does not apply to companies that have previously had a pension agreement with FunktionærPension or that are otherwise covered by the FunktionærPension portfolio at Pension for Salaried Employees – PFA Pension. Finally, companies which have already entered a pension scheme before entering the collective agreement, and will thus be covered by the pension for salaried employees on accession of the collective agreement, cannot change their pension provider unless the parties come to an agreement on this.

The following conditions must be met when changing pension provider:

- A ballot on the change of pension provider must take place among the employees eligible for pension at the company. The company shall inform employees about the details and consequences of a possible change. If a majority of the votes cast are in favour of a change of provider, this can take place.
- When changing provider, the conditions set out in the collective agreement must be met.
- The transfer of the employees' deposits in connection with a switch must be
 done at no cost to the employees. Thus, no deductions may be made from the
 deposits, either by the transferring or the receiving company.
- Please refer to the guide on changing pension provider, page 97.

Please also refer to Agreement on Pension Schemes, page 92, and Free-Choice Account, cf. Section 2(12).

5. Insurance -trainees/students

Trainees/students who are not already covered by an employer-paid pension or insurance scheme are entitled to the following insurance benefits:

- A. Disability pension
- B. Lump sum disability payment
- C. Critical illness insurance
- D. Lump sum death benefit

The scheme is placed in a pension or insurance company of the company's choice, and similarly, Dansk Erhverv Arbejdsgiver is entitled to set up a scheme similar to group life insurance.

The costs of the scheme shall be borne by the company.

If the employee is transferred to another employer-paid pension scheme, the company's obligation under this provision ceases.

The insurance sums are as follows:

- Disability pension of DKK 60,000. annually
- Lump sum disability benefit of DKK 100,000.
- Critical illness insurance of DKK 100,000.
- Lump sum death benefit of DKK 300,000.

SECTION 5 TIME OFF AND ABSENCE

1. Holiday

- A. The Danish Holiday Act applies.
- **B.** Where there is no general holiday closure, the company must, no later than 1 April, obtain information on when the individual employee wants to take their main holiday, e.g. by handing out holiday lists.
- C. With regard to the possibilities of transferring holiday from one holiday period to another, please refer to the Holiday Agreement, page 73.
- **D.** The company can use the collective agreement's holiday guarantee scheme instead of the holiday card system. Dansk Erhverv Arbejdsgiver provides a guarantee that the money will be available.

Please also refer to the Holiday Agreement, page 73.

2. Special holidays

The employee is entitled to 5 days of special holiday within a holiday year. Information about the right to take special holidays:

- **A.** The employee is entitled to 5 days of special holidays from the time when the employee has been employed in the company continuously for 9 months.
- **B.** The days of special holidays are converted to and taken as hours within the holiday period. For conversion to hours for flexible part-time employees, please refer to the Agreement on flexible part-time employment, subsection 6.1.
- **C.** The days of special holidays are paid as for illness.
- D. Days of special holiday are scheduled according to the same rules as residual holidays, cf. the Danish Holiday Act. However, it is not possible to notify that special holidays will be taken during a notice period, following the company's termination of the employee. Illness prior to a planned special holiday entitles you to a replacement holiday.
- E. If the days of special holiday are not taken before the end of the holiday period, the employee may, within 3 weeks thereafter, raise a claim for compensation corresponding to pay during illness for each day of special holiday that has not been taken. Compensation will be paid no later than with the wages for the month of February.
- F. No holiday allowance or holiday supplement is paid for wages during special holidays or compensation for such days, nor is pension calculated on compensation sum.
- **G.** Regardless of any job change, no more than 5 days of special holiday may be taken in each holiday period associated with the allocated days of special holiday.
- H. Upon resignation/dismissal, the company must indicate the number of days/hours of special holiday that the employee is due. The employee who left the company can claim compensation for unused days of special holiday in the period from 1 January to 31 May after the end of the holiday period.

Please see also Free-Choice Account, cf. Section 2(12).

3. Illness

- **A.** Illness must be reported to the company as soon as possible.
- B. The company may require documentation of the illness either in the form of a medical certificate or a solemn declaration. The company pays for a medical certificate in accordance with applicable regulations.
- **C.** However, a medical certificate can only be demanded in the event of illness lasting more than 3 days. In addition, a medical certificate can be demanded for frequent, short-term absences of 1 or 2 days.
- D. With reference to Section 5(3), flexible part-time employees are also entitled to payment in the event of illness in accordance with the working time schedule(s) drawn up on the first day of illness.
 In the event of continued illness at the end of the above working time schedule(s), the sick pay is calculated as an average based on the hours paid for the last 3 full calendar months prior to the first day of illness. If the employee has not been employed for the last 3 full calendar months prior to the first day of illness, the sick pay is calculated based on the actual period of employment.

4. Childbirth (pregnancy, adoption and leave)

- **A.** Please refer to applicable legislation.
- B. It is a condition for the right to pay during leave that the employee has 9 months seniority at the expected date of birth.

The company pays the employee wages during absence due to pregnancy, from 4 weeks before expected date of birth (pregnancy leave). Furthermore, the same employee is paid wages during absence for up to 10 weeks after birth (formerly maternity leave).

Adoptive parents who have 9 months seniority at the time of adoption are paid wages during leave for 10 weeks from the time the child enters their custody (formerly maternity leave).

It is a prerequisite for the payment that the employer is entitled to reimbursement corresponding to the maximum daily cash benefit rate. If the reimbursement is less, the payment to the employee will be reduced accordingly.

C. Under the same conditions as in clause B, the other parent is paid wages for up to 2 weeks in connection with the birth (formerly paternity leave).

D. Under the same conditions as in clause B, the company also pays full wages during leave for up to 20 weeks (formerly parental leave).

Of these 20 weeks, the parent taking leave under clause B is entitled to 9 weeks and the other parent is entitled to 8 weeks.

Payment ceases if the leave reserved for the individual parent is not taken.

Payment for the remaining 3 weeks is granted to one of the parents.

The 20 weeks must be taken within 52 weeks of giving birth.

Each parent's leave can be divided into a maximum of two periods, unless otherwise agreed.

For payroll accounting purposes, the employee must, unless otherwise agreed, provide 3 weeks' notice when the employee wants to take paid leave. This does not change the notification rules in Section 15 of the Maternity Act (barselsloven).

E. For parents of children born or conceived on or after 1 July 2023

Under the same conditions as in clause B, the company also pays full wages during leave for up to 24 weeks (formerly parental leave). The change is effective for employees with children born or received on or after 1 July 2023.

Of these 24 weeks, the parent taking leave under clause B is entitled to 9 weeks and the other parent is entitled to 10 weeks.

Payment ceases if the leave reserved for the individual parent is not taken.

The payment for the remaining 5 weeks is either paid to one or the other parent or shared between them.

The 24 weeks must be taken within 52 weeks of giving birth.

Each parent's leave can be divided into a maximum of two periods, unless otherwise agreed.

Unless otherwise agreed, the employee must give 3 weeks' notice for payroll accounting purposes when the employee wishes to take paid leave. This does not change the notification rules in Section 15 of the Maternity Act (barselsloven).

F. To clarify, if the daily cash benefit rate is reduced, the salary paid shall be adjusted accordingly.

Leave periods:
Pregnancy leave
10 weeks leave from birth (formerly maternity/paternity leave)
Leave for the other parent (formerly paternity leave)
Leave beyond that no later than week 52 (formerly parental leave)

Pay commitment: 4 weeks with full pay 10 weeks with full pay

2 weeks with full pay

20 weeks with full pay. Of these 20 weeks, the parent taking leave under clause B is entitled to 9 weeks and the other parent is entitled to 8 weeks.

If the leave reserved for each parent is not taken, the payment is cancelled. The payment for the remaining 3 weeks is made to either one of the parents.

For parents of children born or received on or after 1 July 2023, the following applies:

Pregnancy leave
10 weeks leave from birth (formerly maternity/paternity leave)
Leave for the other parent (formerly paternity leave)
Leave beyond that no later than week 52 (formerly parental leave)

Leave periods:

Pay commitment: 4 weeks with full pay 10 weeks with full pay

2 weeks with full pay

24 weeks with full pay. Of these 24 weeks, the parent taking leave under clause B is entitled to 9 weeks and the other parent is entitled to 10 weeks.

Payment ceases if the leave reserved for the individual parent is not taken. Payment for the remaining 5 weeks is made to either parent or shared between them.

G. During 14 weeks of postnatal leave (formerly maternity leave), an extra pension contribution shall be paid at the expected date of delivery to employees with 9 months' seniority who take leave under clause B.

The pension contribution amounts to:

	Employer contribution	Employee contribution	Total contribution
	DKK per month	DKK per month	DKK per month
From 1 July 2014	1,360.00	680.00	2,040.00

For part-time employees, a proportional contribution is paid. For flexible part-time employees, a proportional contribution is paid, cf. the calculation of the number of hours in accordance with Section 5(4)(H).

For children born or received on or after 1 July 2023, the following applies:

During the 10 weeks of postnatal leave (formerly maternity/paternity leave), cf. clause B, an extra pension contribution shall be paid at the expected date of birth for employees with 9 months seniority.

The pension contribution amounts to:

	Employer contribution	Employee contribution	Total contribution
	DKK per month	DKK per month	DKK per month
From 1 July 2023	2,957.00	592.00	3,549.00

For part-time employees, a proportional contribution is paid. For flexible part-time employees, a proportional contribution is paid, cf. the calculation of the number of hours in accordance with Section 5(4)(H).

H. Wages in connection with childbirth and other paid leave for flexible part-time employees are calculated as an average based on paid hours in the last 4 completed calendar months prior to the commencement of the leave.

5. Children's illness

- **A.** Employees with at least 6 months' seniority in the organisation are entitled to paid time off when the time off is necessary to care for the employee's sick child/children who live(s) at home and is/are under the age of 14.
- B. Time off is only granted to one of the child's parents and only until alternative care is established, and it covers the child's first full day of sickness. If the child falls ill during the employee's working day and the employee must leave work as a result, the employee is also entitled to paid time off for the remaining working hours of the day in question. The company may require documentation e.g. in the form of solemn declaration.

C. If the child is still sick after the 1 full day of sick leave, the employee is entitled to 1 further day off. This day off is taken without pay, but the employee may receive an amount from his/her Free-Choice Account, cf. Section 2(12).

6. Children's hospitalisation

- **A.** Employees who have been employed by the company continuously for 9 months are granted time off when it is necessary for the employee to stay in hospital with a child under the age of 14.
- **B.** Time off is granted to employees who have been employed at the company continuously for 9 months when this is necessary in connection with hospitalisation, including when the hospitalisation takes place partially or entirely at home. The rule applies to children under the age of 14.
- **C.** This time off only applies to one of the holders of parental rights, and there is a maximum entitlement to a total of 1 week off per child within a 12-month period.
- D. Upon request, the employee must provide documentation for the hospitalisation.
- E. Full pay is provided, however max. DKK 130.00 per hour.
- F. If the employee is entitled to daily cash benefits, the company takes over this right.

7. Childcare days

Employees with at least 9 months seniority who are entitled to take their child's first day of sick leave are entitled to 2 childcare days per holiday period. The employee can take a maximum of 2 childcare days per holiday period, regardless of how many children the employee has. The rule applies to children under the age of 14.

The days are taken as agreed between the company and the employee, taking into account the best interests of the company.

The childcare days are taken without pay, but the employee may receive an amount from their Free-Choice Account, cf. Section 2(12).

8. Time off for a child's medical appointment

A. Employees with at least 9 months seniority who are entitled to take the child's first sick day off are entitled to time off in connection with medical appointments with the child.

- **B.** Employees who want to take time off for medical appointments must notify the company as early as possible.
- C. Time off for medical appointments is taken without pay, but the employee may receive an amount from his/her Free-Choice Account, cf. Section 2(12).

9. Days off for senior employees

The employee can be included in a senior employees' scheme from 5 years before the applicable state pension age for the employee.

FREE-CHOICE ACCOUNT

In the senior employees' scheme, the employee can choose to use the payment to the Free-Choice Account to finance days off for senior employees.

PENSION CONTRIBUTIONS

If the employee wants additional days off for senior employees, this can be done by converting regular pension contributions, cf. Section 4. The converted pension contribution is also deposited in the employee's Free-Choice Account.

UNUSED DAYS OF SPECIAL HOLIDAY

The employee and the company can agree that, from 5 years before the senior employees' scheme can be implemented, the employee can save the value of unused days of special holiday, cf. Section 5(2), and accumulate this.

The value of this may be paid out in connection with taking additional days off for senior employees.

According to this provision, the maximum number of days of special holiday that can be taken is equivalent to the amount saved, cf. the payment below.

TAKING DAYS OFF FOR SENIOR EMPLOYEES

When taking days off for senior employees, the Free-Choice Account shall be debited with an amount corresponding to sick pay. Illness prior to a planned day of time off for seniors entitles you to a replacement day off

CHOICES REGARDING THE SENIOR EMPLOYEES' SCHEME

Unless otherwise agreed, the employee must provide a written notification to the company in May stating whether the employee wishes to participate in a senior employees' scheme with days off for senior employees for the coming holiday period and, if so, what proportion of the pension contribution the employee wants to convert to wages. Furthermore, the employee must state how many days off for senior employees the employee wishes to take during the upcoming holiday period. This choice is binding for the employee and will

continue in the following holiday periods. However, each year in May, the employee can notify the company if they wish to make changes for the upcoming holiday period.

In the first year of the senior employees' scheme, the conversion takes place from the commencement of the pay period in which the employee is 5 years from the state pension age applicable at that time.

Unless otherwise agreed, the scheduling days off for senior employees is subject to the same rules that apply to the scheduling of special holidays, cf. Section 5(2).

OTHER FORMS OF WORKING TIME REDUCTION

As an alternative to days off for senior employees, the employee and the company can agree on a reduction of working hours, for example consisting of longer consecutive work-free periods, a fixed reduction in weekly working hours, etc.

In the event of an agreement on a permanent reduction in the weekly working hours, converted pension contributions shall be paid regularly as a supplement to wages.

The conversion does not change existing calculation bases in the collective agreement and is therefore cost-neutral for the company.

10. Time off due to force majeure

- A. Under the EU Parental Leave Directive (orlovsdirektivet), the employee is entitled to time off work without pay as a result of a force majeure situation in accordance with national practice when compelling family reasons arise in cases of illness or accidents that urgently require the employee's immediate presence.
- **B.** The provision does not affect the application of other rules on absence with pay.

SECTION 6 TRAINEES/STUDENTS

For trainee/student pay rates, please refer to Section 2(9) and (10).

1. Trainees/students

A. AREA

This provision applies to trainees covered by the Executive Order on Retail Education Programmes (bekendtgørelse om detailhandelsuddannelser) and trainees/students in individual vocational education programmes within the

scope of the collective agreement, cf. the Vocational Education Act (erhvervsuddannelsesloven).

B. FORMAL REQUIREMENTS

The education agreement (Uddannelsesaftalen) must be signed by the company and the trainee/student. It must be submitted to the vocational school, where it should be registered before the education programme can begin.

The education agreement is only valid if the company is approved as a place of education in the relevant field.

If the trainee/student is under the age of 18, the agreement must also be signed by the person(s) with parental rights.

The education agreement with associated rules, notification forms and school enrolment is available at the local vocational school.

The length of the education programme is stated in the Executive Order on Retail Education Programmes.

Together with the student/trainee and no later than at the end of the probationary period, the education manager at the company must prepare a written education plan in accordance with the training objectives.

C. PROBATIONARY PERIOD

The probationary period for trainees/students is 3 months, cf. the Vocational Education Act

Any time spent at school will not be included in the probationary period, which shall be extended accordingly, and the trainee/student should be notified in writing of the new last day of the probationary period as soon as possible.

D. ILLNESS, PREGNANCY AND CHILDBIRTH

Please please refer to the applicable legislation and Section 5 of the collective agreement.

E. HOLIDAY AFTER COMPLETION OF AN EDUCATION PROGRAMME

If the trainee/student remains at the company after completing an education programme, holiday will be paid with the relevant wage.

F. OCCUPATIONAL INJURIES

Trainees/students are covered by the company's occupational injury insurance throughout the entire programme, both the practical and theoretical parts.

G. WORKING HOURS - TRAINEES/STUDENTS

Working hours for trainees/students under the age of 18 are regulated by the Danish Working Environment Act (arbejdsmiljøloven).

Trainees/students may participate in overtime work; however, this may not exceed the average overtime hours worked by other employees doing the same job at the company.

The teaching time and associated travel time within normal working hours shall be included in the working hours.

Where there is participation in all-day and all-week courses, time off work shall be paid for the full day(s) or week(s) concerned.

H. TRANSPORT - STUDENTS/TRAINEES

The trainee student is entitled to reimbursement of transport costs in connection with school attendance when the total distance travelled is at least 20 km per day.

The student should use public transport whenever possible. If this causes unreasonable inconvenience to the student, own means of transport may be used.

Public transport is reimbursed for actual expenses incurred. The cheapest and most appropriate form of transportation must be used. If the trainee's/student's own means of transport is used, a transport allowance is granted per kilometre travelled, corresponding to the current rate for deductions for transport for kilometres travelled over 120 km, currently DKK 1.10, when the total distance to and from school is 20 km or more.

Under the aforementioned rules, trainees/students staying in accommodation will be given travel grants for travel between their usual residence and their accommodation. This also applies to travel during weekends, Easter and Christmas holidays.

The company always pays the student's/trainee's transport if the company, in agreement with the trainee/student, chooses a school other than the one closest to the workplace and the travelling distance does not exceed 20 km.

Otherwise, rules set by Arbejdsgivernes Uddannelsesbidrag (AUB) apply.

I. REIMBURSEMENT OF EXPENDITURE IN CONNECTION WITH COURSES

The company reimburses the trainee's/student's costs for course materials

up to DKK 600.00 for the entire education programme as well as expenses in connection with the final vocational test.

If a trainee/student is ordered to attend school under the Vocational Education Act's rules on free choice of school, the trainee's/student's expenses must be paid by AUB.

In connection with the student's stay at a business school with boarding facilities, AUB pays the expenses charged by the school for board and lodging, in accordance with the applicable rules laid down by the Ministry of Children and Education.

J. TRAINING ABROAD - TRAINEES/STUDENTS

Trainees stationed abroad are covered by the Danish Vocational Education Act.

The Danish company pays the difference between the pay while training abroad and the Danish trainee pay under this collective agreement.

The Danish company pays for any relocation and travelling expenses during the expatriation.

K. SELF-SELECTED EDUCATION

After 6 months of employment in the same company (including any time spent at school), trainees are entitled to apply for support from Handlens Kompetenceudviklingsfond. Grants are awarded for participation in training outside working hours to the same extent and under the same conditions as other employees covered by the collective agreement. Trainees/students are not considered under notice of termination, even if the education agreement is fixed-term.

L. TRAINING SUPERVISORS

During the practical education period, one or more skilled persons or persons with equivalent qualifications must be assigned to the trainee as training supervisors. The training supervisor ensures that the trainee/student is trained according to the rules on training and the trainee's education plan.

It is recommended that the training supervisor has the necessary qualifications to manage the training of the trainee. If necessary, these can be acquired by participating in the coaching course developed by the parties or something similar.

M. DISPUTES

Attempts must be made to settle disputes between trainees/students and the companies via negotiation, with the participation of the parties, before possible referral to the Danish Disputes Board (Tvistighedsnævnet).

N. SENIORITY

If trainees remain with the company after completing the programme, seniority is calculated from the start of the programme in the event of later termination.

O. MISCELLANEOUS

For other information please see the Executive Orders on Education and the other provisions of the collective agreement.

For wage rates for students in short-cycle higher education programmes, please refer to Section 2(11).

2. Students in short-cycle higher education programmes

A. AREA

The provisions set out in this section apply to trainees/students who are covered by the Executive Order on Short-Cycle Higher Education Programmes at Business Schools (bekendtgørelse om kortere videregående uddannelser på handelsskoler).

B. TERMS AND CONDITIONS OF EMPLOYMENT

For the practical education of the students/trainees, an employment agreement will be drawn up, which in addition to the terms of employment, describes the content of the practical part of the programme.

The employment relationship is subject to the general employment legislation, including the provisions of the Danish Salaried Employees Act and the Danish Holiday Act. The general provisions of the collective agreement regarding working hours, overtime and pension apply otherwise.

SECTION 7 EDUCATION

1. Further education

A. COMPETENCE DEVELOPMENT

Employees have the right and obligation to develop their competences in accordance with the conditions at the individual company, with the goal of strengthening competitiveness and the development opportunities of companies and employees.

In order to promote the company's overall competences and the professional, general and personal development of employees, it is recommended that the company and employees work systematically with formal education as well as competence development at the workplace. This should be done through daily work, upskilling, new forms of work organisation as well as through continuing and further education. This includes giving the employee a reasonable opportunity to update their education.

Both company and employee are encouraged to take joint responsibility for promoting competence development in order to ensure a connection between the company's competence needs and the employee's ability to fulfil current and future job requirements.

