THE COLLECTIVE AGREEMENT

THE COLLECTIVE AGREEMENT FOR ARCHITECTS

2017 – 2020

Has been entered into by

DI Collective Agreement II (DIO II)

and

FAOD (The Danish Union of Architects and Designers) and JA (Academic Agronomists)

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DI no. 808004

2017 – 2020

FAOD FORBUNDET ARKITEKTER OG DESIGNERE

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This is a translation of the Collective Agreement for Architects 2017-2020 (Arkitektoverenskomsten 2017-2020*). In case of any discrepancy between the Danish and the English version, the regulations in the Danish version shall prevail.*

Clause 1 Scope of the collective agreement

Subclause 1 This collective agreement has been entered into by DIO II, FAOD and JA covering the following employees:

a) Academic architects with a master's degree from either the Royal Danish Academy of Fine Arts (KADK) or the Aarhus School of Architecture (cand.arch.)
b) Architects whose academic degrees from educational institutions in other EU member states meet the requirements on mutual recognition of examination certificates in accordance with EU Directive 2005/36/EC with later amendments
c) Architects who, without meeting the conditions of letter a or b, have been accepted as members of the Danish Architects' Association before April 1, 2005
d) Landscape architects with a master's degree from the University of Copenhagen's Faculty of Science (KU-SCIENCE) and corresponding degrees from Norway and Sweden
e) Civil engineers (M.Sc.) in architecture and design (cand.polyt. and cand.scient.techn.) from Aalborg University (AAU)
f) Designers with a Danish master's degree *)

with employment in private firms of consulting architects with membership of DIO II.

**) The parties have agreed that designers with a degree from the Royal Danish Academy of Fine Arts, who are not members of TL (the Danish Association of Professional Technicians), and designers with a degree from Design School Kolding, who are members of FAOD, are covered by the collective agreement.*

Subclause 2 DIO II commits to keeping FAOD and JA informed about changes to DIO II's membership on a continual basis.

FAOD and JA commit to giving DIO II corresponding information when an employer is contacted with a view to negotiating issues regarding pay and employment.

Subclause 3 The collective agreement covers employment in which the employee works in Denmark, not including Greenland and the Faroes Islands.

Subclause 4 Employees covered by this collective agreement who are engaged as Industrial PhD students deviate from the provisions of the collective agreement in the following areas:

a) The student will be paid in accordance with the seniority system of the collective agreement and as a minimum receive 90% of the student's minimum pay according to his/her seniority, cf. clause 3(1)

b) The student's weekly working hours are 37 hours including a 29-minute lunchbreak. It is assumed that the working hours are used for the study only. The collective agreement's provisions on working hours, extra hours and overtime, cf. clause 5, do not apply to this employment

c) The PhD student is not comprised by the continuing education scheme, cf. clause 12, as special agreements will be made in relation to the student's participation in conferences and business courses.

d) Provided that the necessary permits for leave are present, the PhD student is entitled, after termination of maternity/paternity leave, to extend the employment for a period corresponding to the period during which the student has been absent, or has exercised the right to leave of absence pursuant to the

Consolidation Act on the Entitlement to Leave and Benefits in the Event of Childbirth (Barselsloven). As a maximum, the part of the leave that is within the employment period may be extended.

The student is not comprised by a work stoppage (i.e. strike or lockout) as it is made clear that work affected by industrial dispute may not be performed even if it is comprised by the granted PhD.

Subclause 5 The collective agreement does not cover trainee stays and study-abroad schemes for which the trainee receives a grant in accordance with the Erasmus+: Leonardo da Vinci programme or similar EU programme with the same target group, purpose, formal guidelines etc.

The period during which the collective agreement does not apply in connection with these types of trainee stays and study abroad schemes may normally have a maximum duration of

a) 13 weeks at the same company for trainees under the age of 30, and
b) four weeks at the same company for trainees over the age of 30

In case the trainee has received a grant for a specific study programme or project, lasting longer than four, respective 13 weeks at the same company, the period in which the collective agreement does not apply may be extended. This, however, requires approval by DIO II and FAOD, respectively JA.

At the establishment of trainee stays and study abroad schemes in accordance with this provision, it is a rule that the number of persons in trainee stays and study abroad schemes, and in company internship programmes and employees with wage subsidy, cf. legislation on active employment efforts, may constitute no more than one person per five ordinary employees for companies with 0-50 employees, however always at least one person. At companies with more than 50 employees, the maximum is one per 10 ordinary employees.

Subclause 6 At part-time employment with less than 8 hours per week on average, the current collective agreement applies.

Clause 2 Employment

Subclause 1 The employee has a duty of confidentiality with regard to the matters he or she acquires knowledge of as part of his or her job and the confidentiality of which is naturally required or prescribed. The duty of confidentiality does not cease at resignation from the employment.

Clause 3 Salary

Subclause 1 The individual employee is entitled to individually negotiated pay, cf. protocol on pay policy.

The individual pay is salaried, paid monthly. As supplement, bonus, performance pay or one-off payment or suchlike may be applied.

The pay is to reflect the performance, qualifications, education and competence of the individual employee as well as the content and responsibility of the position.

The minimum pay appears from the table below. The minimum pay in salary level 1 reflects solely the performance of a newly graduated employee without any experience.

The minimum pay in the other pay bands reflects solely the skills of the employee by virtue of years' experience the employee has achieved through employment within his or her profession, but not the employee's supplementary competences, project handling and responsibility.

Therefore, the pay of the employee is expected to exceed the minimum pay unless special, individual circumstances apply. If the employee has completed training as a professional technician or building expert, manager or surveyor, the salary can never be less than it would have been in accordance with the wage regulations of the other relevant collective agreement.

The employee is entitled to an annual pay negotiation. This applies even when the employees is on leave in accordance with the Consolidation Act on the Entitlement to Leave and Benefits in the Event of Childbirth (Barselsloven).

Salary levels

The numbers include the employee's own pension contribution, but are without the employer's contribution, in accordance with the collective agreement:

Salary levels	Pay seniority	Minimum salary as per April 1, 2015 in DKK
1	0-48 months	30,000
2	49-83 months	36,000
4	Over 84 months	43,000

Pay guarantees

Employers have a duty to observe the agreed pay guarantees, cf. protocol on this.

Pay policy

Employers have a duty to prepare a pay policy, cf. the protocol on this.

Subclause 2 Wherever circumstances warrant it, and provided the organisations are involved, reduced payment may be agreed in certain cases.

Subclause 3 The pay seniority is normally based on graduation age entailing the number of months since the person in question graduated from one of the in clause 1(1) letter a, b, d and e mentioned educational institutions and has been working as an architect. The graduation age includes military duty, compulsory civil duty and parental leave. Seniority is rounded up to a whole number of months, however in the way that, at the earliest, it is calculated from the end of the month in which the person passed his or her final exam. The seniority of employees comprised by the collective agreement's clause 1(1) letter c will be determined according to negotiation between the organisations. As a main rule in establishing seniority, the number of months are included, in which the employee has been working as an architect.

Subclause 4 Part-time employees shall obtain professional seniority annually provided they have worked at least 18 hours per week throughout the year. Part-time employees working less than 18 hours weekly shall obtain professional seniority every other year.

Subclause 5 The salary is paid monthly in arrears and is available on the penultimate working day of the month.

Subclause 6 Each year, employers are obliged to submit a report to DA's (the Confederation of Danish Employers) earnings statistics based on their September salary payments. DIO II's earnings statistics are made available for FAOD and JA as soon as they are ready, however no later than at the end of December.

Subclause 7 Voluntary agreement can be entered into by the individual employee and the employers that the employer, against deduction in the gross pay, pays into certain schemes approved in terms of taxation (bruttolønordninger). It is not permitted to establish local agreements in which it is mandatory for the employee to participate. Facilities/tools necessary for the execution of the job must be paid by the employer in the same way as other production facilities and therefore cannot be made subject to financing through gross pay deduction. To the extent that the individual employer wants to enter into these gross pay agreements, the employer must make sure that the rules are observed.

