

SODEXHO
01-01-1998



[translated from French]

ESTABLISHMENT

OF A EUROPEAN WORKS COUNCIL

AT THE SODEXHO GROUP

ECF EUROPEAN COMMITTEE OF FOOD, CATERING AND ALLIED WORKERS' UNIONS
WITHIN THE IUF (ECF-IUF) IUF

SETA SYNDICAT EUROPEEN DES TRAVAILLEURS DE L'ALIMENTATION, DE L'HOTELLERIE
ET DES BRANCHES CONNEXES (SETA-UITA) DANS L'UITA UITA

EAL EUROPÄISCHER AUSSCHUß DER LEBENS-, GENUßMITTEL- UND
GASTGEWERBEGEWERKSCHAFTEN IN DER IUL (EAL-IUL) IUL

IT IS HEREBY NOTED THAT

Mr Erik DE VOS, Human Resources Manager, representing the Sodexho Group,

AND

Mr Thierry DEDIEU, representative of the trade union SETA-UITA and Coordinator for the Sodexho Group,

have on this day noted the outcome of the consultation of the nineteen employees' representatives on the Special Negotiating Body concerning the establishment of a European Works Council within the Sodexho Group:

- For the draft Agreement: 18
- Against the draft Agreement: 1

On the strength of which the Agreement on the establishment of a European Works Council at the Sodexho Group is deemed to have been concluded for a fixed term of three years beginning on 1 May 1998. A copy of the Agreement is attached as an Annex.

For SODEXHO ALLIANCE
Date 14/04/98

For SETA-UITA
Date.....

[signed]

[signed]

Erik DE VOS

Thierry DEDIEU

ESTABLISHMENT
OF A EUROPEAN WORKS COUNCIL
AT THE SODEXHO GROUP

PREAMBLE

The Management of Sodexho Alliance established a Special Negotiating Body entrusted with determining the conditions for implementing the right of employees to information and consultation, instituted by the Community Directive of 22 September 1994.

These conditions, which form the subject of the present document, are governed by the French legislation transposing the Directive. Their purpose is to determine the information and consultation mechanisms at European level; they do not replace the rules existing within each State.

In order to comply with the spirit of the Directive, the European Works Council established by this Agreement shall encompass all the Member States of the European Community and of the European Economic Area in which the Sodexho Group directly or indirectly controls undertakings.

ARTICLE 1: DEFINITIONS

EWC means European Works Council.

Transnational information means information on matters which significantly affect the conditions of employment and the interests of employees in more than one State represented on the EWC.

Consultation means the exchange of views and establishment of dialogue.

Workforce at 31 August 1997 means the number of employees registered on the payroll of the companies concerned by the Agreement on 31 August 1997, i.e. holding a permanent or fixed-term, full-time or part-time contract of employment with these companies, whether they be actually working, on paid leave or off work for reasons of training, sickness, maternity, parental childcare leave, national service or sabbatical leave.

ARTICLE 2: SCOPE OF THE AGREEMENT

The EWC established by this Agreement shall comprise representatives of the employees at 31 August 1997 of the companies directly or indirectly controlled by the Sodexho Group in all the Member States of the European Community and of the European Economic Area, i.e. Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Spain, Sweden and the United Kingdom.

ARTICLE 3: FUNCTIONS OF THE EWC

The EWC shall be competent to receive transnational information and to be consulted (in accordance with the definitions given in Article 1) in the following fields:

- the economic and financial situation,
 - the probable development of the business,
 - the structure, situation and probable trend of employment,
 - the implementation of European legislation in respect of employment, training, health, safety, working conditions, protection of the environment,
- and more generally on matters which significantly affect the conditions of employment and the interests of employees in more than one State represented on the EWC.

ARTICLE 4: COMPOSITION OF THE EWC

The EWC shall comprise:

- the Chairman and Managing Director of Sodexo Alliance, who shall chair the EWC, assisted by persons of his choice who shall have the right of discussion only. Where exceptional circumstances prevent him from attending, the Chairman and Managing Director shall nominate a representative to replace him;
- representatives of the employees of undertakings belonging to the Group, appointed in accordance with the procedures set out hereafter.

ARTICLE 5: APPOINTMENT OF EMPLOYEES' REPRESENTATIVES

The number of seats allocated to the employees' representatives on the EWC shall be determined by the following rules:

- one seat for each of the States listed in Article 2;
- additional seats in relation to the workforce in each State at 31 August 1997 as a proportion of the total workforce covered by the Agreement, according to the following arrangements:
 - between 10 and 14.99%: 1 seat
 - between 15 and 24.99%: 2 seats
 - between 25 and 39.99%: 3 seats
 - above 40%: 4 seats.

The composition of the EWC achieved by applying this rule is shown in the Annex.

The employees' representatives for each State shall be appointed from among the employees who have worked for at least eighteen months in undertakings of the Group located in that State. They shall be elected or appointed in accordance with the laws and customs applicable in each of these States.

For each titular representative, an alternate shall be appointed under the same conditions with a view to replacing the titular representative when exceptional circumstances prevent him/her from attending (sickness, departure from the undertaking).

The titular and alternate representatives shall be appointed for the duration of the Agreement.

The names of a country's representatives shall be brought to the notice of the employees in that country in ways to be determined by agreement with the Managers of the Group's companies in that country.