To the extent that the employee and the company agree, participation in longterm continuing and further education is recommended. In such situations, the parties recommend that companies consider hiring temporary workers.

B. PLANNING COMPETENCE DEVELOPMENT

The parties recommend that employee development is planned in connection with regular appraisal interviews.

The parties recommend that for unskilled employees with more than 4 years' seniority in retail, an Individual Competence Assessment (Individuel Kompetence Afklaring (IKA)) should be carried out at a vocational school in preparation for an appraisal interview.

It is also recommended that the planning of competence development is based on the employee's job situation, age and seniority, and it is recommended that personal development goals are set for each employee.

Employees can have their participation in in-company courses and other qualifying activities recorded officially.

In the company's works council, frameworks and principles for education and development can be discussed. Such frameworks and principles should also be established in organisations without works council, for example by setting up an education committee.

C. INDUSTRY OR COMPANY-RELEVANT CONTINUING AND FURTHER EDUCATION

If the employee participates in industry and company-relevant continuing and further education, the employee is entitled to one week off per year without pay once the employee has been continuously employed in the same company for at least 6 months.

If the employee has been continuously employed in the same company for 2 years, the company will pay course fees, transport and any wage loss, to the extent that the public sector does not cover the costs of relevant continuing and further education courses recognised by the parties to the collective agreement.

The parties recommend that employees are given adequate time off to attend such courses.

If an employee attends recognised continuing education with wage loss compensation outside normal working hours, the education time is counted as working hours if the education programme has been agreed in advance with the company.

If the employee attends continuing and further and continuing education courses in their free time, the company pays any participation fees and teaching materials, if this has been agreed in advance with the company.

If the employee attends courses with flexible meeting arrangements which have been agreed with the company, including e-learning, it is recommended that, upon entering into the agreement, it should be determined whether and to what extent preparation and implementation takes place during working hours or free time.

D. SELF-SELECTED EDUCATION

After 6 months of employment, the individual employee is entitled to 2 weeks off per year – scheduled with due consideration for the company's circumstances – for continuing or further education relevant to employment under the scope of the Collective Agreement for Shops, provided that a commitment has been made for grants for the education or for the company.

Employees, who are terminated due to restructuring, downsizing, company closure or other circumstances on the part of the company, and who have at least 6 months' seniority with the company, have the right to an addition – alone week off during the notice period with subsidy, in accordance with the rules in the 1st. paragraph. Under the same conditions the employee also has the right to utilise unused time off with support from Handlens Kompetence-udviklingsfond for up to 2 weeks.

(see note, page 40)

The employee is entitled to save up the right to time off for self-selected education for up to 3 years. However, the accumulated weeks cannot be

used if the employee is in a terminated position, unless the company and the employee have agreed otherwise. The oldest weeks are used first.

The opportunity to take long-cycle self-selected education courses is conditional on there being adequate resources in the competence development fund. The current rules also apply to companies that administer their own skills development fund resources, cf. Section 5 in the Agreement on the Competence Fund, page 107. The accumulated entitlement to self-selected training cannot be carried over to another job.

The company pays an amount equivalent to DKK 400.00 per year per full-time employee covered by the collective agreement, in accordance with the guidelines in the Agreement on a Competence Development Fund. For part-time and flexible part-time employees, the amount is reduced proportionally.

Employees can apply to Handlens Kompetenceudviklingsfond for an education grant. Education grants cannot be given if the employee receives full or partial pay.

Companies that have education committees can establish a development fund in the company, in accordance with the guidelines in the Agreement on a Competence Development Fund.

Note:

Course participation can be completed after termination of employment if the Danish Parliament accommodates the request of the parties for adjustments to the legislation. In such a case, the amended text will appear in the collective agreement texts on the websites of the organisations.

E. VOCATIONAL OUALIFICATION

In order to ensure the necessary upskilling of employees in the retail sector and thereby improve the competitiveness of retail companies, the parties to the collective agreement encourage unskilled employees and their companies to organise an education plan leading to skilled training for the employee.

For the purpose of obtaining vocational education in retail trade, the individual employee is entitled to 5 weeks of time off per year, within a 3-year period, to attend the qualifying courses recognised by the parties, provided that:

- · The employee has turned 25.
- The employee has 4 years of professional seniority in retail, of which 2 years are in the current company.

- The employee can obtain credit for what corresponds to min. 3/4 of the practical part.
- The employee has a theoretical post-qualification need of a maximum of 15 weeks, e.g. determined via an individual competence assessment procedure.
- The education programme shall be agreed with the company (both the
 practical and theoretical part as well as the final vocational test).

During the period in which the employee works towards vocational qualification, there shall be no other time off for continuing and further education.

2. Dansk Erhverv Arbejdsgiver og HK HANDELs uddannelses- og samarbejdsfond

A. The parties have established an education and cooperation fund for the retail sector (Dansk Erhverv Arbejdsgiver og HK HANDELs uddannelses- og samarbejdsfond).

The fund's purpose is:

- to promote and develop education in the retail sector, with a special focus
 on ensuring that companies have a labour force with sufficient vocational
 qualifications.
- to develop and test education programmes that do not yet exist in the traditional education system, and
- to finance remuneration for the trade union representatives.

Please also refer to the fund's articles of association.

B. FINANCING

The companies pay an amount corresponding to DKK 886.00 per year per full-time employee covered by the collective agreement. The amount will be adjusted on 1 January 2025 to DKK 1,051.00. For part-time and flexible part-time employees, the amount is reduced proportionally.

The fund's board is authorised to adjust the contribution if the fund's tasks so require.

Payment of contributions to the fund is made to Dansk Erhverv Arbejdsgiver, which is where the amounts are deposited.

3. The DA/LO Development Fund

The company contributes 47 øre per hour worked to the DA/LO Development Fund. The amount is collected in accordance with the provisions of the main organisations.

SECTION 8 TRADE UNION REPRESENTATIVES

1. Where can the trade union representative be elected?

A. AT LEAST 5 UNIONISED EMPLOYEES

In companies, as well as in separately located departments or branches, the unionised employees may elect an employee from among their group to be their trade union representative to the company or his/her substitute.

B. UP TO 4 UNIONISED EMPLOYEES

However, in companies as well as in separately located departments or branches where 4 or fewer unionised employees are employed under the scope of the collective agreement, a trade union representative may only be elected if there is local agreement on this, and this agreement can only subsequently be terminated if there is agreement in this regard.

C. AT LEAST 35 UNIONISED EMPLOYEES

For companies where each individual workplace employs 35 or more unionised employees under the scope of the collective agreement, a substitute trade union representative may be elected to act during long-term absence of the regular trade union representative, when this absence is due to illness, holiday, course participation or similar.

The substitute must fulfil the same conditions for election as trade union representative. The substitute trade union representative is subject to the same protection rules that apply to the regular trade union representative during his/her work as acting trade union representative.

Please also refer to the agreement on Regional Trade Union Representatives on page 106.

2. Election as a trade union representative

A. The trade union representative and any substitute trade union representative, both of whom may be part-time employees, must be elected from among the unionised, recognised skilled employees who have been employed for at least one year in the company in question; if at least 4 such employees do not exist, this number shall be supplemented with the unionised employees who have worked there the longest. A student/trainee or employee under the age of 18 cannot be elected as a trade union representative.

However, a trade union representative who enters into an education agreement with the company as an adult trainee can continue as trade union representative. If there is a training period, it is a prerequisite that the trade union representative works with his or her constituency.

Temporary workers from temp agencies do not have the right to vote in the election of a trade union representative at the user company.

There is a right to elect a trade union representative during working hours. This shall be agreed locally.

- **B.** In a company with branches or geographically separated departments, an employee can only be elected as a trade union representative for the location where he or she is employed.
- C. The election is not valid until it has been approved by HK HANDEL and notified to Dansk Erhverv Arbejdsgiver.
- D. This notification must take place as soon as possible and no later than 14 days after the election.
- E. Any objection by the company to the performed election must be received by the Association no later than 14 days after receipt of the notification of the election.
- F. As many eligible voters as possible should participate in the election of a trade union representative.
- **G.** With its approval, HK HANDEL guarantees that all eligible voters have been ensured the opportunity to participate in the election.
- **H.** The trade representative must not, as a result of his/her representative position, see a lack of progression in his/her wage development.

3. The tasks of trade union representative's

- **A.** It is the trade union representative's duty, both towards his/her colleagues and organisation and towards the company to do his/her best to promote and maintain stable and good working conditions. There must be no impediments to the unionisation of the company and its employees.
- B. When a case only concerns the personal circumstances of an individual employee or employees, the employee should discuss this directly with the management.
- C. In matters concerning pay and working conditions, the trade union representative may, if desired, present complaints or recommendations to management.

- D. If the trade union representative is not satisfied with the company's decision, the trade union representative may ask his/her organisation to handle the matter, but it is the duty of the trade union representative and the employees to continue working without interruption until the union's management decides otherwise.
- E. The performance of the duties incumbent on the trade union representative must be carried out in such a way that it causes the least possible disruption to the trade union representative's work. If the trade union representative has to leave their work in order to fulfil their obligations, this may only take place after being agreed in advance with the management.
- F. The trade union representative is given the opportunity to meet with newly hired employees during working hours. The purpose of the meeting is to provide information on the trade union representative's cooperation with the company and the possibility of membership of HK HANDEL. For example, a meeting can be set up in connection with an introduction day for new employees in the company, either when a company has hired a certain number of new employees or at regular intervals.
- G. In agreement with management, the trade union representative must, to the extent permitted by the nature and scope of the work, be given the necessary time off to attend relevant courses.
- **H.** If an employee's employment relationship changes so that the employment relationship is no longer covered by the scope of the collective agreement, the union representative must be informed.

If the company has not informed the trade union representative of this and the trade union representative contacts the company, the company must inform the trade union representative within 14 days.

4. Remuneration for elected trade union representatives

- A. Trade union representatives elected in accordance with subsection 2 will receive an annual remuneration, which is paid at a rate of 1/4 per quarter. The remuneration is paid as compensation for the trade union representative's fulfilment of his or her duties outside of working hours.
- **B.** The remuneration is not pensionable or entitled to holiday pay.
- **C.** The electoral base is calculated when the trade union representative is newly elected and subsequently once a year at the end of August. On cessation of the union representative duties, the remuneration ceases.

D. The remuneration constitutes:

Trade union representatives with an electoral base of up to and including 49 people will receive an annual remuneration of DKK 9,000.

Trade union representatives with an electoral base from and including 50 and up to and including 99 people will receive an annual remuneration of DKK 16,500.

Trade union representatives with an electoral base of 100 people or more will receive an annual remuneration of DKK 33,000.

Where an agreement has already been made on remuneration for the trade union representative, this will be deducted from the above remuneration.

The remuneration is paid from Dansk Erhverv Arbejdsgiver and HK HAN-DEL's Education and Cooperation Fund for the Retail Sector, cf. Section 7(2) (a).

5. Access to IT and internet

If there is IT and internet access at the trade union representative's workplace, the trade union representative must have the necessary access to it for the performance of his/her duties.

6. Local trade union branches, notices

- A. If the unionised employees in a company or a department thereof join together in a local union branch, the trade union representative must be the chairman.
- B. To the extent that work permits, management may, upon request, authorise necessary time off for members of the local union branch's committee to attend relevant courses.
- C. In a location accessible to employees, the local union branch may post union notices to members. The location shall be agreed with management, which also receives a copy of the messages posted.
- **D.** Where possible, the company shall make rooms available for the local trade union branch's meeting activities.

7. Refresher training on termination of trade union representative duties

A. An employee who ceases to be a trade union representative after having worked as such for a continuous period of at least 3 years, and who is still

employed at the company, is entitled to a discussion with the company about the employee's need for refresher training. The discussion must be held within one month of the termination of the position of trade union representative and at the employee's request. As part of the discussion, it will be clarified whether refresher training is needed and how this should take place.

- **B.** If no agreement can be reached, the employee is entitled to 3 weeks of refresher training. After 6 consecutive years of working as a trade union representative, the employee is entitled to 6 weeks of refresher training.
- C. The employee participates in the professional updating without incurring deductions in wages. It is a prerequisite that statutory wage loss compensation can be granted for the education. The wage loss compensation accrues to the company.

For refresher training, the company can apply for support for the remaining course costs from Handlens Kompetenceudviklingsfond, in accordance with the applicable rules. The Competence Fund allocates the necessary funds for this. Weeks from self-selected education are not counted towards refresher training.

8. Dismissal of trade union representative

A. If a company finds that there are compelling reasons for terminating a trade union representative, cf. clause b, the company must contact Dansk Erhverv Arbejdsgiver, which must then notify HK, which may request an organisation meeting.

In this case, the organisation meeting must be held no later than 7 calendar days after the notification.

If the company maintains the termination after the organisation meeting, the notice of termination is considered to have been issued when the notification was received.

- **B.** A trade union representative's dismissal must be justified by compelling reasons. It goes without saying that the mere fact of an employee acting as a trade union representative may never give rise to the individual being dismissed or their position being undermined.
- C. The employment of the trade union representative cannot be suspended within the notice period or before HK HANDEL has had the opportunity to question the legitimacy of the dismissal via industrial dispute procedures, unless this has been agreed locally. Efforts should be made to expedite the

processing of the case as much as possible so that the decision is available before the end of the notice period.

- D. However, these rules do not apply if the company legitimately dismisses the trade union representative pursuant to Section 4 of the Danish Salaried Employees Act.
- E. If the company stands by its dismissal of the trade union representative after the dismissal is acknowledged to be illegitimate by the industrial dispute procedures, the company is obliged, in addition to the wages for the notice period, to pay compensation in an amount which shall depend on the circumstances of the case. This compensation is final, meaning that no additional compensation can be claimed under the rules on unfair dismissal.
- **F.** The question of the justification of a trade union representative's dismissal and the amount of any compensation due to the trade union representative shall be settled by industrial arbitration with final effect.
- G. If there are special circumstances in the case that clearly indicate that anti-union behaviour has taken place, this issue can be brought before the Labour Court.
- H. If the union claims that the dismissal of a trade union representative is unfair, a claim for compensation or reinstatement may be made in accordance with Section 4(3) of the General Agreement. This question, together with the question of whether there are compelling reasons for the dismissal, can be dealt with in one and the same case by industrial arbitration.
- I. A salaried employee, or employee employed on similar terms to a salaried employee, who ceases to be a trade union representative after having acted as such for at least 1 year and who is still employed at the company is entitled to 6 weeks notice of termination in addition to the employee's individual notice period if the employee is terminated within 1 year of stepping down as trade union representative.

SECTION 9 DISPUTES

1. Disputes

For handling disputes between the parties regarding the understanding of the collective agreement, please refer to the "Norm for rules for handling industrial disputes".

If an industrial dispute or dispute over legislation on employment and working conditions etc. cannot be resolved locally at the individual company, the dispute can be negotiated with the assistance of the parties in accordance with the rules below, unless other rules are laid down in the collective agreement, in the General Agreement or elsewhere.

Notice should be given to the opposing party. This notice must specify the parties involved and the circumstances of the dispute, as well as the case handler in question. The case must be presented in such a way that a decision can be made on the basis of the information in the notice.

2. Organisation meeting

If the disagreement cannot be resolved on the basis of available information etc., either party may request an organisation meeting. The time and place must be agreed as soon as possible and no later than 14 days after receipt of the request, and the meeting must take place no later than 4 weeks after the date of the agreement, unless holidays or special circumstances apply.

The organisation meeting shall be held at the company, unless otherwise agreed. Minutes are usually taken of the organisation meeting.

3. General questions

For questions of a general nature relating to the interpretation of the collective agreement, Dansk Erhverv Arbejdsgiver and HK HANDEL may request that a meeting be held immediately at Dansk Erhverv Arbejdsgiver's offices so the matter can be discussed between these parties. Such a meeting must normally be held within 4 weeks of the request.

Disputes regarding the rules in this section, including compliance with the time limits, must be brought before the Executive Committee for processing.

4. Period of validity

These rules can be cancelled by either party with 3 months' notice.

SECTION 10 WORKING ENVIRONMENT

Please refer to the provisions of the legislation on working environment.

The parties agree that for typing and working at checkout counters in shops, appropriate time must be given at regular intervals to relax the strained muscles.

In companies where there is no working environment organisation, the trade

union representative elected in accordance with Section 8 may direct requests or bring complaints to the company regarding working environment issues. Where a working environment organisation exists, recommendations or complaints must be handled by the company's working environment organisation.

In agreement with management, the working environment representative may, to the extent permitted by the nature and scope of the work, be given the necessary time off to attend relevant working environment courses.

This time off is without pay, unless otherwise stipulated in the Danish Working Environment Act.

If there is IT and internet access at the working environment representative's workplace, the working environment representative must have the necessary access for the performance of his or her duties.

The parties also agree that matters relating to this subsection and the Working Environment Act (arbejdsmiljølovgivningen) should be brought up for discussion by the parties if no local agreement has been reached.

The parties recommend that the relevant information, tools and guidelines on the working environment at the trade associations for the working environment are used, and that companies familiarise themselves with these on the websites of the trade associations.

SECTION 11 PERSONAL NOTICE PERIODS

1. Salaried employees

For employees who are salaried employees, please refer to the provisions of the Danish Salaried Employees Act.

2. Employees not employed on a salary basis

A. NOTICE PERIODS

For employees who are not covered by the Danish Salaried Employees Act, the following notice periods apply:

During the first 3 months of employment, termination by either party may take place without notice, such that employment is terminated at the end of normal working hours on the day in question.

From the employee side:

• After 3 months of continuous employment: 1 month, with termination of employment at the end of a month.

From the employer's side:

- After 3 months of continuous employment: 1 month, with termination of employment at the end of a month.
- After 2 years of continuous employment: 2 months, with termination of employment at the end of a month.
- After 3 years of continuous employment: 3 months, with termination of employment at the end of a month.

B. SEVERANCE PAY

If an employee who has been continuously employed at the same company for 3, 6 or 8 years is terminated through no fault of his or her own, the company must pay a special severance pay of DKK 2,500 upon the employee's resignation either 1, 2 or 3 times.

There will be no severance pay if the employee on their departure has found another job, is receiving a pension or for other reasons is not receiving unemployment benefit. However, severance pay is paid if the employee is on leave of absence to care for illness in the family granted under Section 118 of the Danish Social Services Act (serviceloven) and for this reason alone does not receive unemployment benefits. Finally, the severance pay is not paid if the employee is employed on terms similar to a salaried employee or is already entitled to severance pay, extended notice period or similar terms that provide better rights than the general termination rules of the collective agreement.

If the employee's average weekly working hours are less than 37 hours, the amount shall be calculated proportionally.

3. Time off in the event of termination

Employees who are terminated due to restructuring, downsizing, closure of the company or other circumstances on the part of the company are entitled to paid time off for up to 2 hours, which shall be scheduled as soon as possible after termination, though with due consideration for the company's operations, so as to seek counselling from the unemployment fund / union.

4. Education in the event of termination

Employees who are dismissed due to restructuring, downsizing, company closure or other circumstances on the part of the company, and who have at least 6 months' seniority at the company, are entitled to education in accordance with the rules in Section 7(1)(d).

SECTION 12 ENTRY INTO FORCE AND TERMINATION OF THE COLLECTIVE AGREEMENT

1. The 50 per cent rule

A. TERMS AND CONDITIONS

HK HANDEL can only enter into collective agreements with members of Dansk Erhverv Arbejdsgiver through Dansk Erhverv Arbejdsgiver.

It is a condition that HK HANDEL, at the time the claim is raised, has at least 50% of the employees in the area covered by the collective agreement as members.

Dansk Erhverv Arbejdsgiver will not require the 50 per cent rule to be met in cases where a company wishes to establish a collective agreement for its employees, providing it is otherwise considered reasonable in the specific case that a collective agreement is entered into.

A request for a collective agreement can submitted for individual departments if, due to significant geographical separation or significant separation in terms of working conditions, they can be considered independent departments.

The question of the delimitation of the individual workplace is decided in accordance with the practice applied so far in connection with termination of collective agreements.

Even if the above conditions for the establishment of a collective agreement are not met, HK HANDEL is authorised to negotiate on behalf of its members against companies that act in violation of essential principles of the collective agreement or other similar disputes, e.g. by paying remuneration under this collective agreement, and where there are problems relating to legislation on employment and working conditions. If one of the parties so wishes, the negotiations can be escalated to negotiations with the participation of the main organisations.

The members of HK employed at the company may also, by granting power of attorney, authorise a colleague (spokesperson) to demand negotiations with the company on behalf of the members on the matters referred to in the previous section. The spokesperson must be a member of HK and have received authorisation from more than half of the members within the scope of the collective agreement in the relevant company, cf. Section 12 of the collective agreement.

B. PROCEDURE

When submitting a demand for a collective agreement, HK HANDEL must inform Dansk Erhverv Arbejdsgiver of the number of employees that are member of HK HANDEL out of the total number of employees affected by the demand.

