

# COLLECTIVE AGREEMENT

concerning salary and general terms and conditions of employment

between

**BANKINSTITUTENS ARBETSGIVAREORGANISATION  
(BAO)**

and

**FINANSFÖRBUNDET**

for members of Finansförbundet,  
who are employed by banks affiliated with BAO

**1 January 2015 – until further notice**

*This translation is made for convenience only and in case of any discrepancy, the Swedish-language version shall control. This translated version of the collective agreement is published bilaterally by BAO and the Financial Sector Union of Sweden (Finansförbundet).*

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# §1 Scope of the agreement

This agreement applies to members of the Finansförbundet (the Financial Sector Union) who are employed by banks which are members of BAO (the Employers' Association of the Swedish Banking Institutions). The agreement does not apply to:

- The Managing Director/CEO
- Deputy Managing Directors/Deputy CEOs of banks with over 500 employees
- Cleaning and canteen staff and other employees who do not work in the banking operations

## §2 Employment

Employees are permanent employees, probationary employees or fixed-term employees.

### 2.1 Permanent employment

A permanent employee is an employee who is neither a probationary employee nor a fixed-term employee.

Permanent employees, who work part-time and who have notified the bank that they wish to increase their working hours, shall have a priority right to such employment within their branch/section, unless another business unit has been agreed locally, if the employee has the right qualifications for the job. The bank is prepared to arrange or assist in the training of the employee in preparation for the position if so required and to a reasonable extent. The right qualifications constitute theoretical education, professional and working life experience, and personal aptitude.

### 2.2 Probationary employment

A bank intending to consider a person for a permanent position may employ this person as a probationary employee.

Probationary employment may comprise not more than 12 calendar months. The length of the probationary period shall be determined at the time of hiring. Fixed-term employment preceding probationary employment shall be credited with a maximum of six months unless otherwise agreed locally.

An agreement regarding extension of probationary employment up to a total of not more than 12 calendar months may be made between the bank and the employee. An extension of probationary employment exceeding 12 calendar months may upon special reasons be made upon local agreement.

The probationary employee shall at the latest one month before the end of the probationary period receive a notification regarding whether the employment shall be terminated or whether it shall be transformed into permanent employment. Probationary employment may also be terminated before the end of the probationary period with one month's notice.

If the bank intends to terminate the probationary employment, the local organisation of Finansförbundet shall be consulted.

A probationary employee becomes a permanent employee after successful completion of the probationary employment.

As regards basic training, see the Agreement on Skills Enhancement.

## 2.3 Fixed-term employment

An agreement regarding fixed-term employment may be entered into between the bank and the employee for a total of not more than 18 months within a period of five years.

Upon agreement between the bank and the local organisation of Finansförbundet, the fixed-term employment may be extended for at most a further nine months within the same period of time.

Fixed-term employment is converted into permanent employment when an employee has been employed at the bank on a fixed-term contract for more than 27 months over a five-year period.

Notwithstanding the above, the bank may employ on a fixed-term basis an individual who has been accepted to education that qualifies for student aid from the Swedish Board of Student Finance (CSN), or who for at most two consecutive semesters takes a break from such education. Each separate period of a fixed-term contract may run for a period of not less than one and not more than nine months. The employment shall continue to be a fixed-term employment throughout the agreed employment period even if the preconditions for entering into the employment cease or change. An employment period in accordance with the rules set out in this paragraph shall be deducted at the time of entering into a new fixed-term employment period at the bank in accordance with paragraphs 1-3. If the deduction of a period of employment in accordance with this Section results in 18 and 27 months, respectively, being reached in accordance with paragraphs 1-3, the deduction shall be reduced so that the new fixed-term period may only be entered into for a period of at most four months immediately following the fixed-term period in accordance with this paragraph.

A bank intending to consider a person for a permanent position shall employ this person as a probationary employee.

The bank shall inform the local organisation of Finansförbundet annually of the fixed-term employees on 1 February and 1 September, unless otherwise agreed locally.

## 2.4 Employees having reached the age of 68

Employees who have reached the age of 68 years do not have a priority right to increased percentage of full time and are in the event of fixed-

term employment not comprised by the limitation rules of 18 and 27 months, respectively, under Section 2.3.

With respect to termination of employees who have reached the age of 68, see § 13.1.3.

## §3 Working hours

The provisions on working hours in this agreement shall replace the Working Hours Act. Sections 15 and 17 of the Working Hours Act shall however apply.

### 3.1 Duration of working hours

Regular working hours amount to at most 38 hours and 30 minutes per ordinary working week.

Bank holidays are Midsummer's Eve, Christmas Eve and New Year's Eve as well as Saturdays, Sundays and public holidays. Regular working time is reduced by 7.7 hours for each bank holiday that does not fall on a Saturday or Sunday.

Regular working hours are reduced by 2.75 hours on Maundy Thursday, the day before Ascension Day and the day before All Saint's Day. Regular working hours are also reduced by 2.75 hours when Twelfth Night or Walpurgis Night falls on a Monday-Friday.

Working hours shall be scheduled on average per four-month period. Other working hours may be agreed between manager and employee. If the scheduling period exceeds four months, information shall be submitted in advance to the local organisation of Finansförbundet.

An employee who on the National Day is employed by the employer and whose employment at that time comprises at least three months, has the right to one day off with pay in years when the National Day falls on a Saturday or Sunday. The time off shall be scheduled in consultation between the bank and the employee. When scheduling the time off, the wishes of the employee shall be taken into account as far as possible. The time off cannot be saved and does not qualify for cash compensation if the time off is not taken.

**Note:**

*Local agreements shall be made concerning procedures for the working hours of part-time employees on how to schedule short weeks, short days and the National Day, in which context the fairness aspect shall particularly be taken into account.*

#### 3.1.1 Protection provisions

##### **Total working hours**

Total working hours (i.e. regular working hours and overtime/ additional hours worked in total) may amount on average per annum to at most 48 hours per week.

### **Daily rest**

An employee shall have a daily rest period per 24 hours of no less than 11 hours. When the daily rest period is shortened, the employee shall be guaranteed appropriate compensation.

### **Weekly rest**

One daily rest period shall for every seven-day period be extended by 24 hours to a weekly rest period of 35 hours. This weekly rest period may be shortened to no less than 24 hours. When a weekly rest period is shortened, the employee shall be guaranteed appropriate compensation.

### **Night work**

The regular working hours for a night worker shall not exceed an average of eight hours for every 24-hour period on average per annum. Night work constitutes at least three hours of regular working time scheduled between 11 pm and 6 am.

Regular weekly working time shall amount to at most 35 hours on average over a four-week period for permanent night work. Permanent night work means that an employee works only at night and not during the daytime and that the night work is carried out on average five times a week over a four-week period.

## **3.2 Scheduling of working hours**

Working hours shall be scheduled in a dialogue between the manager and the employee. The needs of the operations are the starting point for the scheduling of working hours and discussions shall follow the normal procedure for co-determination. The manager shall ensure that the employee gains an understanding of and insight into the underlying reasons for the scheduled working hours. The influence an employee has over his/her working hours is an important working environment issue, which has an impact on the operations. It is therefore imperative that the manager takes the employee's needs and interests into account.

A new dialogue shall be initiated when there is a request to change the scheduling of working hours.

When working hours are not scheduled consecutively and when there is a change to the scheduled working hours to other times in accordance with Section 3.3, the local organisation of Finansförbundet shall be informed before that change is made.

Scheduled working hours constitute regular working hours.

When there is a disagreement regarding the scheduling of an employee's working hours as stipulated in Section 3.3, an agreement must be made at the central level.



**Note:**

*BAO and Finansförbundet have made a separate agreement concerning opening hours under the Target System.*

### 3.3 Compensation for work at certain times

Regular working hours scheduled according to the timetable below shall be compensated with the following percentage increases in the hourly rate:

Weekdays from 5.30 pm (2 days a week from 6.30 pm but not Fridays) until 8 pm	35 %
Weekdays from 8 pm until 7 am	60 %
Weekends and bank holidays	100 %
Maundy Thursday and New Year's Eve from 6 pm until midnight the first weekday after each public holiday	200 %
Midsummer's Eve and Christmas Eve from 7 am until midnight the first weekday after each public holiday	200 %

For employees with regular working hours scheduled as described above and who receive a full-time salary corresponding to at least the 85<sup>th</sup> percentile for fixed salary for salaried employees in BAO agreement area (a pro rata amount shall be calculated for part-time employees) the above remuneration per hour shall be paid based on the 85th percentile/160.

**Note:**

*The amount for the relevant year is based on the collection of statistics as per 1 October the previous year. The amount is SEK 70,400 for the year 2021.*

*The new threshold shall apply from the date that the employees are informed about the salary review of the relevant year or a later date that the local parties have agreed on. The amount shall be rounded to the nearest SEK 100.*

No compensation in accordance with this Section shall be paid to employees who have made an agreement regarding exemption from overtime in accordance with Section 4.3.

The bank and the employee may make an agreement regarding compensation in the form of time off instead of a cash payment. The time off is 0.35, 0.60, 1.0 and 2.0 hours respectively for one hour's work.

Compensation may also be paid as a fixed average percentage supplement to the monthly salary.

Compensation according to this Section is not paid for time when overtime is payable.

The manager and employee may make an agreement for another form of compensation. The bank shall without delay inform the local organisation of Finansförbundet of any agreements concluded.

### 3.4 Meal breaks

Meal breaks may last for not more than one hour. The bank may schedule a meal pause instead of a meal break. This may last at most 29 minutes and is included in the working hours. The employee may not freely dispose of his/her time during such meal pause. The employee must remain at the workplace during the meal pause.

# §4 Overtime / additional hours

## 4.1 Overtime/Additional hours

The bank is entitled to order employees to work overtime/additional hours if a special need arises.

Overtime constitutes work over and beyond scheduled working hours in accordance with Sections 3.2 and 5.2 and when the measure of the additional hours exceeds 50 hours by 31 December.

Qualified overtime is work carried out outside scheduled working hours:

- on weekdays between 8 pm and 7 am
- on weekends and bank holidays
- after 3 pm on Twelfth Night, Maundy Thursday, Walpurgis Night, the day before Ascension Day and the day before All Saints' Day.

Additional hours are the hours that part-time employees work outside his or her scheduled working hours:

- up to 38.5 hours/week
- at most 9 hours per day or
- at most 4.95 hours on Twelfth Night, Maundy Thursday, Walpurgis Night, the day before Ascension Day and the day before All Saints' Day
- after 7 am or
- before 5.30 pm (before 6.30 pm two days/week, but not Fridays) and
- when the measure of the additional hours does not exceed 50 hours by 31 December and by taking the deduction rule in Section 4.2 into consideration.

**Note:**

*In units where more extensive overtime or additional hours occur on a regular basis, a specific staffing assessment shall be made in order to reduce this overtime or these additional hours.*

*The local staffing assessment shall be conducted by the bank together with the local organisation of Finansförbundet and shall be based on the operations to be conducted, the required level of service and the working and security procedures to be applied.*

## 4.2 Compensation for overtime/additional hours

Overtime and additional hours shall be compensated if they have been ordered by management, approved in advance or retroactively.

Overtime and additional hours are compensated either as a cash payment (overtime compensation) or as time off (compensation leave).

Overtime is compensated with an increase in the hourly rate of 50%, qualified overtime is compensated with an increase in the hourly rate of 100%.

Additional hours are compensated with the normal hourly rate.

The hourly rate is calculated by dividing the monthly salary of a full-time employee by 160.

When determining overtime and additional hours worked, only full quarter hours are included.

Compensation leave amounts to 1.5 hours of leave for 1 hour of overtime, and 2 hours of leave for 1 hour of qualified overtime.

