

# HILTON International

## 1-01-1999



### *JOINT AGREEMENT ON THE ESTABLISHMENT OF THE EUROPEAN CONSULTATIVE FORUMS IN LADBROKE GROUP PLC*

#### **1 PURPOSE AND SCOPE OF THE AGREEMENT**

This Agreement defines the scope, purpose, membership and operation of the European Consultative Forums in Ladbrokes Group PLC.

This Agreement fulfils Ladbrokes Group's obligations in the EU Council Directive 94/95 on The Establishment of a European Works Council in Community - Scale Undertakings for the Purposes of Informing and Consulting Employees ("the Directive"). It is the intention and belief of the parties to this Agreement that it provides arrangements for effective joint consultation and meets fully all the requirements of Article 13 of the Directive.

#### **2 LADBROKES GROUP PLC BUSINESSES COVERED**

This Agreement covers the entire workforce of Ladbrokes Group's operation in the European Union.

Companies where Ladbrokes Group PLC or one of its subsidiary companies has more than 50% of the shares or where Ladbrokes is a controlling undertaking will be represented at meetings of the Forums.

The Agreement is intended to cover the entire workforce in the European Union: accordingly, representations may be made to the Secretaries of the Forums if it is believed that any employees are not represented.

In the event of significant changes to the levels of employment of the organisation structure, a redefinition of the constituencies in this agreement will be made. The structure of the Forum will continue unchanged whilst such a review is in process.

#### **3 ROLE OF THE FORUMS**

The Forums are annual meetings of Management and employee Representatives who meet to engage in a consultation and dialogue on business performance and prospects of Hilton International and the Group's Betting and Gaming Division.

The Forums are not an arrangement for collective bargaining and the pay and terms and conditions of employment of the workforce are not discussed at their meetings.

The Forums are not intended to replace, duplicate or supersede any establishment procedures for informing, consulting and involving employees (or their representatives) at other levels in the Company.

In its meetings the Forums will concentrate upon:

- the performance of Ladbrokes Group PLC (and especially its European operations) and its Divisions: Hilton International and Betting and Gaming
- the company's general strategic direction
- the company's financial and commercial situation
- the employee situation and likely developments
- levels of investment and changes in the structure of the company
- significant redundancy programmes, acquisitions, transfer or disposals

The Forum may agree to discuss other subjects.

#### **4 MEMBERSHIP OF THE FORUM**

##### **i) Management**

Each Forum will be chaired by an executive director of the controlling undertaking.

##### **ii) Employee Representatives**

The total number of employee representatives who are members of the Forums is set out in Appendix 2 to this Agreement.

##### **iii) Terms of Office for Employee Representatives**

The normal term of office for employee representatives will be two years.

Representatives may be elected for subsequent terms. Only permanent employees of the company may be members of a Forum. In the event of a representative leaving the company or resigning from a Forum before completing their term of office, the substitute will take over the remainder of the term of office. In the event that both the usual representative and the substitute(s) leave the company or resign their positions, a new representative will be elected for the remainder of the term of office.

#### **5. OPERATION OF THE MEETINGS**

There will be one meeting of each Forum each year which will normally coincide with the Ladbroke Group Annual Results Announcement. Only those members defined in 4(i) and (ii) above will attend the meeting.

There will be two Joint Secretaries of each Forum, one appointed by Management and one chosen by the employee representatives {please see Clause 7 of Appendix 1 for explanation of the operation of the Hilton International Forum}.

The Joint Secretaries will be responsible for ensuring that the date and venue of the meeting is confirmed at least 2 months in advance, and that the agenda is published at least 1 month in advance of the meeting.

The Joint Secretaries will be responsible for producing a record of the meeting and a shorter bulletin highlighting the main issues discussed which can be distributed to the workforce.

The company will meet all the costs of travel, accommodation and interpretation.

The employee representatives will not suffer financial loss as a result of attending agreed meetings of the Forums.

#### **6 LANGUAGE OF THE FORUMS**

The meeting will be conducted in English. Simultaneous translation facilities will be provided where necessary.

All supporting documentation will be produced in English with translation where necessary.

If the nature of representation on a Forum changes, the issue of appropriate languages will be reviewed.

## **7 CONFIDENTIALITY**

The company will provide employee representatives with the information necessary for the efficient running of the Forums. Each member of a Forum will maintain the security of all information marked as confidential and will be required to sign a statement of confidentiality. Confidentiality remains binding even after such time as an individual ceases to be a member of a Forum or to be employed by the Company.

Any breach in confidentiality will result in the immediate removal from a Forum of the person(s) responsible. Additionally, serious breaches of confidentiality will be dealt with through the company's disciplinary procedure and/or regulations set down in National law.

Under no circumstances will any member of a Forum communicate with the Press, or any other external organisation, the information marked as confidential without agreement from the Chairman of that Forum. The operation of this clause is not intended to impede the legitimate and necessary reporting back by employee representatives to their constituencies / workforce. Any dispute which may arise from the operation of this clause will be determined in accordance with the provisions of the Irish Legislation.

## **8 PROTECTION OF MEMBERS OF THE FORUMS**

Employee representatives exercising their function shall enjoy the same protection and guarantees provided for employee representatives by the national legislation and / or practice in force in their country of employment.