If there is disagreement about the number of employees to be included in the calculation of whether the 50 per cent rule is met, HK HANDEL and the company must specify to Dansk Erhverv Arbejdsgiver which employees are considered to fall within the scope of the collective agreement. If disagreement persists as to whether HK HANDEL fulfils the conditions for the establishment of a collective agreement, HK HANDEL may demand negotiation between the organisations.

The time for the negotiation must be agreed within 14 days of the submission of the requirement.

If no agreement is reached in this negotiation, the matter may be settled by industrial arbitration.

If HK HANDEL documents that the conditions for the establishment of a collective agreement have been met, the collective agreement shall enter into force on the 1st of the next month, provided that the demand is made no later than the 15th of a month. If the request for a collective agreement is submitted after the 15th of a month, the collective agreement shall enter into force on the 1st of the month after.

In cases where agreement is reached on special provisions in accordance with Section 12(2)(a), second paragraph, agreement must also be reached on the date of entry into force of the collective agreement.

2. The scope of the collective agreement

A. NATIONAL COLLECTIVE AGREEMENT OR SPECIAL PROVISIONS

If HK HANDEL fulfils the conditions in subsection 1 to be able to demand a collective agreement, the collective agreement shall enter into force unless the business in question is carried on under a concession issued by a public authority or under conditions that can be equated with this.

The parties may demand special provisions if a company has working conditions or work functions that are not covered by the provisions of the collective agreement.

B. REWRITING COLLECTIVE AGREEMENTS TO THE COLLECTIVE AGREEMENT FOR SHOPS

- A company including organisations and associations which, upon
 joining Dansk Erhverv Arbejdsgiver, has entered into a collective agreement with HK HANDEL, shall be covered by the Collective Agreement for
 Shops from the time of joining and without special termination of such
 agreement.
- 2. Adjustment negotiations shall be initiated as soon as possible after the company joins Dansk Erhverv Arbejdsgiver, with the aim of drafting any local agreements or, in connection with the admission of organisations and associations, special provisions if applicable in such a way that the existing collective agreement is not transposed in its entirety.
- After the expiry of the period of the current collective agreement, local agreements will be covered by subsections 4 and 5.
- 4. Local agreements entered into pursuant to clause 2 may, after the expiry of the collective agreement period in which they were concluded, be terminated by both parties with 2 months' notice to the end of a month, unless otherwise agreed. In the event of termination of local agreements, it is the duty of the terminating party to arrange for local negotiations to be held and, if agreement is not reached, to have the matter dealt with at a mediation meeting, or possibly an organisation meeting. Even if the expiry date has passed, the parties are not released from the cancelled local agreement, practice, or regulation until these general rules have been observed.
- 5. If entering into or terminating local agreements etc. involves changes to the employees' wages or working conditions that must be considered significant in accordance with the rules of the Danish Salaried Employees Act, the individual employee's notice period must be observed, unless another agreement is entered into. If special notices are in place in accordance with this collective agreement, these notices shall take precedence over the right to individual notices.
- 6. A company including organisations and associations which at the time of joining Dansk Erhverv Arbejdsgiver does not have a collective agreement with HK HANDEL within the area of the Collective Agreement for Shops is covered by the Collective Agreement for Shops from the time of joining. If the company does not have a collective agreement at the time of joining, it is a prerequisite that the conditions in Section 12(1) (the 50 per cent rule) are met.

C. SCOPE OF THE NATIONAL COLLECTIVE AGREEMENT

The terms and conditions laid down in this collective agreement apply to all employees within the work area covered by the collective agreement.

However, salaried employees who occupy managerial positions or whose authority binds the company to a significant degree or whose duties, because they are of a particularly confidential nature, make them the employer's representatives, fall outside the scope of the collective agreement.

Employees in retail companies who are hired exclusively for employment in offices and warehouses are considered to be covered by the Salaried Employees' Collective Agreement for Trade, Knowledge and Servicebetween Dansk Erhverv Arbejdsgiver and HK HANDEL / HK Privat. However, in exceptional cases but not in a fixed work schedule, these employees can take shifts in the shop.

If the organisation and scheduling of the working hours follow what is applicable to the company's employees at the shop, it may be agreed that the Collective Agreement for Shops applies.

3. Duration of the collective agreement

The collective agreement can be terminated at the earliest on 1 March 2025. The notice period is 3 months, unless otherwise agreed between the main organisations.

Copenhagen, March 2023

Dansk Erhverv Arbejdsgiver HK HANDEL

Jens Mathiesen Mette Høgh

Laurits Rønn

EMPLOYMENT CONTRACTS

Agreement on employment contracts (Aftale om ansættelsesbeviser)

Please refer to the applicable law on the employer's duty to inform the employee of the terms and conditions of the employment relationship (the Employment Contracts Act (ansættelsesbevisloven)).

Pursuant to Section 1(3) of the Employment Contracts Act, the parties have agreed on the following derogations from the Act.

If the employment contract has not been delivered to the employee in due time, or if the employment contract is deficient, the company may be ordered to pay a fine/compensation, unless the deficiency is excusable and has not had a specific impact on the employment relationship.

Offences must be brought to the attention of the company. If the matter in question has not been rectified within 5 working days, the matter must be brought to the attention of Dansk Erhverv Arbejdsgiver in writing, specifying the exact nature of the deficiencies in question. If deficiencies in the employment contract are subsequently corrected or the missing employment contract is handed over within 5 working days of receipt of the claim by Dansk Erhverv Arbejdsgiver, the company cannot be ordered to pay a fine/compensation, unless there is a systematic breach of the provision on employment contracts.

In all cases, the employee must be provided with the above-mentioned information about the employment relationship no later than 15 days after the claim is raised. If this does not happen, the company may be ordered to pay a fine/compensation.

Cases concerning whether the company has complied with its duty of disclosure can be initiated in accordance with the rules on industrial disputes.

Note:

This Agreement on employment contracts shall lapse and be replaced by the following Agreement on the Implementation of Directive (EU) 2019/1152 of 20 June 2019 on transparent and predictable working conditions in the European Union (the EU Working Conditions Directive) on the date on which the Danish law implementing the EU Working Conditions Directive (Act on Employment Contracts and Certain Working Conditions (Lov om ansættelsesbeviser og visse arbejdsvilkår)) enters into force, which the parties expect to happen on 1 July 2023.

Agreement on the implementation of Directive (EU) 2019/1152 of 20 June 2019 on transparent and predictable working conditions in the European Union (the EU Working Conditions Directive)

The parties have reached the following agreement in order to implement the EU Working Conditions Directive in the collective agreement. The following will enter into force on the same date as the Danish Act Implementing the Working Conditions Directive (Act on Employment Contracts and Certain Working Conditions) enters into force, which the parties expect to happen on 1 July 2023. At the same time, the above Agreement on Employment Contracts shall lapse.

- The parties agree that articles 1 7 and 15 19 of the EU Working Conditions
 Directive shall be implemented with the wording in Section 1(1) (3), Sections
 2 5 and Sections 12 15 of the Act on Employment Contracts and Certain
 Working Conditions.
- 2. The parties agree that the Collective Agreement for Shops ensures the overall protection of employees and fulfils the purpose of the EU Working Conditions Directive, cf. Article 1(1). Chapter Three of the EU Working Conditions Directive is hereby deemed to have been implemented, cf. Article 14 of the Directive.
- 3. The parties agree that if the employment contract has not been delivered to the employee in due time, or if the employment contract is deficient, the company may be ordered to pay a fine/compensation, unless the defect is excusable and has not had a specific impact on the employment relationship.

Offences must be brought to the attention of the company. If the matter in question has not been rectified within 5 working days, the matter must be brought to the attention of Dansk Erhverv Arbejdsgiver in writing, specifying the exact nature of the deficiencies in question. If deficiencies in the employment contract are subsequently corrected or the missing employment contract is handed over within 5 working days of receipt of the claim by Dansk Erhverv Arbejdsgiver, the company cannot be ordered to pay a fine/compensation unless there is a systematic breach of the provision on employment contracts.

In all cases, the employee must be provided with the above-mentioned information about the employment relationship no later than 15 days after the claim is raised. If this does not happen, the company may be ordered to pay a fine/compensation.

4. Cases concerning whether the company has complied with its duty of disclosure can be initiated in accordance with the rules on industrial disputes.

WORKING ENVIRONMENT

Agreement on Night Work and Health Checks (Aftale om natarbejde og helbredskontrol)

NIGHT WORK

Night workers are employees who, during the night period (defined as from 23:00 to 06:00):

- a) Normally perform at least 3 hours of their daily working hours during the night period or,
- b) Perform night work for at least 300 hours within a 12-month period.

FREQUENCY

Employees must be offered free health checks before starting work as a night worker.

The parties also agree that employees who are classified as night workers under the agreement must be offered health checks at regular intervals of no more than 2 years.

WHEN SHOULD THE HEALTH CHECK TAKE PLACE

The parties agree that if the health check takes place outside the working hours of the employee in question, the employer will provide compensation for this.

WHO CARRIES OUT THE HEALTH CHECK

The parties agree that the health check must be carried out by a doctor with knowledge of the connection between night work and health problems.

DOCUMENTATION THAT THE NIGHT WORKER IS OFFERED HEALTH CHECKS

Possibly in cooperation with the working environment organisation, the company must prepare an annual written statement of the number of night workers and the extent to which the company offers these night workers a health check, cf. the principles of the collective agreement.

REPORT TO THE SAFETY COMMITTEE OF LARGE ORGANISATIONS

The parties find it natural that the safety committee at the company should, on its own initiative, monitor whether the health check is carried out in accordance with the rules.

PREVENTIVE MEASURES FOR NIGHT WORK PERFORMED BY NIGHT WORKERS

With effect from 1 March 2024, the following shall apply:

The parties have implemented NFA's recommendations on night work:

- · No more than three night shifts in a row
- No more than 9 hours at a time
- At least 11 hours between shifts
- Pregnant women usually work a maximum of one 1 night shift per week to minimise the risk of miscarriage and other pregnancy complications.

If the company follows NFA's recommendations, the general rules in the collective agreement shall apply without modification, including the rules on health checks.

If the company does not comply with NFA's recommendations, the following special activities shall be implemented for night workers whose normal working hours at night <u>are not</u> organised in accordance with NFA's recommendations:

- a. The company must offer annual health checks to night workers
- b. It is mandatory for the night worker to complete the health check every two years
- c. Conducting an annual special risk assessment aimed at night work, possibly in collaboration with the working environment organisation,
 - iv. Identifying and mapping the risks of night work
 - v. Assessing the risks of night work
 - vi. Prioritising and creating an action plan
 - vii. Follow-up on the action plan

NIGHT WORK BY PREGNANT WOMEN

The below shall apply from 1 March 2024 under the following assumptions:

- That the Working Environment Authority (Arbejdstilsynet) incorporates NFA's recommendations for night work performed by pregnant women, for example in Section 8 of the Executive Order on the Performance of Work (Bekendtgørelse om arbejdets udførelse), cf. Annex 2.
- That night work in excess of 1 night shift per week will be covered by Section 6(2)(2) of the Maternity Act, and that there will thus be access to reimbursement.

When the company is notified or otherwise becomes aware that an employee is pregnant, the company must, as soon as possible and no later than 2 weeks after the end of a week, reschedule the employee's working hours or transfer the employee to other duties so that the employee works no more than one night shift per week.

If it is not possible for the employer to reschedule working hours so that the employee in question works no more than one night shift per week or to transfer the employee to other work tasks, the employee is entitled to absence from other night shifts in excess of one per week with payment as for pregnancy leave, in accord-

ance with the provisions of Section 5(4)(B). This is exclusively a rule on payment that applies regardless of the employee's seniority and regardless of the number of weeks the employee is absent from other night shifts in excess of 1 per week.

If the pregnant employee has earned the right to be absent from other night shifts in excess of 1 per week, cf. above, the employer can later reschedule the employee's working hours or transfer the employee to other tasks if and when the opportunity arises.

Instead of the above rules on night work, a local agreement may be concluded with the trade union representative – or, where no such representative has been elected, the local branch of HK – to apply the rules in the Agreement on Night Work and Health Checks in the Salaried Employees' Collective Agreement for Trade, Knowledge and Service between Dansk Erhverv Arbejdsgiver and HK Handel/HK Privat.

WORKING HOURS

Agreement on the implementation of the EU Work Time Directive (Council Directive of 23 November 1993)

After reviewing the applicable working environment legislation, holiday legislation and the collective agreement entered into by the parties, Dansk Erhverv Arbejdsgiver and HK HANDEL have agreed that the above-mentioned Directive can be regarded as implemented in relation to the employees covered by both the collective agreement and the Directive, with the exception of the points below, for which the following has been agreed:

 The average weekly working hours in the retail sector, cf. Section 1 of the collective agreement, calculated over a 16-week period, must not exceed 48 hours including overtime.

The collective agreement's provision on the limitation of overtime remains in force.

When daily working hours exceed 6 hours, employees are entitled to a total of 30 minutes of break during working hours.

2. The night period is defined as the period from 23:00-06:00.

A night worker is defined as a worker who normally performs at least 3 hours of his or her daily working hours during the night period or night work for at least 300 hours within a 12-month period.

The normal average working time for night workers, calculated over a 26-week period, shall not exceed an average of 8 hours per 24-hour period. The weekly day off is not included in the calculation.

For particularly risky work or work that involves significant physical or mental stress, cf. Section 57 of the Danish Working Environment Act, night workers may not work more than 8 hours during a 24-hour period in which they perform night work.

Night workers who suffer from health problems that are demonstrably attributable to night work shall be transferred, where possible, to day work that suits them.

3. Disputes concerning this agreement shall be settled with final effect by industrial arbitration, cf. Section 9 of the collective agreement. It is agreed that the industrial arbitration tribunal that is set up to settle such a dispute has the authority to impose the appropriate sanction.

In the event of termination of the collective agreement, the parties are obliged to comply with the provisions of this agreement regarding the implementation of the EU Work Time Directive until another agreement takes its place.

This agreement may be terminated by either party with 3 months' notice at any time for the purpose of making adjustments in the event of changes to the above-mentioned Directive. Where the regulation of the collective agreement provides a better general level of protection of employees than the Directive, the implementation agreement shall not apply, cf. Article 18(3) of the Directive.

4. If changes to the Directive entail the negation of preconditions for entering into this agreement, the parties will enter into negotiations to this effect.

Agreement on the implementation of the Directive on Part-Time Work (Council Directive of 15 December 1997 on part-time work)

With reference to the general agreement of the main organisations on the procedure for implementing EC directives of 1 July 1996, the following supplementary agreement has been entered into to implement the Council Directive on parttime work ("The EU Part-time Work Directive").

SECTION 1 SCOPE

This agreement covers part-time employees in the DA/FH area who are covered by a collective agreement within this area and who are not or may not be guaranteed the rights laid down in the Directive under any existing agreement.

The agreement applies subject to more specific Community provisions, particularly any Community provisions concerning equal treatment or equal opportunities for men and women.

SECTION 2 PURPOSE OF THE AGREEMENT

The purpose of the agreement is:

- **A.** to create a basis for the elimination of discrimination and an improvement in the quality of part-time work
- **B.** to facilitate the development of part-time work on a voluntary basis and contribute to the flexible organisation of working hours in a way that takes into account the needs of companies and workers.

SECTION 3 DEFINITIONS

The following definitions apply to this agreement:

- A. "part-time employee" means an employee whose normal working hours, calculated on a weekly basis or averaged over a period of employment of up to one year, are less than the normal working hours of a comparable full-time employee.
- **B.** "a comparable full-time employee" means a full-time employee at the same organisation who has the same type of employment contract or employment relationship and who is involved in the same or similar work/occupation.

The comparison takes into account other factors, which may include seniority and qualifications/skills.

Where there is no comparable full-time employee at the same company, the comparison shall be made by reference to the applicable collective agreement or, in the absence thereof, in accordance with national law, collective agreements or practice.

SECTION 4 PRINCIPLE OF NON-DISCRIMINATION

As regards employment conditions, part-time employees shall not be treated less favourably than comparable full-time employees solely because they work part-time, unless the discrimination is justified by objective reasons.

SECTION 5 OPPORTUNITIES FOR PART TIME WORK

The principle of proportionate remuneration and proportionate rights, cf. the principle of pro rata temporis, is applied in relation to the rights arising from collective agreements.

Where appropriate and justified by objective reasons, the parties to the collective agreement may make access to particular employment conditions dependent on conditions such as seniority, working hours and earnings.

Conditions relating to access by part-time workers to particular conditions of employment should be reviewed periodically, taking into account the principle of non-discrimination as set out in the first paragraph.

SECTION 6 ENTRY INTO FORCE

In relation to the purpose of this agreement, cf. Section 2, and the principle of non discrimination, cf. Section 4, the following has been agreed:

If the parties to the collective agreement identify impediments that may limit the opportunities for part-time work, these should be discussed to consider their possible removal.

A worker's refusal to be transferred from full-time to part-time work or vice versa should not in itself constitute a valid reason for termination of employment, without prejudice to termination in accordance with national law, collective agreements and practice for other reasons such as may arise from the operational requirements of the company concerned.

Subject to the collective agreement, practice, etc., the company should, as far as possible, consider the following within the framework of the provisions on part-time employees in the collective agreement applicable to the employment relationship:

- **A.** requests from employees to transfer from full-time to part-time work that becomes available in the company,
- **B.** requests from workers to transfer from part-time to full-time work or to increase their working hours if the opportunity arises,
- C. providing timely information about part-time and full-time vacancies in the organisation in order to facilitate the transfer from full-time to part-time or vice versa,
- D. measures to facilitate access to part-time work for workers covered by this agreement and, where appropriate, to facilitate access of part-time workers to vocational education in order to improve their career opportunities and professional mobility,

E. providing appropriate information on part-time work in the organisation to existing bodies representing the employees.

SECTION 7 TERMINATION

The agreement can be terminated with 6 months' notice, for termination on 1 July of any year. If one of the organisations wishes to make changes to the agreement, it must notify the other party to the agreement 6 months prior to termination, after which negotiations will be initiated without recourse to arbitration with the aim of reaching agreement and thereby preventing termination of the agreement.

Even if the agreement is cancelled, the parties are obliged to comply with its provisions until another agreement replaces it or the Directive is amended.

SECTION 8 PROVISIONS IN COLLECTIVE AGREEMENTS/IMPLEMENTATION AGREEMENTS

Provisions in collective agreements and agreements pursuant thereto as well as provisions in implementation agreements shall take precedence over this agreement, provided that they validly implement the provisions of the EU Part-time Work Directive.

This agreement does not affect the protection afforded to part-time employees under the applicable collective agreements between the parties.

SECTION 9 INDUSTRIAL DISPUTES PROCEDURE

If a dispute arises regarding access to the rights set out in this agreement, such disputes shall be handled in accordance with the normal industrial and labour law rules. In the absence of such rules, the principle in Section 33 of the Labour Law Act (arbejdsretsloven) applies, according to which the norm for rules for the handling of industrial disputes applicable at that time between DA and FH shall apply.

Agreement on flexible part-time employment

At the renewal of the collective agreement on 1 March 2023, agreement was reached to establish a new form of employment called flexible part-time employment.

This agreement supplements and reproduces the collective agreement's rules on flexible part-time employment.

1. GROUPS THAT CAN BE HIRED AS FLEXIBLE PART-TIME EMPLOYEES

- 1.1 This form of employment can only be used to hire the following groups:
 - a. Young people under 18 years old.
 - Students who complete a state-recognised full-time education programme of 6 months once their study activity is complete.

- c. Workers with second jobs where the second job exists alongside the employee's primary profession or activity. This type of employment can last for 2 years.
- d. Persons in vocational education, see the Vocational Education Act.
- e. Pensioners.
- 1.2 The employee must inform the company when the employee no longer fulfils the criteria for being included in the above-mentioned groups, cf. subsection 1.1, points a-e. The form of employment must be changed within 6 months, by the end of a month, from the date on which the company has become aware that the employee no longer fulfils the criteria for being covered by the above-mentioned groups, cf. subsection 1.1, points a-e.

2. WORKING HOURS

2.1 When hiring flexible part-time employees, a working time interval is agreed on a case-by-case basis. Working hours are organised as an average over 16 weeks in a fixed plan (**plan period**).

This form of employment can be used to hire employees with a minimum of 8 hours and a maximum of 20 hours per week on average.

The working time interval can be agreed to either be between 8-15 hours on average per week or between 13-20 hours on average per week.

