

Currency Policy

Applicable from 2022, 1st January

Endorsed by Head of HROD & Head of Finance – March 11th, 2016

1. The Policy

ActionAid Denmark operates in Danish kroner (DKK). For staff posted abroad without relation to Denmark, this currency does not make much sense and information about salary parts are communicated to the employees posted abroad in Euro. Furthermore, payments are usually proceeded either in British Pounds or US Dollars. Lastly, ActionAid International operates only in British pounds with a fixed rate based upon a two years' average.

This policy aims to establish transparency and easy resource planning for all parts when it comes to salary, allowances & benefits payments. It aims also to reduce administrative load.

The principles in this policy are to some extent aligned on ActionAid International exchange rate policy.

The Currency Policy applies for all expatriates employed by ActionAid Denmark.

2. Currency

Euro currency applies in all communication and contractual commitment. Amounts in GBP or/and USD can be named as indication; in any case, these amounts should be considered as contractual.

ActionAid Denmark keeps account in Danish kroner; DKK will so appear on AADK invoices and salary slips.

3. Exchange rates

ActionAid Denmark determines a fixed exchange rate between Danish Krone, Euro, British Pound and Dollars for a calendar year.

The fixed rates are used to calculate and communicate and pay salary parts in EUR and to proceed to reimbursement of disbursement made in BP or USD.

3.1. Calculation of Exchange rates

The calculation of the exchange rates is made once a year, in November, by ActionAid Denmark under the responsibility of the Head of Finance and Head of HROD.

The fixed rates are based on the average of exchange rates taken from Oanda.com for the period 1st November previous year – 30th October current year.

The fixed rates are determined in November and communicated to the Employees no later than November 30th. The new fixed rates will apply from January 1st next year.

The current Exchange rate are listed in chapter.

3.2. Currency gains and loss

In case of variation of DKK/EUR exchange rate during the year, a payment balance will be calculated each year in December (or at the end of contract, if the contract terminates before). Possible regulation will be paid or withheld/invoiced in January the year after.

In case of a variation of DKK/EUR, EUR/GBP or EUR/USD exchange rate above 10 % over a continuous period of three months compared to the fixed rates, ActionAid Denmark will make an adjustment based on the average of the exchange rate of the last 12 months.

The Head of Finance and Head of HROD are jointly responsible to monitor variations in exchange rates within 5 workdays after month start. Exchange rate averages over three months for variation analysis will always be taken for periods of three months ending on the last day of the month before analysis is undertaken. No variation analysis or adjustment will be made in period October – December, as the yearly calculation will apply.

The new exchange rates will apply from the 1st day of next month after the statement.

4. Timing and Application of changes

The Currency Policy applies from February 1st, 2022.

5. Exchange rates 2021

	GBP	EUR	DKK	USD
From GBP	1,00	1,20	8,94	1,34
From EUR	0,83	1,00	7,44	1,11
From DKK	0,11	0,13	1,00	0,15
From USD	0,75	0,90	6,68	1,00

Source: [Oanda.com](https://www.oanda.com)