Global Framework Agreement on fundamental labour rights within Danske Bank Group

Background
Danske Bank Group pursues an international growth strategy in order to achieve its vision of 'One Platform – Exceptional Brands', while living up to its mission of being 'The best local financial partner'.

The strategy is based on implementing a common way of running retail banks across borders. This common way is called 'Danske Banking Concept'. The Danske Banking Concept consists of 12 platforms, including IT, Finance, Credit policies and HR.

This group wide implementation of Danske Bank Group's business model is accompanied by an awareness of its impact and the associated responsibility - which translates into Danske Bank Group's commitment to live up to its stated ambition of being a contributor to the societies in which it operates. Thus, it is within this framework that Danske Bank Group has developed its strategy for corporate responsibility.

This includes Danske Bank Group's recognition that an open and honest dialogue and consultations with labour representatives and unions in the markets where the bank operates is an important principle within the HR platform. In this context, Danske Bank Group wishes to express its respect for its employees, who work in the Danske Bank Group and for its outsourcing partners. Danske Bank Group will aim to make as much relevant information possible available for its staff for them to understand and appreciate the business environment and current state of affairs within the Danske Bank Group, to the extent permissible by law. Further, Danske Bank Group wishes to state its commitment to fair employment for men and women, regardless of age, nationality, origin, religion or other background.

In addition to the alignment with its corporate values and CR strategy, the Group finds that exercising this responsibility strengthens Danske Bank Group's ability to reach its business goals. Thus, it is considered as a natural extension of Danske Bank Group's commitment that it has entered into this agreement with UNI – Global Union.

This agreement thus forms an important part of the foundation for the cooperation between Danske Bank and the unions, which are members of UNI – Global Union.

Scope of the agreement
This agreement applies to companies directly controlled by Danske Bank A/S, ie companies in which Danske Bank A/S holds the majority of the capital or a majority of voting rights or in which it appoints more than half the members of the administrative, management or monitoring bodies.

The agreement will not automatically apply to companies that Danske Bank Group controls as a capital investment only temporarily.

Further, Danske Bank Group will apply its best efforts in order to ensure that the same basic principles apply in any company to which Danske Bank Group has or should in the future outsource any parts of its activities and to any major supplier.

The Agreement

1. Fundamental labour rights

Danske Bank Group has joined the UN Global Compact, by which the Group has already made a commitment to comply with the human rights and labour standards defined there.
Furthermore, with Danske Bank Group's commitment to CR, labour rights are inherently an integral part of its strategy as well as day-to-day operations. This entails an approach to labour rights where Danske Bank Group goes beyond the abidance to a set of minimum rules and defines its work with these rights in positive terms.

a. Relations with trade union organisations and dialogue

Danske Bank Group respects the employees' right to join associations of their own choice and will not interfere with any employee's decision to associate, or discriminate against the employee or a representative of the employee. Furthermore, Danske Bank Group historically has good relationships with trade unions and will employ all efforts to secure that this mutual trust is maintained. This entails entering relevant collective bargaining processes and seeking agreements through genuine and constructive negotiations – and subsequently honouring the signed agreements.

Danske Bank Group recognises the potential competitive outcome of good relations with trade unions and employee organisations and places great emphasis on these relations. Consequently, Danske Bank Group values the ongoing dialogue with local trade unions and employee representatives – and strives to offer a high level of relevant information. This in turn encourage a high degree of employee involvement, which generates valuable input for the development of business and HR strategies and policies that make Danske Bank Group an attractive work place for current and future employees.

In addition to the ongoing dialogue with local unions Danske Bank Group and the unions have formed a European Working Council, which allows for consultation and dialogue on Group-wide issues.

b. No compulsory or forced labour

Danske Bank Group will uphold the elimination of all forms of forced and compulsory labour (as stipulated in The Global Compact, principle 4).

c. No child labour

Danske Bank Group will uphold the effective abolition of child labour within its sphere of influence. No companies in the Group will employ children under the age for completing compulsory schooling, and will in no case (apart from the exceptions defined by The Global Compact, principle 5) employ any children younger than 15 years.

d. Non-discrimination

Danske Bank Group considers diversity a strength and will not discriminate against any current or potential employees, directly or indirectly. This means that Danske Bank Group will work to

ensure that no internal rules or practices interfere with equal opportunities. Furthermore, Danske Bank Group will also not tolerate any type of informal discrimination, whether embedded in attitudes or practices (The Global Compact, principle 6).

Again, Danske Bank Group views this basic right as the promotion of diversity rather than just absence of discrimination. This is realised by the implementation of group wide policies as well as local initiatives for the testing and collection of good practices.
One example of a group wide policy is a special development programme for female staff and specialists with the potential to pursue a management career. The aim is to provide equal opportunities and motivation for men and women to be considered for (and appointed to) managerial/executive positions. Concurrently, this helps ensure a larger pool of potential managers, which is an important prerequisite for Danske Bank Group's future ability to reach its business goals.

A pilot project for integrating immigrant workers in Denmark can be mentioned as an example of a locally anchored project - which has resulted in the development of best practices in this area.

e. Health, safety and working conditions
Danske Bank Group complies with all the principles of 'ILO Convention 155' regarding the occupational safety and health of employees.