- 2.2 The start date of the plan period shall be made available to the employee. No later than 2 weeks after the end of each plan period, the employee can be informed of his or her actual number of hours worked during the plan period.
- 2.3 If the employee works more than the agreed average working time interval during an entire plan period, the employee may, no later than 8 weeks after the end of the plan period, request in writing employment in the working time interval that covers the number of hours worked. If the working hours exceed 20 hours on average, the employee may, no later than eight 8 after the end of the plan period, request in writing part-time employment, cf. Section 1(1)(A)(1.2), corresponding to the average weekly number of hours worked during the planning period. The company must honour such requests, which shall take effect from the next plan period.
- 2.4 2 times every calendar year and at least 5 months apart, the company must assess the contractual relationships entered into for flexible

part-time employment. If the employee has worked more than 20 hours on average in each of the 2 most recently completed plan periods, the company is obliged to offer the employee a contract corresponding to the actual number of hours worked in the most recently completed plan period, which shall take effect from the next plan period. If the employee does not wish to accept the company's offer, the company is obliged to ensure that the hours worked do not exceed 20 hours on average in each of the next 2 following plan periods.

3. DETERMINATION AND SCHEDULING WORKING HOURS

- 3.1 The parties agree on the following understanding for the determination and placement of the average weekly working hours within the agreed working time intervals of 8-15 hours and 13-20 hours, respectively, cf. Section 2(2.1) of this agreement.
- 3.2 The company may set and schedule working hours within the working time interval stipulated in the collective agreement in a plan period that the employee was informed of 16 weeks ahead, cf. Section 1(1)(F). The employee is obliged to perform the assigned work, which also constitutes a guaranteed number of hours for the specific plan period. The company's changes to the mandatory working hours can occur from one plan period to the next. In addition, changes can be made by agreement with the employee within the interval stipulated in the collective agreement. Changes may be made to the scheduling of working hours in accordance with Section 1(1)(F).
- 3.3 In all cases, the employee is guaranteed a minimum number of 8 hours per week on average (for the working time range of 8-15 hours) or 13 hours per week on average (for the working time range of 13-20 hours), and that a higher guaranteed number of hours may also be agreed in connection with commencement of employment or a change thereto.
- 3.4 If work is agreed in a plan period that goes beyond the working time intervals, the above rules apply, cf. Section 2 (2.3) and (2.4) of this agreement.

4. WEEKDAY HOLIDAY REDUCTION

4.1 With reference to Section 1(2)(A), third paragraph, for each flexible part-time employee working in the interval of 8-15 hours a week on average, the working hours in weeks with weekday holidays shall be reduced by 2 hours for each weekday holiday (New Year's Day, Maundy Thursday, Good Friday, Easter Sunday, Easter Monday, Great Prayer Day, Ascension Day, Whitsunday, Whit Monday, Whit Monday, Christ-

mas Day and 2nd Christmas Day as well as Constitution Day and the day of Christmas Eve).

- 4.2 With reference to Section 1(2)(A), fourth paragraph, for each flexible part-time employee working in the interval of 13-20 hours a week on average, the working hours in weeks with weekday holidays shall be reduced by 3.5 hours for each weekday holiday (New Year's Day, Maundy Thursday, Good Friday, Easter Sunday, Easter Monday, Great Prayer Day, Ascension Day, Whitsunday, Whit Monday, Whit Monday, Christmas Day and 2nd Christmas Day as well as Constitution Day and the day of Christmas Eve).
- 4.3 If the shop closes earlier than normal on New Year's Eve, the working hours for the individual employee must be reduced by the number of hours the shop closes earlier than normal on this weekday.

5. STAGGERED HOURS ALLOWANCE FOR YOUNG PEOPLE UNDER 25 YEARS OF AGE, STATE-RECOGNISED FULL-TIME EDUCATION

5.1 With reference to Section 1(5), fourth paragraph, in relation to flexible part-time employees, it is agreed that "employed for no more than 15 hours a week" means that the employee has worked no more than 15 hours a week on average during the plan period.

6. SPECIAL HOLIDAYS

6.1 With reference to Section 5(2)(2.3)(B), the conversion of days of special holiday for flexible part-time employees is based on 1 year's average actual working hours, calculated from 1 July of the previous year to 30 June of the current year.

If the employee does not have 1 year seniority as at 30 June, the average is calculated based on the actual period of employment from the start of employment to 30 June.

For 9 months seniority after 1 September, conversion is based on the average of the actual period of employment.

For all flexible part-time employees, the company can instead allocate special holidays consisting of 15 hours for employees employed in the interval 8-15 hours and 20 hours for employees employed in the interval 13-20 hours.

7. ILLNESS

7.1 With reference to section 5(3), flexible part-time employees are also entitled to payment in the event of illness, in accordance with the working time schedule(s) drawn up on the first day of illness.

In the event of continued illness at the end of the above work schedule(s), the sick pay is calculated as an average based on the hours paid for the last 3 full calendar months prior to the first day of illness. If the employee has not been employed for the last 3 full calendar months prior to the first day of sickness, the sick pay is calculated based on the actual period of employment.

8. CHILDBIRTH

- 8.1 Wages in connection with maternity/paternity leave and other paid leave for flexible part-time employees is calculated as an average based on hours paid in the last 3 completed calendar months up to the start of the leave.
- 8.2 For additional pension contributions in accordance with Section 5(4) (F), a proportionate pension contribution shall be paid, cf. the calculation of hours in subsection 8.1.

9. FUNDS

- 9.1 For flexible part-time employees, the amount to Handlens kompetenceudviklingsfond, cf. Section 7(1)(D), shall be reduced proportionately.
- 9.2 For flexible part-time employees, the amount to Uddannelses- og samarbejdsfond for Detailområdet, cf. Section 7(2)(B), shall be reduced proportionately.

10. ENTRY INTO FORCE AND TRANSITIONAL AGREEMENT

10.1 Flexible part-time employees can be hired from 1 March 2023. It has been agreed that, no later than the first plan period after 1 January 2024, companies must ensure compliance of contracts/employment conditions with applicable working time regulations.

11. MONITORING GROUP ON FLEXIBLE PART-TIME EMPLOYMENT

11.1 The parties agree, under the framework of the bargaining committee, to establish a monitoring group to follow the implementation of flexible part-time employment. During the collective agreement period, the monitoring group will evaluate and loyally discuss the use of flexible part-time employment.

Agreement on Weekday Holiday Rules for Employees in Flexible Jobs (Aftale om søgnehelligdagsregler for fleksjobansatte)

Flexible job established according to the rules before 1 January 2013
 The reduction is based on the employee's actual working hours, relative to a 37-hour full-time position. This will result in a proportional reduction of the weekday holiday reduction for full-time employees of 7.50 hours per weekday holiday.

For example, for an employee in a flexible job hired to work 15 hours a week: $15/37 \times 7.5 = 3.04$ hours per day of holiday

2. Flexible job established according to the rules after 1 January 2013 The reduction is granted according to the actual working hours agreed between the company and the individual employee, so there is no reduction for reduced intensity. The reduction shall be granted in accordance with the applicable schedule for part-time employees, cf. Section 1(2).

Agreement on Increased Employment (Aftale om øget beskæftigelse)

In order to meet a mutual desire to increase employment and flexibility and strengthen the individual employee's attachment to the labour market, the parties agree that this can be achieved through increased attention to:

- a) Timely and appropriate information about part-time and full-time vacancies in each organisation.
- Employees' individual requests to reduce or increase the agreed working hours.
- c) Offering available hours to employees in the company, with consideration for the company's operations and flexible scheduling of working hours.

Agreement on Night Work (Aftale om natarbejde)

The parties are aware that development trends within the scope of the collective agreement may entail an increased incidence of night work. During the period, the parties will therefore closely monitor and discuss the development of night work in the collective agreement area, including the organisation of night work.

The parties agree that it may be appropriate to hold discussions with the trade union representative and, where there is no trade union representative, with the employees, possibly in SU, before the company introduces night work.

SUSTAINABILITY AND DIGITISATION

Agreement on Sustainability (Aftale om bæredygtighed)

In order to meet the demand for relevant education within sustainable trade, the parties agree to ensure the development of education with a focus on sustainable trade within the scope of the Collective Agreement for Shops in the coming collective agreement period.

The above includes education at the basic education level, courses as well as continuing education.

The parties agree that this includes:

- That the need for the establishment of a new specialisation in the retail education programme within sustainable trade must be identified and, if necessary, developed.
- That adjustments need to be made to the existing retail education programme to strengthen the programme's focus on sustainable trade.
- That new continuing/further education offers are developed in the field of sustainable trade.
- To initiate needs analyses with the aim of providing specific knowledge about the needs for education in sustainable trade for the above.
- That the parties strengthen joint press efforts in order to position the distributive trades in the green transition and the climate agenda.

The parties also agree to collaborate on the marketing of the new education offers being developed.

Agreement on the Establishment of a Knowledge Centre for Digital Commerce and Sustainability (Aftale om etablering af videnscenter for digital handel og bæredygtighed)

JOINT EFFORTS FOR COMPANIES AND EMPLOYEES

The distributive trades are undergoing a gradual but decisive technological transformation and renewal. Major changes are needed to maintain competitiveness and secure the sector's 400,000 private sector jobs in an increasingly competitive global market.

Dansk Erhverv and HK HANDEL see it as an important and joint task to support this development. Therefore, we agree to strengthen the already well-functioning joint effort so that we contribute even more to preparing companies and employees for a future with new and significantly higher demands.

Technological developments and the resulting changes in consumer behaviour, preferences and buying patterns hold great potential for the distributive trades

– but they also present major challenges. Therefore, there is a need for stronger efforts in this area, and both the Danish Chamber of Commerce and HK HAN-DEL need to significantly strengthen their efforts in this area.

The sector has the fundamental strengths and prerequisites to seize the new opportunities of digitalisation, but the development will not happen on its own accord. It takes knowledge, insight and inspiration to change. If Denmark as a whole is to make the transition, it requires that we learn from each other's good experiences and that, as a country, we ensure sensible framework conditions for this transition – otherwise we are setting ourselves up for failure. HK HANDEL and the Confederation of Danish Enterprise's joint efforts will contribute to both.

Change is not a new phenomenon in retail, but it is happening more frequently and faster than we have seen in the past. Now competition comes not only from the shop across the street, but from the e-commerce company on the other side of the globe. Now consumers are not only looking at the latest fashion trends, but also what influencers are showing off on Instagram. Determining what goes on sale or where to best place a product in the shop is no longer just a matter of sound business practice or a good sense for business. Large quantities of data are part of the equation.

Over the past decade, online shopping's share of total retail sales has doubled. In the US, it has nearly tripled. The smartphone, with its access to check prices and reviews, has become an integral part of the buying experience. Virtual or augmented reality makes shopping an experience far beyond the actual transaction of an item and payment. We are buying things on subscription that we used to buy occasionally, and younger consumers in particular are increasingly driven by identity and whether a product fits their culture or the culture they want to be a part of. As our values, beliefs and dreams for the future become increasingly important factors when we shop, the importance sustainability also increases greatly.

Digitisation and new technology have helped increase efficiency in a wide range of areas. Warehouse functions have been automated. Online, consumers can choose, order and pay for goods themselves. Software robots help automate processes that were previously manual. In the supermarket, we can checkout by ourselves and pay with a tap on our mobile phones, unless we simply receive an automatic receipt when we leave the shop. This is also part of the development, but of course it means that we need to ensure that the employees who are no longer needed for the checkout process can create value for customers and the business in a different way.

Despite voice-controlled digital assistants, automated shelf fronts, self-driving trucks and self-service consumers, people are still needed in the distributive

trades. This is because it is still all about having business acumen, business understanding and the ability to relate to the customer and create the right experience associated with the purchase.

We can automate a lot, but it is still hard to teach an algorithm to only pack salad that is so fresh that you want to eat it yourself. It means more if a human tells you that the jacket fits well and is the right size than if a robot tries to convince you of the same thing. We can analyse gigabytes upon gigabytes of information, but it is still hard to replace the human business sense needed to ask the right questions – let alone the practical and aesthetic sense needed to change the layout of the business, if this is what you determine the numbers call for.

NEED BETTER AND BROADER COMPETENCES

Employees in the distributive trades must be able to utilise technology, understand the opportunities and challenges of digitisation, and have even more skills when interacting with customers and consumers. Over the past few years, a number of new education programmes have emerged that combine commerce with digitalisation and technology at various levels of education. This is really good, and it will be exciting to see the effects as more graduates enter the distributive trades. We must support and also contribute to more people seeking education and further education that combines commerce with digitisation and technology.

Politically, there is a strong focus on the importance of science, technology, engineering and maths (STEM) skills, but there is also a strong need for commercial understanding, business skills and a well-developed service mindset. There is a need for employees who are able to utilise the knowledge we can gain from artificial intelligence and translate it into the business so that it makes a tangible difference for customers and the bottom line. For employees who can understand and empathise when highly specialised colleagues share data-based insights. For employees who can convincingly present promotions and offers, not only in the shop window, but also on the business's social platforms, with all the unique targeting opportunities this offers. Employees are needed who can tie it all together into a cohesive experience of great service.

Technological understanding and digital skills are important, but so are new knowledge and training that equip the newly educated to meet the increasing expectations of consumers for knowledge about a product's origin, production conditions or climate impact. Sustainability is becoming more and more important as we increasingly move from servicing customers to guidance and creating an experience for the customer.

Technology and sustainability are also closely linked – technological solutions will often be one of the paths to greener or more responsible products, and it is

also the digital development that makes consumers have much greater access to knowledge about the sustainability of a given product or brand.

NEED FOR GREATER POLITICAL AWARENESS

While there will still be a need for human skills, the future is challenging for the distributive trades. Increased global competition, high local costs, rapid innovation, changing consumption patterns and new and more complex consumer preferences are creating pressure for transformation.

There is a need for greater political attention to the distributive trades and a greater awareness of the need for good framework conditions if this transition is to be fully successful.

We need to strengthen young people's STEM skills, but we also need to consider business understanding and business acumen in the skills equation of the future. We must have uniform conditions so that Danish companies do not compete uphill on unfair terms. We must ensure optimal opportunities to invest in innovation, competence development and growth.

SPECIFIC INITIATIVES

In order to strengthen the dialogue with politicians and to boost employees and companies digitally and technologically, HK HANDEL and Dansk Erhverv have agreed to significantly increase the already existing joint efforts.

The initiative is financed through the funds already allocated in the collective agreement.

A significant increase in efforts and resources will equip the parties' joint digitalisation secretariat to strengthen the possibility of being a knowledge and powerhouse for digital development in the distributive trades. The investment will increase the possibilities of collecting important knowledge, research and statistics. This includes knowledge about where the development is heading, how companies can best adapt to the future, which initiatives work when it comes to technological innovation in the distributive trades, and what constitute the best framework conditions for the industry's transition.

The knowledge and power centre must set the agenda in relation to the societal and political dialogue on the needs and future of the distributive trades. This should help politicians and other decision-makers to make far-sighted and appropriate decisions for the benefit of the economy, exports and employment, and it will provide a constructive and useful resource for businesses, policy-makers and educational institutions.

The specific activities in the coming collective agreement period may include:

- Analyses of development trends and related competence needs
- Research, development and demonstration projects with new technology
- Developing relevant education offers and promoting the use of education
- Joint press and communication efforts
- Collaboration with related projects
- Joint image and branding activities

In addition, the secretariat should utilise the increased resources to explore opportunities to access additional funding, for example from larger foundations.

Organisational Agreement on Data Protection (Organisationsaftale om databeskyttelse)

Dansk Erhverv Arbejdsgiver and HK HANDEL agree that provisions in collective agreements and the related case processing must be interpreted and processed in accordance with the General Data Protection Regulation (EU 2016/679), which took effect in Denmark on 25 May 2018.

Dansk Erhverv Arbejdsgiver and HK HANDEL agree that the implementation of the General Data Protection Regulation must ensure that the current practice of collecting, storing, processing and disclosing personal data in accordance with employment and labour law obligations can continue.

Agreement on Electronic Documents (Aftale om elektroniske dokumenter)

With discharging effect, the companies can submit payslips and any other documents to be exchanged during or after the ongoing employment relationship via the electronic mail solutions that may be available, e.g. e-Boks or via email.

When the employee is exempt from receiving digital mail from the public sector, the electronic solution will not be used.

JOINT EFFORT

In recent years, the distributive trades have been – and continue to be – in the process of technological transformation and innovation in connection with the digitisation of shift planning and shift planning systems. More and more companies are using electronic programmes and apps for shift planning.

HK HANDEL and Dansk Erhverv see it as a joint task to support this development, including by supporting the utilisation of technological opportunities, in accordance with the collective agreement framework.

To help ensure that shift planning in practice takes place in accordance with the framework of the collective agreement, HK HANDEL and Dansk Erhverv have agreed to establish a joint effort in this area.

SPECIFIC INITIATIVES

The specific activities in the collective agreement period 1 March 2023 - 28 February 2025 may include:

- Examining how the digital products from relevant providers in the market work in practice, including identifying any optimisation opportunities.
- Initiating dialogue with relevant providers in the market.
- Establishment of a series of meetings between HK HANDEL and Dansk Erhverv, under the framework of the bargaining committee, to discuss the subject.

Each party can have DKK 30,000 covered from the Uddannelses- og samarbejdsfond for Detailområdet, and in addition, up to DKK 100,000 shall be allocated from the same fund to cover expenses for external assistance.

TRAINEES/STUDENTS

Agreement on Grants for Trainees/Students with EUX Taking the Main Course of the Retail Education Programme (Aftale om tilskud til elever med EUX i hovedforløb på detailhandelsuddannelsen)

With the aim of ensuring that more trainees/students with EUX continue in the main course and get a traineeship in the retail education programme, a trial scheme will be introduced during the collective agreement period to allow companies to apply to the Danish Retailers' Competence Fund for grants for their students with EUX who are taking the main course of the retail education programme. Grants can be applied for to cover expenses related to students' study trips during the programme and to pay for private examinations at a vocational academy based on completed modules in the vocational education programme at the corresponding level.

The company can apply for a total of up to DKK 7,500 per trainee/student.

The agreement enters into force on 1 March 2023. The trial scheme will expire on 28 February 2025.

During the trial period, a maximum of DKK 750,000 can be used from Handlens Kompetenceudviklingsfond per year to implement the "Agreement on Grants for Trainees/Students with EUX Taking the Main Course of the Retail Education Programme". This only applies to employees who are covered by the central competence development fund.

For funds in self-administered companies, a maximum of 10% of the annual contribution, but at least DKK 7,500, can be used.

HOLIDAY

Holiday Agreement

This agreement has been entered into pursuant to the Danish Holiday Act and entails that the following deviations from the Danish Holiday Act and associated executive order apply.

INDUSTRIAL DISPUTES PROCEDURE

Disputes concerning the provisions of this agreement shall be settled by industrial dispute procedures. Disputes concerning other parts of the Danish Holiday Act may be settled by industrial dispute procedures provided that this has been agreed in the individual case.

EARNING AND TAKING HOLIDAY IN HOURS ETC.

Holiday can be earned and taken in other ways, including hours, than stated in the Danish Holiday Act.

If a company decides that holiday is to be earned and taken in 6-day holiday weeks, it shall be ensured that employees who work 5 days a week are not worse off than if they had taken holiday in a 6-day holiday week.

If holiday is earned in hours, a full-time employee earns 185 hours of holiday per holiday year, corresponding to 5 weeks x 37 hours.

Part-time employees earn a proportionate number of hours of holiday per holiday year.

In connection with this, it must be ensured that the holiday is not taken as less hours than the planned number of hours on the day in question and that the total holiday is not less than 5 weeks calculated in 25 whole days including days off that are not replacement days off and working days pro rata. As far as possible, holidays should be taken in whole weeks.

Holidays should reflect the working week and not be scheduled exclusively on short or long working days.

Upon termination of employment, holiday accrued in hours is converted to days.

An agreement on earning and taking holiday in hours can only be entered into if the holiday guarantee scheme is used.

If the holiday is earned and taken in hours, the company must inform the employees of this prior to the start of the holiday year.

Where no holiday guarantee scheme is used, a written agreement may also be made locally that holiday is taken in hours.

ADVANCE HOLIDAY AND HOLIDAY NOTICE

As a deviation from Section 7 of the Danish Holiday Act on taking holiday in advance and the principles in Section 15 of the same act, a local agreement can be entered into with the trade union representative on taking holiday in advance and on notification of holiday that has not been earned at the time it is taken. The local agreement must be in writing.

It can be agreed that employees are granted up to 5 weeks of holiday at the start of the holiday year on 1 September. Employees who join during the holiday year are allocated a number of holiday days proportionally.

The company can give notice that holiday should be taken at a time when the holiday has not yet been earned (give notice of "holiday in advance"). The company cannot give notice of more holiday than the employee can earn before the end of the holiday year.

If an employee resigns during the holiday year and the employee has used more holiday than earned at the time of resignation, the company can perform a deduction from the employee's wages and holiday pay claim.

Where the resignation is due to the company's termination, the company cannot deduct more holiday than the employee can earn before his or her resignation, unless the termination is due to a material breach on the part of the employee.

Where the employee cancels or terminates his or her employment relationship due to the company's material breach of contract, no deduction can be made.

The company must calculate and pay holiday allowance to the employee if the

employee has received less holiday allowance than the employee would have received if the employee had not taken "holiday in advance".