Maximum deduction for this purpose is 10% of the employee's minimum pay. On top of that, further deduction from the remaining part of the pay may be individually agreed with no upper limit.

Unless otherwise agreed, the employee is entitled to resign from the scheme at three months' notice.

If the gross pay scheme includes agreement with a third party, the employee is obliged to respect the notice for terminating the scheme that is agreed with this party, though no longer than a one-year term of notice.

Gross pay deduction agreements are always cancelled at termination of employment. Resigning from the scheme must be without cost for the employee.

Clause 4 Pension

Subclause 1 Pension scheme

Pension contributions are paid to Arkitekternes Pensionskasse (the Architects' Pension Fund) or, for landscape architects (cf. clause 1(1d)), to PJD (the Pension Fund for Agricultural Academics and Veterinary Surgeons). Employees who as of April 1, 2012 have been registered with Arkitekternes Pensionskasse or PJD through their employment – irrespective of their educational background – may choose to continue their pension scheme or be transferred to the proper pension fund.

All employees with employment in areas comprised by the collective agreement are included in the scheme. For foreign employees, the pension scheme can be established upon agreement with the employee as a so-called § 53a scheme according to which pension contribution without deduction right is paid and can later be withdrawn free of tax. A § 53a scheme can be applied for a maximum of two years after which the foreign employee must follow the ordinary pension scheme rules unless, before the expiry of the two years, exemption has been applied for and granted by the agreement parties.

Calculation of pension contribution is based on the gross pay including all agreed bonuses, paid compensation for extra work and overtime, but not on holiday bonuses/holiday pay.

As per April 1, 2015, the pension contribution is 13.0%.

The employer pays two thirds of the total pension contribution and the employee pays one third.

The employee may choose to increase his or her own pension contribution to improve the pension scheme.

The employer withholds the contribution of the employee and any voluntary contribution from the employee's pay before calculating the tax. Any contribution to group life insurance is part of the taxable income.

The employer must pay the pension contribution including any voluntary contribution to Arkitekternes Pensionskasse or PJD at the same time as the salary is paid.

Payment and relevant specification must follow guidelines established by Arkitekternes Pensionskasse or PJD. The guidelines must consider the form of payment chosen by the individual employer and contain instruction on accounting and tax matters.

Arkitekternes Pensionskasse and PJD may not pass on information on matters pertaining to companies or individuals, and information for statistical applications may only be passed on to DIO II and FAOD or JA by prior consent from both organisations.

Subclause 2 Contribution payment – exemptions and modifications

Employees who have joined a pension scheme before April 1, 1999 meet the pension obligation if the pension contribution corresponds to the collectively agreed contribution at any time. It is a precondition that the employer administers the pension scheme by paying directly to the relevant pension fund.

In private firms of consulting architects who have joined DANSKE ARK (the Danish Association of Architectural Firms)/DIO II after March 31, 2005, employees who were employed in the company before entry and have joined a pension scheme meet the pension obligation if the pension contribution corresponds to the collectively agreed contribution at any time. It is a precondition that the employer administers the pension scheme by paying directly to the relevant pension fund.

Landscape architects from KU-SCIENCE (the University of Copenhagen's Faculty of Science) who were employed within the sector before August 18, 1998, retain their option to receive their full salary.

The employee may opt to transfer existing pension schemes to Arkitekternes Pensionskasse or PJD.

Clause 5 Working hours, extra hours and overtime

Subclause 1 Weekly working hours are 37. Working hours are spread over the first five days of the week according to agreement at the individual company.

Subclause 2 At more than three daily working hours, a 29-minute lunchbreak is part of working hours**.** At work in excess of 9½ hours per day, and when closing time is after 19:00 (7 pm), compensation for a meal should be paid as 29 minutes' extra work. This overrules all other claims against the employer for meal compensation.

Subclause 3 A framework for flexible arrangement of working hours may be agreed within the individual company (local agreement) or with the individual employee.

In special cases, it may be agreed that working hours are not specified if such an agreement is necessary for the execution of a particular task.

Requests for changes to the working hours must be made at 24 hours' notice at least. None of the parties is obliged to meet requests put forward later than that.

The employee is entitled to give a motivated refusal to a request for changes to working hours but must respect the employer's order to take lieu hours/days for overtime in accordance with the rules in subsection 4.

The employee cannot be ordered to take lieu hours/days if he or she has not already earned available extra hours in the individual account for extra hours.

Illness is considered a hindrance for lieu hours/days provided the employee has reported sick before normal working hours on the day that the lieu hours/day should have been taken. If several lieu days are planned, the hindrance will also apply to sickness on any subsequent lieu days.

Extra hours, cf. subsection 4, and overtime, cf. subsection 8, should be avoided if at all possible.

Subclause 4 Working hours are registered on a weekly basis. Hours in excess of 37 (or in excess of agreed increased working hours, cf. subsection 10) are transferred to an individual account for extra hours, which may contain no more than 150 hours. If at the end of the week, there are hours in excess of 150, they must be added a 50% bonus and be paid on the first payday.

For the first 75 hours in the account, the employee and the employer may agree to convert the hours either to payment or to lieu hours/days. The employee, however, is entitled to request time off in lieu of hours at a month's notice. During a notice period, both parties may request time off in lieu of hours at a month's notice. Payment and lieu hours/days should correspond to the number of hours worked (1:1).

At 24 hours' notice, the employer is entitled to request hours from 76 to 150 in the account taken as lieu hours/days, corresponding to the number of hours worked, or paid with a 50% bonus added. The employee, however, is entitled to request lieu hours/days at a month's notice in respect of the daily operation. The employer's notice has precedence over that of the employee.

For part-time employees, hours in excess of the agreed part-time norm and up to the 37-hour fulltime norm can be transferred to the individual account for extra hours on a weekly basis. Alternatively, the hours may be registered monthly and paid. Work above 37 hours per week is treated in the same manner as for fulltime employees.

Subclause 5 The purpose of the individual account for extra hours is not that individual employees can collect hours for lieu hours/days at their discretion, but the idea is that extra hours should be converted to lieu hours/days immediately after they were earned.

If an employer ascertains that an employee is using the system contrary to the intention, the employer may point it out and demand the practice stopped. Abuse of the system further entitles the employer to choose to pay extra hours or demand lieu hours/days. In that case, payment or lieu hours/days should equal the number of hours worked (1:1).

Subclause 6 At resignation, extra hours should be taken as lieu hours/days to the extent possible before the date of resignation, and hours above normal working hours are not allowed in the resignation period without the consent of the employee. At resignation, remaining hours must be paid.

Subclause 7 At payment, the hourly pay is calculated as 1/160 of the employee's ordinary monthly salary at the time of payment.

Subclause 8 Overtime ordered in writing on work-free weekdays, Sundays and public holidays triggers a 100% overtime pay, which is paid on the first payday. (However, see clause 6(1) on competitions and acquisition work.) The employee is entitled to give a motivated refusal to a request for extra hours, cf. subclause 3.

Subclause 9 The employer and the employee may enter into an agreement on 37 effective weekly working hours against a 6.75% increase of the total pay. A 29-minute daily lunchbreak is paid by the employee.

Subclause 10 The employer and the employee may enter into an individual agreement on a number of weekly hours that is higher than the collective agreement's normal 37 weekly working hours, but is no more than 42 hours (plus-hour agreement).

The plus-hour scheme must meet both the employees' and the companies' need for more flexible working hours during limited periods. The scheme for the employee is individual, voluntary and non-permanent. Thus, it is not the intention that the scheme should lead to the general introduction of a weekly standard that is different from 37 hours, neither in the collective agreement area nor on the individual company.

A plus-hour agreement is voluntary for both parties and cannot be entered into before the expiry of a probation period. A plus-hour agreement cannot be entered into in connection with new employee procedures.