Compensation leave for additional hours amounts to 1 hour of leave for 1 additional hour.

Overtime and additional hours that are compensated through leave do not have an impact on the general/extra measure of overtime/additional hours. When making the calculation, one hour of leave corresponds to one hour of additional hours/overtime. A negative balance is not permitted.

The local organisation of Finansförbundet and the bank must make an agreement as to how and in which time period the compensation shall be paid. If no agreement is made, compensation for overtime/additional hours shall be paid at the latest before the end of the immediately following four-calendar-month period. The wishes of the employee shall as far as possible be taken into account in consultations between the bank and the employee.

## 4.3 Exemptions from overtime compensation

Employees with a full-time salary at least corresponding to the 85th percentile for fixed salary for employees in BAO agreement area (a pro rata calculation shall be made for part-time employees) shall not receive overtime compensation. These employees shall receive three extra days' holiday in addition to what is stipulated in Section 9.2.

**Note:**

*The amount for any given year is based on the collection of statistics as per 1 October the previous year. The amount is SEK 70,400 for the year 2021.*

*The new threshold applies from the date when the employees are informed about the salary review of the year in question or the later date agreed on by the parties at the local level. The amount shall be rounded to the nearest SEK 100.*

An agreement may be made regarding exemptions from overtime compensation between a manager and employees who because of their position have the right to order other employees to work overtime or who have the right to independently determine whether they shall work overtime. Such employees shall instead be compensated with additional three days' holiday above and beyond what is stipulated in Section 9.2. The issue of salary or other compensation shall be discussed when the agreement is made.

These employees do not receive compensation for work carried out at certain hours in accordance with Section 3.3 nor do they receive travel time compensation in accordance with Section 8.4.

The agreement shall apply until further notice with a three-month notice period for both parties. The bank shall inform the local organisation of Finansförbundet of agreements made.

Regular annual working hours are the same for these employees as for other employees and correspond to an annual average of 38 hours and 30 minutes per working week.

The employee shall monitor his/her total working hours taking into account the rules for overtime for employees who are entitled to overtime compensation. The employee must inform his/her manager of any major deviations from regular working hours. It is the responsibility of the manager to ensure that the rules concerning working hours and health and safety are complied with.

## 4.4 Limits on and conditions for overtime/ additional hours

### *4.4.1 Exemptions from the provisions*

The provisions in Sections 4.4.2-5 do not apply to:

- a. Employees with a salary that with full-time employment corresponds at least to the 85<sup>th</sup> percentile for fixed salaries for salaried employees in BAO agreement area.

- b. Employees for whom an agreement has been made, stipulating that there shall be no overtime compensation.

**Note:**

*The amount for any given year is based on the collection of statistics as per 1 October the previous year. The amount is SEK 70,400 for the year 2021.*

*The new threshold applies from the date when the employees are informed about the salary review of the year in question or the later date agreed on by the parties at the local level. The amount is rounded to the nearest SEK 100.*

#### *4.4.2 General overtime and additional hours*

If a special need arises, overtime and additional hours may be worked amounting to no more than 100 hours during the course of one calendar year. Overtime may be worked amounting to no more than 48 hours over a four-week period or 50 hours during the course of one calendar month.

#### *4.4.3 Extra overtime/additional hours*

If there are special circumstances, an agreement may be made between the bank and the local organisation of Finansförbundet or, if either party so requests, between BAO and Finansförbundet for extra overtime/additional hours amounting to no more than 200 hours during the course of one calendar year.

An agreement in accordance with the above may also be made for more overtime than the 50 hours during the course of one calendar month or 48 hours over a 4-week period.

#### *4.4.4 Natural disasters and accidents*

Should a natural disaster or accident or some other similar circumstance, which was not possible to predict, cause an interruption to the operations or an imminent risk for such an interruption or for damage to life, health or property, overtime and additional hours may be imposed to the extent required by the circumstances (emergency overtime). Emergency overtime may only be worked on condition that the bank informs the local organisation of Finansförbundet about the overtime and/or additional hours worked.

#### *4.4.5 Recording of working hours*

The bank shall keep the necessary records in order to be able to calculate the overtime or additional hours worked. Employees and the local or central organisation of Finansförbundet are entitled to have access to these records.

#### *4.4.6 Definition of regular working hours*

Regular working hours are the working hours stipulated in the provisions under Sections 3.1, 3.2, and 5.2. When calculating overtime and additional hours according to Sections 4.4.2-3 above, regular working hours are equated with statutory and contractual time off, i.e. holidays, sick leave and parental leave, time off for military service, study leave, leave to perform trade union work, voluntary assignments in schools, public assignments or other forms of paid leave of absence.

#### *4.4.7 Skills enhancement / Training / Information*

Skills enhancement/training/information shall normally be scheduled during regular working hours. If scheduled outside regular working hours, overtime and compensation for additional hours shall be paid unless otherwise agreed locally.

Terms for self-studying required for skills enhancement shall be regulated locally. If no agreement is made at the local level, the issue shall remain unregulated and the negotiation procedure of the collective agreement shall apply.

# §5 Shift work

## 5.1 Application

Shift work may be applied only at a computer facility.

## 5.2 Duration of working hours

As regards regular working hours, the provisions of Sections 3.1-2 shall apply. Shift work may be scheduled between Monday at midnight and Friday at midnight respectively, no later than 3 pm on Twelfth Night, Maundy Thursday, Walpurgis Night, the day before Ascension Day and the day before All Saints' Day.

In the case of three-shift work or continuous operations, regular weekly working hours shall amount to no more than on average 37 hours per 4-week period, unless otherwise agreed locally. Continuous operations may be scheduled on weekends and on bank holidays.

## 5.3 Shift work compensation

Shift work compensation shall be paid as follows:

<b>Working hours</b>	<b>Shift work compensation</b>
Between 5.30 pm and 8 pm	35 % of the hourly rate of the employee
Between 8 pm and 7 am	60 % of the hourly rate of the employee
Continuous operations at weekends and on bank holidays	100 % of the hourly rate of the employee
Maundy Thursday and New Year's Eve from 6 pm until midnight the first weekday after each respective public holiday	200 % of the hourly rate of the employee
Whitsun, Midsummer's Eve and Christmas Eve from 7 am until midnight the first weekday after each respective public holiday	200 % of the hourly rate of the employee

The hourly rate is calculated by dividing the salary corresponding to full-time employment by 160.

Shift work compensation may be recalculated as a fixed average percentage supplement to the salary if agreed locally.



## 5.4 Working hour schedule

The extent of the shift work and the working hour schedules for the employees in question shall be determined after consultation between the bank and the local organisation of Finansförbundet.

Prior to a transition to three-shift work or continuous operations, an individual agreement must be made with the employees in question. The same applies to the introduction of shift work to new groups of employees.

Employees are obliged to work only one shift per 24-hour period. Employees are entitled to 12 hours' leave in between shifts.

## 5.5 Miscellaneous provisions

The provisions in Sections 4.2-3 regarding overtime compensation shall apply to overtime work. Overtime immediately following night shift work and overtime worked during the daily period of rest of the night shift shall always be compensated as qualified overtime (applies for three shifts).

There is no shift compensation when overtime is paid.

Shift compensation that is paid as an average percentage supplement (fixed salary supplement) to the monthly salary is included when sick pay is determined. Regarding shift compensation as pension-qualifying salary, see the Pension Agreement Section 3.1.

Shift compensation qualifies for holiday pay in accordance with Section 9.5.

## 5.6 Transition from shift work

Employees who after six to ten years of continuous shift work transfer to non-shift work shall be guaranteed a salary level during a transitional period that corresponds to the fixed salary they received before the transfer including an increase of 1/3 of the previous average shift supplement.

Employees who after at least ten years of constant shift work transfer to non-shift work are guaranteed a salary level during a transitional period that corresponds to the fixed salary they received before the transfer including an increase of 2/3 of the previous average shift supplement.

The above guaranteed salary shall remain unchanged until it corresponds with the new determined salary including contractual supplements.

Corresponding rules apply to transfers to lower levels of shift service.

A local agreement may be made concerning different rules.

# §6 On-call duty

## 6.1 Definition

The definition of on-call duty is that the employee is at the bank's disposal, and upon notice from the bank will:

- present himself/herself at the workplace or
- perform work at an agreed place other than the normal workplace.

Participation in on-call duty shall be based on a written agreement with the employee in question. The following areas shall be governed by the agreement between the bank and the employee:

- The scope of the on-call duty.
- The duration of the on-call duty period.
- The notice period for termination.

On-call duty shall be planned as far ahead as possible.

Changes to planned on-call work shall be made in consultation with the employee in question. Working hours constitute only the hours worked by the employee at the workplace or other agreed place.

## 6.2 Compensation for on-call duty

On-call duty shall be compensated in accordance with the provisions below, unless the bank and the employee have agreed on another form of compensation.

Compensation for on-call duty is payable for time ordered that does not fall within the period when compensation for qualified on-call duty shall be paid in accordance with what is stipulated below.

Compensation for qualified on-call duty is payable for time ordered that falls:

- between 5 pm on a Friday and 7 am on the following Monday,
- on weekends and bank holidays and
- after 3 pm on the eve of the following public holidays: Twelfth Night, Maundy Thursday, Walpurgis Night and the day before Ascension Day and the day before All Saints' Day.

Compensation for *on-call duty* may be determined in local negotiations. If no agreement is made, compensation shall be paid according to the following:

**SEK 45.75 /hour or 1/2 an hour of time off**

*and for qualified on-call duty:*

**SEK 91.60 /hour or 1 hour of time off.**

**Note:**

*The amounts shall be adjusted annually on 1 January based on the development of the price base amount the previous year.*

An employee is entitled to take out no more than three days as compensatory leave per calendar year unless the bank otherwise permits. The bank is prepared as far as possible to accommodate the wishes of the employees regarding the scheduling of such leave.

Compensation is not paid for on-call duty during regular working hours.

### 6.3 Overtime in connection with on-call duty

If the bank contacts an employee during an ongoing on-call duty period, on-call duty compensation shall be paid corresponding to overtime compensation for at least one hour. If there are several contacts during the same hour, overtime compensation shall be paid for in total one hour.

Overtime compensation shall be payable to the employee irrespective of his/her salary when he/she attends the workplace or another agreed place. Travel time to and from the workplace is also compensated as overtime. The employee is also entitled to take a taxi or his/her own car to and from the workplace at the expense of the bank.

Overtime compensation shall be calculated according to Section 4.2 Compensation for overtime/additional hours. Compensation for on-call duty is not payable for time when overtime compensation is paid.

# §7 Salary

## 7.1 Individual determination of salary

An employee's salary shall be determined individually which means that it is determined based on the type of work performed and the level of difficulty, market forces, the employee's effort, skills, performance, teamwork skills, responsibilities and development etc. Salaries shall be determined by taking the Discrimination Act into consideration.

The salary determination shall be transparent in order to be perceived as fair, and a position that requires a greater degree of expertise, skills and responsibility shall entail a higher salary.

Salary is an important management tool to achieve productive and efficient operations.

Salaries shall, among other things, stimulate an individual to perform better at work, to take on greater responsibilities, to enhance his or her skills and to develop the business. Salary policy, its basis for salary formation and the determination of salary shall be well established among the employees and the aim is that the salary structure and salary differentiation between employees shall be perceived as fair and objective by the employees.

Clear and realistic goals shall be set for the operations and the employees. Managers have a special responsibility to ensure that goals are set and that results are followed up.

## 7.2 General provisions

Salaries shall be paid monthly in arrears.

In the event of part of a month being worked, salary shall be paid in relation to the total number of working days during the month in question.

The hourly rate shall be calculated by dividing the monthly salary by 160.