For employees with holiday with pay, a holiday pay differential calculation shall be performed, cf. Section 17(2) of the Danish Holiday Act, if a change in working hours means that the individual employee has received too little in wages during their holiday in advance.

HOLIDAY WITHOUT PAY

Please refer to Section 2(15) of the collective agreement.

HOLIDAY CARRYOVER

The company and the employee can agree to transfer accrued holiday beyond 4 weeks to the following holiday period.

It is a prerequisite that the agreement is in writing. The agreement must be entered into before the end of the holiday period. The company must also, within the same deadline, give written notice to the party paying the holiday allowance that the holiday is being carried over.

If an employee who has carried over holiday resigns before all holiday has been taken, holiday in excess of 5 weeks will be paid out. Holiday pay is calculated for monthly salaried employees at 12.5% of the wages qualifying for holiday pay at the time of termination. However, if the employee has earned holiday allowance from a previous employer, the holiday allowance shall be paid from FerieKonto or from the previous employer if a holiday guarantee scheme has been used.

Dansk Erhverv Arbejdsgiver guarantees holiday transferred for which the holiday guarantee scheme of the collective agreement has been used.

Holiday carried over can be taken with 1 month's notice, as the holiday is considered as residual holiday.

However, it is only possible to demand that holiday covering any carry-over holiday be taken during a notice period if the holiday has already been scheduled in this period or if the parties otherwise so agree.

Holiday, to an extent corresponding to any carried-over holiday, cannot be considered as taken during a release period, unless so agreed.

OFFSETTING HOLIDAY SUPPLEMENT

The holiday supplement stipulated in the Danish Holiday Act shall be paid at the same time as the corresponding holiday begins, or the holiday supplement for

the period from 1 September to 31 May shall be paid together with the wages for May, while the holiday supplement for the remainder of the holiday year shall be paid together with the wages for August. If the holiday supplement has been paid before the holiday begins, offsetting can be performed when the employee leaves.

ENTRY INTO FORCE AND TERMINATION OF COLLECTIVE AGREEMENT, ETC.

Agreement on the Understanding of the 50 Per Cent Rule WHEN MUST THE RULE BE MET?

The calculation to determine whether the 50 per cent rule is met is based on the employment conditions in the week in which the request for a collective agreement is received by Dansk Erhverv Arbejdsgiver.

WHICH EMPLOYEES ARE INCLUDED?

- **A.** Only employees within the scope of the collective agreement are included.
- B. Employees covered by section 12(2)(c), second paragraph, of the collective agreement cannot be included.
- C. Spouse, parents, children, siblings, etc. close family and dependants are not included.
- D. Sickness and absences (holidays, days off, maternity leave) are included if they are still considered employees of the company, and such that temp agency staff filling in for them are not included, even if the temporary work period exceeds 3 months.
- **E.** Employees under notice of termination are included if they can still be regarded as being employed by the company.
 - Employees who leave during the relevant week are only counted if they have been employed for the entire week.
 - Employees who join during the relevant week are counted as if they had been employed by the company for the entire week.
- **F.** Extra staff not employed for more than 3 months is not included.
- **G.** Temporary workers hired through a temp agency are not included.
- H. Employees working from home are not included.

I. Representatives are not included.

FULL-TIME/PART-TIME

A. Full-time employees, including trainees, are fully counted.

B. Part-time employees are thus included:

Less than 15 hours per week: not counted
From 15 hours to 30 hours per week: counted at 50%
30 hours per week or more: counted fully

C. In case of a split post, i.e. where an employee works both within and outside the area covered by the collective agreement, the work performed within the area covered by the collective agreement is counted according to the rules for part-time employees.

Agreement on agreements that deviate from the collective agreement

There is agreement on the desirability of building up experience with agreements that deviate from the collective agreement.

It is therefore agreed that agreements deviating from the collective agreement may be entered into within the scope of the collective agreement, including deviation from the collective agreement's rules on wages and/or working hours and on, for example, chain cooperation in connection with self-administration of competence funds.

Such agreements are entered into locally between the company, respective groups of companies and the employees covered by the agreement. Before the agreement can enter into force, it must be approved by the parties to the collective agreement.

Agreement on access to enter into local agreements

If no trade union representative has been elected, local agreements that do not deviate from the collective agreement may be entered into with the support of more than half of the unionised employees covered by the collective agreement who are covered by the local agreement at the time of the agreement. Alternatively, local agreements that do not deviate from the collective agreement can still be concluded with the local HK branch.

EQUAL PAY

Agreement on Equal Pay (Aftale om ligeløn)

The parties want to create the best possible framework for women and men in the collective agreement area so that they have equal rights and conditions – and thus also equal opportunities – based on their individual circumstances and wishes.

The parties thus wish to maintain and develop a high rate of participation of both men and women in the Danish labour market, where the employment rate for women is among the highest internationally.

Equal pay is a natural part of a modern and dynamic labour market.

Thus, it is agreed that gender should not be given importance in the individual company's determination of employee salaries.

With the agreement, the parties wish to increase the focus on ensuring that men and women receive equal pay for the same work or work that can be attributed the same value.

It is therefore agreed to support the ongoing efforts of individual companies and employees to ensure compliance with the principles of equal pay.

The parties have therefore entered into the following agreement:

Agreement on the Implementation of the Equal Pay Act (Aftale om implementering af ligelønsloven)

SECTION 1

There shall be no wage discrimination on the basis of gender in contravention to the rules of this agreement. This applies to both direct discrimination and indirect discrimination.

Subsection 2. Every company shall pay women and men equal pay for equal work or for work of equal value, and this includes all wage components and conditions. In particular when a classification system is used in pay determination, this must be based on the same criteria for male and female employees and be designed to prevent any discrimination on the ground of gender.

Subsection 3. The assessment of the value of the work must be based on an overall assessment of relevant qualifications and other relevant factors.

SECTION 2

Direct discrimination occurs when an employee is treated less favourably on the grounds of gender than another employee is, has been or would be treated in a similar situation. Any form of unequal treatment of a female employee in connection with pregnancy and during the 14 weeks of absence after the birth is considered direct discrimination.

Subsection 2. Indirect discrimination exists where a provision, a criterion or a practice which is seemingly neutral places employees of one gender in a less favourable position than persons of the other gender, unless this provision, criterion or practice has a reasoned objective and the means of fulfilling it are expedient and necessary.

Subsection 3. Wages consist of the regular basic or minimum wage and all other monetary benefits or in-kind contributions that the employee receives directly or indirectly from the company as a result of the employment relationship.

SECTION 3

An employee whose pay is lower than that of others, in violation of Section 1, is entitled to the difference.

Subsection 2. An employee whose rights have been violated as a result of pay discrimination on the basis of gender may be awarded compensation. The compensation is determined taking into account the employee's length of employment and the other circumstances of the case. The compensation is generally exhaustive. However, the parties further agree that Ligelønsnævnet (the Equal Pay Board) established by Dansk Erhverv Arbejdsgiver and HK HANDEL may impose a penalty in the event of a breach of the rule on the preparation of gender-disaggregated equal pay statistics / equal pay statements, cf. Section 6 below, or if there are special circumstances.

Claims for fines, cf. subsection 2, must at latest be raised at the organisation meeting, cf. the rules on industrial disputes. After this, a claim for a fine cannot be made unless there are new breaches of section 6 or new information that supports an assumption of a systematic approach.

Subsection 3. If a dispute includes elements that are processed under the rules of the Cooperation Agreement, cf. Section 6(4) below, it may be handled by the Equal Pay Board in its entirety instead of Samarbejdsnævnet (the Cooperation Board), in accordance with the principle of the single-tier sanction system.

SECTION 4

An employee has the right to disclose information about their own wages. The information can be disclosed to anyone.

SECTION 5

A company may not dismiss or subject an employee, including an employee representative, to other unfavourable treatment by the company in response to a complaint or because the employee or employee representative has submitted a claim for equal pay, including equal pay conditions, or because he or she has disclosed information about pay. A company may not dismiss an employee or an employee representative because he or she has made a claim under Section 7(1).

Subsection 2. The onus is on the company to prove that a dismissal has not been made in violation of the rules in subsection 1. However, if the dismissal takes place more than one year after the employee has made a claim for equal pay, the first point only applies if the employee demonstrates factual circumstances which give reason to assume that the dismissal has been made in violation of subsection 1.

Subsection 3. A dismissed employee can file a claim for compensation or reinstatement. Any reemployment shall take place in accordance with the principles in the General Agreement. The compensation is determined taking into account the employee's length of employment and the other circumstances of the case.

SECTION 6

A company with at least 35 employees must annually prepare gender-disaggregated wage statistics for groups with at least 10 employees of each gender, calculated according to the 6-digit DISCO code, for use in consultation procedures and for informing employees about pay differences between men and women in the company. However, this does not apply to companies in the agriculture, horticulture, forestry and fishing industries. If the gender-disaggregated wage statistics have been received as confidential, due to the legitimate interests of the organisation, the information may not be disclosed.

Subsection 2. The gender-disaggregated wage statistics under subsection 1 shall be calculated for employee groups with a level of detail corresponding to the 6-digit DISCO code. The company is also obliged to account for the design of the statistics and the wage concept used.

Subsection 3. Companies that report to the annual wage statistics at the Confederation of Danish Employers can request gender-disaggregated wage statistics free of charge, in accordance with subsection 1 from Dansk Erhverv Arbejdsgiver. Alternatively, companies can request gender-disaggregated wage statistics from Statistics Denmark free of charge, in accordance with subsection 1.

Subsection 4. The company's obligation to prepare gender-disaggregated pay statistics in accordance with subsection (1) lapses if the company enters into an agreement with the employees at the company to prepare a report. The report must contain a description of the conditions that affect the remuneration of men and women at the company, specific action-oriented initiatives that can have a duration of up to 3 years, and a detailed follow-up on this during the period of the report. The report must include all employees at the organisation and be processed in accordance with the rules in the Collaboration Agreement. The report must be prepared no later than the end of the calendar year in which the obligation to compile gender-disaggregated wage statistics existed.

SECTION 7

An employee who believes that the company is not complying with its obligation to provide equal pay, including equal pay conditions, under this agreement, may seek to demonstrate this claim through an industrial disputes procedure.

Subsection 2. If an employee who considers himself or herself to have been victimised, cf. Section 1, demonstrates facts that lead to the suspicion that direct or indirect discrimination has taken place, the onus is on the company to prove that the principle of equal treatment has not been violated.

SECTION 8

Where HK HANDEL finds grounds for an equal pay case, an inspection of the company with the participation of the parties may be organised prior to the negotiation.

Subsection 2. In connection with the inspection/negotiation, the information necessary for a possible case will be agreed.

SECTION 9

Violations of Sections 1-5 and Section 7(2) of this Implementation Agreement may either be brought before the Equal Pay Board established by the parties / the Equal Pay Board established between the parties or before the civil courts. HK HANDEL has chosen the forum when a complaint / claim form has been filed. Regardless of the choice of forum, the usual negotiation options must be exhausted, cf. Section 9(1) and (2) of the collective agreement. Other cases concerning the interpretation understanding and breach of the Equal Pay Act or similar implementation agreements must be brought before the Equal Pay Board established between DA and FH / the Equal Pay Board established between the parties.

SECTION 10

The parties agree that the Danish Equal Pay Act does not apply to employment relationships covered by the collective agreement, and that disputes concern-

ing equal pay must be resolved in the industrial disputes system, cf., however, Section 9 of this agreement.

The parties also agree to incorporate in this agreement changes to the Danish Equal Pay Act as a result of any changes to EU law obligations.

WAGES

Agreement on the Remuneration of Shop Assistants

It is agreed that trained shop assistants are covered by the rules of the Collective Agreement for Shops.

With regard to the remuneration of trained shop assistants, please refer to Section 2(3).

SHOP ASSISTANTS

Trained shop assistants are paid in accordance with the general wage provisions of the Collective Agreement for Shops for unskilled workers; however, a special shop-assistant supplement of DKK 750.00 per month shall be paid with effect from the 1st of the month in which the education is completed.

MEMORANDUM OF UNDERSTANDING

In connection with entering into an agreement on the remuneration of trained shop assistants, it has been agreed that the special shop-assistant supplement of DKK 750.00 per month for the minimum wage for unskilled labour applicable at any time is not subject to set-off.

The supplement for trained shop assistants does not change the principle that personal wages must be agreed in accordance with the rules of the Collective Agreement for Shops. The shop-assistant supplement, which is not subject to set-off, is not included in the assessment of the personal wages.

It is agreed that the special freedom to obtain vocational qualification, cf. Section 7(1)(e) of the Collective Agreement for Shops, can also be used to obtain the status of shop assistant.

It is also agreed that an employee is only entitled to the total 3×5 weeks' time off once, meaning that the time spent on obtaining the status of shop assistant will be deducted if the employee later wishes to make use of Section 7(1)(e) to obtain the status of sales assistant.

Agreement on the phasing-in of Free-Choice Account contributions

- A. Newly admitted members of Dansk Erhverv Arbejdsgiver, who have acceded to the Collective Agreement for Shops within 3 months of joining, may join the collective agreement's Free-Choice Account, in accordance with the rules below, if the company has not already established a Free-Choice Account or similar scheme at the time of joining or if the company has a Free-Choice Account or similar scheme with a lower contribution. A company which, prior to joining, has a Free-Choice Account or similar scheme with the same contribution as the contribution applicable at the time of joining is not covered by Sections B to D below.
- B. The company may deduct from the wages, cf. Section 2(1-11) and (13), the contribution to the Free-Choice Account applicable at the time of joining, cf. Section 2(12), second paragraph, minus 4.0% (from 1 March 2024, this becomes 6.0%). However, the deduction is limited to a sum that still allows the employee to earn the minimum wage rates, staggered hours allowance, seniority allowance and other mandatory pay components stipulated in the collective agreement.
- C. From the date of joining, the company is obliged to pay contributions to the Free-Choice Account in accordance with Section 2(12), second paragraph, minus 4% (from 1 March 2024, this becomes 6.0%), as well as contributions in accordance with the phasing-in scheme under Section D below. If the company does not want the phase-in, the full contribution shall be paid in accordance with Section 2(12), second paragraph.
- D. With regard to the 4.0% (which becomes 6% from 1 March 2024), newly admitted members of Dansk Erhverv Arbejdsgiver can demand phasing in as follows:

No later than 3 months after joining Dansk Erhverv Arbejdsgiver, but with effect from the first of a month, the company pays 1.0% (which becomes 1.5% from 1 March 2024) in contributions to the Free-Choice Account.

No later than 1 year after joining, 2.0% (which becomes 3% from 1 March 2024) in contributions shall be paid into the Free-Choice Account.

No later than 2 years after joining, 3.0% (which becomes 4.5% from 1 March 2024) in contributions shall be paid into the Free-Choice Account.

No later than 3 years after joining, 4.0% (which becomes 6% from 1 March 2024) in contributions shall be paid into the Free-Choice Account.

- **E.** The phasing-in process is specified in each individual case in connection with the collective agreement coming into force.
- **F.** Any Free-Choice Account or similar scheme that existed at the time of the entry into force of the collective agreement shall cease and be replaced by the Free-Choice Account under the collective agreement.
- **G.** No later than the 20th of each month, HK HANDEL receives an updated membership list of Dansk Erhverv Arbejdsgiver's new members for the previous month.

Organisational Agreement on the Role of the Organisations in Connection with Local Wage Formation (Organisationsaftale om organisationernes rolle i forbindelse med den lokale løndannelse)

The parties agree that wage formation in the Collective Agreement for Shops must take place locally and that both the local parties and the parties to the collective agreement have a common interest in supporting the minimum payment system.

If the local parties want the wages to be negotiated collectively, the parties to the collective agreement agree that this is a natural model that can be accommodated by the Collective Agreement for Shops. The parties to the collective agreement find it appropriate that, where applicable, a local agreement should be entered into in this respect.

Where collective wage negotiations have been agreed, the local parties are obliged to enter into genuine negotiations, as no requirements on the form, scope and content of the negotiations or on the outcome of the negotiations are imposed.

The parties may encourage the company to report to a trade union representative elected at the company about the the company's productivity, competitiveness, financial situation and future prospects, including order backlog, market situation and production conditions.

Without committing the local parties, HK HANDEL and Dansk Erhverv Arbejdsgiver can make suggestions for initiatives that, based on the above, can contribute to an improvement in pay for employees.

MIDDLE MANAGERS

Agreement on the Understanding the Agreement on Middle Managers

1. The renewal of the collective agreement on 1 March 2004 made it possible to employ middle managers according to the wage and working time rules in the Salaried Employees' Collective Agreement for Trade, Knowledge and Service. However, it is agreed that middle managers may not be required to work more than an average of 45 hours a week over 13 weeks.

It is also agreed that when there is agreement on function-based pay for middle managers, there must be a reasonable correlation between the remuneration and the overall content of the position. In this assessment, in addition to the general principles in accordance with Section 4 of the Salaried Employees' Collective Agreement for Trade, Knowledge and Service, consideration must also be given to whether the agreed wage is reasonable in relation to the wages that a skilled employee employed at the minimum pay rate of the Collective Agreement for Shops would receive, with payment of standard supplements for work at special times and overtime pay.

It is agreed that this assessment should not in itself form the basis for back pay claims, but over an appropriate period of time, should only serve as an indication of the overall assessment of the reasonableness of the agreed wage.

Disagreements about the determination of wages may also be assessed against the general provisions of the Salaried Employees' Collective Agreement for Trade, Knowledge and Service.

Paragraph 4 above is not to be understood as a limitation of the employee's right to assess the determination of their pay against the rules of the Salaried Employees' Collective Agreement for Trade, Knowledge and Service.

- 2. Where a shop wishes to hire additional middle managers beyond the starting point set out in the collective agreement, this requires an agreement with HK HANDEL, cf. Section 3(4) of the collective agreement. In such an agreement, emphasis shall be placed on whether the appointment of middle managers following a complete assessment is justifiable given the shop's circumstances.
- In the event of a temporary reduction in staff, the middle manager can maintain their position as a middle manager.

- The current practice regarding the distinction between managers / special trusted employees will not change when the agreement on middle management is entered into.
- 5. The provisions of Sections 1, 3 and 4 of the Salaried Employees' Collective Agreement for Trade, Knowledge and Service are as follows:

SECTION 1 WORKING HOURS

- 1. The normal weekly effective working hours constitute up to 37 hours.
- 2. Working hours are determined locally at the individual company, taking into account the best interests of the employee and the company.
- 3. For both full-time and part-time employees, working hours may be arranged with varying weekly working hours within a maximum period of 26 weeks. If the working hours during the period are arranged in such a way that they exceed 45 hours in one or more weeks, hours in excess of 45 per week must be paid with overtime supplement, cf. Section 3, even if the average weekly working hours for the period have not been exceeded.
 - All hours up to 37 hours in a single week, cf. subsection 1, or as an average over a period of time, cf. the first paragraph of this provision, shall be paid for both full-time and part-time employees at the normal wage.
- 4. The average weekly working hours calculated over a 26-week period may not exceed 48 hours including overtime, cf. EU Directive 93/104/EC of 23 November 1993 concerning certain aspects of the organisation of working time.
- 5. For on-call shifts, telephone duty and work in continuous operation, negotiations on schedules and payment rules are negotiated locally. Where agreement is not reached, either party may request the involvement of the parties.
 - Please also see the Agreement on On-Call Shifts (Aftale om rådighedstjeneste).
- **6.** Employees must have a total of at least 30 minutes of break per day, unless otherwise agreed. The daily time for breaks cannot exceed 1 hour. On days where working hours end before 14:00, the parties may agree that breaks will not be taken.
- 7. The provisions do not preclude the possibility of agreeing on flexible work-

ing hours schemes.

8. The employee is entitled to one day off with pay on either 24 December or 31 December, at the company's discretion. Furthermore, the employee is entitled to time off with pay on Constitution Day.

When working on a day off, employees who are not employed on function-based pay are entitled to the normal overtime pay, unless the day off falls on a Sunday. In the latter case, overtime is paid at 100%.

The company and employee can agree on another day off.

9. With effect from 1 March 2024, the following applies:

Preventive measures for night work performed by night workers

The parties agree that the scheduling of night work must follow the recommendations of the National Research Centre for the Working Environment (NFA), including the special recommendations for pregnant women. In the Agreement on Night Work and Health Checks and in the Agreement on Warehouses (Aftale for lagerområdet), the parties have agreed on the principles according to which the night work performed by night workers should be planned so as to follow the recommendations, as well as the measures to be taken if the recommendations are not followed."

SECTION 3 OVERTIME

"Overtime must be restricted as much as possible, with due regard to the best interests of the company.

Overtime is paid only when the work is performed on the orders of the employer or its representative at the workplace.

When possible, notice of overtime work shall be given no later than the previous day. For overtime work for which notice was given, but no part was actually done, and where notice of this change was given less than 4 hours before the overtime work was due to have started, 1 hourly rate + 50 per cent shall be paid.

