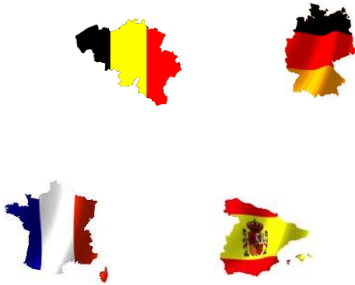


*Germany Belgium France Spain*



**Minutes of  
the 29 March 2017 meeting of the  
EWC Bureau / Econocom European Company Management**

Representatives of the EWC Bureau Members:

*Germany Belgium France Spain*

econocom

**Giovanni Serravalle** Secretary

**Sébastien Gendre** Treasurer

**Fatima Belhachemi** Member of the Bureau

Representatives of the Econocom European Company:

**Sébastien Musset** Executive Director for human resources, internal communication and events and a member of the Executive Committee

**Franck Fangueiro** Group Human Resources Director

External quest



*Germany Belgium France Spain*

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## Summary of the 29 March 2017 meeting

### **Management proposals concerning the relevant regulations for the EWC agreement signed in 2006**

- 1) Change in the number of delegates: 1 Full Member and 1 Alternate Member in countries with a staff representation, then 1 for every 200 employees. (Example, 3 Full Members and 3 Alternate Members for Belgium)
- 2) Only Full Members attending preparatory and ordinary meetings.
- 3) Cost of meetings met by the Management.
- 4) Confirmation of the need to hold a seminar every year attended by Full Members and Alternate Members. Not brought up for discussion but we are keen to point out that the seminar should result in a maximum absence of 2 days, including travel.

This seminar will help to develop the cohesion of the group of staff Representatives as result of facilitating exchanges between them, while working on joint projects (see above).

A specific budget amounting to €10,000 has been allocated (not including travelling and interpreting expenses), with the costs being met by the Management. The group policy (for the trip) and the group tools (KDS) should be used.
- 5) The current operating budget has to be decided upon: company proposal equal to €10,000 (including expenses directly covered by the company).
- 6) The next ordinary meeting should be held straight after the seminar. The date has to be decided upon soon for organisational purposes.
- 7) In addition (a subject not discussed), we believe the Bureau should operate with 4 Members without any guests: Secretary, Assistant Secretary and Treasurer /Assistant Treasurer.

A fair compromise has to be found for the frequency of the Bureau meetings so as to establish a link between a) the Members and b) the Management and the EWC Members. We think a maximum of 6 meetings a year is a good compromise.
- 8) (not brought up for discussion either) We think it might be worthwhile to hold ad hoc working conferences on matters jointly decided upon.

## Preamble

**The Management** has repeated its commitment to **reassert the value** of the EWC, hoping that the legal episodes regarding the Staff Representation Body (EWC) no longer constitute an obstacle to good labour relations within the company. Towards this end, the Management Representatives would like **local Management Teams** to adopt this approach, so as to be able to remove the tensions from the discussions.

The Management would like the Staff Representation Body to be completely beyond reproach and for the agreements and regulations in written form to be applied. It should be noted that the **local Management Teams** are required to follow the regulations laid down in the memorandum of understanding and decisions about the **European Works Council** are not the responsibility of **local managers**. So to be clear, they are not entitled to do away with the European agreement covering the Staff Representation Body.

The Management is hoping that the discussions about the operation of the European Works Council will be held soon and that these subjects, regarded as non-priority, will no longer constitute an obstacle to relations between the European Works Council and the Management. Once these subjects have been dealt with, the Council will then be able to attend to its main tasks.

**The Bureau Members** are anxious to know how the Company Management intends to reassert the value of the European Works Council.

**The Management** is keen to create a fully-fledged partnership with the European Works Council, in particular by means of jointly monitoring the strategic plan with the EWC and presenting an analysis of the figures (financial balance sheet, group investments, turnover, profits, taxes...) so as to allow information to be provided. The Management wants the European Members to be notified about the group results and the Staff Representation Body to be involved in Company projects.

**The Bureau Members** claim that in the wake of the various acquisitions and legal reorganisation exercises, employees are "resigned" to the situation and have a bad "feeling" about the Company human resource management approach (tough management style, employees suffering from burnout, no wage increases).

**The Management** re-emphasises its aim of reasserting the value of the Staff Representation Body, thereby creating the necessary "**social dynamics**" by proceeding in conjunction with the Members of the European Works Council.

**The Bureau Members** claim that one of the ways of asserting the value of the European Works Council's activities is to communicate more effectively with **Employees**. Towards this end, the Bureau Members

specify that the Management has to offer the Council the resources necessary for this communication process.