## 7.3 Minimum salary

The monthly salary of a full-time employee may not be less than:

	<b>From 1 January 2021</b>
For a person who has reached the age of 18	SEK 21,200
For a person who has reached the age of 21	SEK 23,500

For employees working part-time, the above amounts shall be paid pro rata according to the duration of the working hours.

**Note:**

*The minimum salary level for the year in question (from 1 January each year) shall be based on the collection of statistics as per 1 October the previous year and amounts to 47.1% and 52.3% respectively of the median salary of fixed salaries for salaried employees working in the BAO agreement area (for part-time employees, the amount shall be prorated). The amount shall be rounded to the nearest SEK 100. The median salary for 2020 is SEK 44,950.*

## 7.4 Deviation

Individually determined salaries may not be set below the minimum salary level in 7.3 without a local or central agreement.

Guaranteed raises shall be calculated based on actual salaries. Deviations from this rule may only be made after a local or central agreement has been made.

A reduction in the actual salary of an employee may only be made upon a local or central agreement.

**Note:**

*See further joint comment on salary.*

## 7.5 Parental leave

The bank and the local organisation of Finansförbundet shall, for employees who have been on full-time parental leave for at least eight months, review the employee's salary within two months after his/her return to work. This shall be done in order to ensure a correct determination of salary, taking into account, among other things, Chapter 3 Section 2 of the Discrimination Act. The time when the employee has been

on parental shall be equated with time worked. This means that an employee who is on parental leave shall be included in the salary review in accordance with the provisions of Section 16 of the Parental Leave Act.

## 7.6 Mapping salary

Each year, the bank shall map out the existence of unjustified salary differences between men and women in different types of work and for different categories of employees. The mapping exercise shall take place in consultation with the local organisation of Finansförbundet at the bank. Unjustified salary differences that are observed shall be rectified by the salary-setting manager during the salary reviews.

## 7.7 Local salary principles

In order for salaries to be perceived as fair and the salary determination as transparent, the salary principles must contain clear and well-known guidelines regarding the requirements for working at the bank.

The local salary principles should contain incentives for the enhancement of the skills of an employee and his/her wish to take on new working tasks in order to contribute to an increase in the productivity of the company and its competitiveness.

It is important that salary is determined in such a way that employees have faith in and an understanding of the process. There must also be possibilities for the local trade union organisation to participate in the process.

Well thought through salary principles clarify the preconditions that apply and at the same time show the employee how he/she can influence his/her own salary trend.

The central parties presume that local salary principles will be adopted at the individual companies. The joint salary principles that are agreed locally should include the intended orientation of, as well as the long-term goals for the bank's system for the determination of salary. The salary principles should also describe how the influence of the local union organisation over the salary determination at the bank/company should be designed.

**Note:**

*BAO and Finansförbundet have drawn up joint recommendations regarding the salary principles, see Annex 2.*

If local salary principles have not been agreed, deliberations may be requested by either party with the aim of looking into and putting forward suggestions for a solution. If issues that cannot be solved by the central

parties arise, either party is entitled to request that an impartial chairman be appointed. The chairman shall be appointed in accordance with a proposal from the Swedish National Mediation Office. The chairman shall submit a recommendation regarding the solution of the issue.

## 7.8 In the absence of local salary principles

### *7.8.1 Salary reviews*

The local organisation of Finansförbundet shall be given the opportunity to have a dialogue and receive information in good time before the annual salary review about the upcoming salary review and the financial preconditions. Moreover, the employer shall provide a list of the current salaries of the members of Finansförbundet.

Subsequently, the employer shall conduct the salary review. At the salary negotiations where salaries are determined, the issue of unjustified differences in levels of salary shall be taken into consideration to ensure that no such differences remain or emerge again. The salary-setting managers shall during the salary negotiations have access to the relevant salary statistics of the company broken down between men and women. The statistics shall be presented on both an overall and a detailed level so that the managers are able to form an opinion about the current situation regarding salary and avoid unjustified differences in the levels of salary being set. The local organisation of Finansförbundet shall also have access to the corresponding statistics at the overall level at the salary negotiations.

After the salary review has been completed, the local organisation of Finansförbundet shall receive a compilation of the new levels of salary of its members, both at the individual and the collective level.

At this point, the local organisation of Finansförbundet will have the possibility to request negotiations regarding individuals or groups of employees. In such cases, the rules of procedure for co-determination negotiations at the company shall apply.

### *7.8.2 An employee's salary*

Salary shall be determined individually, and this entails that it is determined based on the type of work performed and its level of difficulty, market forces as well as the employee's effort, skills, performance, teamwork skills, responsibilities and development etc. Salaries shall be determined taking the Discrimination Act into consideration.

An employee is entitled to an annual salary interview. The salary interview shall be a dialogue characterised by good quality. The manager



holds the main responsibility for the interview. Normally, an employee, whose performance has been satisfactory, develops and enhances his/her skills in such a way that the employee will receive a salary raise. An employee shall as a general rule receive a salary raise.

### *7.8.3 If an employee receives “no or only a minimal” increase in salary*

The parties agree that the employer may give an employee “no or only a minimal” increase in salary if an individual employee’s performance has not been satisfactory. If the employee during the salary interview receives **no or only a minimal** increase in salary, a great responsibility lies with the manager to explain and provide reasons for this decision. The manager and the employee shall in connection with the salary interview jointly draw up a written plan to establish and document what is required to ensure that there is an upward salary trend at the next salary interview. The plan shall focus on the reasons for the absence of or the small salary raise and based on that recommend concrete measures such as skills enhancement, change of working tasks etc. The plan shall be drawn up at the latest four weeks after the salary review process has been completed unless special circumstances prevail. When a plan has been drawn up, information about this plan shall be submitted to the local union organisation. The information shall be submitted at the latest two weeks after the plan has been drawn up.

The parties also agree that other situations may arise where there is reason to give an employee “no or only a minimal” increase in salary. One such situation is when an employee, due to previous circumstances, has a higher level of salary compared to other employees with different but corresponding working tasks, what is known as historic salary. In this situation, the employee has been allowed to maintain a higher salary for the new position.

### *7.8.4 Special salary review*

If the salary of an employee has not been adjusted beyond what is guaranteed for a period of three consecutive years, the bank and the local organisation of Finansförbundet shall conduct a special joint salary review. This shall be done in connection with the local salary negotiations. The aim of this review is partly to determine the reasons for the negative salary trend and partly to find solutions to the situation. The outcome of the review, which is agreed between the local parties, may result in a salary raise during the negotiation in question, development measures like training or new working tasks in order to create the preconditions for a salary raise by the next local salary review at the latest.

### *7.8.5 Deviations from the salary review system*

If the bank and an employee have made an agreement regarding a new salary and if they have also agreed in writing that the agreed salary shall apply regardless of the next salary review, the employee shall not be included in the salary review. This does not rule out an employee receiving a salary raise as a consequence of the “Equal Salary” project. The level of salary of an individual may not be below the minimum salary provisions in the agreement.

### *7.8.6 Compensation for a temporary substitute position*

As regards compensation for a temporary substitute position, the following applies: Employees who are appointed to substitute for a higher position with a greater responsibility shall be compensated for this. The compensation is 10% of the employee's salary or a higher percentage that is set in the individual case. The compensation shall be paid for every period starting from the sixth banking day. A designated deputy shall not receive this compensation. For consecutive substitution periods of at least 25 banking days, payment shall however be made for excess days amounting to 10% of the employee's regular salary unless otherwise agreed. The amount of substitution compensation paid shall however, together with the substitute's basic salary, not exceed the ordinary employee's salary.

### *7.8.7. Employees on a fixed-term contract*

Employees on a fixed-term contract who have not participated in the salary review shall participate in a special salary review when their contract is renewed.

# §8 Daily allowance (per diem) etc.

## 8.1 Daily allowance (per diem)

Daily allowances within Sweden shall apply in accordance with the recommendations of the Swedish Tax Agency.

The Swedish Tax Agency's recommendations also apply to business travel abroad.

However, instead of paying a daily allowance and daily allowance supplement, the bank may compensate increased living costs with any amounts actually disbursed, as long as they are deemed to be reasonable by the bank.

### *8.1.1. Daily allowance (per diem) in connection with an overnight stay*

A daily allowance shall be paid only if the business travel involves an overnight stay away from the normal place of business.

### *8.1.2 The normal place of business*

The normal place of business comprises an area that lies within a 50-km radius of the employee's place of work and residence.

### *8.1.3 The level of daily allowance (per diem)*

The daily allowance for each full day is SEK 240. A full day also includes the day of departure if the journey starts before noon as well as the day of arrival if the journey ends after 7 pm.

If the journey commences at noon or later, a daily allowance of SEK 120 shall be paid for the day of departure. As regards the day of arrival, a daily allowance of SEK 120 shall be paid if the journey ends at 7 pm or earlier.

When a stay outside the ordinary place of business has lasted for three consecutive months, a daily allowance of SEK 168 per day shall be paid for up to a period of two years. Thereafter, the amount shall be SEK 120 per day.

### *8.1.4 Reductions of the daily allowance (per diem)*

If an employee has received a free meal during an overnight stay, the daily allowance shall be reduced as follows:

Breakfast, lunch and dinner	90%
Lunch and dinner	70%
Lunch or dinner	35%
Breakfast	20%

### *8.1.5 Accommodation*

Substantiated costs for accommodation are reimbursed for overnight stays outside the ordinary place of business.

If the employee has not incurred or substantiated any cost for accommodation, the employee may instead receive a per noctem amounting to SEK 120 per night.

## **8.2 Supplementary daily allowance (per diem)**

### *8.2.1 Overnight stay*

If a daily allowance within Sweden is payable, the bank will also pay a supplementary daily allowance of SEK 70 for a full allowance and SEK 35 for half an allowance.

When an overnight stay outside the normal place of business has lasted for three consecutive months, a supplementary daily allowance shall be paid (if daily allowance is payable) amounting to SEK 49 for up to two years.

If a business trip has lasted for more than two years in the same place, no further daily allowance will be paid.

### *8.2.2 One-day stays*

When business travel within Sweden but outside the normal place of business lasts for at least six hours but does not entail an overnight stay, a supplementary daily allowance shall be paid of SEK 70.

### *8.2.3 Reduction of the supplementary daily allowance*

If an employee has received a free meal, the supplementary daily allowance shall be reduced by the same percentage as for a reduction in the daily allowance.

Holiday pay is included in the supplementary daily allowance.

## 8.3 Reimbursement of travel expenses

Travel shall be reimbursed only if an employee has incurred travel expenses. There is no reimbursement for amounts that are higher than the travel class that was used when travelling using regular modes of transport.

If an employee, with the permission of the bank, uses his/her own car, mileage allowance shall be paid at the rate of SEK 3 per km.

If an employee uses a car in his/her duty to a large extent, the bank shall look into alternative solutions, e.g., a placing car at the employee's disposal for business travel only, i.e., a company car, or other reimbursement rules like a special salary supplement. Deliberations shall take place upon the request of the local organisation of Finansförbundet.

**Note:**

*A mileage allowance shall be paid in accordance with the Swedish Tax Agency's levels for non-taxable mileage. In addition to this amount, an extra taxable amount shall be paid corresponding to 5/8 of the current non-taxable mileage rate. The total amount shall be rounded to the nearest SEK 0.1. The amount is adjusted every year on January 1.*

## 8.4 Travel time compensation

If business travel has been ordered outside the normal place of business but within Sweden, the employee shall be entitled to travel time compensation. This also applies when the travel is undertaken in connection with skills enhancement/training/information activities, unless otherwise agreed locally.

The bank and the employee may agree on a different form of compensation. For an employee who normally travels as part of his/her work, an agreement regarding a different form of compensation should be made. Such an agreement may entail that an amount is determined above and beyond the fixed salary. The compensation shall be reviewed annually.

