

**AUCHAN**  
**17-05-1996**



[translated from French]

*AGREEMENT ON THE "AUCHAN EUROPEAN WORKS COUNCIL"*

Between the Company SAMU-AUCHAN represented by:

Mr Francis CORDELETTE,  
General Manager, Auchan France Hypermarkets,

Mr Daniel GUILLUY,  
Human Resources Director, Auchan France Hypermarkets,

The Company SAMADOC represented by:

Mr Francis CORDELETTE,  
Chairman and CEO

And the hereafter named trade union organizations:

Confédération Française Démocratique du Travail (CFDT)  
represented by Ms Odile PALIER

Confédération Française des Travailleurs Chrétiens (CFTC)  
represented by Ms Francine ORVAS

Confédération Générale des Cadres (CGC)  
represented by Mr Robert LAUER

Confédération Générale du Travail (CGT)  
represented by Mr Jacques BRUCHET

Confédération Générale du Travail-Force Ouvrière (CGT-FO)  
represented by Mr Didier RASSON

## **PREAMBLE**

Auchan Central Management and the employee representatives have decided by this Agreement on the establishment of the European Works Council to extend the existing European-level social dialogue in the undertaking and its subsidiaries.

The internationalisation of trade in products and interchanges of people and cultures makes the development of a European social dialogue a factor of competitiveness for the company which is in keeping with the Auchan Vision and partakes of the undertaking's Blueprint and Values.

Therefore, information must be communicated to employee representatives at European level in order to facilitate the exchange of views and the establishment of dialogue.

## **ARTICLE 1 - SCOPE**

This Agreement applies to Auchan as an undertaking comprised of the parent company SAMU-AUCHAN and companies over which it exercises a dominant influence within the meaning of Article 3 of European Directive 94/95/EC of the Council of 22/9/1994. This particularly includes subsidiaries within the meaning of section 354 of Act No. 66.537 of 24/7/1966 and companies in which SAMU-AUCHAN indirectly holds more than half of the share capital and which employ workers in a Member State of the European Union. The list of the companies concerned is annexed.

## **ARTICLE 2 – ESTABLISHMENT**

**2.1** The European Works Council consists of a representative range of European Union countries in which Auchan operates.

Accordingly and because the number of seats is limited, one seat is allocated to each EU member state in which at least one hypermarket is operated; priority for the remaining seats shall go to those countries employing the greatest number of workers.

**2.2** EWC members shall be appointed by the most representative employee representation body in each company (Central Works Council where there is one) in accordance with arrangements determined by it through consultation between management and trade unions - or if there is no trade union in the company - employee representatives.

## **ARTICLE 3 - COMPOSITION**

### **3.1 CENTRAL MANAGEMENT REPRESENTATIVES**

The undertaking is represented by the International General Manager or his representative, assisted by persons of their choosing who are members of the undertaking or one of its subsidiaries.

### **3.2 EMPLOYEE REPRESENTATIVES**

- The employee representatives on the European Works Council must hold elective office (preferably as a Member of the Works Council) in their employing firm. Loss of such office shall entail the lapse of membership of the European Works Council.
- As the undertaking's current business activities stand, there will initially be 15 employee representatives. This number may be adjusted from time to time if need be in line with changes in the workforce but cannot in any event exceed 30 seats.
- In order to reflect the relative importance of each country falling within the scope of this Agreement, the allocation of members per country is determined in proportion to workforce size, in accordance with the annexed table.

The signatory parties may agree to modify this allocation should the European structure of the undertaking be affected by significant changes.

- 3.3** The country bodies referred to in Article 2.2 shall see to it that the appointment of European Works Council members ensures diversity of representation of the different categories of employee, in particular Supervisory Staff.

### **3.4 PARTICIPATION OF NON-EU SUBSIDIARIES**

Each foreign subsidiary located outside the European Union may appoint a representative to attend European Works Council meetings as an observer.

Such representative shall be appointed jointly by management and the employee representatives.

## **ARTICLE 4 - FUNCTIONS**

The European Works Council is a forum for information and dialogue exclusively on matters concerning the undertaking's strategy affecting a number of countries in Europe.

Therefore, in order to facilitate exchanges of views and the establishment of dialogue, the EWC shall be informed about major changes in Auchan's business activity, economic situation and outlook, changes in employment and that of Valauchan International.