## **9 TRAINING OF MEMBERS OF THE FORUMS**

The company will discuss training of employee representatives with members of the Forums.

## **10 DURATION OF THE AGREEMENT**

This Agreement will last for seven years from the date of signing. During the seven year of the currency of the agreement, the parties will meet to consider its renewal and/or extension.

## **11 LEGAL BASIS FOR THE AGREEMENT**

This Agreement is intended by the parties to be legally binding.

This Agreement will be governed by and construed in accordance with the laws of the Republic of Ireland.

Whilst the parties agree and believe that this Agreement complies in full with all the requirements of Article 13 of the Directive, in the event that its compliance with Article 13 is challenged by any party, the central management of Ladbroke Group PLC (being the controlling undertaking for the purposes of the Directive and located in the UK), hereby formally nominates and appoints Ladbroke Racing Ireland in the Republic of Ireland as its representative within the "Member States" (as defined in the Directive) for all purposes including but not limited to Articles 3.6 and 4.2 of the Directive). The English language version of the Agreement is deemed to be the definitive version.

## Appendix 1 The European Consultative Forums

1. This Agreement establishes two European Consultative Forums which shall be known as:
  - The Hilton International European Consultative Forum; and
  - The Betting and Gaming European Consultative Forum
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2. The total number of employee representatives who are members of the fora is set out in Appendix 2 (a) and 2 (b).
3. Employee representatives will serve on the fora by representing particular constituencies. These are:
  - (a) Hilton International European Consultative Forum
    - The basis of representation to the Hilton Forum is set out in Appendix 2(a)
    - In the United Kingdom, twelve representatives will be elected from amongst the hotel employee representatives who sit on the UK Consultative Council.
    - The management of Hilton International shall be able to appoint up to three Hotel General managers as members of the Hilton International Forum.
    - It is the responsibility of management in Hilton International to provide facilities whereby three employees may be elected as representatives from Maple court.
  - (b) Betting and Gaming European Business Forum
    - Twelve representatives will be chosen from the Ladbroke Racing Staff Council of whom two must be representing the Head Office at Rayners Lane, two must represent the Republic of Ireland and at least one from each region in the UK.
    - Three representatives will be elected from the Tiercé Joint Council.  
Three representatives will be elected from the Vernons employees. Four representatives will be elected from the employees of Ladbroke Casinos Holdings.
4. Wherever there is a surplus of candidates for a particular position(s), there will be an election and voting must be conducted in secret.
5. Wherever there is a vote, all permanent employees are entitled to exercise their vote.
6. Employee representatives must have at least one year's service on the date they commence their period of office. They will be elected for a period of two years and be entitled to be re-elected for further terms of office.

### 7 .THE OPERATION OF THE HILTON INTERNATIONAL FORUM

- Meetings of the Forum will be organised to allow sufficient time for employee representatives to meet before the main meeting and immediately after its conclusion. Simultaneous translation facilities and interpreters will be provided.
- Provided that a majority of their number so agree, employee representatives may be assisted by an adviser, independent of the company, of their choice at their pre Forum meetings. The company will pay all necessary and reasonably incurred travelling and accommodation expenses for the independent adviser. The role that he/she will perform is to provide independent and objective analysis to support the employee representatives in their work.
- If a majority of the employee representatives request, and the company so agrees, the independent adviser may attend meetings of the Forum for specified items of the agenda where the technical nature or complexity make his/her presence appropriate. The company will not unreasonably withhold its consent to such requests. The independent adviser will not be a member of the Forum but will be required to sign the same Confidentiality Statement as the employee representative members of the Forum.

- Employee representatives are entitled to elect up to three of their number to represent their colleagues in dialogue with the company for the purposes of agreeing before the meeting the structure and the agenda of the meeting, and afterwards the minutes. Simultaneous translation, where necessary, will be provided for any such meetings of the Joint Secretariat.
- Any other meetings of employee representatives between meetings of the Forum are not provided for by this Agreement.
- If there are exceptional circumstances or events affecting employees' interests to a considerable extent, representations may be made to the company that an additional meeting of the Forum is necessary. The company will inform members of the Forum of this representation and give consideration to such a request. The decision on whether an additional meeting is held will be taken by the company after consultation with the three employee representatives who have been elected by the wider group of employee representatives.

**Appendix 2 (a) Membership of the Hilton International European Consultative Forum (35 Employees Representatives)**

	United Kingdom	France	Germany	Italy	Spain	Greece	Belgium	Austria	The Netherlands	TOTAL
Hilton International/ Ladbroke Group at Maple Court	3	-	-	-	-	-	-	-	-	3
Hilton International	12	4	5	2	1	1	2	2	3	32
TOTAL	15	4	5	2	1	1	2	2	3	35

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**Agreement 2 (b) – Membership of the Betting and Gambling European Consultative Forum (24 Employee Representatives)**

	United Kingdom	Republic of Ireland	Belgium	Total
Ladbroke Racing - Rayners Lane	2	-	-	2
Ladbroke Racing - Regions	8	2	-	10
Vernons	3	-	-	3
Ladbroke Casinos	4	-	-	4
Tiercé	-	-	3	3
<b>Total</b>	<b>17</b>	<b>2</b>	<b>3</b>	<b>22</b>