Employees who are not entitled to overtime are not entitled to travel time compensation.

Basic travel time compensation is paid for travel outside regular working hours, as follows:

$$\frac{\text{monthly salary for full time employee per hour}}{240}$$

Higher travel time compensation is paid from 6 pm the day before a bank holiday to 6 am on the first following weekday, as follows:

$$\frac{\text{monthly salary for full time employee per hour}}{190}$$

For car travel, the normal time required shall be calculated.

The time between 10 pm and 8 am are not included if the bank has paid for a place to sleep.

Travel time is calculated as a total during one calendar day and only in full half hours.

Travel time and waiting time do not qualify for overtime.

Holiday pay amounting to 10.75 % is included in the compensation.

## 8.5 Lunch benefit

The bank may choose to offer a lunch benefit. The employee shall pay a fee for the benefit.

The fee amounting to SEK 48 per day shall be deducted from the employee's salary. The bank subsidises lunch at a rate of SEK 52 per day.

The lunch fee shall be deducted for the days the employee is on duty.

The lunch fee shall not be repaid in relation upon business travel.

A lunch benefit that cannot be used during business travel shall be repaid.

The employee shall, following a request from the bank, notify the bank whether he/she wishes to receive the lunch benefit or not.

Unless otherwise agreed between the bank and the local organisation of Finansförbundet, such notification shall apply the following calendar half year (1 January – 30 June and 1 July – 31 December, respectively).

An employee who wishes to make any changes for the following six-month period must notify the bank accordingly not later than two months before the new six-month period.

If the bank ceases to apply lunch benefits, a local agreement shall be made regarding how the value of the lunch subsidy according to the above shall be paid to the employees concerned.

# § 9 Holiday

Subject to the provisions of the Annual Leave Act, the following shall apply:

Holiday shall be calculated in days or hours upon local agreement in accordance with the comment “Hourly holiday”.

## 9.1 The holiday year

A holiday year means the time from 1 January until 31 December.

An employee's right to holiday is earned throughout the calendar year. When employment is terminated, a deduction may be made from outstanding salary for holiday pay received in advance, taking into consideration Section 29 of the Annual Leave Act.

## 9.2 Holiday days

An employee is entitled to 27 days' holiday.

For employees on a fixed-term contract lasting no longer than three months, accrued holiday shall be paid as holiday compensation amounting to 12% of salary and salary supplements earned in accordance with Section 9.5, unless the employee requests that the accrued holiday shall be transferred to a new employment contract and he/she is entitled to such a transfer.

Employees who are not entitled to overtime are entitled to three additional days of holiday.

Holiday days in the text mean banking days during a holiday.

An employee who is employed after 31 August is entitled to the number of holiday days that may be expected to accrue during the year

Unless otherwise stated, holiday refers to paid leave. Entitlement to unpaid leave is regulated in the Annual Leave Act.

### **Transitional rules:**

- 1. An employee who was promoted on 31 December 2001 retains his/her holiday entitlement.*
- 2. An employee who was appointed senior executive as per 31 August 2000 retains his/her holiday entitlement.*
- 3. Employees who have already reached the age of 40 and who are entitled to 28 days' holiday, retain their holiday standard as long as their employment lasts. Employees who reached the age of 40 on 31 December 2010 at the latest are entitled to*



*28 days' holiday the year this occurs and retain this holiday entitlement for as long as their employment lasts.*

## Note

*From 1 January of the year that the employer decides, however not later than from 1 January 2023, Section 9.2 shall have the following wording for employees comprised by BTP-1 and for employees comprised by BTP-2 who were born in 1967 or later, by reason of the supplementary holiday pay being changed to increased pension accrual.*

An employee is entitled to 27 days' holiday.

For employees on a fixed-term contract lasting no longer than three months, accrued holiday shall be paid as holiday compensation amounting to 10.75% of salary and salary supplements earned in accordance with Section 9.5, unless the employee requests that the accrued holiday shall be transferred to a new employment contract and he/she is entitled to such a transfer.

Employees who are not entitled to overtime are entitled to three additional days of holiday.

Holiday days in the text mean banking days during a holiday.

An employee who is employed after 31 August is entitled to the number of holiday days that may be expected to accrue during the year

Unless otherwise stated, holiday refers to paid leave.

Entitlement to unpaid leave is regulated in the Annual Leave Act.

### **Transitional rule:**

*1. An employee who was promoted on 31 December 2001 retains his/her holiday entitlement.*

*2. An employee who was appointed senior executive as per 31 August 2000 retains his/her holiday entitlement.*

*3. Employees who have already reached the age of 40 and who are entitled to 28 days' holiday, retain their holiday entitlement as long as their employment lasts. Employees who reached the age of 40 on 31 December 2010 at the latest are entitled to 28 days' holiday the year this occurs and retain this holiday entitlement for as long as their employment lasts.*

*4. An employee comprised by BTP2 and who was born 1966 or earlier shall receive holiday compensation by 12%.*

## 9.3 Holiday plan

Subject to Section 10 of the Annual Leave Act and the current negotiation procedure for co-determination decisions and negotiations, a holiday plan should be in place by 15 April.

Unless otherwise agreed, holidays shall be scheduled so that the employee has a period of leave lasting at least four weeks during the period June-August, unless special circumstances prevail.

When holidays are scheduled, the wishes of the employee to schedule holidays in connection with a religious holiday shall be taken into consideration.

## 9.4 Holiday pay

Ordinary salary is paid during holidays. In the event of absence that does not qualify as holiday, the number of paid holiday days shall be calculated according to the following:

$$\frac{(250 - \text{the number of non-holiday qualifying bank days}) \times \text{holiday entitlement for an entire year}}{250}$$

In the event of a fraction being the result of the calculation, the amount shall be rounded to the nearest higher figure. There is deemed to be a fraction if the first decimal is greater than zero. The final determination of the number of holiday days is made at the end of the year. If too much holiday pay has been paid, it shall be deducted from outstanding salary, from the holiday pay of the following year or according to a separate agreement.

Holiday, both paid and unpaid, when the employee would normally have worked, constitutes holiday-qualifying absence.

**Note:**

*Holiday pay is not paid to employees who have been absent a full calendar year, which is not holiday qualifying.*

Daily pay is calculated as the monthly salary x 12/250 when determining holiday pay and holiday compensation.

## 9.5 Holiday compensation on salary supplements

In addition to normal salary according to Section 9.4, holiday compensation shall be paid amounting to 10.75 % of the compensation for overtime, additional hours, on-call duty and temporary substitute duty as

well as shift compensation, commission and compensation in accordance with Section 3.3. Such holiday compensation shall be paid not later than in connection with the end of the holiday year.

**Note:**

*If an agreement is made regarding shift compensation or compensation in accordance with Section 3.3 as a percentage supplement to the monthly salary, that supplement shall be equated with normal salary.*

## 9.6 Supplementary holiday pay

Employees shall receive 1.45% on top of their salary in the form of supplementary holiday pay. Payment of the supplementary holiday pay shall be made in connection with the payment of the June and December salaries, respectively, unless otherwise agreed locally.

***The supplementary holiday pay shall be phased out and be replaced by increased pension accrual as follows:***

*From 1 January of the year that the employer decides, however not later than from 1 January 2023, Section 9.6 shall have the following wording for employees comprised by BTP-1 and for employees comprised by BTP-2 who were born in 1967 or later, by reason of the supplementary holiday pay being changed to increased pension accrual.*

For employees comprised by BTP-1 and for employees comprised by BTP-2 who were born in 1967 or later, no supplementary holiday pay will be paid.

Employees comprised by BTP-2 who were born in 1966 or before, shall receive 1.45% of their salary in supplementary holiday pay. Payment of the supplementary holiday pay is made in connection with the salaries in June and December, respectively, unless otherwise agreed locally.

*Transitional rules for employees comprised by BTP-1 and for employees who are comprised by BTP-2 who were born in 1967 or later:*

*The aggregate value of the supplementary holiday pay of 1.45% accruing on all saved holiday days, accrued as per 31 December the year before the entry into effect, shall be paid as a lump sum amount in connection with the annual holiday settlement in the effective year. The value of the holiday days shall be calculated on the basis of the employee's salary as of 31 December the year before the effective year. This means that from 1 January of the effective year, the ordinary salary, without the addition of supplementary holiday pay, shall be paid when saved holiday days are taken out. The one-time lump sum payment of the supplementary holiday pay does not affect the right to saved holiday.*

*As to the calculation of the pension premium of the aggregate value of the supplementary holiday pay, see the pension agreement BTP 1 § 3 and BTP 2 § 10, respectively.*

## 9.7 Saved holiday

Employees, who during a holiday year are entitled to over 20 days' paid holiday, may save up to five such days for a later holiday year in accordance with Section 18 of the Annual Leave Act.

Notwithstanding the above, employees who only work on certain banking days (intermittently) are entitled to save up to three paid holiday days for a later holiday year on the condition that their employment has lasted the whole calendar year and on the conditions stipulated in Section 18 of the Annual Leave Act.

Holiday, which has not been used at the end of the year and which may not be saved, shall be paid out as holiday compensation.

**Note:**

*Even in years when an employee takes out saved holiday as leave or as holiday compensation, the employee may save days.*

*If an employee both saves and takes out holiday, the employee does not have an unconditional right to take out the saved days in connection with the main holiday period of the year.*

## 9.8 Holiday pay for saved days

When taking out a saved day, an employee shall receive his/her normal salary, however subject to the determined working hours in relation to full-time employment during the year in which they were earned.

## 9.9 Changed working hours

When working hours are changed during the holiday year, this must be taken into account when calculating holiday pay.

## 9.10 Part-time employees

Part-time employees, who do not normally work every banking day, are entitled to paid holiday on days when the employee would normally have worked. Remaining holiday days may be scheduled on work-free days.

## 9.11 Return to duty

If an employee, at the request of the bank, returns to duty during his/her holiday, reasonable compensation shall be paid for any costs incurred and travel days shall be calculated as days on duty.

# §10 Sick leave

## 10.1 Reporting sick and doctor's certificate

### *10.1.1 Reporting sick*

An employee who cannot work due to illness, accident or occupational injury shall as quickly as possible report this to the bank in accordance with applicable instructions and at the same time report when he/she expects to return to work again. If the bank so requests, the employee shall submit a written assurance stating that he/she has been ill, the extent of the reduction in working capacity and the days on which work would have been performed. If the period of sickness continues after the 14th calendar day, the employee shall as quickly as possible notify the bank thereof, if so required.

### *10.1.2 Doctor's certificate and certificate on the capacity to work*

If the bank so requests, the employee shall submit a doctor's certificate both before and after the seventh calendar day. Before the employee returns to duty, he/she is obliged to submit a certificate on the capacity to work upon request.

If the bank requests that the certificate be issued by a designated doctor, the bank shall pay for the cost unless the Social Insurance Agency (Försäkringskassan) does so.