The individual agreement is for a limited period of maximum one year. If a new limited period is not agreed, the individual plus-hour agreement is automatically discontinued, and the employee returns to the degree of employment that applied before entering into the plus-hour agreement.

An individual agreement on plus hours can be terminated by both employee and employer at the notice of the Employers' and Salaried Employees' Act (Funktionærloven) to the end of a month. After expiry of the notice, the employee returns to the level of employment that applied before the plus-hour agreement. Termination of a plus-hour agreement is not considered a significant change to the employment relationship.

In companies with elected trade union representatives, local agreement can be entered into on the framework for plus-hour agreements, which depart both from the time limit of one year and from the notice of the Employers' and Salaried Employees' Act so that plus-hour agreements can be terminated individually at shorter notice.

The total pay including any bonuses must be raised proportionally based on the agreed number of hours in the way that each plus hour releases a corresponding hourly pay. The increased salary is also paid during absence that entitles pay.

An employee who is dismissed from his or her job is entitled to return to his or her former level of employment three months before the time of dismissal if he or she so wishes.

§ 5 a Fixed salary

Subclause 1 In the negotiation of the individual salary, agreement can be reached on a fixed salary with due observance of the principles set out in clause 3. In this context, it may be agreed that the salary includes payment for additional work, cf. clause 5 (4) and overtime cf. clause 5 (8) with the effect that no account hours are accumulated and no overtime payment or travel time compensation is provided. The agreement must be proportionated with the salary, job content and extent of overtime as well as any travel activity. If travel activity has not been taken considered when entering into a contract for a fixed salary, a separate agreement must be made for work-related travel, cf. clause 14. Normal weekly working hours are still 37 hours with flexible scheduling.

Subclause 2 For employees referring to salary level 1 at the time of agreement, it is a prerequisite that the agreed fixed salary amounts to a minimum of DKK 38,500.

Subclause 3 For employees referring to salary level 2 at the time of the agreement, the fixed salary shall amount to at least the employee's monthly salary at the time of the agreement plus 10 per cent, or for new employees a minimum of DKK 38,500.

Subclause 4 For employees referring to salary level 3 at the time of agreement, the agreed fixed salary must amount to a minimum of DKK 46,200.

Subclause 5 Both the employee and the employer can terminate an agreement on fixed salary with the notice of the Employers' and Salaried Employees' Act. The termination has the effect that the employee's monthly salary must be renegotiated, and that the employee is again covered by the collective agreement's working time and overtime rules without consequence for the employment relationship.

Subclause 6 Existing agreements on availability allowance remain unchanged. An agreement on availability allowance can be freely terminated by both employee and employer at the notice of the Employers' and Salaried Employees' Act. The termination has the effect that the employee is again covered by the collective agreement's working time and overtime rules without consequence for the employment relationship.

Clause 6 Architectural competitions and acquisition of assignments

Subclause 1 At participation in architectural competitions and tasks involving the acquisition of new business, the normal working hour rules must be followed although it is possible to agree on a special competition bonus/functional bonus instead of overtime pay for weekend overwork ordered in writing, cf. clause 5(8). The agreement must be in writing and entered into with the individual employee who is assigned to the project. The bonus is discontinued at the end of the project.

Subclause 2 Employees are entitled to enter architectural competitions in their own name, but must ask for permission by the employer if the employer intends to participate as well. At enquiry to the employer three weeks after a competition has been organised, the employees are entitled, within two weeks, to information about whether the employer intends to participate.

Subclause 3 If, under other forms than that mentioned in clause 6(2), employees should want to enter architectural competitions, the employer's permission must be obtained if the employer also intends to enter the competition.

Clause 7 Terms of notice

The terms of notice of the Employers' and Salaried Employees' Act apply.

Clause 8 Illness, child's sickness and care days

Subclause 1 The employee is entitled to payment including agreed and expected bonuses during illness in accordance with current legislation.

Subclause 2 If care of a sick child under the age of 15 is needed at home, the employee (M/F) is entitled to time off without salary reduction for the child's first day of sickness.

If the child becomes sick during the employee's working day and the employee must leave work as a result, he or she is also entitled to time off with pay for the remaining working hours of that day.

The employer may require documentation, for example in the form of a sworn statement.

Subclause 3 Employees and other employees under education with at least 9 months' seniority are entitled to 2 childcare days per holiday year. The employee can take no more than 2 childcare days per holiday year irrespective of how many children the employee has. The rule concerns children under 14 years of age.

The days are placed by agreement between the employer and the employee considering the interest of the company.

Childcare days are unpaid.

If there are hours in the account for extra hours, cf. Clause 5, these must be used at childcare days.

Subclause 4 Employees who are parents of children under the age of 15 are entitled to time off with pay for up to five working days within 12 consecutive months in connection with the child's hospitalisation, including hospitalisation of the child at home if this is determined by the hospital. The employee shall provide proof of the hospitalisation on request.

Clause 9 Pregnancy, childbirth and adoption

Subclause 1 An employee who is pregnant or wants to adopt a child must inform the employer of this no later than three months before the expected birth/adoption. From the time that the employee has informed about the pregnancy or adoption and until the expiry of the leave period, she can only be dismissed after prior contact with DIO II and FAOD or JA. Fathers, who have informed about, or are taking their paternity or parental leave (but not if it is an agreed postponed leave), can only be dismissed after prior contact with DIO II and FAOD or JA. It is the responsibility of the employer to document the reason for dismissal.

Subclause 2 During absence due to pregnancy and childbirth/adoption, the mother is entitled to her normal pay for up to 20 weeks in total.

The mother may take the 20 weeks of paid leave from up to four weeks before the baby is due. At adoption, she may take the paid leave from before receiving the child in accordance with the provisions of the Consolidation Act on the Entitlement to Leave and Benefits in the Event of Childbirth (Barselsloven).

Upon agreement, six of the weeks may be taken flexibly within 46 weeks of the birth or, at adoption, of having received the child.

Subclause 3 At childbirth and adoption, the father is entitled to eight weeks of leave in total with his normal pay. The father may take the eight weeks of paid leave within the first 46 weeks of the birth. At adoption, he can take the paid leave from before receiving the child in accordance with the provisions of the Consolidation Act on the Entitlement to Leave and Benefits in the Event of Childbirth.

Two of the weeks must always be held as consecutive weeks within 14 weeks of the birth or, at adoption, of having received the child. He must notify the employer of the period for these two weeks no later than four weeks before the baby is due or, at adoption, if possible, four weeks before the expected start of the leave.

The father is entitled to take the remaining six paid weeks within 46 weeks of the birth or, at adoption, of having received the child. The paid leave, however, must be taken as whole weeks off unless otherwise agreed. If the father, however, wants to take the six weeks after the end of the 14-week period, he must notify his employer of this no later than eight weeks after the birth or, at adoption, of having received the child. If the father wants to take all eight weeks within the 14 weeks of the birth or, at adoption, of having received the child, he must notify the employer no later than four weeks before the baby is due or, at adoption, if possible, four weeks before the expected start of the absence.

At stepchild adoption of a registered party's child where the adoption has legal effect from the birth, the adopter is entitled to the same paid leave as fathers.

Subclause 4 In general, the employee is entitled to absence without pay in accordance with current legislation.

Subclause 5 Documentation of the time of the expected birth or adoption shall be provided on request.

Subclause 6 If the mother becomes unfit for work due to illness before the beginning of the maternity leave, the following applies:

- If the illness is related to the pregnancy, the maternity leave is regarded as being commenced at the time of calling in sick, however four weeks before the expected childbirth at the earliest, cf. subclause 2, and cf. § 7 of the Employers' and Salaried Employees' Act and § 6 of the Consolidation Act on the Entitlement to Leave and Benefits in the Event of Childbirth (Barselsloven).

If the illness is unrelated to the pregnancy, the maternity leave is not regarded as being commenced when the employee reports fit for duty unless it is after the originally announced time for commencement of the leave.