1. Payment

A. Overtime for which supplements can be claimed, cf. Sections 1 and 2, is paid at the hourly rate + 50% for the first 3 overtime hours; thereafter, and for all overtime on Sundays and public holidays, it is paid at 100%.

Overtime worked between 24:00 and 06:00 is paid at the hourly rate + 100%.

The calculation is based on half hours.

Payment is calculated from the start of the overtime.

- **B.** If the employee is called in for overtime work without prior notice after the employee has left the company at the end of normal working hours, the overtime supplement shall be 100%.
- C. The hourly rate shall be calculated as the employee's total monthly wages divided by 160.33.
- 2. Time off in lieu
- **A.** Time off in lieu of overtime may be agreed, such that 50% of the hours are exchanged with 1.5 hours off for each hour of overtime, and 100% of the hours are exchanged with by 2 hours off for each hour of overtime.
- **B.** The scheduling of the time off shall be agreed between the company and the individual employee, normally with 1 week's notice. As far as possible, the time off must be granted as full or half days off and must be taken within 2 months of the overtime being worked.
- C. If the employee reports sick to the company before the start of normal working hours on the day on which they were due to take agreed time off in lieu, the illness shall be considered an impediment to taking the time off in lieu. If the employee has planned several days of time off in lieu, the time off in lieu impediment also applies to illness on any subsequent days of time off in lieu.

SECTION 4 WAGES

- 1. Determination of wages
- A. Wages shall be agreed directly between the company and the employee on a case-by-case basis. Wage levels, including any agreements on function-based pay, shall be reviewed and adjusted where necessary at least once a year on an individual basis.
- **B.** The wages must reflect the employee's performance, qualifications, skill, job flexibility, work at special times, the content and responsibilities of the position and any education, and whether an agreement on function-based pay has been entered into, cf. Section 4(1)(F).
- **C.** Where local partners wish to negotiate pay collectively, this can be agreed locally.

- D. In order to best support his/her colleagues in connection with entering into agreements on pay pursuant to Section 4(1)(A) and (B), the trade union representative may request information on the company's productivity, competitiveness, financial situation and future prospects, including order backlog, market situation and production conditions.
- **E.** Pay systems may be introduced at the individual company in order to improve the competitiveness and development of the company and the development of the employee.
- **F.** An employee is entitled to demand negotiations with the company if wages deviate significantly from the starting level for comparable employee groups at the company or comparable companies within the industry.
 - If the wages determined for the individual employee are in obvious conflict with the condition set out in subsection (1)(b), either party may request negotiations with the participation of both organisations.
- **G.** In cases where disparities are deemed to exist in this area as a whole, the parties have the right to institute proceedings, in accordance with the rules that may apply at any time for the handling of industrial disputes, cf. the rules below on the bargaining committee.
- H. When determining wage levels, an agreement may be entered into on function-based wages, with due observance for the principles in subsection 1(b). Such an agreement may stipulate that the wages shall also include payment for overtime and any other inconvenience, with the effect that no overtime pay shall be paid, cf. Section 3.

If, in connection with a new recruitment at the company, function-based pay is agreed, the parties to the collective agreement deem it appropriate that the employees and the company hold an interview about the content of the position and the scope of the work, approximately three months after the employee has taken up the position. If either party requests it, the interview will be held.

Disputes on pay conditions for individuals where function-based wages have been agreed may be brought before a bargaining committee, if it is evident that there is significant disparity between the wages and the overall content of that position, cf. subsection (1)(b).

The bargaining committee shall consist of two representatives from each of the parties, with a view to preventing function-based pay resulting in a larger number of cases.

If the members of the bargaining committee cannot reach a majority in favour of a decision in a specific case, the committee shall be expanded with an impartial arbitrator appointed jointly by the parties. In the event of continued disagreement, the arbitrator's decision will be final.

In the event of expansion of the committee, the general practice regarding industrial arbitration shall apply, with with adjustments are required by the nature of the case.

However, the arbitrator shall, after a specific assessment in each individual case, decide on the level and allocation of the costs of the case, and the arbitrator may impose fines in the event of unnecessary recourse to the committee.

Finally, the arbitrator may rule that a specific case should be decided by a written procedure.

- Personal wages must be negotiated and determined in accordance with the principles of the Equal Pay Act.
- J. The parties have discussed the local wage formation. The pay increases that are, for example, derived from any increases in the Free-Choice Account can be included in the individual assessment of pay.

2. Free-Choice Account

A. INTRODUCTION

To accommodate individual preferences for free choice between leisure time, pension or wages, each employee shall be given their own Free-Choice Account.

B. CONTRIBUTIONS

7.0% of the wages qualifying for holiday pay shall be deposited in the Free-Choice Account.

As of 1 March 2024, a total of 9.0% of the wages qualifying for holiday pay shall be deposited.

C. HOLIDAYS AND PENSION

Each year in May, employees who have accrued special holidays on 1 September may, by written notification to the company, choose to convert one or more of the days of special holiday in the coming holiday year into a contribution to the Free-Choice Account instead of taking them. A day of special holiday can be converted to 0.5% of the wages qualifying for holiday

pay. If all 5 days of special holiday are converted to contributions to the Free-Choice Account, 2.5% will thus be contributed on an ongoing basis in the holiday year.

All savings in the Free-Choice Account include holiday allowance and holiday supplement for the deposit, even though they are paid as wages.

In May of each year, employees who, according to the rules of the collective agreement, are entitled to a labour market pension when making their decision, can inform the company that all or part of the savings in the Free-Choice Account are to be paid into the pension scheme in the next holiday year (1 September - 31 August).

The company can set minimum monthly pension contribution limits of DKK 75 per month. If the amount per month is less than this minimum contribution, the company can decide to combine the contributions for 2 months.

The deposit of additional pension contributions does not trigger employer contribution on that deposit.

D. PAYOUT

The employee can choose to have an amount paid from his/her Free-Choice Account via the wage payment in connection with taking time off, e.g. for holidays, special holidays, childcare days, days off stipulated in the collective agreement, children's second full day of illness and in connection with medical appointments in connection with children's illness, though no more than 2 times per holiday period.

The employee must notify the company when a payout is to be made from the Free-Choice Account. The notification must be given no later than the 10th of the month in which the payout should take place. The employee decides the size of the payout, but the amount paid out can never exceed the amount in the account at that time.

For employees who take days off for senior employees in accordance with the rules on this, cf. Agreement on a Senior Employees' Scheme (Aftale om seniorordning), the balance on the Free-Choice account shall be reduced by the wages paid plus holiday supplement / holiday allowance.

E. ONGOING PAYOUT OPTION

If the employee does not make a decision concerning his/her entire Free-Choice Account in connection with his/her free choice before 1 June, cf. above, the company may pay the remaining contribution on an ongoing basis togeth-

er with the employee's wages. It is a condition for payment that the company can document that the employee has been encouraged to make a choice.

The parties to the collective agreement encourage companies to take the initiative to inform employees about the options with the Free-Choice Account, and the parties to the collective agreement shall prepare information material to support this practice.

The company may enter into a local agreement with the local trade union representative that up to the full contribution to the Free-Choice Account shall be paid on an ongoing basis together with the wages, cf. Section 4(2)(B) ("CONTRIBUTIONS"). If there is no local trade union representative, the local agreement must be entered into with the local HK branch. For groups and companies with multiple locations, an agreement can only be made with HK Privat – HK HANDEL.

The company cannot make it a condition for individual employment terms that ongoing payment must be made.

F. RESIDUAL SAVINGS IN THE FREE-CHOICE ACCOUNT

If there are funds in the Free-Choice Account at the end of May 2023, these can be paid out with the next payment of wages, unless otherwise agreed locally.

If there are funds in the Free-Choice Account at the end of May (for the first time in 2024), these must be paid out with the next wage payment, unless otherwise agreed locally.

However, funds that the employee has chosen to set aside for time off for seniors do not have to be paid out.

Upon resignation/dismissal, the Free-Choice Account shall be closed and any surplus will be paid out together with the last wage payment from the company.

3. Calculation of wages for incomplete months

- **A.** When the wages for individual days are to be calculated due to commencement or termination of employment during the month as well as for absence due to holiday or days off without pay, it is calculated as the monthly wages less 4.8% per day that the employee in question has not been at work.
- B. Payment shall be made for Saturdays off and weekday holidays that fall within the work period.

C. The parties agree that Section 4(3)(a) does not entail that wage deductions are applied when an employee on function-based wages takes compensatory time off as part of the function-based wages agreement."

PENSION

Agreement on Pension Schemes (Aftale om pensionsordninger) 1. RESPECT FOR EXISTING AGREEMENTS

Existing company schemes that cover the entire employee groups covered by this collective agreement can replace Pension for salaried employees Pension for Salaried Employees – PFA Pension under the following conditions:

The contribution in the scheme must always be at least equal to the collectively agreed contribution, and the insured (or their dependants) must be guaranteed at least an old-age pension, cf. below, and a one-off sum of DKK 60,000 in the event of death and disability. If these conditions have not already been satisfied, the company must make sure to modify the scheme. In connection with any future modifications to the contribution level, the company is entitled to withhold an amount from the employee's wages corresponding to the collectively agreed employee contribution to the pension scheme.

At least 50% of the pension contribution to a pension scheme must be used for a lifelong benefit (annuity).

However, where a pension is phased-in, contributions must be made in advance to the insurance elements stipulated in the collective agreement, so that the share of the pension contribution to be used for annuity can be less than 50%.

The above requirements apply to all pension schemes covered by the Collective Agreement for Shops.

Pension agreements already entered into at companies covered by collective agreements, where the pension contribution to an instalment and/or capital pension exceeds 50%, may be retained. Similarly, agreements which deviate from the above entered into with parts of capital chains covered by collective agreements and members of Dansk Erhverv Arbejdsgiver may be maintained by subsequently entering into a collective agreement for shops/departments owned by the same capital chain that are not covered by collective agreements at the outset.

Companies that will be covered by the collective agreement in the future – be they current or future members of Dansk Erhverv Arbejdsgiver – will have a pension obligation at the time the collective agreement comes into force. The condi-

tions that existing pension agreements entered into by such companies may be considered to satisfy the pension obligations of the collective agreement are that the agreements should have been entered into before the demand for a collective agreement was made, that the conditions listed above concerning compliance with other agreements have been satisfied (requirements relating to the benefit structure), and that any necessary adjustment of the agreements is made no later than 6 months after the collective agreement has entered into force.

In groups, the same principles for compliance with existing agreements apply as in companies in general, in accordance with this agreement. However, in addition, a company within a group that is covered by the collective agreement but does not have an existing pension agreement may satisfy the pension obligation under the collective agreement via an existing pension agreement applied elsewhere in the group. However, this only applies if this agreement is generally applied within the group and if the agreement in the company in question covers all employees under the collective agreement in that company.

2. GROSS WAGE AGREEMENTS

Gross wage agreements, i.e. agreements whereby the wages are determined on the condition that the employee takes the initiative to establish and finance the contribution to a pension scheme from his/her wages, shall be respected to the extent that they can be documented and have been entered into before the end of December 1992 and also subject to the following conditions:

Based on a gross wage agreement, a pension scheme must be established that fulfils the requirements for existing agreements set out in this agreement, cf. the information above about contributions in existing schemes. A gross wage agreement which the employee has not followed up by establishing a pension scheme by 1 November 1993 – for companies which will be covered by a collective agreement in the future, no later than 3 months after the collective agreement has come into force – must be followed up at the company's request, so that a pension scheme is established.

In connection with this, the company is entitled to withhold an amount from the employee's gross pay corresponding to the collectively agreed pension contribution (the sum of the collectively agreed employee and employer contributions). If this has not taken place within the deadline, a pension scheme for the employees in question must be established in the scheme established by the parties to the collective agreement. The full contribution is withheld by the company from gross wages and paid to the company.

Gross wage agreements entered into in the period from 1 January 1993 shall be followed up by establishing a pension scheme within the pension scheme estab-

lished by the parties. In connection with this, employers are entitled to withhold an amount from the employee's gross wages, corresponding to the collectively agreed pension contribution (the sum of the collectively agreed employee and employer contributions).

3. SET-OFF

To the extent that a company already fulfils its pension obligation under the collective agreement, there will be no changes to the sum of the individual employee's wages and the employer's pension contribution as a result of the collectively agreed mandatory pension contribution if the company exercises its right of set-off under the collective agreement.

4. PHASING IN PENSION

- A. Future members of Dansk Erhverv Arbejdsgiver who have joined the Collective Agreement for Shops within 3 months of joining may choose to phase in the pension scheme on the following terms. However, this excludes companies that HK HANDEL required to join the collective agreement before joining Dansk Erhverv Arbejdsgiver.
- **B.** The pension scheme shall be phased in as follows:

 No later than 3 months after joining Dansk Erhverv Arbejdsgiver, but with effect from the first of a month, 25% of the pension contribution applicable at that time shall be paid.
 - 1 year after joining, the pension contribution will be increased to 50% of the pension contribution applicable at that time.
 - 2 years after joining, the pension contribution will be increased to 75% of the pension contribution applicable at that time.
 - 3 years after joining, the pension contribution will be increased to the current pension contribution agreed in the collective agreement.
- **C.** The phasing-in procedure will be specified in each individual case in connection with adoption of the collective agreement.
- **D.** The agreement on pension schemes within the collective agreement applies.

5. CONDITIONS FOR BEING ENTITLED TO PENSION

All employees must have a pension scheme in place when the following conditions are met:

The scheme covers employees over the age of 20, excluding trainees/students.

However, trainees on level 2 of the retail education programme (retail manager), cf. Section 1(5) of Executive Order no. 475 of 26/04/2019, who have reached the age of 20 on 1 July 2020 are entitled to a pension.

The employee must have been employed without interruption for 3 months with one or more companies covered by the collective agreement. This seniority requirement is disregarded in cases where the employee is already covered by a labour market pension scheme based on a collective agreement at the time of employment.

For employees who fulfil the above conditions, it also applies that other conditions agreed between the parties in order to achieve risk coverage and receive insurance benefits must be met.

For employees who have reached retirement age and where it is not possible to pay premiums for risk insurance, the full pension contribution shall go to old-age pension.

For employees who receive old age pension benefits but are still active on the labour market and fulfil the conditions for entitlement to the pension scheme, the company's pension contributions go to life annuity / discontinuing oldage pension without insurance elements. An agreement can be entered into between the company and the employee on payment of the company contribution as a supplement not qualifying for holiday pay, which shall be paid together with the holiday supplement applicable under the Danish Holiday Act (ferieloven). Upon termination, this will be paid together with the last wage payment. If the company and the employee have agreed that the company contribution shall be paid together with the holiday supplement, the company can choose to pay the company's pension contribution on an ongoing basis with the wages as a supplement not qualifying for holiday pay.

If the employee remains in employment after reaching state pension age on or after 1 May 2020, the employee must choose whether to continue savings for their pension (as far as is possible) or whether the pension is to be paid on an ongoing basis as a supplement without entitlement to holidays. Insurance cover ceases when the employee reaches state pension age. If the employee does not make a choice, the company will continue to contribute to the pension scheme.

Employees who have reached the age of 60 and who are not already covered by the pension scheme must not have a labour market pension scheme be set up. For these employees, the company's pension contribution is paid together with the holiday supplement. The company can choose to pay the company's pension contribution on an ongoing basis with the wages as a supplement not qualifying for holiday pay.

Unless otherwise stated in this agreement, the pension scheme shall be established with:

Pension for Salaried Employees – PFA Pension Sundkrogsgade 4 2100 Copenhagen Ø Phone: 39175000

6. SWITCHING PENSION PROVIDER

Companies covered by a collective agreement that wish to change their pension provider may do so.

The following conditions must be met when changing pension provider:

- A ballot on the change of pension provider must take place among the employees eligible for pension at the company. The company shall inform employees about the details and consequences of a possible change. If a majority of the votes cast are in favour of a change of provider, this can take place.
- When changing provider, the conditions set out in the collective agreement must be met.
- The transfer of the employees' deposits in connection with a switch must be done at no cost to the employees. Thus, no deductions may be made from the deposits, either by the transferring or the receiving company.

Please refer to the guide on page 97 about changing pension provider.

7. FREE-CHOICE ACCOUNT

Please also see the agreed rules on the Free-Choice Account, cf. section 2(12).

8. ASSURANCE DECLARATION

Documentation to show that companies covered by the collective agreement are satisfying the pension provisions of the collective agreement may be provided by way of a declaration from the pension insurance company confirming that the scheme meets the requirements for pension schemes laid down in the collective agreement and that the pension company assures this.

9. RISK SURPLUS

Risk surplus in connection with insurance cover is used to adjust the insurance premium or is credited to the insured's funds.

10. REDEMPTION OF THE PENSION SCHEME

The pension scheme can only be repurchased if the insured person takes up permanent residence abroad. Repurchase shall be subject to applicable tax rules.

Smaller pension custody accounts can be repurchased according to applicable tax rules. The parties shall agree on the repurchase limit. As of 1 March 2014, the limit has been agreed to a maximum of DKK 8,000.00.

11. ADMINISTRATIVE COSTS IN COMPANY PENSION SCHEMES

The parties agree that it is essential that the administrative costs of company pension schemes are responsible and that costs should be kept at an appropriately low level. The costs should thus always correspond to the services which the individual employee/pensioner are granted.

Guide for changing pension provider – Collective Agreement for Shops and the Salaried Employees' Collective Agreement for Trade, Knowledge and Service

THE FOLLOWING RULES SHALL APPLY FOR CHANGING PENSION PROVIDER.

The rules are the same for the Collective Agreement for Shops and the Salaried Employees' Collective Agreement for Trade, Knowledge and Services and apply to the employees covered by the collective agreements.

Companies covered by a collective agreement that wish to change their pension provider may do so. However, this does not apply to companies that have previously had a pension agreement with FunktionærPension or that are otherwise covered by the FunktionærPension portfolio at Pension for Salaried Employees – PFA Pension. Finally, companies which, prior to entering into the collective agreement, have not already joined a pension scheme and thus become covered by Pension for Salaried Employees in connection with entering into the collective agreement, cannot change their pension provider unless the parties agree to do so.

The conditions for changing pension provider are:

- A ballot on the change of pension provider must take place among the employees eligible for pension at the company.
- The company must inform employees about the details and consequences of a possible change. If a majority of the votes cast are in favour of a change of provider, this can take place.
- When changing provider, the conditions set out in the collective agreement must be met. These conditions are that there must be disability and death cover of at least DKK 60,000.00 and an old-age pension.
- · The transfer of the employees' deposits in connection with a switch must be

done at no cost to the employees. Thus, no deductions may be made from the deposits – neither at the transferring nor the receiving company.

It is often the company that takes the initiative to switch pension providers, possibly at the request of employees. It is important for employees that the process of changing pension provider is carried out in a safe and secure manner.

Works council

If the company has a works council, it must be informed of the company's plans to change pension providers before the formal process is initiated.

Who should participate in the ballot?

The ballot must take place among the employees eligible for a pension who are covered by the Collective Agreement for Shops and/or the Salaried Employees' Collective Agreement for Trade, Knowledge and Service.

If the company is covered by both the Collective Agreement for Shops and the Salaried Employees' Collective Agreement for Trade, Knowledge and Service, separate ballots must take place for each collective agreement.

Therefore, a list should be made of the employees eligible for a pension who should participate in the ballot.

To be eligible for a pension under the collective agreement, the following conditions must be met on the day of the ballot:

- The employee must be at least 20 years old. Trainees are generally not entitled to pension. However, trainee relationships entered into after 1 July 2006 in the office and warehouse area are entitled to pension.
- The employee must have been employed without interruption for at least 3
 months with one or more companies covered by the collective agreement,
 unless the employee is already covered by a labour market pension scheme at
 the time of employment.

Information material

The decision to switch pension providers can have significant long-term financial consequences for the insurance and pension terms of the employees. Any decision to switch pension providers should therefore be made on a well-informed basis.

It is the company's obligation to inform employees about the details and consequences of a possible change. It may therefore be relevant to prepare an overview

of the differences in the relevant pension schemes. The information can be provided by the relevant pension providers.

Information may be provided in many ways.

The parties recommend that pension providers prepare easily understandable and concise information material that explains the advantages and disadvantages of the various products offered by the companies. The written material should be supplemented with the offer of a staff meeting where the information is provided and there is the opportunity to ask questions.

Employees should be given a period of at least 14 days to seek advice and guidance before voting on a potential change of pension provider.

No cost to employees

A change of pension provider must be done at no cost to the insured. This means that a change of pension provider may not result in a deduction from the insured person's funds. If the "old" pension provider charges a fee in connection with winding up the funds, the company or the new pension provider must bear this cost.

Insurance brokers

Insurance brokers are independent individuals or companies whose job it is to ensure customers get the best insurance terms. The insurance broker is the company's advisor.

If an insurance broker is involved in the change of pension provider, it is recommended that the company informs employees about how the insurance broker is remunerated. The information can be provided together with the other information that employees receive in connection with the change of pension provider.

