



Progressive Retirement Policy

DSB

Department responsible: HR Negotiation & Employment Law

Approved by: The Board of Directors

Date: 14 November 2024

1. Introduction

DSB's Progressive Retirement Policy is intended to ensure that we are able to attract, retain and develop our older employees in a way that meets their needs and supports DSB's objective of being an attractive workplace capable of attracting and retaining talented employees. We want to create a working environment where older employees feel valued and motivated to continue their career at DSB.

DSB's Progressive Retirement Policy governs the following sustainable focus areas:

- *Working environment and wellbeing:* Ensuring healthy working conditions for older employees, promoting the wellbeing and mental health of older employees
- *Work-life balance:* Offering senior days off and flexible working arrangements.
- *Diversity:* Promoting the inclusion of older employees
- *Education and development:* Ensuring training and development opportunities for older employees

The Progressive Retirement Policy is to be updated once annually.

2. Purpose

The purpose of the Progressive Retirement Policy is to promote a working environment where experience and knowledge are preserved and where older employees can actively contribute to DSB's success. This helps to create a more sustainable workplace, characterised by diversity, inclusion and respect for all employees. In addition, the Progressive Retirement Policy arrangements may be combined with other arrangements under collective agreements, unless otherwise expressly provided in the policy.

The Progressive Retirement Policy is aimed at all employees aged 60+ working in DSB and affiliated companies.

3. Our ambition and targets

Our objective is to attract, retain and develop our older employees through a number of initiatives, including by offering the following flexible working arrangements:

- **Senior days off**

For employees having reached the age of 62, six senior days off are granted per calendar year.

Senior days off are calculated at 7.4 hours for full-time employees to be deposited in a special seniors account. Until senior hours off can be held as a mix, any unused senior hours off under nine hours for shift/rota workers will be transferred to next year's senior days off.

The number is adjusted proportionally relative to when in the calendar year the employee turns 62.



In addition to the above senior days off, the individual employee can enter into an agreement with his or her immediate superior on further senior days off, provided, however, that the employee does not have more than 12 senior days off with full pay per year.

The taking of senior days off will not result in a reduction in the employee's salary.

Senior days off must be scheduled with due consideration to the company's operations subject to agreement between the employee and his or her manager.

Any untaken senior hours off over nine hours for shift/rota workers cannot be transferred to the next calendar year. For administrative employees, no hours may be transferred.

The granting/taking of senior days off is subject to the individual employee not having "sold" his or her days of holiday/discretionary holiday and not transferring days of holiday/discretionary holiday.

- **Gradual reduction of working hours**

The individual employee may enter into an agreement with his or her immediate superior for a reduction of working hours while still accruing full pension.

It is a condition that the reduction in working hours is made as part of a seniors agreement. This means, among other things, that a part-time employee is also required to enter into an agreement on a further reduction of working hours in order to be able to obtain the right to pension contributions in accordance with his or her original part-time employment. Part-time employees do not have their full-time pension contributions upgraded to full-time contributions at the age of 60.

After the reduction, the working hours must be at least fifteen hours per week.

A condition of this arrangement is that the employee has been employed for a total of at least five years and that the employee has reached the age of 60 at the time the arrangement takes effect.

- **Retention bonus**

A special retention bonus may be agreed with the employee, which will be paid out if the employee postpones his or her retirement until a specified time to be agreed upon.

A condition of this arrangement is that the employee has reached the age of 62 at the time the arrangement takes effect.

A retention bonus cannot be agreed between the manager and the individual employee until it has been approved by the remuneration committee. Enquiries regarding retention bonuses should be directed to HR Service, Compensation & Benefits

The various arrangements may be combined

The various arrangements described above may be combined, and they may be combined with options available under collective agreements to use your optional pay account (*fritvalgskonto*) to accrue additional days off.

Individual development of older employees

We have high expectations of our older employees, just like our other employees. The dialogue on development must be individual, based on the fact that we want to be an attractive workplace and have competent employees at all times.

Advising older employees on pension, finances and health

In collaboration with the respective trade organisations and the pension companies linked to the employment relationship, DSB will offer annual information meetings for the respective groups of professionals on subjects such as pension, early retirement, inheritance, finances, health and life in retirement.

Employees will be invited to attend these information meetings for the first time during the year in which they turn 60, but the advice is also recommended for younger interested employees. The meetings will be held in the employee's spare time.

4. How we achieve our ambition and/or reach our targets

HR Negotiation & Employment Law is responsible for organising and scheduling activities that support the Progressive Retirement Policy. Managers at all levels of DSB are responsible for conducting individual development interviews with older employees and assessing retention initiatives for every individual employee. The Progressive Retirement Policy is continuously evaluated in joint consultation committees and adjusted to meet the needs of the employees and DSB.

Most recently, we introduced adjustments to the Progressive Retirement Policy effective from 1 January 2024, including that:

- from 2024, the right to senior days off will be extended so that all employees aged 62 will be granted six senior days off with pay per calendar year, regardless of their terms of employment;
- the condition for allowing employees aged 60 to enter into a special agreement on a gradual reduction of working hours, with retention of their previous pension contributions, will be eased so that the length-of-service requirement is reduced from ten to five years.

4.1. Impacts, risks and opportunities

HR Negotiation & Employment Law identifies, prioritises and initiates strategic and cross-functional measures in terms of risks and opportunities.

In this context, we will continuously collect feedback from employees, employee representatives and managers to identify areas requiring improvement and adjustment.

Lack of focus on diversity may affect DSB's access to talent as well as the company's financial performance. We therefore have a strong focus on diversity, including being able to attract, retain and develop our older employees. We will continuously monitor changes in legislation and best practices in the retention of older employees to ensure that the Progressive Retirement Policy complies with applicable rules and standards, and we will work with trade organisations and pension companies to ensure that our Progressive Retirement Policy supports our employees in the best possible way.



5. Organisation, responsibility and approval

The Board of Directors of DSB has overall responsibility for approving the policy.

Changes to the Progressive Retirement Policy will be communicated clearly to all employees, and effective implementation of new measures will be ensured.

6. Interaction with other policies and guidelines

DSB's Progressive Retirement Policy interacts closely with several other key policies, including the following:

- Staff Policy
- Diversity Policy
- Health and Safety Policy

Together, these policies form a holistic approach, ensuring that older employees working at DSB have the best conditions to thrive.