Subclause 7 An employee who resumes work before the end of the 14-week period due to the child's hospitalisation is entitled to absence after the child's release from hospital for the part of the period that was left at the resumption of work provided the release takes place earlier than six months after the birth.

Subclause 8 The provisions of this clause apply to both fulltime and part-time employees.

Subclause 9 Entitlement to pay in accordance with this clause is conditioned upon the employer's right to obtain reimbursement corresponding to the government's subsistence allowance (dagpengerefusion). If the employee is only entitled to reduced subsistence allowance, the employer's payment duty is correspondingly reduced.

Clause 10 Holidays and floating holidays

Subclause 1 Employees covered by the collective agreement are comprised by the Holiday Act.

Subclause 2 Employees who take their annual holiday with pay obtain a special 1.5% holiday bonus instead of the 1% holiday bonus stipulated in clause 23(2) of the Holiday Act. The bonus is calculated in the same way as in clause 26 of the Holiday Act.

Subclause 3 In addition to the earned days off for holiday, in accordance with clause 7 of the Holiday Act, entitlement is earned for floating holidays with pay in the individual companies.

Subclause 4 All employees earn 1.5 floating holidays for each three full months' unbroken employment in the company, amounting to six floating holidays with pay in a year.

Subclause 5 The floating holidays can be used from the time they were earned upon agreement by the employer and the individual employee. The employee's preference should be met unless consideration for the operation of the company prevents this. By notifying this before February 1 in a calendar year, the employee is entitled to take one of the floating holidays either on May 1 or Constitution Day (Grundlovsdag – June 5).

Subclause 6 Floating holidays are paid with the normal salary.

Subclause 7 Floating holidays that have not been used at the end of the calendar year are converted into payment with an amount corresponding to the pay the employee would have received if he or she had used the floating day.

Subclause 8 At termination of the unemployment, earned, but unused floating holidays must be paid with an amount corresponding proportionally to the earned entitlement.

Clause 10a Holiday for newly graduates

Subclause 1 Employees, who commence their first employment at the end of their education and accordingly have not earned holiday entitlement from another employer, are entitled to holiday with full salary in the first holiday year following these guidelines:

a) Newly graduates starting in the period Jan. 1- Apr. 30 are entitled to one week's paid holiday to be taken in the current holiday year and two weeks' paid holiday to be taken in the coming holiday year.
b) Newly graduates starting in the period May 1- Aug. 31 are entitled to two weeks' paid holiday to be taken in the current holiday year.
c) Newly graduates starting in the period Sep. 1- Dec. 31 are entitled to one week's paid holiday to be taken in the current holiday year.

Subclause 2 A prerequisite for obtaining holiday with pay according to subclause 1 is that the terms of employment is for a period of more than three months. Time-limited employment of three months or less is not considered to be "first employment" cf. subclause 1.

Subclause 3 For other temporary employment of more than three months within the area of the collective agreement, unused holiday entitlement will be retained in the event of new employment within the area of the collective agreement. The date of accession of new employment determines how many weeks of holiday with pay the employee is entitled to, cf. subclause 1.

It is a prerequisite that the employee has not already exercised the holiday entitlement according to subclause 1 in his or her previous employment. If that is the case, the entitlement to holiday lapses to the same extent that the entitlement to holiday has been exercised. The employer may ask the employee to sign a sworn statement as a prerequisite for granting paid holiday according to subclause 1.

Subclause 4 To the extent that a holiday allowance has been earned during unemployment, the employee is entitled to supplement to full pay during the periods mentioned against documentation from the unemployment insurance fund.

Subclause 5 The holiday period cf. subclause 1 must be agreed by the employee and the employer taking into account daily operations. However, the employer has the right to request the holiday to be held at one month's notice.

Subclause 6 Paid holiday entitlement not utilised during the current holiday year can only be transferred to the next holiday year by agreement.

Subclause 7 Unused clause 10 a holiday is not paid on resignation.

Subclause 8 The parties to the agreement are obliged to promptly take this provision up for renegotiation when the new holiday act has been adopted. If agreement cannot be reached, the provision lapses by the entry into force of new holiday law at the latest.

Clause 11 Time off

Subclause 1 Christmas Eve (Dec. 24) and New Year's Eve (Dec. 31) are paid holidays.

Subclause 2 The company and the employee may agree on unpaid leave.

Clause 11a Senior employee scheme

Subclause 1 The employee may enter into a senior scheme as from five years before the current retirement age for the employee.

If the employee wishes to take senior days off, he or she can do so by converting the current pension contribution if, and to the extent that the pension scheme allows.

Alternatively, instead of senior days off the employee and the employer may agree on worktime reduction for example in the form of longer continuous work-free periods or fixed reduction in weekly working hours.

Continuous pension contributions are understood as a combination of the employer's and the employee's own contribution. The maximum conversion of the pension contribution must allow for sufficient coverage of insurance schemes and management costs.

The conversion does not change the existing collective agreement basis and is thus cost-neutral for the employer.

The provision will enter into force on March 1, 2017; however, the employee cannot take senior days off until the holiday year 2017-2018.

Clause 12 Employee development planning and continuing education

Employees are entitled to an oral annual performance review, and in this connection, an individual competence development plan shall be agreed in writing.

Clause 12 a Continuing education

Subclause 1 The employer is obliged to set an amount aside annually for continuing education per fulltime employee comprised by the collective agreement. The amount should be reduced proportionally for part-time employees.

Allocation of funds for continuing education takes place in the entire leave period in accordance with the Consolidation Act on the Entitlement to Leave and Benefits in the Event of Childbirth (Barselsloven).

As per March 1, 2017, the allocation for continuing education is DKK 22,000 per fulltime employee.

The amount is set aside with 1/12 at the end of each month and is administered by the employer.

The amount is to cover expenses for study trips, courses, transport etc. (excluding VAT) and the employees' salary, hourly pay (monthly pay divided by 160) as well as pension contributions in accordance with this collective agreement during continuing education.

The employee is entitled to use earned extra hours from the extra hour account, cf. clause 5(4) in connection with continuing education, but cannot be ordered to do so.

The content of continuing education activities must be directly relevant to the company's current and potential fields of work and/or be considered an upgrade of the professional qualifications of the employees for which the tax authorities grant the company deduction and do not tax the employee.

Expenditure for compulsory training of health and safety representatives must be defrayed by the company in excess of the continuing education funds.

Subclause 2 The employer allocates DKK 4,750 from the total amount for continuing education to an account that can be shared unevenly among the employees. Unused funds are transferred to the next year. Only employees covered by the collective agreements for architects can contribute to the account and use funds from the account.

Accounts should be established for each of the various professions in the company. Joint accounts may be established if appropriate, and the professional groups locally in the individual company agree. The funds from this joint account can be used for full or partial coverage of joint activities or co-financing in connection with continuing education in cases where an individual employee does not have sufficient individual funds.

DKK 17,250 of the total amount for continuing education is for individual use, cf. subclause 1. If individual continuing education funds are not used in the year they were earned or in the next two calendar years, they must be transferred to the joint account unless the employee and the employers enter into an individual agreement for specific, longer-lasting continuing education. The deadline for using individual continuing education funds is extended with the period the employee is absent as a result of leave in accordance with the Consolidation Act on the Entitlement to Leave and Benefits in the Event of Childbirth (Barselsloven).

If the employer postpones an approved continuing education activity pursuant to this agreement, written agreement must be entered into regarding a replacement time for the activity. If this means that the deadline is overrun, the individual right will not be lost.

Subclause 3 Both the employee and the employer are obliged to contribute to the continuous education of the employee and the use of the resources provided for each employee. The guidelines for continuing education and

continuing education needs of the employer and the employee are discussed by the employer and the employees.

In companies where a union representative is appointed in accordance with the current union representative agreement, a union representative participates as the employees' representative in the discussions.

Subclause 4 The employer and the individual employee may agree in writing to use continuing education funds in advance. At termination of employment, however, an employee cannot be required to pay any negative balance, but this can be covered by funds in the joint account.