## 10.2 Compensation in the event of sickness

### *10.2.1 Amount of sick pay*

The sick pay paid by the bank to the employee shall be calculated by a deduction being made from the salary as follows:

#### **Deductions for sickness up to the 14<sup>th</sup> calendar day per period of sick leave:**

*Transitional rule:*

*The rules below are applicable to sickness periods commencing on 1 January 2019 or later. For sickness periods commencing on 31 December 2018 or earlier, the previous rules are applicable.*

***For each hour an employee is absent due to sickness, a deduction shall be made per hour according to the following***

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A) a qualifying deduction for the period constituting up to 20% of the employee's weekly working hours	$100\% \times \frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$
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B) for the period after a full qualifying deduction and up to the 14th calendar day of the period of sick leave	$20\% \times \frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$
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**Deductions for sickness from the 15<sup>th</sup> to the 90<sup>th</sup> calendar day per period of sickness:**

When an employee receives sickness benefits, the bank will make the following deductions from the 15th calendar day. When an employee receives preventive sickness benefits (days 1-14, see note, item 5) or rehabilitation benefits, a deduction shall also be made, however from the first calendar day in accordance with the following:

For 80% compensation of the SGI (sickness benefit qualifying income):

***Deductions for sickness from an employee's salary for every calendar day of the period of sick leave***

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Annual salary <b>up to</b> 8.0 price base amounts	$90\% \times \frac{\text{monthly salary} \times 12}{365}$
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The part of the annual income <b>above</b> 8.0 price base amounts	$10\% \times \frac{\text{monthly salary} \times 12 - 8.0 \text{ price base amounts}}{365}$
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For 75% compensation of the SGI (sickness benefit qualifying income):

***Deductions for sickness from an employee's salary for every calendar day of the period of sick leave***

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Annual salary <b>up to</b> 8.0 price base amounts	$90\% \times \frac{\text{monthly salary} \times 12}{365}$
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The part of the annual income <b>above</b> 8.0 price base amounts	$15\% \times \frac{\text{monthly salary} \times 12 - 8.0 \text{ price base amounts}}{365}$
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The employee is obliged to inform the bank about the level of compensation he/she is entitled to. The bank shall inform the employee about this obligation.

If an employee has received too high a top-up compensation from the bank in relation to the compensation received from the Social Insurance Agency, the excess amount shall be repaid to the bank.

**Deductions for sickness from the 91<sup>st</sup> calendar day per period of sickness:**

***Deductions for sickness from the employee's salary for every calendar day of the period of sick leave***

$$\frac{\text{monthly salary} \times 12}{365}$$

An employee's sick pay entitlement ends when he/she starts receiving disability pension in accordance with Section 6 (BTP1) or Section 11 (BTP2) in the Pension Agreement.

**Note:**

1. When calculating the deductions for part-time employees during the first 14 calendar days, the monthly salary shall be divided by a factor of 1.1.
2. For employees, who according to a decision by the Social Insurance Agency, are entitled to sick pay of 80% from the first day of sick leave or who have been granted pregnancy benefits, the deduction shall be made in accordance with what applies under B) above.
3. If a total of 10 qualifying deductions, in accordance with A) above, have been made for the employee in the last twelve months, the deduction for sickness shall thereafter be calculated in accordance with B) above from the first hour of absence.
4. If a new period of sick leave commences within five calendar days after the end of the previous period of sick leave, the sick leave period shall be regarded as a continuation and only include the number of days required to total 14 calendar days. If a part of the qualifying deduction, in accordance with A) above, remains at the start of the new period of sickness, the full deduction shall be made before a deduction for sickness is made in accordance with B) above.

**Transitional rules**

When a calculation is made of the number of deductions made in accordance with 10.2.1.3, deductions for qualifying days shall be equated with qualifying deductions made.

5. When an employee receives preventative sickness benefits, the following deductions are made for calendar days 1-14:

For 80% compensation of SGI:

**For every hour an employee receives preventive sickness benefit a deduction is made per hour according to the following**

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Annual salary <b>up to</b> 8.0 price base amounts	$90\% \times \frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$
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The part of the annual income <b>above</b> 8.0 price base amounts	$10\% \times \frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$
---	---

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For 75% compensation of SGI:

**For every hour an employee receives preventive sickness benefit the following deduction is made per hour:**

---

Annual salary <b>up to</b> 8.0 price base amounts	$90\% \times \frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$
---	---

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The part of the annual income <b>above</b> 8.0 price base amounts	$15\% \times \frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$
---	---

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The employee is obliged to inform the bank regarding the level of compensation he/she receives. The bank shall inform the employee of this obligation. If an employee has received too high a top-up compensation from the bank in relation to the compensation received from the Social Insurance Agency, the excess amount shall be repaid to the bank.

### 10.2.2 Entitlement to sick pay

The bank shall pay sick pay for the first 14 calendar days of the period of sick leave according to the Sick Pay Act. A detailed calculation of the amount of the sick pay is provided above. The sick pay period commences on the first calendar day that is a working day for the employee. Employees on permanent, probationary and fixed-term contracts are entitled to sick pay from their first day of employment, although employees on a fixed-term contract shorter than one month are entitled to sick pay if they have taken up the employment and worked for 14 consecutive calendar days.

**Note:**

For an employee on a new fixed-term contract at the same bank starting within 14 calendar days after the termination of the previous contract, the previous employment will also be included when calculating the qualifying period of 14 calendar days.

An employee on a fixed-term contract is entitled to sick pay from the bank from the 15<sup>th</sup> calendar day only after three full consecutive months' service at the bank.

Sick pay shall not be paid for the time before the bank has been notified of the illness, unless employee has been unable to provide such notice.

The bank is obliged to pay sick pay from the seventh calendar day after the day the sickness was reported only if the employee can substantiate his/her incapacity to work and the length of the period of sickness with a doctor's certificate.



If the sick leave period continues after the 14th calendar day, the bank is obliged to report this to the Social Insurance Agency within seven calendar days thereafter.

In the event of a repeated incapacity to work, which entails an employee being absent from work due to illness for a total of over 150 days over a period of 12 consecutive months, sick pay will not be paid after the 14th calendar day. For every new period of incapacity to work, the period of time when sick pay may be paid is calculated by deducting the number of days the employee has received sick pay during the previous 12-month period from 150.

**Example:**

*An employee falls ill on 10 February. During the period starting from 10 February the previous year, the employee has received sick pay for 25 days. Sick pay may be paid for 125 days.*

### *10.2.3 Definition of monthly salary, weekly working hours and sick pay etc.*

Monthly salary = the current monthly salary. Monthly salary in this context includes:

- fixed cash monthly salary
- fixed salary supplements (shift supplement, temporary position supplement, on-call duty compensation, compensation according to Section 3.3)
- guaranteed minimum commission or similar
- the estimated average commission income per month. A local agreement should be made for employees whose salary is to a large extent based on commission regarding the amount from which the sickness deduction shall be made.

Weekly working hours refer to an employee's average number of working hours calculated per regular week during the calendar year. If the employee is on a short fixed-term contract or works irregular hours, the weekly working hours shall be calculated as an average per month or other scheduling cycle.

Sick pay constitutes the compensation that the bank pays employees up until the 90th day of sickness.

From the 91st calendar day, the rules concerning disability benefits in accordance with the Pension Agreement apply.

**Note:**

### **1. Part-time sick leave**

*An employee with a partial incapacity to work (part-time sick leave), who performs part-time work and is paid a part-time salary and who at the same time receives a part of his/her compensation from the Social Insurance Agency, shall, apart from his/her salary for hours worked, receive part of the sick pay he/she would have received in the event of a full incapacity to work. Deductions are made according to the rules above with the corresponding parts of the amounts stated there. Time according to the above is calculated as a full period of sick pay.*

### **2. Intentionally left blank**

### **3. Annuity**

*If an annuity is paid due to an occupational injury and sickness benefits are not paid during the period of time the employee is entitled to sick pay in accordance with the rules above, the bank shall pay, during the remaining period of sick pay, the difference between normal salary and the amount of the annuity.*

### **4. Reduction**

*Compensation received by employees through voluntary insurance for which the bank has paid the premium, shall be deducted from the sick pay according to the above.*

*When compensation is paid from public funds and both the nature and amount of this compensation are comparable to sickness benefits from the Social Insurance Agency, this amount shall be deducted.*

### **5. Compensation from a third party**

*If an employee due to sickness, accident, assault or similar is entitled to compensation from a third party for loss or impairment of his/her capacity to work, this right shall be transferred to the bank if the compensation is attributable to a period when sick pay or disability benefits are paid and an amount per time unit which corresponds to sick pay and the disability benefits during the same time unit. However, this does not apply if there is an entitlement due to voluntary insurance concluded by a salaried employee from his/her own pocket and which is not paid for by the bank. Thus, if the bank has received compensation from a third party, when calculating the time the employee is entitled to sickness benefit, the number of days which corresponds to the sick pay which equals the same amount paid for by the third party must be deducted from the actual number of sick days during the last 12-month period.*

*Employees may not without consent from the bank conclude a settlement which may have an impact on the bank's right in the first paragraph, first sentence, moreover, employees are obliged to submit to the bank the documents and information required to be able to enforce this right.*

# §11 Parental leave

## 11.1 Leave

An employee is entitled to leave in connection with the birth or adoption of a child in accordance with the Parental Leave Act.

## 11.2 Contributions from the bank

A permanent employee is entitled to contributions from the bank for the days the employee is paid full parental benefits by the Social Insurance Agency, however, for not more than 360 calendar days. In the event of a multiple birth, the contribution shall be paid for 450 calendar days.

The contribution shall be paid for leave which is taken out within 18 months from the time of birth or adoption.

To be entitled to a contribution, the employee shall undertake to resume work at the bank for a period that at least corresponds to the employee's notice period.

Unless otherwise agreed between the bank and the employee, a work-free day is not paid when an employee takes out parental leave for a period of at most four consecutive days, which includes work-free days.

The contribution amounts to 10% of the **daily rate** of an annual salary within 10 price base amounts. The compensation amounts to 80% of a fixed monthly salary that exceeds 10 price base amounts.

The daily rate is  $\frac{\text{monthly salary} \times 12}{365}$

**Monthly salary** in this context refers to the salary paid two months before the start of the leave. A salary raise within the said time period that is not based on changed working hours, shall, however, be included in the monthly salary.

If the employee does not observe the notice period, the contribution shall be repaid. The form of repayment shall be determined upon consultations with the employee. Set-off may be applied.

## 11.3 Parental leave deductions

In the event of full parental leave for a full calendar month, a deduction shall be made that is equivalent to the full monthly salary.

In the event of partial or intermittent parental leave that affects more than one calendar month, the monthly salary shall be paid in the form of a changed percentage of full time worked.

In other cases of full or partial parental leave during ordinary working hours, a deduction shall be made per hour. The hourly pay shall be calculated by dividing the monthly salary by 160.

Deductions shall be made pro rata for part-time employees.

## §12 Leave of absence

A leave of absence may be granted by the bank upon the written request of an employee stating the reason.

No salary shall be paid to the employee during the leave of absence. For each working day, a deduction shall be made for an amount equal to the amount paid for every working day, provided that the monthly salary is distributed equally between the number of working days per month.

**Note:**

*1. If it is possible to do so without great inconvenience, the bank is prepared to grant shorter periods of leave in connection with the death of a close relative or an important family event without a deduction from salary or holiday.*

*2. BAO has issued a recommendation which aims at making it financially easier for an employee to take on a political assignment.*

# §13 Termination of employment

In the event of notice of the termination of employment or regarding the determination of the order of priority, priority rights and certain redundancy rules, the rules below shall apply, subject to the provisions of the Swedish Employment Protection Act.

## 13.1 Notice period

### *13.1.1 Notice given by the bank*

<b>Time of employment</b>	<b>Notice period for termination</b>
Less than 5 years	3 months
5 years but not 8 years	4 months
8 years but not 10 years	5 months
10 years	6 months

An employee who at the time of termination has reached the age of 55 shall have a six-month notice period for termination.

### *13.1.2 Notice given by the employee*

<i>Less than 5 years as a permanent employee</i>	<i>At least 5 years as a permanent employee</i>
<b><u>Notice period</u></b>	<b><u>Notice period</u></b>
2 months	3 months

For probationary employees and employees on a fixed-term contract, the notice period is one month for both parties.