In no circumstances can the European Works Council replace the existing representation bodies in the different countries or adversely affect the rights of employees and their representatives in each country.

## **ARTICLE 5 - OPERATION**

- The European Works Council shall be chaired by the International General Manager or his representative.
- The European Works Council shall cause a Secretary to be appointed by and from among its employee representative members by a majority of voters.
- It shall meet annually on notice given by the Chairman or his representative. The Chairman or his representative may call an extraordinary meeting of the EWC in exceptional circumstances.
- The agenda shall be set by the Chairman or his representative in consultation with the Secretary; it shall be notified to EWC members at least fifteen days before the date fixed for the meeting.

A preparatory meeting may be held if required on the evening before the European Works Council meeting. The members of the European Works Council shall be provided with a room so that they may meet for this purpose.

- The EWC shall normally meet at the end of the 1st half of the year.

Central Management shall organize and pay the costs of the meeting.

The official language of proceedings shall be French. Facilities for simultaneous interpretation into the other main languages shall be provided.

- Central Management shall draw up a summary record of the meeting in consultation with the Secretary.
- The time spent by employee representatives in meetings organized in accordance with Management shall be counted and paid as actual working time and shall not be set off against the facility time to which they may otherwise be entitled.

Travelling time and associated costs shall be borne by their employing company in accordance with the rules in force in it.

## **ARTICLE 6 - PROTECTION OF EMPLOYEE REPRESENTATIVES**

The employee representatives on the European Works Council shall in the performance of their duties be afforded the protection provided by the laws of their country of employment.

## **ARTICLE 7 – CONFIDENTIALITY OBLIGATION**

The members of the European Works Council shall be bound by a duty of non-disclosure and undertake in their dealings with third parties to preserve the confidentiality or secrecy of information communicated to them as such.

This obligation shall endure even after the expiry of their term of office.

## **ARTICLE 8 - DURATION AND SCOPE OF THE AGREEMENT**

This Agreement shall enter into force upon signature. It is concluded for an indefinite period. It may be terminated after 3 years by 3 months' notice and by decision of the Chairman or by a majority of 2/3 of the signatory organizations.

The signatory parties expressly agree that this Agreement fulfils all the validity criteria for agreements reached in anticipation as derived under Article 13 of Council Directive 94/45/EC of 22/09/1994.

The rules and operating procedures set forth in this Agreement may be revised to reflect changes in French and/or European laws, it being understood that the provisions of this Agreement shall in such an eventuality be taken into account.

The wording of this Agreement written in French shall be authoritative. Any issues arising in connection with the application or interpretation of this Agreement shall be submitted to the jurisdiction of the French courts and tribunals.

## **ARTICLE 9 – PUBLICATION AND REGISTRATION**

Pursuant to Articles L 132-10 and R 132-1 of Book I of the Labour Code, the text of this Agreement shall be lodged with the head office of the Direction Départementale du Travail et de l'Emploi (Departmental Division of Labour and Employment) in Lille and with the Conseil des Prud'hommes (industrial conciliation panel) of Lys-lez-Lannoy.

Done in Villeneuve d'Ascq, this 17/ 5/ 1996

Signed below the words

"Acknowledged and Agreed to"

Mr Francis CORDELETTE,  
General Manager, Auchan France Hypermarkets, SAMU-AUCHAN  
Chairman and CEO, SAMADOC  
Mr Daniel GUILLUY,

Human Resources Director, Auchan France Hypermarkets,

Ms Odile PALIER (CFDT)  
Ms Francine ORVAS (CFTC)  
Mr Robert LAUER (CGC)  
Mr Jacques BRUCHET (CGT)  
Mr Didier RASSON (CGT-FO)

## ANNEX

Employee delegation: 15 members, allocated according to the following principles:  
 1 ex officio member per country, with additional members pro rata to the workforce.

Country	Ex officio member	Workforce		ADDITIONAL MEMBERS		TOTAL
		Permanent employees at 31/12/95	%	Pro rata	Highest average	
FRANCE	1	27572	74.39	7.43	1	9
SPAIN	1	7363	19.87	1.98	1	3
ITALY	1	2129	5.74	0.57	-	1
LUXEMBOURG	1	-	-	-	-	1
PORTUGAL	1	-	-	-	-	1
<b>TOTAL</b>	<b>5</b>	<b>37064</b>	<b>100</b>	<b>8</b>	<b>2</b>	<b>15</b>