The ballot itself

No rules have been agreed in the collective agreement on how the ballot should be conducted.

The voting can therefore be performed in the way the company deems most appropriate.

If a secret ballot is requested, the company must consider whether to honour such a request.

If doubts are subsequently raised about the correctness of the ballot, it is the company that must be able to document this.

The parties therefore recommend that the ballot be in writing. The company may establish a ballot committee with one representative from management and one representative from the employees.

No approval is required.

Dansk Erhverv Arbejdsgiver or HK are not required to approve a change of pension provider.

Collective agreement on pension conditions for employees in flexible jobs

For collective agreements in the DA/FH area, including accession agreements, which contain provisions on membership of a labour market pension scheme without prior health assessment, and which do not have or may later have special provisions on pension conditions for employees in flexible jobs, cf. the Active Social Policy Act (lov om aktiv socialpolitik) or later legislation on flexible jobs, the following applies:

SECTION 1

Persons who, upon employment in a flexible job in accordance with the Active Social Policy Act or subsequent legislation on flexible jobs, are already covered by / are members of one or more pension schemes established as part of an employment relationship, can have the pension contribution added to the pension scheme to which contributions were last made.

Persons who, upon employment in a flexible job pursuant to the Active Social Policy Act or subsequent legislation on flexible jobs, are not already covered by / are not members of a pension scheme established as part of an employment relationship, or who do not wish to contribute to an existing pension scheme, must have the pension contribution paid into the pension scheme specified in the collective agreement. These persons will join the pension scheme specified in the collective agreement, in accordance with the insurance conditions applicable at the time of enrolment.

SECTION 2

Provisions in collective agreements and agreements pursuant thereto on special pension conditions for workers in flexible jobs take precedence over this agreement.

SECTION 3

If a dispute arises regarding access to the rights set out in this agreement, such disputes shall be handled in accordance with the normal industrial and labour law rules.

SECTION 4

The agreement shall take effect on 1 March 2003.

The agreement can be terminated with 6 months' notice, for termination on 1 January of any year. If one of the organisations wishes to make changes to the agreement, it must notify the other party to the agreement 6 months prior to termination, after which negotiations will be initiated without recourse to arbitration with the aim of reaching agreement and thereby preventing termination of the agreement.

If the negotiations for a renewal after prior termination have not been concluded by 1 January, the agreement shall apply, even if the date of termination has passed, until the current collective agreements are replaced by new collective agreements. It shall then lapse when the new collective agreements come into force.

FRAMEWORK AGREEMENT ON HARASSMENT AND VIOLENCE

Agreement on the implementation of the framework agreement on harassment and violence at work

HK HANDEL and Dansk Erhverv Arbejdsgiver have concluded the following agreement to implement the European Framework Agreement between Businesseurope, UEAPME, CEEP and ETUC on harassment and violence at work of 26 April 2007.

The parties agree that it is a joint responsibility to work to prevent bullying, harassment and violence in the workplace and to follow up when incidents occur where employees, managers or employers are subjected to bullying, harassment and violence.

The purpose of the agreement is to raise awareness and knowledge about bullying, harassment and violence at the workplace, and to provide workplaces with an action-oriented framework to identify, prevent and manage issues of bullying, harassment and violence.

During the collective agreement period, the parties will discuss the framework within which problems with bullying, harassment and violence can best be solved.

The parties will develop tools that workplaces can use to prevent and manage bullying and violence. The development of tools could be done under the auspices of BAR Handel. The parties will also discuss how knowledge of bullying, harassment and violence can be disseminated to employers, managers and employees.

FIXED-TERM EMPLOYMENT

Agreement on the implementation of the Directive on Fixed-Term Work (Council Directive of 28 June 1999)

SECTION 1 PURPOSE

Dansk Erhverv Arbejdsgiver and HK HANDEL have entered into the following agreement with a view to implementing the Council Directive on Fixed-Term Employment in the Collective Agreement for Shops.

The parties to the collective agreement agree that the collective agreement in force between the parties does not conflict with the provisions of the aforementioned directive and that this agreement implements that directive.

The purpose of the agreement is,

- A. to improve the quality of fixed-term employment by avoiding discrimination
- B. to establish a framework to prevent abuse from successive fixed-term employment contracts or employment relationships.

SECTION 2 SCOPE

This agreement applies to all employees with fixed-term employment who are covered by the collective agreement entered into between the parties.

The agreement does not apply to

- A. employees undergoing basic vocational education and apprenticeships
- **B.** persons supplied to a user company by a temp agency.

SECTION 3 DEFINITIONS

The following definitions apply to this agreement:

- A. "fixed-term worker": A person who has an employment contract entered into directly between that person and an employer, or who is part of an employment relationship established directly between the person and an employer where the end of the employment contract or employment relationship is determined on the basis of objective criteria, such as a specific date, the completion of a specific task or the occurrence of a specific event.
- **B.** "a comparable permanent worker" means a permanent employee at the same company who has an open-ended employment contract or enters into

an open-ended employment relationship and who performs the same or similar work/occupation, with due regard for qualifications/skills.

Where there is no comparable permanent worker at the same company, the comparison shall be made with a full-time employee covered by the collective agreement between the parties.

As regards employment conditions, fixed-term employees may not be treated less favourably than comparable permanent workers if this is justified solely by the fixed-term nature of the contract and the discrimination is not justified by objective reasons.

SECTION 4 PRINCIPLE OF NON-DISCRIMINATION

The principle of proportionate remuneration and proportionate rights applies to the area covered by the scope of this agreement.

Provisions in the collective agreement between the parties requiring a certain seniority for particular terms of employment shall be the same for persons with fixed-term employment as for permanent employees, unless the requirement for different seniority is justified by objective circumstances.

SECTION 5 PROVISIONS ON ABUSE

In order to prevent abuse of successive fixed-term employment contracts or employment relationships, renewals of such contracts or employment relationships must be justified by objective circumstances reflecting the situation of the company or the nature of the work or industry or the circumstances of the employee.

The parties agree that the above text is not intended to change the rules and legal practice applicable to employees covered by the collective agreement between the parties.

SECTION 6 INFORMATION AND EMPLOYMENT OPPORTUNITIES

The company must inform its fixed-term employees about the positions available at the company to ensure that they are given the same opportunity to obtain a permanent position as others.

Such information may be provided personally via the relevant trade union representatives or by way of a general announcement at a suitable place in the company.

The company shall, as far as possible, facilitate access to appropriate vocational education for its fixed-term workers in order to improve their skills, their career opportunities and their occupational mobility.

SECTION 7 INFORMATION AND CONSULTATION

Fixed-term employees shall be included fully in the calculation of whether the company is above the threshold that determines whether workers' representative bodies provided for in national or Community law can be established, pursuant to the collective agreement, acts, etc.

As far as possible, the company should consider providing appropriate information about fixed-term work at the company to existing cooperation bodies.

SECTION 8 CONCLUDING PROVISIONS

This agreement shall not affect the protection afforded to fixed-term employees under the collective agreement applicable between the parties.

This agreement is subject to more specific community provisions.

Disputes concerning this agreement shall be dealt with in accordance with the normal rules on industrial disputes and labour law.

In the event of termination of the collective agreement, the parties are obliged to comply with the provisions relating to the implementation of the Council Directive on fixed-term work until another collective agreement replaces it or the directive is amended. It is agreed between the parties that there shall be no recourse to arbitration in connection with this Implementation Agreement.

Agreement on the Understanding of the Agreement on the Implementation of the Directive on Fixed-Term Work (Council Directive of 28 June 1999)

Negotiations have been conducted between Dansk Erhverv Arbejdsgiver and HK HANDEL on the implementation of the Council Directive on fixed-term employment.

In connection with the negotiations, it has been agreed that both temporary employees and temp agency staff shall be covered by the Collective Agreement for Shops in its entirety, including the rules on working hours. However, with regard to working time schedules, it is agreed that for both full-time and part-time employees who are hired for a period of less than 16 weeks, working time shall be organised as an average over the number of weeks they are employed, as this group cannot be covered by a 16-week schedule. With this exception, the other provisions of Section 1 on working hours apply to temporary employees and temporary replacements.

It is also agreed that rights such as special holidays, pay during maternity/paternity leave, further education, child's first day of sick leave, etc. that are

obtained after 6/9 months seniority are obtained regardless of whether seniority is obtained through several uninterrupted fixed-term employment contracts or one employment relationship.

Individuals made available by a temp agency for a user company are not covered by the above.

TRADE UNION REPRESENTATIVES

Organisational Agreement on Dismissal of Trade Union Representatives, etc. (Organisationsaftale om afskedigelse af tillidsrepræsentanter m.v.)

The parties have agreed that Section 8(8) of the National Collective Agreement for Shops (Landsoverenskomsten for butik) also applies to members of HK HANDEL who are elected as trade union representatives or working environment representatives, members of European Works Councils employed in Denmark and employee-elected board members and substitutes at companies where the National Collective Agreement for Shops is not in force.

Agreement on Regional Trade Union Representatives

By agreement between HK HANDEL and Dansk Erhverv Arbejdsgiver, voluntary agreements can be made between the company and the employees on regional trade union representatives. The rules in section 8(3)(F) and (H) do not apply to regional trade union representatives.

ELIGIBILITY FOR ELECTION

The same rules for eligibility for election apply to a regional trade union representative as under the general rules for trade union representatives.

HOW CAN A REGIONAL TRADE UNION REPRESENTATIVE BE ELECTED?

The unionised employees in the region can elect a regional trade union representative for a region from among their number.

If a regional trade union representative is elected, the election of the previous trade union representatives in the region in question will lapse.

ELECTION AS A REGIONAL TRADE UNION REPRESENTATIVE

The collective agreement's rules on the election of trade union representatives apply correspondingly to the regional trade union representatives.

THE REGIONAL TRADE UNION REPRESENTATIVE'S TASKS, OBLIGATIONS AND DISMISSAL

The rules in the collective agreement on the tasks and obligations of trade union representatives also apply to the regional union representative.

The rules in the collective agreement on dismissal of a trade union representative apply correspondingly to the regional trade union representative.

TERMINATION

Company agreements on regional trade union representatives can be mutually terminated with 6 months' notice.

TIME OFF TO PERFORM THE DUTIES OF TRADE UNION REPRESENTATIVE

The parties agree that the Dansk Erhverv Arbejdsgiver is to recommend to its member companies that members of the HK HANDEL Industry Board, the Trade Union Committee and HK's Executive Committee are given the necessary time off for performing these duties. HK HANDEL shall notify Dansk Erhverv Arbejdsgiver of the elections made.

EDUCATION ETC.

Agreement on a Competence Development Fund (Aftale om kompetenceudviklingsfond)

1. PURPOSE

The purpose of the HK Handel Skills Development Fund is to provide for the development of employees' skills in order to maintain and enhance the competitiveness of companies in a globalised economy. The purpose of the fund is also to support the development of employees' skills to maintain and enhance their employment opportunities.

In order to further strengthen efforts in this field, the parties have established Handlens Kompetenceudviklingsfond, which aims to subsidise employees' participation in self-selected competence development.

With this agreement, the parties wish to create a dynamic basis for the use and administration of resources that the parties agree to allocate in accordance with Section 7(1)(d) of the Collective Agreement for Shops. The goal is that the resources should be used to benefit the employee's employment opportunities, both in the short and long term. At the same time, the competitiveness of the trade sector must be taken into account as best possible.

2. TIME OFF FOR EDUCATION

The entitlement to time off for training laid down in the collective agreements has been extended to allow time for self-selected training relevant to employment within the scope of the Shop Workers' Collective Agreement. A condition of entitlement to time off for training that the company does not consider relevant to the company is that the employee can obtain a grant for this training according to the rules for skills development support set out below.

Employees with a minimum of 6 months' seniority are entitled to up to 2 weeks' time off per year for self-selected education relevant to employment within the scope of the collective agreement.

For example, the time off can be used for education at both a basic and higher level, general as well as vocational continuing and further education as well as for participation in assessments of real skills development in the public sector and relevant private-sector schemes.

Trial scheme:

Employees who are part of a vocational upskilling programme leading to vocational education within retail trade, cf. Section 7(1)(e) of the collective agreement, may apply to www.kompetencefonde.dk for support for course fees, transport, any course materials and wage loss allowance for the completion of the planned education of up to 5 weeks per year, during the period in which the professional qualification is carried out in agreement with the company.

Receiving support from the Competence Fund is contingent on that the employee also applies for VEUallowance or the The State Educational Support for Adults scheme (Statens Voksenuddannelsesstøtte).

Employees employed in companies that self-manage the competence fund funds may under exceptional circumstances – and only in connection with a signed agreement on vocational qualification leading to vocational education – also apply to the competence fund for support.

It is agreed that the above is a trial scheme that only applies during the collective agreement period. The trial scheme will therefore expire on 28 February 2025.

3. GRANT

A. The company pays an amount corresponding to DKK 400.00 per year per full-time employee covered by the collective agreement. For part-time employees, the amount is reduced proportionally.

B. Calculation basis

The contribution is calculated based on the number of employees covered by the Collective Agreement for Shops.

C. Employees under the Collective Agreement for Shops can apply for grants according to the rules below.

4. HANDLENS KOMPETENCEUDVIKLINGSFOND

- A. The parties to the collective agreement have established a joint ownership that manages the contributions calculated in accordance with Section 3. The specific guidelines for this are laid down in the statutes of the Competence Development Fund. The parties are equally represented on the board of the fund.
- **B.** The board of the fund shall make specific decisions on:
 - administration and collection of contributions,
 - · guidelines for distribution, cf. subsection d,
 - accounts, etc. as the fund's accounts must be subject to audit,
 - determination and collection of VEU contributions, to the extent that this
 task is transferred to the parties in the labour market.

The board of the fund may also establish guidelines for reporting on competence development support managed in the company, which supplement the rules in Section 5.

C. Applications

Employees who are employed at a company under the Collective Agreement for Shops may apply for resources from the fund, providing that the company has not established its own competence development account, etc. cf. Section 5. Applications shall be forwarded via the company, which will confirm that the employment is covered by the Shop Workers' Collective Agreement and also provide details of the employee's wages.

D. Application

Within the financial capacity of the fund, the Skills Development Fund may provide grants for employees' training activities covered by Section 7(1)(c), (d) and (e) of the Shop Workers' Collective Agreement.

E. It is a condition of eligibility for a grant that the company does not pay all or part of the employee's wages during the programme.

The resources can be used for

 grants for external costs for education (course fees, course materials, transport costs, etc.) grants to cover part of employees' lost wages during training, up to an amount that, together with any public reimbursement of lost wages, makes up 100 per cent of personal pay excluding staggered hours allowance.

When awarding grants, the fund must aim at achieving a fair balance between the different trade groups under the collective agreement in proportion to the contributions made for such groups.

5. COMPETENCE DEVELOPMENT SUPPORT MANAGED IN THE ORGANISATION

- **A.** Member companies that wish to manage the education funds themselves can manage and disburse the education funds in subsection 3(a). It is a prerequisite that the company has established an education committee and has at least 80 employees calculated according to subsection 3 b.
- **B.** If the requirement laid down in Section a. is no longer met, the company will be covered by Section 4 with effect from the next calendar year. Any residual balance from the company's competence development account shall be transferred to Handlens Kompetenceudviklingsfond.

C. Local frameworks and plans

The company must take the initiative to establish an overall framework and prioritisation for the use of the funds in the competence development account in cooperation with the employees.

The company's education committee determines the criteria for awarding grants. Grants can only be awarded according to the rules in section 4 (d). Grants cannot therefore be given for education that the company decides to provide under section 7 of the Collective Agreement for Shops.

The planning should take account of the possibility of awarding grants for both skills development aimed at qualifying employees for other functions within the company and competence development to enhance the individual employee's qualifications and opportunities for employment within the scope of the collective agreement.

Where agreed locally, the competence development account may be used for other training when the employee leaves the company.

D. Allocation

Within the framework of Section c., employees can apply for a grant. The education committee bears the overall responsibility for the criteria for the distribution of the funds, cf. Section c. It is a prerequisite for grants to be

awarded that funds are available in the competence development account. The education committee can decide to accumulate funds in the account for use in future education activities. Unless otherwise agreed, unused resources exceeding 1 year's contributions are transferred to Handlens Kompetenceudviklingsfond. The company's education manager assesses whether the application falls within the criteria and framework established by the education committee and awards a grant on that basis. If a grant is refused, the employee is entitled to receive a written explanation of the reason for this, and the trade union representative may ask to have the matter examined as an industrial dispute following consultation with the education committee. However, the case cannot be referred to industrial arbitration.

E. Administration

The company must ensure that the company's competence development account is assessed on an ongoing basis. In connection with the annual report, the company's auditors must certify that the funds have been allocated and used or transferred in accordance with these rules. The company's compliance with its obligation to calculate, direct and settle course accounts shall be handled solely according to the rules for handling disputes, cf. Section 9, including any industrial arbitration.

Once a year, companies that self-manage their own competence funds may withdraw an administration contribution for the enterprise corresponding to the calculated administration percentage calculated for the previous financial year in Handlens Kompetenceudviklingsfond. The withdrawal can take place when the final approved accounts are available for Handlens Kompetenceudviklingsfond.

Employees who are representatives on the company's education committee are entitled to one day off per year to attend an ERFA meeting organised by HK HANDEL. The employee receives coverage for loss of wages and appropriate transport costs from the company's competence development fund.

6. OTHER COLLECTIVE AGREEMENT AREAS

- A. Dansk Erhverv Arbejdsgiver may decide to allow other collective agreement areas or companies in the scheme established under Section 3. These are separated for accounting purposes so that funds from one area are not spent on another.
- B. Companies that follow the provisions of the Collective Agreement for Shops without being members of Dansk Erhverv Arbejdsgiver, e.g. through accession agreements, must pay a contribution to Handlens Kompetenceudviklingsfond. The board of the fund may order these companies to pay

a cost-based administration charge for the processing of applications from these enterprises and their employees. The board of the fund shall ensure that payments into and out of the fund from these companies and to their employees are kept separate from an accounting perspective from the resources of Dansk Erhvery Arbeidsgiver's member companies.

7. DOUBTS CONCERNING INTERPRETATION

If there is a discrepancy between the content of the collective agreement and the Agreement on a Competence Development Fund, the latter shall prevail.

8. BASIC CONDITIONS FOR THE SCHEME

If, during the term of the collective agreement, the Danish Parliament adopts rules on further education, introducing new payment obligations or other obligations for the parties to the collective agreement, the member companies and/or the employees, this agreement will lapse.

Agreement on Deviation from the Agreement on a Competence Development Fund (Aftale om fravigelse af Aftale om Kompetenceudviklingsfond)

Agreement has been reached to deviate from the Agreement on a Competence Development Fund, entered into in the collective agreement, on the following point:

- The condition in the agreement requiring 6 months' seniority to acquire the
 right to time off for self-selected education, see Section 2, second sentence
 of the agreement, does not apply in the period of the collective agreement.
 There is therefore no length of service requirement in the collective agreement period.
 - However, this does not apply to the right to self-selected education during the notice period, cf. section 7(1)(d), second paragraph, and the student's/trainee's right to support for extracurricular education, cf. Section 6(1)(k), where the seniority requirement of 6 months is maintained.
- **2.** The agreement is valid for the duration of the collective agreement and will expire without further notice on 28 February 2025.

Agreement on the Handling of Cases of Non-Reporting/Payment to Dansk Erhverv Arbejdsgiver and HK HANDEL's Competence Development Fund (Aftale om håndtering af sager om manglende indberetning/betaling til Dansk Erhverv Arbejdsgiver og HK HANDELs Kompetenceudviklingsfond)

In the current scheme, Kompetencefonde.dk is responsible for collecting contributions to Handlens Kompetenceudviklingsfond ("Kompetencefonden") on behalf of the organisations. Kompetencefonde.dk will send out a letter to the companies about how to report and make contributions.

FAILURE TO REPORT

Based on the report to Kompetencefonde.dk from Dansk Erhverv Arbejdsgiver, Kompetencefonde.dk will notify the company that it is required to report via Kompetencefonde.dk. If the company fails to report, Kompetencefonde.dk will contact the company 2 times before data on the missing reports is transferred to Dansk Erhverv Arbejdsgiver. Kompetencefonde.dk supplies details of the failure to report to Dansk Erhverv Arbejdsgiver 14 days after sending the second reminder.

Dansk Erhverv Arbejdsgiver has a further 6 weeks from receipt of these details from Kompetencefonde.dk to ensure that the company reports to Kompetencefonde.dk.

After the above deadline, Dansk Erhverv Arbejdsgiver will forward a list to HK HANDEL on the companies that have still not reported to Kompetencefonden after a reminder procedure from Dansk Erhverv Arbejdsgiver.

At the request of one of the parties, an organisation meeting shall be held. Such a request shall be submitted no later than 14 days after Dansk Erhverv Arbejdsgiver has sent HK HANDEL the list of member enterprises that have not reported.