For fixed-term contracts longer than six consecutive months, the bank shall, if it wishes for the employment to terminate at the end of the agreed time period or when the job has been performed, notify the employee one month in advance that the fixed-term contract will be terminated. The bank is not obliged to notify the employee earlier than that. The notice shall be in writing if requested by the employee.

If an employee leaves his/her employment without observing all or part of the notice period, the bank is entitled to damages. The damages

amount to the salary that would have been paid during the period of time in question. Set-off is permitted.

An individual agreement regarding a longer notice period from the part of the employee may be made between the bank and the employee.

**Note:**

*The banks do not intend to apply the provisions in this paragraph in such a way that the employment security of the permanent employees is reduced.*

*The parties agree that the practice, which has been developed in the Swedish banking sector over a long period of time, entails that the banks during periods of organisational and structural changes will apply more far-reaching relocation rules for permanent employees than what is stipulated in the Employment Protection Act and thus will, in a positive spirit, consider the possibilities for relocation within the group. This applies to banks/companies where employees have notified their interest, up until nine months have elapsed since the termination of the employment. The banks are similarly prepared to arrange or help arrange training to a reasonable extent if this is required to ensure that the employee in question qualifies for a proposed position.*

*In addition, the banks are prepared to consider how employment may be arranged for a permanent employee in a jointly owned company who is made redundant due to operational cutbacks.*

### ***13.1.3 Termination of employees having reached the age of 68***

With respect to termination of employment, as well as determination of priority rights and certain advance notice rules, the following rules shall apply, subject to the provisions of the Employment Protection Act.

Employees having reached the age of 68 have a notice period for termination of one month. Section 13.2, "Priority Rules in Case of Termination for Redundancy" shall not apply, with the exception of the last paragraph concerning agreements regarding deviations from the Employment Protection Act. Section 13.3, "Priority Right to New Employment" shall not apply.

## **13.2 Rules on the order of priority in connection with termination for redundancy**

An employee shall never be dismissed for redundancy before all reasonable options regarding relocation have been considered. The possibility of relocating to a branch in the same town should be looked into. For permanent employees, moreover, the bank must look into possibilities for relocating to another town.

During negotiations, consideration shall be taken regarding the qualifications and aptitude of the employee in question in relation to the position in question. If relocation to another town is being considered, the personal situation of the employee shall as far as possible be taken into account.

If termination cannot be avoided, the following must be taken into consideration as regards the rules on the order of priority. Considering the employment security afforded to a permanent employee according to agreements and practice, redundancies shall primarily affect employees on a fixed-term contract and probationary employees.

The bank and the local organisation of Finansförbundet may make an agreement to deviate from the rules in the Employment Protection Act and the collective agreement as regards order of priority in connection with redundancies.

### 13.3 Priority right to new employment

Employees who have been dismissed for redundancy have a priority right to new employment, when the need for labour at the bank arises. This right ceases when nine months have elapsed from the date when the employment was terminated. The bank and the local organisation of Finansförbundet may make an agreement to deviate from the rules of the Employment Protection Act and the collective agreement regarding priority right to employment.

The following preconditions shall exist for such a priority right to apply:

- a) The employment at the bank shall have lasted for at least one continuous year.
- b) When a fixed-term contract has been terminated due to redundancy, a priority right to a new fixed-term contract applies (subject to the other preconditions in Section 13.3) if the previous period of employment has lasted for more than a total of 18 months during the last three years. A priority right in these cases does not, however, apply to fixed-term contracts that are expected to last for no more than a month.
- c) The employee must have the necessary qualifications and be suitable for the position that is going to be filled. Consultations should take place between the bank and the local organisation of Finansförbundet.
- d) A priority right to new employment applies, unless otherwise agreed locally, only for the branches of the bank in the town where the employee was placed before the employment was terminated.



- e) If an individual wishes to be given priority right to reemployment, he/she must apply to the bank.
- f) If the bank offers new employment, the employee should take up the position within a month. The priority right lapses if an offer of employment, which reasonably should have been accepted, is rejected.
- g) If the bank intends to employ an employee when another individual has a priority right to new employment or if there are several individuals who come into question and are eligible, the bank shall negotiate with the local organisation of Finansförbundet.

**Note:**

*Provisions regarding Trygghetsfonden, The Staff Redundancy Support Foundation, are governed by a separate agreement.*

## 13.4 Advance notice and deliberations

If the issue of an employee being terminated arises, the bank shall give advance notice to the local organisation of Finansförbundet. Finansförbundet shall keep the bank informed about which local organisation the advance notice shall be submitted to.

Advance notice shall be given when it is a matter of:

- Termination due to the personal circumstances of the employee – at least two weeks before notice is given.
- Summary dismissal – at least a week before the dismissal.

The bank shall within the above given timeframe also inform the employee in question about the action taken.

There is a right to request deliberations on the issue within a week of notice being given or the information being provided.

If deliberations have been requested, the bank may not take the action in question until after the deliberations but is permitted to immediately suspend an employee who has been given advance notice of summary dismissal.

The provisions above do not apply to probationary employees for whom the provisions on consultation in Section 2.2 are applicable.

# §14 Teleworking

Upon an agreement between the bank and an employee, teleworking may take place, subject to the following. Before the introduction of telework, the customary co-determination negotiations shall take place.

## 14.1 Definition

Telework is work performed by an employee on a regular basis and on average corresponding to at least one working day per week at home or another workplace that is agreed on a case-by-case basis and where an agreement on telework has been made.

An employee who teleworks shall belong to the main workplace organisationally.

**Note:**

*The main workplace in this context is the department where the employee is placed organisationally.*

## 14.2 The working environment

The bank is responsible for ensuring that the working area is designed and furnished in a way that is suitable from a work environment perspective. This responsibility includes a duty to ensure that all security requirements are fulfilled and that the workplace complies with all the reasonable ergonomic requirements.

An employee who teleworks is expected to participate in eliminating risks in the working environment and organising the workplace so that safety is not jeopardised.

Employees are obliged to comply with the provisions of health and safety legislation and also observe the care required to prevent ill health and accidents.

The bank shall have access to the place where the employee teleworks.

## 14.3 Working hours

Working hours for telework may either be scheduled according to a fixed schedule in line with the provisions of Section 3 or with the teleworker freely disposing of his/her time. In the latter case, regular working hours constitute 38 hours and 30 minutes per ordinary working week calculated based on an average per four-month period, and overtime and travel time shall not be paid.

## 14.4 The following issues may be regulated between the bank and the employee:

- The extent of the telework
  - the extent of the telework
  - presence at the main workplace
- Working tasks
  - what tasks shall be performed
  - how they shall be performed
  - accounting for the results
- Availability
  - when/how the teleworker shall be available
  - reporting absence
- Travel provisions
- Equipment and responsibility thereof
  - a description of the equipment
  - who owns the equipment
  - who is responsible for the equipment
  - what the equipment may be used for
  - who may use the equipment
  - storing the equipment
  - responsibility for negligence
  - who pays for the equipment
  - servicing the equipment
- Insurance
  - who is responsible for ensuring that insurance is purchased
  - who pays for the insurance and any supplementary insurance
- The working area
  - design
  - furnishing
- Security and safety measures
- Security policy and confidentiality procedures
- Follow up
  - follow up of the telework
- Notice period
  - phasing out the telework

# §15 Negotiation procedure etc.

## 15.1 The supervision of work

The bank supervises and allocates work at the company, subject to the statutory and contractual provisions on co-determination.

## 15.2 Exemption from industrial action

The employees below shall not participate in industrial action:

- The Managing Director/CEO

### ***In banks with at least 50 employees:***

- Secretary to the MD/CEO
- Deputy Managing Director/CEO or other deputy for the MD/CEO
- Other directors who are members of the management board at the head office or are otherwise part of the central management team
- HR Manager at the head office, regional bank or corresponding

### ***In banks with over 1 000 employees:***

- Member of the management board or corresponding at a regional bank or corresponding unit

### ***Agreement***

Certain employees in accordance with an agreement between BAO and Finansförbundet.

In the event of an industrial dispute, the union is prepared to grant other employees exemption from participating in industrial action.

## 15.3 Negotiation procedure

In the event of a dispute between BAO and Finansförbundet regarding the interpretation or application of an agreement concluded by the parties, the following rules of procedure apply. The same rules shall also apply in the event of a dispute that affects local agreements between an affiliated bank of BAO and the local organisation of Finansförbundet at the bank. Similarly, disputes that relate to the applicable legal provisions shall be resolved in accordance with this negotiation procedure.

1. Local negotiations are negotiations between the bank and the local organisation at the bank. Local negotiations shall take place at the request of the bank or the local organisation.
2. Central negotiations are negotiations between BAO and Finansförbundet. If local negotiations have ended without the parties being able to agree, negotiations at the central level shall be initiated at the request of BAO, Finansförbundet or the local parties jointly. Central negotiations shall be requested within ten banking days from the day the local negotiations ended. Central negotiations shall otherwise be initiated at the request of either BAO or Finansförbundet.
3. Both central and local negotiations shall commence as quickly as possible and at the latest within ten banking days after the request for negotiations, unless the parties when it comes to a central negotiation agree on a postponement.
4. In the event of a claim for damages or other performance mandated by law or collective agreement, the deadlines and periods of limitation stipulated by law shall apply.

If and to the extent the circumstances, to which a legal claim according to a collective bargaining agreement or personal contract is referable, were known for four months either on the employer's side by the employer concerned or its organisation, or by a specially appointed representative for the employees at the company, or by Finansförbundet, without negotiations being requested in accordance with the provisions contained in this sub-section, the party thereafter loses the right to request negotiations concerning the claim. Irrespective of such knowledge of the circumstances, the right to call for negotiations shall be lost if and to the extent that the circumstances are more than two years in the past.

5. A dispute regarding a termination or summary dismissal of an employee in accordance with this agreement shall be referred to the fiduciary council, sitting as an arbitral tribunal. The parties may however jointly refer the dispute to the Labour Court.

A dispute regarding termination or summary dismissal of an employee, who is not a permanent employee, shall only in exceptional cases be referred for judicial consideration.

Contractual disputes shall be referred to the fiduciary council as a last resort in accordance with Section 15.4 for resolution. Issues of a mainly general labour law nature may, however, at the request of either party be referred to the Labour Court.

6. If neither BAO nor Finansförbundet wishes to institute or present an action for a bank or member affiliated to the organisation, the bank or the individual himself/herself is entitled to institute or present an action at a public court.
7. A dispute between the bank and an employee who is not a member of Finansförbundet shall be finally resolved by an arbitral tribunal in accordance with Section 15.4.

## 15.4 Fiduciary council – arbitral tribunal

1. The parties appoint a fiduciary council to manage disputes and, as an arbitral tribunal, resolve disputes in accordance with Chapter 1 Section 3 in the Labour Dispute (Judicial Procedure) Act.

The fiduciary council consists of an impartial chairman and three members from each side and an equal number of deputies. The fiduciary council shall meet with the chairman and at most six members, in equal numbers for BAO and Finansförbundet. The chairman shall be appointed by BAO and Finansförbundet or, if the parties cannot agree, by the Swedish National Mediation Office. The costs incurred for the council shall be shared equally by the parties.

At the meetings of the council, minutes shall be taken, which shall be verified by the chairman and one of the members from BAO and one from Finansförbundet. When disputes are handled by the fiduciary council, the rules stipulated in the Labour Dispute (Judicial Procedures) Act shall be observed.

2. In the event of a labour dispute between the bank and an employee who is not a member of Finansförbundet, BAO and the employee shall appoint an arbitral tribunal to handle and resolve the dispute in accordance with Chapter 1 Section 3 in the Labour Dispute (Judicial Procedures) Act and the Arbitration Act.

The arbitral tribunal shall consist of an impartial chairman and one member from each side. The chairman is appointed by BAO and the employee or, if the parties cannot agree, by the Swedish National Mediation Office.