Subclause 5 The employer must keep accounts of both joint accounts and individual training funds. Once a year in January, the company must publish its updated continuing education accounts for the preceding years to the company's employees. Employees are entitled to know the content of their individual account on a continual basis.

In connection with a departure, the employer must prepare an account of outstanding, individual funds within two weeks. At the end of a temporary employment, the employer must hand out a specification of outstanding, individual funds to the employee no later than two weeks after the date of departure.

Subclause 6 At departure, any unused individual continuing education funds must be used for further training purposes within 12 months of the departure. Expenses for continuing education in this context must be settled before 13 months after the departure. Any excess amount must be transferred to the joint account.

A condition for use of the funds is that continuing education takes place during employment at private firms of consulting architects with membership of DIO II or at a following period of unemployment.

If a former employee attends continuing education and loses his/her entitlement to unemployment benefit, compensation corresponding to the lost benefit may be paid. The compensation does not entitle pension and holiday payment.

If the employee leaves a member company, the individual continuing education funds cannot be transferred to a company that is not a private firm of consulting architects with membership of DIO II.

Saved funds that are lost as entitlement to continuing education at employment with companies which are not private firms of consulting architects with membership of DIO II, are paid as salary with a maximum corresponding to two years of saved individual funds. Such payment does not release holiday or pension. Any remaining amount will then be transferred to the joint account.

The same provision applies if the employee opens his/her own business as a principal occupation.

In the event of dispute regarding continuing education funds, the deadline for using the funds is extended until the disagreement has solved.

Subclause 7 If, during the period of validity of this collective agreement, legislation imposes a duty on the employer to contribute to continuing education activities and suchlike comprising the employees covered by the collective agreement, the employer is entitled to offset the expenses for this in the amount that is reserved for the joint account.

Clause 13 Reimbursement of removal and travel expenses

If an employee is transferred to another place of work and needs to move his or her household and household effects accordingly, the employee must be granted an allowance. If the transfer is domestic, the allowance shall correspond to the current rules and rates that apply to architects in government service.

If the transfer is to another country, an allowance must be granted according to guidelines established at special negotiation between the employer and the employee.

Clause 14 Mileage allowance and allowance for travel time

Subclause 1 Business driving for which it is agreed that the employee uses his/her own car is reimbursed with tax-free mileage allowance at current rates, determined by the National Tax Board.

Subclause 2 At domestic travels, a travel time bonus may be agreed instead of travel time compensation. If a travel time bonus is agreed, the employer must still pay the other travel costs such as transport, meals and accommodation.

Subclause 3 At travels abroad, a travel bonus may be agreed instead of compensation for travel time and work outside normal working hours during the whole trip. If a travel bonus is agreed, the employer must still pay the other travel costs such as transport, meals and accommodation.

Subclause 4 Agreements in accordance with subclauses 2 and 3 can be entered into between the employer and the union representative on behalf of the employees, or between the employer and the individual employee.

The agreement can be entered into for each travel or as a general agreement. If a general agreement is entered into, it can be terminated by both sides at 3 months' notice.

Subclause 5 If no special agreement is made in accordance with subclauses 2 or 3, travel time outside normal working hours is compensated with normal hourly pay for up to 7 hours per day.

Clause 15 Organisation

Subclause 1 Employees are guaranteed the right to address their terms of payment and employment and freely conduct negotiations through union representatives. The right of the employees to form clubs and elect a union representative is acknowledged. It is recommended that FAOD and JA be granted access to having union meetings without pay at the end of working hours.

Clause 16 Disputes

Subclause 1 The parties to this agreement must try to solve any disagreement between FAOD and DIO II regarding the understanding of this collective agreement, or any breach of it, in accordance with the rules of the main agreement between FAOD and DIO II.

The parties must try to solve any disagreement between JA and DIO II in accordance with the rules of the accession agreement to the main agreement between FAOD and DIO II.

Clause 17 Deviations from the collective agreement

Subclause 1 None of the employees' existing salary or employment conditions, agreements, practices or suchlike may be degraded by this Agreement.

Subclause 2 The parties agree that there are special situations in which it would be appropriate to make an exemption from the collective agreement in individual companies. Exemption may be granted in situations with special ownership of the company and requires agreement between FAOD, JA and DIO II.

Clause 18 Accession agreements/special agreements with private firms of consulting architects without membership of DIO II

Subclause 1 When FAOD or JA enters into accession agreements/special agreements with private firms of consulting architects that meet DIO II's current criteria for ordinary membership, these agreements may not have more accommodating terms for the employer than those agreed at any time in this Agreement in the following areas:

a) Pay and pension
b) Weekly working hours
c) Overtime payment for hours outside the fixed weekly working hours
d) Overall time off for floating holidays with pay and other time off
e) Annual architectural continuing education per employee

Subclause 2 FAOD and JA are obliged to inform DIO II by submitting a copy of a special or accession agreement no later than two weeks after it was signed. If DIO II finds that the special or accession agreement is more accommodating for the employer regarding the terms mentioned in letters a thru e, or in the overall hourly payroll cost, DIO II may submit a written objection to FAOD or JA within one month of receiving the information.

A special or accession agreement entered into by FAOD or JA cannot take effect before the expiry of the objection period.

If DIO II objects, the parties must organise a mediation meeting within two weeks. If agreement cannot be reached, FAOD, respectively JA, may refer the case to labour arbitration to determine whether DIO II's objection was justified; or FAOD, respectively JA, may seek the special agreement renegotiated after which a new information and objection period begins.

Once there has been an objection, the special or accession agreement cannot take effect before the labour arbitration has found that the objection was unjustified, or a new objection deadline for the renegotiated special or accession agreement has expired. The labour arbitration's ruling that an objection is justified does not entail a fine.

It is the duty of FAOD and JA to introduce a clause in their special agreements that the special or accession agreement is annulled if the employer joins DIO II, and this collective agreement takes effect.

Clause 19 Term of the collective agreement

The collective agreement becomes effective on March 1, 2017 and is valid until it is terminated by DIO II or FAOD at three months' notice to March 1, however no earlier than March 1, 2020.

Trade union representative agreement between DIO II, FAOD and JA

Clause 1 Election of trade union representative

Subclause 1 In companies with a minimum of 5 employees, who are all members of the same trade union (FAOD or JA), these employees may decide to let a trade union representative, who is employed at the company and is a member of the union in question, represent them in dealings with the employer.

Subclause 2 The trade union representative is elected by union members, who are employed at the company. Only permanent employees who are not under notice and have at least six months' seniority are eligible. The election must be approved by FAOD, respectively JA, and the union must notify the employer and DIO II of the elected union representative. The employer may object to the election within eight days of receiving the notification.

Subclause 3 The normal term for the election is two years. At re-election, the employer and DIO II must be notified anew.

Subclause 4 Following the same rules, in geographically divided companies, a union representative may be elected for each branch.

Clause 2 Joint union representatives

Subclause 1 At companies with at least five members of FAOD, JA, KF (the Danish Association of Building Experts, Managers and Surveyors) and TL (the Danish Association of Professional Technicians), a joint union representative may be elected. In companies with at least 30 members of FAOD, JA, KF and TL, two joint union representatives may be elected.

Subclause 2 Union representatives cannot be elected in accordance with both clause 1 and clause 2 at the same company.

Subclause 3 Joint union representatives are elected by members of FAOD, JA, KF and TL, who are employed at the company. Only permanent employees who are not under notice and have at least six months' seniority are eligible. The election must be approved by FAOD, respectively JA, KF and TL, and the trade union of the elected person must notify the employer and DIO II of the union representative. The employer may object to the election within eight days of receiving the notification.

Subclause 4 At termination of, or changes to, one or several of DIO II's union representative agreements or similar collective agreement provisions on union representative agreed with FAOD, JA, KF and TL, clause 2 is void and, with this, all elections of joint union representatives from and including the date of termination without further notice unless the changes are linguistic or grammatical with no consequence for the content.