HK HANDEL then sends the cases to the Danish Trade Union Confederation (FH) in order to convene a joint meeting.

FAILURE TO PAY

Based on the report to Kompetencefonde.dk, Kompetencefonde.dk will send the company a bill. If the company does not pay, Kompetencefonde.dk will send a reminder to the company 2 times before handing the matter over to Dansk Erhverv Arbejdsgiver. Kompetencefonde.dk will transfer data on non-payment to Dansk Erhverv Arbejdsgiver 14 days after Kompetencefonde.dk has sent the second reminder.

On receipt of these details from Kompetencefonde.dk, Dansk Erhverv Arbejdsgiver has 6 weeks to ensure that the company pays the amount billed. After the above deadline, Dansk Erhverv Arbejdsgiver will forward a list to HK HANDEL of the companies that have still not paid into the Competence Fund after a reminder procedure from Dansk Erhverv Arbejdsgiver.

At the request of one of the parties, an organisation meeting shall be held. Such a request must be made no later than 14 days after Dansk Erhverv Arbejdsgiver has sent a list to HK HANDEL of companies that have not paid.

HK HANDEL then sends the cases to the Danish Trade Union Confederation (FH) in order to convene a joint meeting.

AGREEMENT ON FINE DETERMINATION

Dansk Erhverv Arbejdsgiver and HK HANDEL have agreed on the following system of fines in cases concerning the Competence Fund, when reporting/payment has not been made before forwarding to HK HANDEL:

- · Failure to report or delayed reporting to the Competence Fund
- · Missing or late payment of contributions

	1st time	2nd time	3rd time	More times
Failure to report				
Out-of-court settlement of the fine	DKK 2,000	DKK 4,000	DKK 6,500	Same
Failure to pay				
Out-of-court settlement of the fine	At least DKK 2,000 or 20%.	At least DKK 4,000 or 20%.	At least DKK 6,500 or 20%.	Same
Failure to report				
Settlement of fines at joint meetings	DKK 3,000	DKK 5,500	DKK 8,250	Same
Failure to pay				
	At least DKK	At least DKK	At least DKK	
Fine settlement at joint meeting	3,000 or 25%.	5,500 or 25%.	8,250 or 25%.	Same

The reference period for repeat offences is the preceding 3 years.

This agreement shall enter into force on 1 January 2012 and shall apply to cases of non-reporting / non-payment from and including the contribution and reporting year of 2012. Either party may terminate the agreement with 3 months' notice, but no earlier than the end of the collective agreement period commencing on 1 March 2012.

Agreement on Joint Education and Cooperation Activities (Aftale om fælles uddannelses- og samarbejdsaktiviteter)

With the aim of strengthening continuing and further education and cooperation in the retail sector, the parties have established a scheme with proactive education ambassadors / representatives from each organisation.

The education ambassadors / representatives from each organisation must:

- Reach out to companies that are covered by the collective agreement and inspire them to increase their continuing and further education activities.
- Contribute to competence assessment and advise on the planning of specific education opportunities.
- Inform, guide and inspire in order to promote cooperation between the companies.

The education ambassadors / representatives from each organisation must work closely together, and each organisation shall hire the necessary staffing.

The agreement applies for the collective agreement period.

The board of Uddannelses- og Samarbejdsfonden for Detailhandelsområdet will determine the detailed rules for the scheme, including the work functions of the education ambassadors / representatives from each organisation.

The parties agree that the scheme will be financed by Uddannelses- og Samarbejdsfonden.

A budget will be set for each of the two years of the activity. The budget will be approved by the parties to the collective agreement.

Agreement on Education Committees Etc. (self-administration of competence funds)

The parties have agreed that self-administration of competence funds is subject to the following conditions:

REPRESENTATION

In companies that self-manage, a joint education committee must be set up to which employees have the opportunity to elect representatives.

In cases where employees at the company have elected a trade union representative, this representative shall be on the education committee. In companies with several trade union representatives, these must decide amongst themselves who will be the representative(s) for the area covered by the collective agreement.

All employees elected to the education committee must satisfy the same conditions as those for being eligible for election as trade union representative in the area covered by the collective agreement.

The parties agree that where there is a works council, the education committee may be a sub-committee thereto.

JOINT ADMINISTRATION

Joint administration may take place between one of several other competence development funds in the areas of the collective agreement, on the condition that HK HANDEL is represented in the education committee.

Only those representatives who represent employees with collective agreements with "self-managed" competence development funds can participate in the decision-making process on the allocation of funds.

If there is joint administration in other areas of the collective agreement, an employee-elected representative for the collective agreement area will be entitled – via HK HANDEL – to request organisation meetings if the representative is of the opinion that there is a distribution of funds that does not favour the employees covered by the collective agreement.

If the matter is not resolved at the meeting, the collective agreement area can be withdrawn from joint administration following the organisation meeting with prospective effect so that the next payment will be made to the relevant skills development fund for the collective agreement area.

Agreement on Agreed Qualification Improvement (Aftale om aftalt uddannelsesløft)

Employees are entitled to qualification improvement up to full academy profession programme level (60 ECTS credits) over a period of 3 years. This means that they are free to enrol on a training course lasting no more than 12 weeks, corresponding to 10 days of leave per academy module of 10 ECTS credits.

Conditions of this improvement include:

- The education programme shall be agreed with the employer
- The employee exercising their right to no more than 6 years of self-selected education, accumulated in the two years (years 1 and 2) before the education starts and is completed (years 3, 4 and 5)
- The 10 days of self-selected education, which are earned in the next year after completion of the Academy Profession Programme (year 6), are also considered to be used up in connection with the programme

 The employee will receive their usual salary during the education programme as well as coverage of course fees, materials, etc. as normal for self-selected education.

To the extent that the use of the Competence Fund, cf. this agreement, puts a strain on the fund's resources, the parties agree that the board shall determine the limits for use for this purpose.

The company can apply to the Competence Fund for 100% wage compensation for such agreements, assessed as when calculating grants for self-selected education, offset by the State Educational Support for Adults scheme. This also applies to self-managing companies.

The board of the Competence Fund determines recommended Academy Profession Programmes based on the existing approved list.

The board of the Competence Fund may propose adjustments to the agreement during the collective agreement period.

It is agreed that the above is a trial scheme that only applies during the collective agreement period. The trial scheme will therefore expire on 28 February 2025.

Agreement on Phasing-in Contributions to the Education and Cooperation Fund (Aftale om indfasning af bidrag til Uddannelsesog samarbejdsfonden)

Members of Dansk Erhverv Arbejdsgiver who no later than 3 months after becoming members have acceded to the collective agreement may demand that contribution to Uddannelses- og samarbejdsfonden på kontor- og lagerområdet does not begin until 1 year and 6 months after joining.

In connection with the entry into force of the collective agreement, it must be specified when payment commences in each individual case.

Agreement on Professional Recognition (Aftale om faglig anerkendelse)

An employee who has not completed the retail education programme may be recommended for professional recognition by HK HANDEL and Dansk Erhverv Arbeidsgiver if the following conditions are met:

 The employee has been employed within the scope of the collective agreement for at least 6 years.

- 2. The employee has been engaged in work functions corresponding to skilled shop work for at least 4 years. Skilled shop work is further defined by HK HANDEL and Dansk Erhverv Arbejdsgiver based on, among other things, the training objectives for the retail education programme.
- 3. The employee indicates that they intend to complete a higher level of qualification than the mandatory retail education programme. The programme has been agreed with the company. HK HANDEL and Dansk Erhverv Arbejdsgiver prepare a positive list of education programmes that can lead to professional recognition.
- **4.** The employee is entitled to up to 3 weeks of time off to obtain professional recognition within the scope of the collective agreement.

The cost of the programme is covered by Handlens Kompetenceudviklingsfond.

During the period in which the employee participates in professional recognition, there shall be no other time off for continuing and further education.

Professional recognition can be achieved when the employer in question and the trade union representative at the company recommends the employee to HK HANDEL and Dansk Erhverv Arbejdsgiver. If no trade union representative has been elected at the company, it is the employee and employer in question who must recommend a trade union representative to HK HANDEL and Dansk Erhverv Arbejdsgiver.

Based on the recommendation, HK HANDEL and Dansk Erhverv Arbejdsgiver will then decide whether the employee fulfils the prerequisites for the award of professional recognition.

Final professional recognition is achieved from the time the employee has completed and passed the agreed education. The education must be completed and passed within a period of 2 years from the date on which HK HANDEL and Dansk Erhverv Arbejdsgiver have notified that the above prerequisites for professional recognition in Sections 1-3 have been met. Once the education has been completed and passed, HK HANDEL and Dansk Erhverv Arbejdsgiver will be notified and a certificate of professional recognition will be sent to the company and the employee. From the next pay period after the certificate is received, the employee shall be paid according to the collective agreement's rate for skilled workers.

The agreement enters into force on 1 May 2020.

The trial scheme will expire on 28 February 2025.

Organisational Agreement on an Education Representative (organisationsaftale om uddannelsesrepræsentant)

By local agreement between management and the trade union representative(s), the trade union representative(s) may appoint a joint education representative at the company.

The education representative can assist the company and employees with education in accordance with the provisions of the collective agreement, including being a sparring partner for the company, employees and Handlens Kompetenceudviklingsfonds' proactive consultants. In addition, the education representative can assist the company in establishing an overview of where trainees/students can be educated to meet the company's competence needs.

FOREIGN EMPLOYEES

Agreement on a Code for Agreements With Foreign Employees (Aftale om kodeks for aftaler med udenlandske medarbejdere)

It is agreed that for foreign employees, it may be appropriate for the company to provide accommodation, transport, etc. for the employees during their stay in Denmark.

It has further been agreed that it should be voluntary for the employees to conclude an agreement with the company on the purchase of services related to the employment relationship, and that, according to the parties' interpretation, it would be in contravention of the collective agreement to make an employment relationship conditional on the employees concluding such agreement.

In addition to this, the parties agree that employees who have concluded a voluntary agreement with the company on the purchase of services must be given the opportunity to terminate such agreement giving one month's notice to expire at the end of a month, unless another shorter notice period has been agreed.

If Dansk Erhverv Arbejdsgiver's member companies enter into such voluntary agreements with their foreign employees, the parties agree that it is natural that the payment for the benefits be deducted from the wages.

When using foreign subcontractors, the parties to the collective agreement recommend that, before using foreign subcontractors to perform work at the company's locations in Denmark, companies covered by the collective agreement inform the trade union representative and provide all relevant background information about the subcontractors, such as the work they are to perform and its expected duration.

Agreement on Standard of Wages for Employees Stationed Abroad Covered by the Collective Agreement (Aftale om lønforhold for udstationerede medarbejdere omfattet af overenskomsten)

This agreement applies to foreign companies that have acceded to the Collective Agreement for Shops in relation to employees covered by the Collective Agreement for Shops.

Based on a principle of equal treatment, the wages for employees stationed abroad covered by the collective agreement must be determined in accordance with the wage provisions of the collective agreement.

Compensations that employees stationed abroad receive to cover expenses incurred directly in connection with the stationing, for example for travel, board and lodging, cannot be included in the calculation of the remuneration in accordance with the collective agreement and the total employee costs for the stationing company.

Stationing allowance that is not paid as compensation for the employee's costs in connection with the stationing shall be included in the calculation of the remuneration in accordance with the collective agreement and the total employee costs for the stationing company.

If it is not specified or clarified whether a benefit has actually been paid as compensation of expenses in connection with the stationing or as a stationing allowance, the entire benefit shall be deemed to have been paid as reimbursement of expenses, cf. Article 3(7) of the Stationing of Workers Directive (udstationeringsdirektivet).

TEMP AGENCY STAFF

Agreement on information relating to the use of temporary workers from temp agencies

Where an industrial dispute case regarding temp agency staff is initiated against a temp agency that has not adopted a collective agreement (and is therefore covered by the Danish Temporary Agency Workers Act), the user company to which the agency staff have been sent, shall, upon request from one of the parties to the collective agreement, provide information on the local agreements and customs with which the company informed the temp agency it must comply for the work functions carried out by the temp agency staff at the company.

The provision does not change the fact that only temp agencies that have signed the collective agreement are responsible for ensuring compliance with the collective agreement, etc. for temp agency staff. The user company is not responsible for any breach of contract on the part of the temp agency, only for ensuring compliance with the duty of disclosure.

This agreement entered into force on 1 March 2014 and applies to cases raised after this date.

Agreement on temp agency staff

This agreement is a supplement to the other collective agreement, which thus also applies to temp agency staff in its full scope.

The following deviations from the general rules of the collective agreement apply in relation to temp agency staff's accrual of seniority, etc:

1. PENSION

The following rules replace Section 4(3)(1) and 4(3)(2):

A pension is paid to temp agency staff who either have reached the age of 20 and been in paid employment for the same temp agency for a total of at least 1,443 hours during the past 3 years, or have reached the age of 20 and are covered by a labour market pension scheme based on a collective agreement from a previous employment relationship.

A pension is also paid to temp agency staff who have reached the age of 20 and been in continuous employment for 3 months at one or more companies covered by the collective agreement.

2. PENSION PROVIDER

The rules below supplement the rules on pension providers in Section 4(4) of the collective agreement:

If there is agreement between the temp agency and the temp agency worker, it may be agreed that the pension contribution is instead paid into another scheme within the DA/FH area, so that a temp agency worker can retain a previously established labour market pension scheme.

3. CHILDBIRTH

The following rules replace Section 5(4)(b):

Temp agency staff who, on the expected date of delivery, have been in paid employment with the same temp agency for at least 1,443 hours within the past 3 years, or who have 9 months' seniority are entitled to maternity pay from 4 weeks before the expected date of delivery (pregnancy leave) and up to 14 weeks after the birth (maternity leave). A temporary worker who gives birth later than

expected by the doctor/midwife is only entitled to pay during pregnancy leave for up to 4 weeks.

Adoptive parents who have been in paid employment with the same temporary staff agency for at least 1,443 hours within the past 3 years, or who have 9 months' seniority, are paid until 14 weeks after the child enters their custody.

Wages correspond to the wages the employee would have earned during the period. The amount includes the maximum daily cash benefit rate set by law .

Under the same conditions, wages are paid for up to 2 weeks during "paternity leave".

If the period between 2 temporary posts for the same temporary staff agency exceeds 12 months, all previously accrued seniority will lapse.

4. CHILDBIRTH/ PENSION

The rules below replace the seniority rules in Section 5(4)(e) for earning the right to extra pension contributions during maternity/paternity leave:

During the 14-week period of maternity leave, the additional pension contributions specified in section 5(4), point e, are paid for temp agency staff who, on the expected date of delivery, have been in paid employment with the same temp agency for at least 1,443 hours within the past 3 years, or who have 9 months' seniority at the temporary staff agency.

If the period between 2 temporary posts for the same temporary staff agency exceeds 12 months, all previously accrued seniority will lapse.

5. SPECIAL HOLIDAYS

The following rules replace section 5(2)(a):

Temp agency staff who have had paid employment at the same temp agency for a total of at least 1,443 hours within 3 years or have 9 months of uninterrupted employment with the temp agency are entitled to 5 days of special holiday.

If the period between 2 temporary posts for the same temporary staff agency exceeds 12 months, all previously accrued seniority will lapse.

6. CHILDREN'S ILLNESS

The following rules replace Section 5(5)(a):

Temp agency staff who have been in paid employment with the same temp

agency for at least 962 hours within the past 3 years, or who have 6 months' seniority at the temp agency, are entitled to time off with pay when the time off is necessary to take care of the employee's sick child at home or children under the age of 14.

If the period between 2 temporary posts for the same temporary staff agency exceeds 12 months, all previously accrued seniority will lapse.

7. CHILDREN'S HOSPITALISATION

The following rules replace Section 5(6)(a):

Agency staff who have been in paid employment with the same temp agency for a total of at least 1,443 hours within the past 3 years, or who have 9 months' continuous service in the temp agency, are granted time off when it is necessary in connection with admission to hospital, including when the admission takes place wholly or partly at home. The rule applies to children under the age of 14.

If the period between 2 temporary posts for the same temporary staff agency exceeds 12 months, all previously accrued seniority will lapse.

8. WORK DISPUTES

Once HK HANDEL has notified the temp agency in writing that a company is involved in a legal labour dispute, the temp agency may not send temp agency staff within the retail sector to that company to perform work affected by the dispute.

9. RULES ON UNEMPLOYMENT BENEFITS

When recruiting or hiring temp agency staff, temp agencies must encourage them to seek further information regarding unemployment benefit rules in the event of unemployment.

10. TRANSPORT ALLOWANCE

A transport allowance can be agreed between the temp agency worker and the agency.

11. DISPUTES ABOUT THE QUALITY OF THE WORK OF TEMP AGENCY STAFF

In the event of disputes between the temp agency and the user company about the quality of the temp agency worker's work, the temp agency worker is under any circumstance entitled to the agreed wages.

12. AFFILIATE AGREEMENT

The parties recommend that the temp agency provides temp agency staff with an affiliate agreement as soon as possible after the worker has started his or her first temporary assignment for the temp agency. The Danish Chamber of Commerce

has prepared a standard affiliate agreement, which Danish Chamber members can download at www.danskerhverv.dk.

If the temp agency is obliged to prepare a contract of employment in accordance with the Danish Employment Contract Act, this affiliate agreement and a job confirmation letter constitute the member of agency staff's contract of employment.

Note:

The reference to the Act on the employer's duty to inform the employee of the terms and conditions of the employment relationship (the Employment Contracts Act) will be amended from the date on which the Danish legislation implementing the EU Working Conditions Directive comes into force, so that from that date reference will be made to the future implementation act (implementeringslov) with regard to the employer's duty to provide information.

13. FREE-CHOICE ACCOUNT

The temp agency may choose to pay the percentage rate applicable at that time, cf. Section 2(12), to temp agency staff with the wage payment. It is an express requirement that this amount should appear separately on the temp agency staff member's wage slip.

14. LENGTH OF TEMPORARY EMPLOYMENT

The parties recommend that, as far as possible, the temp agency offers temporary assignments of a length that reflects the agreement that the temp agency has entered into with the user company.

In the event of an extension of the temporary post, the parties also recommend that, if possible, the temp agency informs the temp agency staff of the extension before the end of the initially agreed period.

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WAGE OVERVIEW

Overview of wages for skilled, unskilled, shop assistants and young people under 18. The rates listed are the minimum hourly wage. Reference is also made to the collective agreement's wage provision in Section 2(1).

	1 March 2023	1 March 2024
Skilled labour		
Minimum hourly wage	DKK 139.78	DKK 144.28
Seniority bonus after 1 year of seniority with the company	DKK 2.90	DKK 2.90
Total after 1 year seniority	DKK 142.68	DKK 147.18
Possible personal supplement	DKK x	х
Free-Choice Account*	7.0%	9.0%
Employer's pension contribution (see further conditions in Section 4(3))	7.7% (as at 1 June 2023 9.7%)	9.7%
Shop assistant		
Minimum hourly wage	DKK 130.42	DKK 134.92
Supplement per month from the month in which the programme is completed (DKK 750 / 160.33 hours)	DKK 4.68	DKK 4.68
Seniority allowance after 1 year of service	DKK 2.90	DKK 2.90
Total after 1 year seniority	DKK 133.51	Х
Possible personal supplement	DKK x	Х
Free-Choice Account*	7.0%	9.0%
Employer's pension contribution (see further conditions in Section 4(3))	7.7% (as at 1 June 2023 9.7%)	9.7%
Unskilled labour		
Minimum hourly wage	DKK 130.42	DKK 134.92
Seniority bonus after 1 year of seniority in the company	DKK 2.90	DKK 2.90
Total after 1 year seniority	DKK 133.32	DKK 137.82
Possible personal supplement	DKK x	Х
Free-Choice Account*	7.0%	9.0%
Employer's pension contribution (see further conditions in Section 4(3))	7.7% (as at 1 June 2023 9.7%)	9.7%
Young people under 18 years old		
Minimum hourly wage	DKK 74.20	DKK 76.80
Possible personal supplement	Х	Х
Free-Choice Account*	7.0 %	9.0%

Special holidays	5	5
Hourly staggered hours allowance		
Weekdays 18:00-23:00	DKK 29.00	DKK 30.00
Weekdays 23:00-06:00	DKK 38.95	DKK 40.30
Saturdays 15:00-24:00	DKK 51.00	DKK 52.80
Sundays and public holidays 00.00-24.00	DKK 56.80	DKK 58.80

For young people under the age of 18, trainees and students under the age of 25 on state-recognised full-time courses with a maximum of 15 hours of employment per week, the supplementary rate is half of the listed rates. Adult learners get full rates.

^{*} The Free-Choice Account is a percentage added to your wages each month. The money is set aside in a savings balance, which can be paid out regularly with wages or twice a year when taking time off. It is also possible to contribute all or part of the savings to the Free-Choice Account to the pension scheme. Please refer to Section 2(12) of the collective agreement.