As large employer in retail banking, Danske Bank Group has a special responsibility to protect its employees from robbery and kidnapping risks. Hence, there is a constant effort to reduce the prevalence of such incidents by systematically registering and assessing risks - and adopting the necessary preventive measures.

Danske Bank Group is also characterised by its very knowledge intensive and performance oriented work culture, which equals high demands for the employees.

Consequently, Danske Bank Group accepts its part of the responsibility for ensuring that its employees can maintain a healthy work-life balance and aims among other actions to implement measures to mitigate long-term stress.

As part of these large focus areas, examples of Danske Bank Group's work with safety and health also include:

- Flexibility in work planning and the possibility to work part-time.
- Special dialogue with seniors (over 55 years) with focus on health and flexibility.
- A ban on smoking in all companies within the Group. Further, all employees have access to 'quit smoking'-programmes.
- Programmes that offer treatments to employees with alcohol problems etc.

2. Employment policy

a. International mobility

As Danske Bank Group has evolved to comprise companies in various countries, the general internationalisation of the Group is high on the agenda. Hence, it is a declared goal to develop best business practices across companies and national borders – and in terms of HR policies, one initiative has been a launch of a talent exchange programme.

b. Access to training

Dansk Bank Group has set the goal that all employees must have their competencies described in a competency profile forming the basis of their further development. Danske Bank Group expects its employees to keep developing their competencies throughout their employment and actively supports and encourages training activities internally and externally.

c. Working time and rights to holiday pay

Danske Bank Group will comply with national legislation and local agreements in the organisation of the employees' working time.

d. Remuneration

Danske Bank Group will strive to ensure compliance with the principle of equal remuneration for men and woman workers for work of equal value, as determined by the Equal Remuneration Convention (ILO Convention no.100).
Danske Bank Group considers coherence between employees' performance and remuneration as a core strategy for promoting productivity and performance and thereby reaching the business goals of the Group.

This necessitates and must be achieved through remuneration policies and practices with a certain level of transparency and structure (attuned with the local market practices) - both providing a foundation for ensuring equal pay for equal performance.

e. Anticipation and providing social support during reconstruction

In the context of its responsibilities toward staff and the local economies, Danske Bank Group endeavours to anticipate change and restructuring within the Group in order to minimise as far as possible any negative consequences on employment.

The Group will integrate employment and social consequences in strategic decisions and will – where relevant - provide training to facilitate the necessary changes.

The Group will engage in dialogue with local union organisations recognized as representative and elected staff representatives on economic issues, the consequences of decisions and suitable individual and collective support.

To limit the consequences for staff impacted by change, the Group will implement as quickly as possible internal mobility measures (redeployment within the Group and/or suitable training) designed to avoid or limit lay-offs.

f. Local rules and regulations
Danske Bank Group will respect and work within local rules and regulations in any jurisdiction in which the Group does business.

g. Group-wide HR policies
As part of the Danske Banking Concepts a set of Group wide HR policies are implemented across the Group, where these do not conflict with local rules or regulations.

Danske Bank finds it natural to consult Danske Unions before adopting such policies and to let unions participate in organising the implementation process. Global policies require fine-tuning in light of national circumstances. To be successfully implemented, HR policies will require support by the local workers' representatives as well as the unions.

The HR policies are aimed to ensure, that the Group remains an attractive place to work for the highly competent and high-performing staff without which the bank can not succeed in its business ambitions.

3. Relations with suppliers and sub-contractors

Danske Bank Group will inform its suppliers and subcontractors of the existence of this agreement.

The directors and employees will ensure compliance with the principles of fairness, integrity and objectivity in their relations with customers and suppliers. They will not seek gifts or advantages and not accept any such gifts or advantages if the are of significant economic value. They will abstain from any illegal action and from any participation in acts which might constitute corruption.

4. Conflict resolution

Should UNI - Global Union or one of the unions represented and recognized within Danske Bank Group consider that this agreement or one of its principles is not applied in one of the Groups entities, they undertake to contact Danske Bank Group management before any outside communications so that the necessary discussions and actions can take place – based on the principle that a local solution should be sought.

For its part, Danske Bank Group undertakes to implement appropriate measures necessary to ensure compliance with the content of this agreement.

5. Implementation and monitoring of the agreement

This agreement shall be made known to all the staff of the entities of Danske Bank Group and will be communicated to the management teams of all the subsidiaries concerned.

Danske Bank Group's management and the Uni - Global Union will jointly ensure that this agreement is effectively implemented.

In companies where Danske Bank Group has a significant presence without exercising direct control, the signatories undertake to promote the present agreement and to encourage its implementation, while respecting the independence of those companies.

Monitoring of the agreement and regular progress reports will be provided by the signatories in meetings between Danske Bank Group management and UNI – Global Union, such meetings to be held with an agreed frequency. Reporting on the cooperation will be based on the regular reporting from Danske Bank Group, including employee surveys and CR reporting.

This agreement can be cancelled by either party by giving at least three months notice.

Signed in Copenhagen, 9 September 2008

Lars Mørch	Bent Jespersen	Philip Jennings	Allan Bang
Sen. Ex. Vice President	Sen. Vice President	General Secretary	President
Danske Bank Group	Danske Bank Group	UNI - Global Union	UNI - Finance

Signed by national unions

IBOA, Ireland

Finansforbundet, Norway

Finansförbundet, Sweden

SUORA, Finland

DFL, Denmark

Finansforbundet, Denmark