Subclause 5 In general, all provisions in this agreement apply to the election and duties of joint union representatives except for clause 1(1) and (2).

Clause 3 Duties and tasks of union representatives

Subclause 1 It is the duty of both the union representative and the employer to encourage a good and peaceful working climate within the company.

Through their union representative, employed members of FAOD and JA are entitled to request negotiation with the employer and present proposals, recommendations and complaints about working conditions, organisation, continuing education, and matters relating to pay and employment.

Subclause 2 If the employer intends to make changes to these matters or carry out dismissals or take on staff, the union representative must be informed beforehand and given the opportunity to comment.

Subclause 3 The union representative is entitled to necessary time off in the form of paid freedom to pursue his or her duties, particularly including negotiation and implementation of new payment systems. When, within the normal working hours of the company, the union representative participates in meetings and negotiations concerning relations between the employer and the employees, the union representative represents, he or she shall be paid by the employer without loss of income. In cases where the union representative's work, requested by the employer, takes place outside normal working hours, this work shall be considered extra hours or overtime, cf. the collective agreement's clause 5 (2) or (6).

Subclause 4 The union representative receives a monthly bonus of between DKK 1,500 and DKK 2,500 considering the scope of the work, the size of the company and the number of union representatives. These bonuses must be described in the company's pay policy.

Subclause 5 All union representatives shall be entitled to paid time off three days a year to attend courses etc. for union representatives. Newly elected union representatives shall be entitled to paid time off four days in their first year. In addition, with due consideration to the operation of the company, the union representative is given time off without payment for attendance in courses etc. for union representatives.

Clause 4 Dismissal of a union representative

Subclause 1 Dismissal of a union representative must be justified by compelling reasons.

Subclause 2 If an employer wants to dismiss or relocate a union representative, the move must be negotiated with the representative's union no later than 8 days before notice is given.

Subclause 3 Following the negotiation mentioned in subclause 2, the parties may ask for the case of dismissal or relocation to be handled in accordance with the guidelines in subclause 5. If a dismissal is termed unfounded, the employer is committed to withdraw it.

Subclause 4 If, however, the labour arbitration finds it documented by the employer that the employment cannot continue, the employer is obliged to pay compensation the size of which depends on the circumstances and must be established by the labour arbitration.

Subclause 5 An employee who ceases to be a union representative after having worked as such for at least one year and is still employed at the company is entitled to a six-week notice of termination in addition to the

employee's individual notice if the employee is given notice within one year of termination of the union representative duty.

This rule applies only to terminated union representatives.

The parties agree that at an extended notice period, the Employers' and Salaried Employees' Act's section 2 that the employee leaves at the end of a month is waived.

Clause 5 Guidelines

Subclause 1 Any one of the parties may request any disagreement about this agreement settled by a mediation meeting held no later than one week after the meeting has been requested. If no solution to the disagreement is found, each of the parties may refer the case to final resolution at labour arbitration consisting of four members, two of whom are selected by DIO II and two by FAOD and JA in union, and an arbitrator who is selected by the members of the arbitration court. If the two sides cannot reach agreement on the choice of arbitrator, they shall ask the president of the Labour Court to appoint one.

Clause 6 The term of the union representative agreement

Subclause 1 The agreement replaces the joint union representative agreement of April 1, 1993.

Subclause 2 The agreement is a legally integrated part of this collective agreement.

Subclause 3 The latest revision of the agreement was March 1, 2017.

Agreement on transfer of holiday

This agreement relates to the transfer of holiday pursuant the Holiday Act, cf. clause 10(1) of the collective agreement. Floating holidays with pay and an option to transfer these appear from clause 10(4) of the collective agreement.

Clause 1 The employer and the employee may agree that earned, but not held holiday in excess of 20 days can be transferred to the next holiday year. No more than 10 days, however, may be transferred from one holiday year to the next.

Clause 2 The agreement must be in writing before September 30 following expiry of the holiday year and can only relate to holidays the employee has earned in the company. It is recommended to use the formula prepared jointly by the organisations.

Clause 3 Holiday transfer can only be arranged for employees who have their holiday with pay.

Clause 4 If the employer and the employee cannot agree on when to use the transferred holiday, a 1-month notice for the holiday must be given.

Clause 5 Transferred holiday cannot be held in a period under notice unless otherwise agreed after submission of the notice.

Clause 6 If an employee who has transferred holiday resigns before all days have been taken, he or she must receive holiday allowance for holidays in excess of 25 days in connection with the resignation, on the last payday.

Clause 7 Transferred holiday must be taken before other holidays.

Clause 8 If, due to illness, maternity leave, leave for adoption or other obstacles for holiday, cf. the Holiday Act, the employee is prevented from taking his/her holiday, the employee and the employer may agree that the prevented, not taken holiday can be transferred to the following holiday year. The agreement follows the same rules as above.

Clause 9 Holiday that has not been held due to legitimate holiday obstacle, and the transfer of which has not been arranged cf. clause 8, must be converted to payment to the employee. The employee must demand this payment within the current deadlines of the Holiday Act.

Clause 10 At the end of the holiday year, and in accordance with the rules of the Holiday Act, the employee may request the holiday allowance for the fifth holiday week paid if this has not been used or transferred according to agreement.

Clause 11 Holiday bonus, paid to employees who receive pay during holidays, may be paid before the beginning of the holiday. In that case, at termination of the employment, deduction shall be made in the holiday allowance corresponding to the days that holiday bonus has been paid for holidays not used.

Clause 12 Disagreement about holiday transfers shall be handled in accordance with the provisions of the main agreement to the extent there are deviations from the rules of the Holiday Act.

Clause 13 This agreement is part of the collective agreement between FAOD, JA and DIO II.

Enclosure 1 Reference scale 2011

Reference scale 2011 – Salary scale

The scale relates to employees comprised by clause 1(1, letters a-e). The amounts (in DKK) include the employee's own pension contribution, but exclude the employer's pension contribution in accordance with the collective agreement.

Salary scale	Apr. 1, 2012
1	30,598
2	32,065
3	33,368
4	34,342
5	35,481
6	36,784
7	37,927
8	38,900
9	40,042
10	41,181
11	42,320
12	43,295
13	44,110

Protocol on salary levels

The parties to the collective agreement agree that, at the transition from 4 to 3 salary levels, employers should focus on avoiding to exploit a situation in which employees may have the time of their transfer to the next salary level postponed. This is thus a reminder to make sure that the intentions of the collective agreement's minimum pay system are respected. An assessment of competence and qualifications must be included in the annual pay negotiation with the employee.

Copenhagen, 2 March 2017

Protocol on cooperation project

The parties agree, during the collective agreement period, to discuss how a revision of the agreement's provisions may contribute to strengthening the cooperation and bargaining culture in the companies.

Copenhagen, 2 March 2017

Protocol on pension project

The parties agree, during the collective agreement period, to review the pension provisions of the collective agreements.

The purpose of the review includes an evaluation of the schemes described in clause 4 (2) including the content of these, and the associated insurance benefits and costs relative to the labour market pension schemes as agreed in subclause 1.

In addition, an editorial review should be carried out, and the respect provisions should be discussed with a view to potential modification.

Copenhagen, 2 March 2017

Protocol on designers with a master's degree (cand.design)

The parties agree that designers with a master's degree are fully comprised by clause 3 of the collective agreement. As a result, the specially agreed minimum pay for this group is cancelled. 'Cand.designs' employed in this field must be fully integrated no later than 1 March 2019.

Copenhagen, 2 March 2017

Protocol on senior employee scheme

An employee may enter into a senior scheme from 5 years before the state pension age that applies to this employee.

If the employee wishes to take senior days off, this can be done by converting the regular pension contribution if, and to the extent the pension scheme allows for this.

As an alternative to senior days off, the employee and the employer may agree on a reduction in working hours, for example in the form of longer, consecutive work-free periods or a permanent reduction in weekly working hours.