**The Management** points to the tools available to the EWC, whose Members have the opportunity, through their national organisations, to share and interpret the information provided. However, to be clear, the Members of the European Works Council are also Members of local Works Councils. Under this heading, they are able to report the information to Employees in their individual countries.

**The Bureau Members** suggest launching a fully-fledge European information centre.

**The Management** repeats the importance of having a local mandate to be part of the **European Works Council**. Towards this end, the Management wants to see more interaction between **local Works Councils** and the EWC. For one thing, the Management suggests adding the European minutes to the minutes of meetings of local Works Councils.

**The Bureau Members** recall that the European body is not entitled to **take the place of local bodies**.

**The Bureau Members** also recall the need for support from **local Management Teams**, in order for all the European information to be circulated in the group's countries or entities.

**The Management** cites the example of the monthly meetings held with "**Country Managers**". Subsequent to these gatherings, these Managers provide the information at local level. Accordingly, the European information could quite easily follow the same distribution channel.

The Management cites the example of the operation of a European Council of another Company, where solely Full Members participate during meetings. These Members are therefore responsible for communicating the information to local bodies.

**The Bureau Members** stress the need to let people in charge at local level know about this operating procedure.

**The Management** explains the labour-related operations of another Company, which proposes, as a matter of priority, that local bodies, then the European Works Council, should be consulted about important subjects. Less complicated subjects are discussed locally. Under this heading, the Management says that in order to overcome any "**sticking points**" **local Management Teams** have had to be invited to all the European Works Council meetings in some circumstances. Towards this end, the Management suggests inviting the human resources directors from the various countries, if this should prove necessary.

## **Appointing Representatives to the European Works Council**

**The Management** considers the EWC operating regulations and, as the first subject, wants to discuss the "**authorised representatives**" within the European Works Council.

Note should be taken of the criterion for the number of seats. *As soon as a staff representation is available in a country, a **Representative** from the country is entitled to participate in the European Works*

*Council.* As soon as the country's workforce reaches the threshold of an additional **160** Employees, an additional **Representative** may participate in the EWC.

## Organising plenary sessions

**The Management** considers the subject of plenary sessions, specifying that the EWC operates on the basis of two sessions a year. The sessions are generally held in the morning so Full Members and Alternate Members can have a "debriefing" in the afternoon on the day of the plenary session.

A preparatory meeting bringing together Employee Representatives is held in the afternoon on the day preceding the plenary session. To be clear, the preparatory meeting is held with the **Full Members and Alternate Members** of the EWC in attendance.

## Role of Full Members and Alternate Members

**The Management** considers the subject of Representatives participating in the preparatory meetings, but not attending plenary sessions. The Management disapproves of this system, believing it conveys a poor image of the Staff Representation Body.

However, the Representatives stress the need for all the Members to take part so as to maintain the cohesion of all those participating in the Staff Representation Body.

**The Management** would like to know if a list of the **Full Members** is available featuring the names of their **Alternate Members**.

**The Bureau Members** say the Company Management is aware of this list.

**The Management** believes **Full Member Representatives** should pass information about the activities of the Staff Representation Body onto their **Alternate Members**.

**The Bureau Members** do not agree, stressing the need to share information about the Staff Representation Body with all European Works Council Representatives.

**The Management** believes the outcome of the operating procedure championed by the Representatives would be a representation comprising only **Full Members**. Under this heading, the Management sees a need to raise the workforce thresholds for the composition of the Representatives' delegation. The Management also feels that the presence of a Representative arriving on the eve of meetings but not taking part in the plenary event undermines the EWC. The Management would like this way of operating to cease.

**The Management** reads out the memorandum of understanding for the constitution of the European Works Council, regarding the delegation's composition in terms of "**Alternate Members**".

*"Each country delegation shall appoint by name an Alternate Member for each Full Member. The Alternate Member shall replace the Full Member if the latter is temporarily or permanently unavailable".*

**The Bureau Members** recall that this wording, previously discussed with the different management teams, sought to provide a formal setting for the composition of the Representatives taking part in plenary sessions.

**The Management** believes that if **Full Members** take part in the plenary session, there should be a reduction in the number of Representatives participating in the Staff Representation Body.

**The Bureau Members** reply that decisions will be taken by all the European Members during the seminar.

**The Management** would like to see all these subjects dealt with as quickly as possible.

**The Management** wants to know the number of **Belgian Full Member representatives**.

**The Bureau Members** say the "Red" trade union has two **Full Members**. The "Green" trade union has **two Full Members and two Alternate Members**. To be clear, now that **three Representatives** have left the Company, the composition of the "Red" trade union Representatives will have to be readjusted.

**The Management** would like to make sure that before any change is made the discussions about the organisation of the Council have to have been completed, and particularly in the case of the role of **Full Member and Alternate Member Representatives**, as well as the workforce thresholds for defining the number of Representatives participating in the Staff Representation Body.