## §16 Term of the agreement

The agreement shall apply from 1 January 2015 until further notice with a mutual notice period of three months. The agreement shall expire at the earliest on 1 January 2019, although the agreement may be terminated as from 1 January 2018 if the basic preconditions of the agreement have not been fulfilled.

If the provisions of the agreement are not terminated at the latest three months prior to the expiry date, the agreement shall be extended for a year at a time.

BAO and Finansförbundet agree that during the term of the agreement, at the request of either party, negotiations shall be entered into if the basis for the provisions in the agreement changes due to amendments to the legislation.

In the event that the legislation is amended, either party is, with one month's notice, entitled to terminate the provisions of the agreement that are affected by the amended legislation and the parties may make an agreement on new rules at an earlier date than the date of expiry of this collective agreement.

If an agreement cannot be made regarding new rules, the issue may, at the request of either party, be referred to a committee consisting of two representatives from each party and an impartial chairman appointed by the parties. The decisions of the committee shall be made by simple majority. No industrial action may be undertaken.

The parties agree that during the term of the agreement, at the request of either party, they shall commence negotiations regarding changes to the agreement if the preconditions for the agreement have changed substantially. The negotiations shall be carried out under an obligation to maintain peaceful industrial relations.

*Stockholm 2 March 2015*

**Bankinstitutens arbetsgivareorganisation**

**Finansförbundet**

# Annex 1 – Excerpts from the collective agreement

Excerpts from the collective agreement for the period from 1 January 2015 until further notice as regards items 1-9, Annexes 3 and 4.

Regarding all the other parts, the agreement has been incorporated into the collective agreement.

## Agreement

between Bankinstitutens arbetsgivareorganisation (BAO) and Finansförbundet concerning the collective agreement on salary and general terms and conditions of employment etc.

### 1. Term of the agreement

This agreement shall apply until further notice from 1 January 2015.

### 2. Salary

The bank and the local organisation of Finansförbundet shall in connection with the conclusion of the central agreement hold joint deliberations on the application of the salary provisions. These deliberations shall be finalised not later than three months after the conclusion of this agreement.

#### *2.1. Reconciliation of the salary trend of individuals (an individual's guaranteed raise)*

Unless the local parties have agreed otherwise in local salary principles, the following shall apply with regard to an individual's guaranteed salary raise.

#### **2015-2017**

An employee who was employed as per 1 October 2014 and who is still employed at the same company on 30 September 2017 and who is not exempt in accordance with the statement below under "Exemptions from the guaranteed salary raise" is guaranteed a salary raise for the period corresponding to SEK 600 + 1/9 of the collective guaranteed salary raise in accordance with what is described below. The period of reconciliation is 2 October 2014 – 30 September 2017.

The amount shall be prorated for part-time employees.



Any salary adjustments shall be made by 1 October of the reconciliation year in question.

For an individual who is exempt in accordance with 7.8.3 on one or several occasions during the above-mentioned reconciliation period - 1 October to 30 September - the guarantee shall be reduced by 1/3 for every period of exemption. A corresponding reduction shall be made for an individual exempted in accordance with 7.8.5.

In the individual reconciliation, the guaranteed salary raise shall also be reduced for a member who during each respective calendar year has been absent due to a longer leave of absence lasting at least eight months, with the exception of absence due to parental leave or long-term sickness.

Employees with a full-time salary at least amounting to a monthly salary corresponding to the 85th percentile of fixed salary for salaried employees in the BAO agreement area (for part-time employees the amount is prorated), as per 30 September of the reconciliation year in question, are not included in this reconciliation/guarantee.

**Note:**

*The amount above is based on the collection of statistics as per 1 October the previous year.*

Top ups below SEK 50 shall not be paid.

### **Exemptions from the guaranteed salary raise**

The employer shall provide the local organisation of Finansförbundet with a list of the individuals who according to Section 7.8.3 have not received a guaranteed salary raise and the reasons for this. If the employer has received an approval from the employee, an action plan/action plans shall be presented if the local organisation of Finansförbundet so requests. The question of the employee's approval shall be raised when the action plan is designed.

If no agreement can be made regarding exemptions, central negotiations between BAO and Finansförbundet are required before the employer may establish the exemptions.

## ***2.2 Collective guaranteed salary raise***

### **2015-2017**

If the total salary trend at the bank for the members of Finansförbundet included in the salary base as per 1 October 2014 and who are still included as per 30 September 2017 does not amount to 50 % of the salary trend for fixed salary for salaried employees in the BAO agreement area, a local agreement shall be concluded regarding how the distribution of

the difference shall be made. The reconciliation period is 2 October 2014 – 30 September 2017. Any adjustments to salary shall be made by 1 October 2017.

Thereafter, there is a reconciliation of the salary trend in a corresponding manner every third year.

In the event of a business transfer, combination or merger, the consequences of the transfer shall be taken into account as far as possible in the calculation of the collective guaranteed salary raise, if the affected companies were included in the BAO agreement area both at the beginning and at the end of the reconciliation period.

### **3. Specific efforts to correct unjustified differences in levels of salary**

The parties have agreed to initiate specific efforts to correct unjustified differences in levels of salary according to Annex 4.

### **4. General employment terms and conditions**

The provisions shall be extended, subject to the amendments to Annex 1 and shall apply from the conclusion of this agreement unless otherwise stipulated in the text.

### **5. Special support to local parties by reason of a decentralised agreement valid until further notice**

By this agreement, the parties have made a decentralised agreement that applies until further notice. The agreement includes normative rules for the entire sector but also a number of rules that are based on the local parties jointly developing and adapting provisions from the perspective of the different preconditions of the companies.

This imposes a responsibility on the local parties and requires a good dialogue with well-functioning local cooperation between the parties. It also requires them to work together on how the agreement shall be applied locally.

The extent and scope of the local parties' task to fulfil the decentralised agreement varies, however, depending, among other things, on the size of the company and the organisation, and also becomes more complex with an agreement that is valid until further notice. Similarly, the need for training, knowledge and support varies too.

The local parties shall, therefore, on an ongoing basis discuss the preconditions that apply at each respective company and also determine the

needs as regards skills, resources and development in order to be able to work in accordance with the intentions of the agreement.

Examples of different types of training that may be relevant are:

- Leadership training
- Project management
- Financial and budget work
- Change and development efforts
- Practical problem management
- Personal efficiency
- Conflict management
- Communication
- The development of groups and social skills
- Organisational development

If issues that are vital to the existence of the decentralized agreement arise and cannot be solved by the local parties, these shall be referred to the central parties. Such issues may concern local salary principles or other issues that are supposed to be governed locally in accordance with the Collective Agreement.

If the issue cannot be resolved in a dialogue between the central parties, each central party is entitled to request that an impartial chairman is appointed. The chairman shall be appointed on the recommendation of the Swedish National Mediation Office. The chairman shall submit a recommendation regarding a solution to the issue, also taking into account the needs concerning skills, resources and development.

The employer shall bear the costs of this process including training costs.

### **Trade union assignments**

An important precondition for the functioning of this agreement in the long-term is that the local trade union organisation is given the preconditions to work in the company. This includes ensuring that the elected trade union representatives receive the relevant training for their assignment but also that the trade union assignment is respected and valued. The elected representatives are, just like all other employees, entitled to a development interview. It is important that an employee who takes on a trade union assignment taking up over 50 % of a full-time position is provided the skills and possibility to return to a relevant position after the end of the assignment.

## **6. The agreement comment on salary**

The parties agree that the section “Personal salary protection” in the comment “Salary” is amended in accordance with Annex 3.

## 7. Compilation of salaries after the salary review in 2015

After the salary review in 2015 has been conducted, the local organisation of Finansförbundet shall receive a compilation of the salaries of the members at the level of the individual for the last three years.

## 8. Other common agreement areas

As regards other common agreement areas, the parties agree on the introduction in the applicable parts of the conditions that have been agreed in accordance with this agreement within the same cost framework.

## 9. Term of the Agreement

The agreement shall apply until further notice from 1 January 2015 with a mutual notice period of three months. The agreement shall expire at the earliest on 1 January 2019, although the agreement may be terminated as from 1 January 2018 if the basic preconditions of the agreement have not been fulfilled.

If the provisions of the agreement are not terminated at the latest three months prior to the expiry date, the agreement shall be extended for a year at a time.

BAO and Finansförbundet agree that during the term of the agreement, at the request of either party, negotiations shall be entered into regarding changes to the agreement, if the basis for the provisions in the agreement change due to amendments to the legislation.

In the event that the legislation is amended, either party is, with one month's notice, entitled to terminate provisions of the agreement that are affected by the amended legislation and the parties may make an agreement regarding new rules at an earlier date than the date of expiry of this collective agreement.

If an agreement cannot be made regarding new rules, the issue may, at the request of either party, be referred to a committee consisting of two representatives from each party and an impartial chairman appointed by the parties. The decisions of the committee shall be made by simple majority. No industrial action may be undertaken.

The parties agree that during the term of the agreement at the request of either party, they shall commence negotiations regarding changes to the agreement if the preconditions for the agreement have been substantially changed. The negotiations shall be carried out under an obligation to maintain peaceful industrial relations.

*Stockholm 2 March 2015*

**Bankinstitutens arbetsgivareorganisation**

**Finansförbundet**

## Annex 3 of the collective agreement Clarifications in the comment “Salary” – Personal salary protection

The individual salary may not fall below the minimum salaries in the agreement without a local or central agreement.

Deviations from the rules on salary review in 7.8.4 may be made if there are special circumstances. Such an issue shall be considered in accordance with the procedures that apply to issues affecting individual salaried employees in accordance with Title II in the Co-determination Agreement.

**Guaranteed salaries** shall be calculated based on the individually set level of salary. Deviations from this rule may be made only in accordance with a local or central agreement.

**A reduction** of an employee's actual individual salary may be made only in accordance with a local or central agreement.

Examples of a situation justifying a reduction of salary is when an employee, in connection with restructurings/redundancies, is relocated to a new position which entails **substantial changes** to his/her working tasks including reduced requirements regarding skills and qualifications and/or a **significantly** lower level of salary.

The bank and the local organisation of Finansförbundet shall, before such a process of change, in the normal way commence negotiations according to the local Co-determination Agreement and agree on the pre-conditions for when a salary reduction may occur. During the process of change, the decision procedure that applies to issues that in particular affect individual salaried employees according to Title II of the co-determination agreement shall be applied to the employees in question and the employer must make it clear to the employees in question what applies in such situations.

**Note:**

*In this excerpt, the Staff Redundancy Support Agreement between BAO and Finansförbundet is also relevant.*

The salary should be adapted when an employee for personal reasons, after the usual co-determination negotiations, has been relocated to another position with reduced requirements. It is the responsibility of the employer to ensure that reasons are given for why it is not suitable to relocate to a position with corresponding qualifications to the position in question.

A **position supplement** that has been introduced upon agreement between the bank/company and the employee, shall no longer be paid when the employee leaves that position or if the preconditions for the supplement are changed. This applies, for example, to broker supplements.

If the supplement in accordance with the agreement is to apply for a **certain period of time**, the supplement shall no longer be paid after the end of that period, unless otherwise agreed.

A salary reduction in accordance with the above may be gradual.

# Annex 4 of the collective agreement, The specific project “Equal Pay” to correct unjustified salary differences

## 1.1 Introduction

In the run up to the collective bargaining round in 2011, the parties came to the conclusion that there were salary differences in the joint salary statistics between men and women that were difficult to explain, in spite of a great deal of work having been carried out in the sector and the companies to remedy these differences. The parties agree that there shall be no unjustified salary differences. Against that background, the parties agreed to focus specifically on the issue and to take measures in order to avoid the existence of unjustified salary differences between men and women. The aim was to significantly reduce the statistical salary differences between men and women that cannot be properly explained.