Regular pension contribution should be understood as the employer's contribution as well as the wage earner's own contribution. As a maximum, the conversion may include such a proportion of the pension contribution that the insurance scheme and the administration costs are still covered.

The conversion does not change the existing assessment basis of the collective agreement and is thus cost-neutral for the company.

The provision enters into force on 1 March 2017, however with the reservation that, at the earliest, employees can take senior days off in the holiday year 2017-2018.

Copenhagen, 2 March 2017

Protocol on common guides

The parties agree, during the collective agreement period, to review and possibly revise the following common guides (DANSKE ARK and the trade unions) with a view to continuing these under DI:

1. Good advice on pay negotiations (Gode råd om lønforhandling)
2. Guidance for pay policy (Vejledning til lønpolitik)
3. Template for pay policy (Skabelon til lønpolitik)

Copenhagen, 2 March 2017

Protocol on existing protocols

<u>The parties agree to continue and review the following protocols in the collective agreement period with a view to potential updating:</u>

Protocol on cooperation committees

Protocol on the preparation of a senior employee policy

Agreement on the development of a new payment structure

Protocol on pay guarantees

Protocol on pay policy

Protocol on duty to immediately begin renegotiation at the coming into force of the "+2" programme

Copenhagen, 2 March 2017

Protocol on choice of collective agreement

In the event that an employee in a private firm of consulting architects, which is a member of DIO II, might belong to the coverage of several different collective agreements between one or several trade unions and DIO II, the parties agree to apply the relevant collective agreement for the architectural industry.

Copenhagen, 9 March 2017

Protocol on cooperation committees

In order to promote local cooperation and the work for a good working environment, the parties have chosen to enhance the opportunities for establishing cooperation committees at the companies.

Companies employing technicians

If the company employs technicians comprised by the Collective Agreement with TL for Professional Technicians and Constructing Architects, the cooperation agreement between DA (the Danish Confederation of Employers) and LO (the Danish Confederation of Trade Unions) is directly applicable.

In accordance with this, companies employing 35 people or more within the same geographic unit must establish a cooperation committee if proposed by either the employer or a majority of the employees.

Companies not employing technicians

For companies not automatically covered by the cooperation agreement between DA and LO, the parties agree to let this agreement apply with the necessary adjustments.

Accordingly, Act no. 303 of 2 May 2005 on informing and consulting employees does not apply, cf. clause 3 of the Act.

Copenhagen, March 9, 2015

Protocol on duty to immediately begin renegotiation at the coming into force of the “+2” programme

At the 2011 collective bargaining (OK 2011), DANSKE ARK (the Danish Association of Architectural Firms) and ARKITEKTFORBUNDET (the Danish Union of Salaried Architects) agreed to begin negotiations on adjustment of the collective agreement if, during the validity period of the collective agreement, a special practice training course for architects (+ 2) were to be completed and initiated. As a minimum, the negotiations are to include the following items:

1. Pay
2. Continuing education funds
3. Working hours and time on courses

The purpose of the adjustment negotiations is to balance the distribution of costs of such programme with a view on one side to the competence lift that will benefit the employee in his or her professional career and on the other side to the improved quality in the execution of projects that will benefit the employer.

Protocol on the preparation of a senior employees policy

As part of the collective agreement of April 1, 2011, the parties agree, during the coming collective agreement period, to prepare an outline for a senior policy that can be applied in the individual member company.

It is the intention to introduce members and member companies to a senior policy ideas catalogue enabling the individual workplace to enter into flexible and individually adjusted senior agreements between individual employees and management. The content and form of the outline is to be agreed in the course of the period.

Agreement on the development of a new salary structure

DANSKE ARK (the Danish Association of Architectural Firms), ARKITEKTFORBUNDET (the Danish Union of Salaried Architects), KF (the Danish Association of Building Experts, Managers and Surveyors), and TL (the Danish Association of Professional Technicians) agree that the provisions regarding a "trial" in the protocol from the 2011 collective bargaining should be understood as described in this agreement.

The parties agree that, to a higher degree than previously, wage formation in architectural firms is to be subject to negotiation in the companies between employees and management. For this reason, a reorganisation of the pay scheme of the members of DANSKE ARK will start in the fourth quarter of 2012.

The companies will change to a new pay scheme in the period between October 1 and December 31, 2012. The conditions for this appear from special agreements in the collective agreement.

In the new salary structure, the seniority-dependent salary scale (in the 2011 scale) will be replaced with a scale for the first seniority years and salary levels that covers several points on the scale. The starting salary only reflects the performance of a newly graduated employee without any experience. According to the new salary levels, employees with seniority corresponding to the individual levels are to have a salary that is higher than, or equal to the lowest amount of the level. The minimum salary of the salary levels solely reflects the skills achieved due to the years of experience the employee has obtained through employment in his or her profession, but not the employee's additional qualifications and responsibility. Over time, the introduction of the new salary structure will create an increasing scope for negotiation and a chance to develop bargaining experience for management and employees.

The intention is that the scope of negotiation and the responsibility to negotiate individual pay are to increase in step with the development of bargaining experience. The expectation is that this should be achieved by phasing out further salary levels from the top at the next collective agreement renewals so, in 2018, only the lowest guarantee pay will remain.

A prerequisite for phasing out the salary levels from period to period is that the parties jointly evaluate the development of the new salary structure.

Prior to collective bargaining in 2015, a survey of the satisfaction with the new salary structure must be implemented following the 2014 reports to the wage statistics. The survey must take a quantitative as well as qualitative approach. The conclusions of the survey will be included in the overall evaluation of whether a further development of the salary structure is viable, both overall and for the individual profession.

The parties agree to include the following elements in the above-mentioned evaluation:

- Whether employers observe their duty to report to the wage statistics

- Whether the number of “cases” at organisational level regarding implementation of the new salary structure in the companies (observance of pay guarantees, provisions about pay policies and pay negotiations etc.) is at a reasonable level

If it is found that these preconditions are not significantly met, the consequence is that the parties must discuss how to adjust and improve, and subsequently ensure the continued development of the salary structure.

The parties agree that a prerequisite for a further phasing out of the salary levels is that this is agreed at the next collective bargaining rounds. It is the explicit intention of the parties that evaluation of the salary structure must be carried out in a professional and development-oriented manner in order to create the optimal basis for the negotiations.

Protocol on pay guarantees

Transition to the new salary structure

In connection with the transition to the new salary structure, employers must meet the following conditions:

a) Prepare a pay policy in accordance with the rules of the collective agreement
b) Issue individual pay guarantee
c) Issue guarantee for the overall payroll of the company
d) Report to the wage statistics of DANSKE ARK (the Danish Association of Architectural Firms) *)

*) Agreed obligations: 1) List of non-reporters 2) To be treated in accordance with the rules of the main agreement

Individual pay guarantee

Employees, covered by collective agreement and employed at the time when the employer changes to the new salary structure, are protected by an individual pay guarantee.

The pay guarantee means that the salary may not be lower than the salary scale-established salary the employee received in accordance with his/her seniority at the time of transition at the 2011 scale. Seniority added as result of individual agreement is not included.

The individual pay guarantee is in force in the continued employment at the company where the employee was employed at the transition to the new salary structure.

In case of departure and later re-employment at the same company, the employee will be comprised by the individual pay guarantee again if he or she is re-employed within six months of the resignation.

Payroll audit

The parties agree that it is not the intention that the payroll – neither overall nor at the individual employer – should decrease at the introduction of the new pay scheme, all things being equal.

In that context, the parties agree that the development of the payroll of a company may be audited.

The sum of the employer’s current monthly payments to employees, who are covered by collective agreement, must exceed or be equal to the sum of the theoretical monthly payments the same employees would have received in accordance with the 2011 scales (adjusted for own pension payment).

The calculation applies to all employees, who are covered by collective agreement, as a group. The calculation does not include the company's owners (partners).

Calculations in connection with audits may be adjusted for any individually agreed working hours (part-time employment, plus hours or effective weekly working hours of 37 hours).