**The Management** recalls the terms of the "**Collective Bargaining Agreement 64**", providing for the Staff Representation Body's composition as equal to one Representative per country. However, the Management does not want to see a minimum level of representation, believing there is a need to examine what would be the best possible composition.

**The Management** considers the number of Employees within the **Belgian entities**, referring to a number equal to **420** Employees. To be clear, solely Employees with a wage-based contract are taken into account to define the number of Representatives participating in the EWC. Under this heading, the Management proposes a Belgian Employee representation comprising solely **three Full Member Representatives and three Alternate Member Representatives** participating in the Staff Representation Body.

**The Management** proposes two potential options for the composition of the EWC. A first system comprising solely Full Members. Or a second one to be applied only if Alternate Members attending a preparatory meeting become Full Members, such that their number (as Full Members) would have to be reduced.

**The Bureau Members** say a change to the memorandum of understanding may be ratified only by all the **Members participating in the EWC**. Towards this end, the Management proposal and the ideas of the **Bureau Members** are to be submitted to all the Members participating in the EWC.

**The Management** suggests reviewing **the actual number** of Employees for defining the composition of the Staff Representation Body, in order to increase the threshold of **200 Employees for one Representative** participating in the EWC. It is also proposed to approve the following regulation:  
*During plenary sessions, solely Full Members who participated in the meeting the day before are allowed to attend*



The Management also wants the agreement to cover the holding of one seminar, comprising all the Representatives, Full Members and Alternate Members.

## **System for appointing Representatives to serve in the European Works Council**

**The Management** recalls that the appointment of a Member to serve in the Staff Representation Body (EWC) is possible only if the Member previously exercised a local mandate.

**The Bureau Members** recall that a Representative appointed to serve in the European Staff Representation Body retains the mandate for the period laid down in the European agreement. Consequently, Representatives who lose their local mandates will retain their European mandates for the whole duration.

**The Management** considers the case of Representatives participating only rarely in Council's activities and would like measures to be taken in this case.

**The European Works Council Members** recall that they have no freedom of action as regards appointments made by trade unions. However, the **Representatives** present want to see a maximum level of efficiency in the case of the Staff Representation Body Members.

## **Funding for the European Staff Representation Body**

**The Management** recalls the funding criterion applied, specifying that the level of funding was hitherto limited to **€15,000**. A payment was made automatically as soon as the **€4,000** threshold became the amount in the Staff Representation Body's bank account. The Management specifies that in the light of recent events, documentary evidence of expenditure is now required.

**The Bureau Members** recall that documentary evidence of expenditure has always been provided to the Management.

**The Management** claims that the Econocom Company believes it has been exceedingly generous as regards funding for the Staff Representation Body. To be clear, the resources allocated for the Body are higher than those provided by other Companies that have European Works Councils.

**The Management** would like to know the size of the budget earmarked for the Staff Representation Body.

**The Bureau Members** specify that budget equal to de **€140,000** was committed during the **year 2015**. This level of expenditure was primarily used for budget "items" concerning translation and interpreting during meetings. It should be noted that last year, **the budgets the Company allocated** made it impossible to organise the European Works Council's activities. To be clear, the interpretation and translation costs account for roughly **50%** of the budget used.

**The Bureau Members** question the Management Representatives about their willingness to see the application of an annual budget or if they want to continue funding the Staff Representation Body in the same way that has been applied since the Body was created.

**The Management** says that these costs are high compared with those of other organisations and it is possible for them to be reduced.

**The Bureau Members** recall that during the **year 2014**, the Company Management sought to take charge of organising the interpreting but a study showed that the costs would have been higher on the basis of the Management's solutions. It was therefore decided to opt for the interpreting agency the European Works Council normally uses.

**The Management** proposes meeting the costs of organising plenary sessions, transport facilities for the participants and interpreting-related expenses so as to separate the costs involved in organising plenary sessions and the Staff Representation Body's operational costs. Seminars and the costs of Bureau meetings will continue to be chargeable to the Staff Representation Body.

## **Provision of technical facilities (IT and Communication)**

**The Bureau Members** recall the need to consider the costs involved in organising the Representatives' work. Costs related to the allocation of facilities, such as equipment and a telephone service subscription and the IT facilities required for the exercise of the European Representatives' mandates.

**The Bureau Members** recall that all the European Works Council Members that so requested received the initial allocation of resources.

**The Management** is not keen on the systematic allocation of resources for all Members.

**The Bureau Members** recall local Works Councils are all able to provide Members with IT and telephone service facilities.

**The Management** suggests taking charge of the allocations and providing equipment solely to Representatives who do not have any.