During the collective bargaining term 2011-2014, extensive work was carried out within the framework of the “Equal Pay” project. The main focus was work of equal value. Local parties have taken several steps in these efforts and the aim is to ensure that the issue of equal pay becomes integrated into the salary determination process in a natural way.

The aim was and remains for the project to lead to a substantial change, not just as regards unjustified salary differences, but also as regards work with gender equality in a broader context in the banking and financial sector.

However, the parties note that work remains to be done in the “Equal Pay” project and hence, this issue should also in the future remain a natural part of the salary determination process. Therefore, the work with the “Equal Pay” project will continue with the same aim in mind.

The parties also agree about starting to work on equal salary for equivalent work within in the “Equal Pay” project.

## 1.2 Mapping out salary

Employers and employees shall, according to the Discrimination Act, strive to even out and prevent differences in salary and other terms and



conditions between men and women who perform tasks that can be regarded as equal or equivalent. An important part of this work is to map out salary, which the employers shall do together with the employees in order to discover, correct and prevent unjustified salary differences.

The efforts to eliminate unjustified salary differences are being intensified and therefore, salaries shall be mapped out annually in accordance with the Discrimination Act. This includes all groups of employees regardless of their statistical code.

Unjustified salary differences that are observed in connection with the mapping out of salary shall be corrected as soon as possible, however, not later than within three years. The local parties will assess the scope required to make these adjustments.

The correction/cost shall not replace the ordinary salary review.

### 1.3 Collaboration

The “Equal Pay” project is a collaborative effort. Collaboration means that the local parties in a joint working group shall have a dialogue and decide how the work shall be managed and performed. The local collaborative efforts may vary depending on the size of the company and its structure, but collaboration is always important to ensure a positive outcome.

### 1.4 Equal pay for equal work

With respect to the equal pay for equal work project, the parties' assessment is that it is important that certain groups are prioritized and handled. Therefore, the local parties shall focus on groups of employees with equal working tasks in the most common professions in each respective bank. In total, these shall amount to 70% of the employees in the bank. The local parties shall decide which groups are important to focus on based on the mapping out of salary exercise.

In order to create the preconditions for this focused effort, each bank shall also estimate a fictitious scope (gender equality scope), which aims to support the work on correcting any unjustified salary differences.

This scope shall be created in the following way unless the local parties agree otherwise: The average salary of men and women respectively shall be measured for the employees who work in the biggest BESTA working areas in the bank, corresponding to about 70% of the workforce. This is a 4-figure system where the fourth figure indicates managers with subordinated staff (codes 1 and 2) and non-managerial staff (codes 3, 4 and 5) respectively. A figure in SEK shall be calculated based on the differences in average salary in each respective group. The figure shall be multiplied

by the number of employees with the lower average salary. The figures for each respective group shall be calculated pro rata in relation to the number of members of Finansförbundet and then added up.

The gender equality scope will vary between different companies and should not be viewed as a description of actual observed unjustified salary differences. The scope constitutes a mathematical calculation only. Before the calculation is made, the quality of the BESTA statistics shall be verified in consultations between the employer and the local organisation of Finansförbundet at each respective company so that the figures are based on relevant coding.

Unjustified salary differences may be observed both during the mapping out of salary exercise and by the salary-setting manager and shall be corrected in the ordinary salary reviews. This work shall thus form a natural part of the ordinary salary determination process. Only the funds necessary to correct unjustified salary differences shall be used from the gender equality scope. The local parties shall on an annual basis make an assessment of the work models, methods and results of the work done.

## 1.5 Equal pay for equivalent work

When the local parties make the assessment that the work on “equal pay” for “equal work” has become established, work on “equivalent work” shall be initiated, however not later than during the first quarter of 2016(\*). The work shall take place at an overall level within the company in the working group that has been set up locally to work with the “Equal Pay” project.

On the basis of current legislation, the working group shall develop a method which shall form the basis of the mapping out of salary exercise where salary comparisons are made between jobs where women dominate and other jobs that are not dominated by women but are deemed to be equivalent. A job is deemed to be dominated by women when the number of women in a certain type of job adds up to or exceeds 60%.

If there are salary differences between different groups performing equivalent work which are directly or indirectly viewed to be connected to gender, the unjustified differences shall be corrected. Unless the parties agree otherwise, this shall be done in connection with the ordinary salary reviews performed by the salary-setting managers.

*\*) The date applies to banks that were parties to the collective agreement between BAO and Finansförbundet between 2011- 2014.*

## 1.6 Follow up and information

The central parties have a responsibility for and an interest in the effectiveness of the intensified efforts to eliminate unjustified salary differences and will therefore ensure that they remain well-informed about the progress made. The “Equal Pay” steering group, which manages and annually reviews the effects of the “Equal Pay” project on the central joint statistics, will continue to follow the development of the relative salary levels between men and women in different areas of work. The review shall in particular focus on the ten most common professions in the sector.

The central parties shall also produce relevant central statistics to support the work done at the local level and in other ways on an ongoing basis assist the local parties when the need arises.

If the central parties during the term of the collective agreement observe a need for a special effort, the issue may be brought up for specific discussions.

The central parties agree that information regarding the agreement and the special project shall be coordinated between the parties jointly.

In order to ensure that the work on “Equal Pay” is carried out, the steering group for the project will on an ongoing basis meet the local parties in the five biggest member companies within BAO for a review of the work done and the agreements made regarding the remaining salary differences. Local parties may agree to forego these meetings.

At these meetings the local parties will go through the agreements concluded and describe how the work shall be carried out, every other year starting in 2016. At the same time, based on selected and broken-down groups, an assessment will be presented regarding the scope required to ensure that the agreed goals are fulfilled.

## 1.7 Training and knowledge

According to the central parties, it is imperative that the work to ensure that there are no unjustified salary differences between men and women is carried out on solid foundations. A fundamental precondition for the success of the work is that there is good knowledge and awareness of gender issues. It is also important that there is a well-documented statistical basis to work from. The local parties shall discuss and determine the needs that exist and also the need for training and skills enhancement.

The task of the Central Gender Equality and Diversity Committee is to follow, promote and evaluate the development of gender equality and di-

iversity in the sector and spread knowledge about gender equality and diversity through courses and an exchange of experience and by compiling statistics between the parties jointly.

The work that the Committee has already started on training on gender issues with the aim of enhancing the general level of knowledge in the sector shall be continued. A joint tailor-made e-learning module has been produced, which is geared towards all employees in the sector.

Thus, the Committee has a natural function to contribute knowledge and ideas to the project. The parties, therefore, agree that the Committee shall place great importance on this subject.

The Committee shall also study, evaluate and inform about different types of analysis models and working methods used to map out unjustified salary differences between men and women focusing on both equal and equivalent work.

## 1.8 Support to the local parties

The joint steering committee may provide advice and support to the local parties within the framework of “Equal Pay”.

If issues arise that cannot be resolved by the steering committee, each party in the steering committee is entitled to call for an impartial chairman. The chairman shall be appointed based on a recommendation by the Swedish National Mediation Office. The chairman shall submit a recommendation for a solution to the issue.

The parties agree that any training courses organized within the framework of the project shall be paid by BAO.

## 1.9 Ending the work on equal pay for equal work and equivalent work

The local parties shall jointly determine, in relation to each respective company, when the “Equal pay for equal work” project may be regarded as finalized and when it is time to enter into a management phase where the experience gained from the project will be used in the continued work to achieve and maintain equal salary for all employees. Similarly, the local parties shall jointly determine when the work on “Equal pay for equivalent work” project may be regarded as finalized. The issues shall subsequently be handled within the framework of the ordinary salary determination process.

Before the local parties formally end their subprojects, a presentation of the work performed shall be made to the central steering committee.

The central parties shall decide when the “Equal Pay” project as a whole may be regarded as finalized for the entire sector.

# Annex 2 – Joint recommendations on salary principles

## Local salary principles/local salary agreements

With the aim of supporting the development of agreements on joint salary principles, BAO and Finansförbundet wish to make the local parties aware of the following:

The salary system of the collective agreement is based on individual salary determination, taking the following into account:

- The type of position
- The level of difficulty of the position
- The skills of the employee
- The work effort of the employee
- The principle of equal pay for equal work and the observance of the rules in the Discrimination Act

The following questions should be answered in connection with the adoption of joint salary principles:

- What are the factors/criteria for the determination of salary at the local level?
- Which principles shall apply for salary determination at the company?
- How shall the salary determination process be set up?
- How is the responsibility for/influence over the determination of salary allocated between managers, the local organisation of Finansförbundet and the employees?
- How is the level of difficulty of a job appraised?
- How is the performance of an employee appraised?
- How should the salary structure at the company be designed?
- Which goals shall be fulfilled by the salary determination ?
- How does salary formation contribute to business development?
- How does the salary determination contribute to gender equality?
- How shall employees be informed about the salary principles?
- How shall the application of the local salary principles be followed up?
- How shall the salaries of employees on fixed-term contracts, sick leave or leave of absence be determined?
- How may the local salary principles be terminated and what is the notice period?

# Annex 3 – Agreement on staff redundancy support

## AGREEMENT between BAO and Finansförbundet on staff redundancy support in the financial sector (16 May 2012)

The operations of the financial companies change and develop. The new preconditions for their operations place great demands on the long-term strategic planning by the companies to ensure that the employees are involved in the development of their profession. Tangible action should be taken to ensure that the employees are timely made aware of and have the necessary skills to handle the new preconditions for their work. Issues relating to development and change as well as redundancy support, and the way they are handled by the companies, are a mutual interest of the employer and the local trade union organisation, and it is important to ensure that there is a continuous dialogue on these matters.

By involving the employees in the change efforts, a preparedness to alter working methods and work content will be developed and it will also enhance the skills of the individual employee. Through the annual development and planning interviews, the future skills requirements of the business shall be brought up along with issues concerning the future development of the employee.

Development interviews shall be held on a regular basis and shall be a well thought through dialogue between the employee and his/her immediate supervisor. During the interview, the employee shall receive feedback on his/her work effort and the needs for development, and shall be informed about the personal goals that have been set for the upcoming period. The interview shall also include, by taking a past and future perspective, a discussion on the operations of the company, future changes, cooperation within the organisation and the relationship between the employee and the supervisor.

Changes in the operations of the company may lead to redundancies in one area or unit. The situation shall be handled with great care for each individual concerned and every possibility of resolving the situation within the company, including the relocation options, shall be examined. Redundancies shall be avoided as far as possible.

During periods of structural change, which mean that job security is threatened, high demands shall be placed on the way the company han-

dles the situation. Each employee who is affected by a redundancy situation shall be dealt with individually and every possibility to resolve the situation within the company shall be examined.

This may result in:

- A job offer for another equivalent position within the company
- A job offer for another position within the company
- Training being offered for another type of job within or outside the company
- Early retirement being taken

If there are redundancies despite the above-mentioned measures, the company shall in connection with the redundancies notify Trygghetsfonden, the Staff Redundancy Support Foundation, thereof.

Every applicant to Trygghetsfonden is entitled to receive help with an individual plan. The plan shall be based on personal and other preconditions as a form of support for future decisions concerning measures within Trygghetsfonden. The plan may be drawn up by the company, Trygghetsfonden or a third party.

Employees at a company who are made redundant shall be covered by Trygghetsfonden until they find a new job or new profession.



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# LIST OF AGREEMENTS

## **List of certain other central agreements within the agreement area:**

- Work environment agreement
- Agreement on union representatives
- Agreement on skills enhancement
- Co-determination agreement
- Pension agreement
- Agreement on protective and security measures during industrial conflicts