The payroll guarantee must always be met.

THE AUDIT MAY BE IMPLEMENTED IN THE FOLLOWING SITUATIONS

A payroll audit is to be implemented annually in connection with the wage statistics report:

A check automatically measures the pay for the abovementioned staff group against the 2011 scale (adjusted for own pension) and current seniority.

The result of the check is automatically forwarded to the employer and DANSKE ARK.

If the check shows a deficit, DANSKE ARK is to react immediately and order the employer to correct the matter.

After this, the employer has four weeks to correct and submit documentation for the correction to DANSKE ARK. If the employer does not make the correction within the deadline, it is ordered again and this time with an added fine of 10% of the deficit. The 10% is to be distributed equally among the employees. The trade union is informed simultaneously with the order to the employer. If the employer does not meet the order of DANSKE ARK within two weeks, the unions may initiate action in accordance with the main agreement.

The result of the payroll audit will be included in the agreed evaluation of the new pay scheme set for the autumn of 2014. In this connection, the unions are to receive summarised information about all transgressions of the payroll guarantee in the period.

Payroll audit to be implemented in connection with a pay dispute:

In connection with a specific pay dispute, the unions may request an audit of the company if they can substantiate indications of doubt about fulfilment of the guarantee.

The employer must present information that enables a check of whether the payroll guarantee is met in a given month, cf. the guidelines above in the paragraph on annual payroll audit.

The employer must present documentation to DANSKE ARK no later than four weeks after the complaining union has submitted a request to this effect. DANSKE ARK must present a check and reasonable documentation to the complaining union no later than six weeks after the request for data on payments has been submitted.

If it turns out that the guarantee has not been met in a given period, the employer must produce documentation of its fulfilment in the collective agreement period month by month.

No later than two months after breach of the payroll guarantee has been established, the employer must present documentation to DANSKE ARK and the complaining union that the payroll guarantee has been met and any adjustment has been made.

In general, issues about fulfilment of the payroll guarantee should be handled in accordance with the rules of the main agreement.

Protocol on pay policy

Transition to the new salary structure

The new salary structure is to be implemented in the period October 1, 2012 thru December 31, 2012.

Employers must meet the minimum conditions of this protocol. In addition, the employer must have prepared a pay policy based on the [agreement parties' joint] instruction.

Basic conditions for payment and salary levels

Individual pay is a salary paid monthly. As a supplement, there may be bonuses, performance-based pay or one-off remuneration.

The minimum pay in the first salary level reflects exclusively the performance of a newly graduated employee without any experience. The minimum pay of the other salary levels reflects exclusively the skills of the employee thanks to the number of years' experience the employee has achieved through employment within his or her profession, but not the employee's supplementary competences, project handling and responsibility. Therefore, the pay of the employee is expected to exceed the minimum pay unless special, individual circumstances apply.

The roles of management, union representatives and employees in connection with formulation of a pay policy within the individual company

The pay policy is the responsibility of management. It should be formulated in dialogue with the employees. At companies with elected union representative(s), the pay policy should be discussed with him/her/them. At companies with no union representative, the pay policy should be discussed with the employees. The goal of the discussion is to reach as high a degree of agreement on the pay policy as possible.

Openness on finances and pay

Based on its pay policy, the employer should inform the employees annually of the factors that are to form the basis of pay negotiations including targets for the financial scope for negotiation as well as the pay negotiation process (dates and time for pay negotiations etc.)

The collective agreement parties further recommend that management inform the employees about the financial situation of the company (the main development of budget and accounts and the order and market situation).

At companies with an elected trade union representative, he or she must – prior to the annual pay negotiations – have access to insight into the employer's financial situation and future prospects, including the order and market situation and production factors. Furthermore, prior to the annual pay negotiations, the union representative must be handed anonymised information about the salaries of the employees who are covered by collective agreement. The information must contain the same information that the employer reports to the wage statistics (for example – wherever relevant and respecting anonymity – education, age, seniority, responsibility/title and profession).

An employee and a union representative may also discuss the pay situation of the employee at the individual level.

Negotiation of salary and employee development plan

Employees are entitled to an oral annual performance review and to an annual pay negotiation. The two meetings may be coincident.

The performance review and pay negotiation must be implemented between the employee and his or her immediate superior or the responsible partner.

As a minimum, the annual performance reviews must result in a competence development plan for each employee.

The employee must be informed about the result of the pay negotiation no later than four weeks after the pay negotiation took place. Within two weeks, the employee may demand an explanation and ask for guidance on how a pay rise can be achieved in the future – based on the employer's pay policy and the employee's competence development plan. This information must be in writing if so requested. The employer must provide this response within two weeks.

The contribution of the organisations

As a main rule, pay negotiations are a local matter.

If an employee does not obtain a satisfactory result, the union representative may be involved.

If a result is still not achieved, or there is no union representative at the company, the member may raise the issue through his or her organisation with a view to a discussion and possibly a mediation meeting. If agreement is not reached, disagreement regarding the size of an individually negotiated pay cannot be brought any further in terms of legal action.

Requirements regarding the substance of the pay policy

The pay policy of the company must contain enough general information about how pay increases can be achieved. The pay policy should describe the criteria the employer emphasises in relation to the payment and pay development of employees, including correlation between pay development and competence enhancement.

If the employer uses other pay elements than the usual montly paid salary such as bonus, performance-based pay or one-off remuneration, the criteria for their application should appear from the pay policy.

If the employer uses fixed criteria for rewarding established responsibilities and qualifications (for example project leader remuneration), this should be apparent from the pay policy.

The framework for employee performance reviews and pay negotiations between management and employees, including whether the meetings should be held simultaneously, must be formulated in the company's pay policy. The timing of implementation, preparation and evaluation of pay negotiations should also appear. In general, pay negotiations must be prepared and implemented as described in the organisations' guidelines.

The pay policy must describe form, content and frequency regarding evaluation of the annual pay negotiations and the pay policy.

Bonus for health and safety representatives and trade union representatives

The parties recognise that health and safety representatives and trade union representatives perform significant duties in the company. Attention is brought to the fact that the duty as H&S representative may form the basis

for negotiation of a bonus. For union representatives, bonus should be between DKK 750 and 2,500 per month[1] and should be established considering the scope of the job, the size of the company and the number of union representatives.

[1] As per April 1, 2015, the bonus should be between DKK 1,500 and 2,500 per month.

Protocol on transition from the collective agreement between PLR and ACADEMIC AGRONOMISTS to the collective agreement between ARKITEKTFORBUNDET and DANSKE ARK

ARKITEKTFORBUNDET (the Danish Union of Salaried Architects) and DANSKE ARK (the Danish Association of Architectural Firms) agree that, as per April 1, 2012, the collective agreement between the parties will be a joint collective agreement for ARKITEKTFORBUNDET, JA (Academic Agronomists) and DANSKE ARK in accordance with negotiation/cooperation agreement between JA and ARKITEKTFORBUNDET (which is agreed to be acceded by DANSKE ARK). Main content:

- With regard to dispute/strike/ lockout notice, JA will be affected by a dispute between ARKITEKTFORBUNDET and DANSKE ARK
- A weighting of votes will be agreed based on the number of members within the area of DANSKE ARK
- Changes to the negotiation/cooperation agreement cannot be made without the approval of DANSKE ARK
- It is a prerequisite that the parties present joint demands with no possibility for special demands

Adjustment negotiations have been conducted and are awaiting final signatures.

Copenhagen, Mo xx, 2017
FAOD

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Peter Toftsø
President

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Arne Ennegaard Jørgensen
Director

Copenhagen, Mo xx, 2017
For DIO II by DI

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Michael Nordahl Heyde

Copenhagen, Mo xx 2017
JA

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Hans-Henrik Jørgensen
President

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Jess Jørgensen
Chairman of the Negotiation Committee

THE COLLECTIVE AGREEMENT FOR ARCHITECTS

2017 – 2020

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