**The Bureau Members** think that it should be up to the Staff Representation Body to choose the telephone service subscription operator, mainly because of the confidentiality of discussions, as required by the Members.

**The Management** refers to incidents in another Company, where telephone tapping led to the unmasking of an individual guilty of misconduct. If telephone tapping were not allowed the individual would not have been investigated. The Management refers to these incidents in order to illustrate the difficulty of tracking telephone calls.

**The Bureau Members** say they have the impression that Company e-mails are consulted by third parties.

**The Management** recalls that in most countries the Company e-mail system is the property of the Company but the Management insists it has no access to employees' e-mail boxes. **Mr Musset confirms that he has never seen any request of this type since his arrival.**

However, if the Representatives want to take charge of the **telephone** service subscriptions, **the Management will not object.**

**The Management** is in favour of awarding an annual budget, stressing that if particular circumstances should so require, any requests will be examined in good faith.

## Organisation of EWC seminars

**The Management** would like to know the costs planned for the organisation of a seminar.

**The Bureau Members** say the cost of organising a seminar is put at roughly **€30,000**. To be clear, the budget is the same size as the one required to organise a plenary session.

**The Management** would like to know the "**return on investment**" to expect from the organisation of this event.

**The Bureau Members** recall that Members are required to consider important matters. Towards this end, the seminar is an exceptional opportunity for discussing what progress has been made with these matters.

**The Management** wants to make sure these events offer real "**added value**" for the Staff Representation Body.

The Members suggest working together with the Management on specific matters, citing the example of the question of "**downward communication**" to local Works Councils, that could be jointly organised with the Company Management.

**The Management** would like to know the overall number of Members within the Staff Representation Body.

**The Bureau Members** say the Body has **29** Members representing Employees.

**The Management** proposes awarding a specific budget for organising the seminar. To be clear, this measure is intended to make the Body accountable in terms of financial savings.

**The Bureau Members** recall the seminar held in a location close to La Rochelle, specifying that the accommodation did not exceed **€50 per person for one night**. The Members stress that cost-effectiveness has always been a key concern in the organisation of the European Works Council.

**The Management** would like to know the costs involved in organising the interpreting service during a seminar.

**The Bureau Members** say the interpreting costs account for roughly half the seminar organisation budget.

**The Management** proposes meeting the costs of organising two annual plenary sessions. It is also proposed that the memorandum of understanding should include the **organisation of an annual seminar**, specifying the aims of the event and making it possible to work on cases being dealt with by the Staff Representation Body. As for the seminar interpreting costs, they will be met by the Company but remain under the operational responsibility of the European Works Council. The aim is to separate the Staff Representation Body's organisation costs for meeting-type events.

**The Management** considers the leisure products that Representatives bought during one seminar. To be clear, these kinds of subjects should not have to be "**discussed**" again.

**The Bureau Members** says it involves the tiny amount of **€30**. To be clear, the purchase was never concealed from the Company Management.

**The Management** proposes an operating budget equal to **€10,000**, not including interpreting costs, and €15,000 to organise the annual seminar. However, the Company wants the Body to justify the expenditure incurred. To be clear, exceptional overruns may be envisaged. This measure may be approved within the memorandum of understanding.

**The Bureau Members** want all the Members to be able to access the "**KDS**" app so as to be able to make transport reservations during seminars.

**The Management** specifies the discussions. Accordingly, accommodation, transport and interpreting costs for the organisation of plenary sessions will be met by the Company. A specific budget will be earmarked for the organisation of the seminar, and amounting to **€10,000**, so as to be able to arrange the accommodation and the cost of meals.

## **EWC operating budget**

**The Bureau Members** recall their role as being in charge of the staff representation entity, specifying that the aim is to facilitate the European Works Council's activities throughout the year.

**The Management** would like to know if the monthly meeting of Bureau Members is necessary.

**The Bureau Members** stress the need for this monthly meeting. Towards this end, the Representatives intend to provide all of the monthly meeting reports. To be clear, the meetings are held in Paris or Brussels according to the needs of the events. It should also be specified that Representatives do not hold a meeting during the month of August.

**The Management** mentions another Company with a different operating procedure, involving four Bureau meetings preceding four plenary sessions.

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**The Bureau Members** recall that the Belgian Representatives in the European Works Council are waiting for the Management to reach a decision on approving their participation in the next seminar.

**The Management** wants to have some clarification about the appointment of Full Member and Alternate Member Representatives before signalling its agreement to allow them to participate in the EWC seminar.

**The Management** asks the Representatives to provide the list with the names of the **three Full Member Representatives** and the **three Alternate Member Representatives**, in order to allow them to attend the next seminar.

**The Bureau Members** reply that this list has already been given to the Management but will be provided again as soon as possible.

*The Bureau*

*Giovanni Serravalle / Secretary*