ARTICLE 6: BUREAU OF THE COUNCIL

The employees' representatives shall appoint from among themselves, by a simple majority, a Bureau consisting of three members including the Secretary of the EWC. The EWC shall take note of these appointments at its first meeting.

The Bureau, whose task is to ensure regular contact between the EWC and the Management of Sodexo Alliance, shall be mandated by the EWC and shall not replace it.

The working languages used at meetings of the Bureau with the Management shall be French and English.

ARTICLE 7: MEETINGS OF THE COUNCIL

The titular members of the EWC shall meet once a year by invitation of the Chairman, usually during the second quarter of the calendar year. This session shall be preceded by a half-day preparatory meeting on the previous day.

The agenda for the meeting shall be drawn up by the Chairman in conjunction with the Secretary. It shall be forwarded to the members of the EWC one month before the meeting.

A summary record of the meeting, drafted in French, shall be sent by the Management of Sodexho Alliance - with the Secretary's agreement and no more than one month after the meeting - to the Managements of the countries represented on the EWC for translation into the national languages and circulation to the employees' representatives in their country.

The agenda and the summary record shall be produced in each member's language. The authentic version of these documents shall be the French version. All other documents forwarded or presented to EWC members shall be drawn up in French and in English.

Information about the debates and proceedings of the EWC shall be supplied to the employee representation bodies in each country represented on the EWC in ways to be determined by agreement with the Managements of the Group's companies in these countries.

Where there are exceptional circumstances affecting to a considerable extent the interests of employees in more than one of the States represented on the EWC, the Bureau shall be informed as soon as possible by the Management of Sodexho Alliance. It shall then meet with the Chairman and if necessary, with his consent, with the EWC representatives of employees in the States affected, in order to hold an exchange of views and a dialogue about these circumstances. This consultation shall not undermine the prerogatives of the Corporate Manager, nor those of the national employee representation bodies.

ARTICLE 8: OPERATION OF THE COUNCIL

The official working languages of the Group are French and English.

In order to ensure that the Council operates effectively and that good-quality exchanges take place between its members, it is agreed that the representatives should be able to understand each other and express themselves in at least one of these languages. The parties shall do their utmost to come closer to this objective. To this end, the Central Management shall provide the training courses needed for everyone to progress towards this objective, in ways to be determined on a country-by-country basis.

At the same time, the parties concur that it will be difficult to achieve this objective during the term of the Agreement. For that reason, during this period, interpretation will be provided into the national languages other than French and English at the preparatory and plenary meetings of the EWC for representatives who have not made sufficient progress in mastering these languages.

The employees' representatives may call on the assistance of experts of their choice, depending on the agenda, at the preparatory meeting. At the request of the employees' representatives, one of the experts may attend the plenary meeting, during which he/she shall have the right of discussion only. The Company shall defray the expenses relating to the assistance of one expert only.

All reasonable expenses incurred for the holding of the annual EWC meetings or for special meetings of the Bureau (cost of holding meetings and interpretation, travel and subsistence costs of EWC members) shall be defrayed by Sodexho Alliance and its subsidiaries.

ARTICLE 9: CONFIDENTIALITY

The members of the EWC and the expert assisting them shall be bound by a duty of discretion. In particular, they must not reveal to a third party any information which has expressly been provided to them in confidence by the Management.

Moreover, no information which could be prejudicial to the functioning of the Sodexho Group or could conflict with national legislation or stock market requirements will be supplied.

ARTICLE 10: PROTECTION OF EMPLOYEES' REPRESENTATIVES

The members of the EWC shall, in performing their duties, enjoy the same protection provided for employees' representatives by the national legislation and/or practice in force in their country of employment.

ARTICLE 11: DURATION AND AMENDMENT OF THE AGREEMENT

The Agreement shall be concluded for a fixed term of three years beginning on 1 April 1998. The agenda for the annual session in the year 2000 shall include a discussion of what follow-up there should be.

During the term of the Agreement, any amendment may be made to it on two conditions: that it meets with the approval of two thirds of the employees' representatives, and that it is agreed by the Chairman or his representative.

ARTICLE 12: INTERPRETATION OF THE AGREEMENT

In order to avoid any ambiguity arising from the translation of the text of the Agreement, the French version of the Agreement and its interpretation shall prevail and shall be governed by French legislation.

Where there are disagreements over the interpretation of the text, the EWC Bureau and the Management of Sodexho Alliance shall meet to seek a common interpretation.

ARTICLE 13: AGREEMENT

This Agreement shall be deemed to be concluded if this text receives the written approval of a majority of the employees' representatives on the Special Negotiating Body, i.e. at least ten representatives out of nineteen.

ANNEX

EUROPEAN WORKS COUNCIL OF THE SODEXHO GROUP

SEATS ACCORDING TO WORKFORCE AT 31/8/97

Country	On payroll	%	Seats
Austria	99	0.1%	1
Belgium	2791	3.0%	1
Denmark	185	0.2%	1
Finland	1287	1.4%	1
France	19364	20.7%	3
Germany	3240	3.5%	1
Ireland	968	1.0%	1
Italy	7171	7.7%	1
Luxembourg	417	0.4%	1
Netherlands	5724	6.1%	1
Norway	463	0.5%	1
Spain	1680	1.8%	1
Sweden	12166	13.0%	2
United Kingdom	37915	40.6%	5
Total	93470	100%	21