



§1 Preamble

Under the terms of the AEU Directive (2009/38/EC) dated 6th May 2009 (**Directive**) and in accordance with the agreement between the Special Negotiating Body (**SNB**), negotiated on behalf of the employees covered by the European Economic Area and including the United Kingdom (the **Employees**), and with Management, the following Terms of Reference (the **Terms**) will govern the relationship with the European Works Council (**TIEWC**) representing the Employees and TI Fluid Systems/TI Automotive (TI or **Company**).

With this agreement, the signing parties want to foster transnational cooperation and a constructive dialog between the central management and employee representatives. With the establishment of the TIEWC the parties want to make a contribution to the social, economic and environmental challenges.

Procedures and definitions which are not mentioned in the Agreement, or in the appendices, will be settled on a case-by-case basis in the spirit of trusting co-operation and take account of the rights and obligations of both contracting partners.

§2 Scope

This Agreement shall apply to all Company legal entities in the European Economic Area and/including the United Kingdom. New legal entities in the European Economic Area will be automatically included in the Agreement and closed legal entities will be automatically removed from this agreement. The fact that legal entities join or leave TI Automotive shall have no influence on validity of this agreement. A list of all the Company legal entities covered by the agreement is attached as Appendix 1 and will be updated if or when there are additions or closures to the legal entities.

Employees of a covered legal entity shall be included in the scope of the TIEWC and be considered members of the employees' delegation. A list of employee numbers and number of delegates by country will be provided in Appendix 2 and updated annually.

The competence of the TIEWC shall be limited to information and consultation on the matters which concern the Community-scale undertaking or Community-scale group of undertakings as a whole or at least two of its establishments or group undertakings situated in different Member States.

The TIEWC shall not infringe the authority and competence of the respective national or local management and the respective national or local employees' representative bodies.

Matters relating to employees and companies in just one country shall not be covered by the scope of the TIEWC.

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§ 3 Composition

The TIEWC is composed of:

Employee representatives (**Employee Representatives**) elected or appointed - according to national laws - are considered to be fully representative of all employees in their country including employees who join during his/her full term of office. The term of office of each Employee Representative in the TIEWC shall correspond to his/her national practice, but shall not be longer than 4 years. Any Employee Representative should be elected in line with the agreed procedure on the selection and number of employee representatives in accordance with the current EWC directive which is based on percentages. Re-election or re-appointment shall be possible. If there are less than twenty employees in a specific country that country will not be entitled to appoint an employee representative, otherwise the appointment of employee representatives by country will be in line with the provisions of the Directive. An Employee Representative will no longer be a representative when they no longer remain an employee of a TI Legal entity, resign from the TIEWC, or are no longer an employee representative for their location or country. In this case, a new Employee Representative will be selected for the balance of the 4 year term of office. Substitutes, if permitted by local law, can be appointed to attend in place of the elected Employee Representative if such representative is unavailable. The TIEWC will appoint substitutes of the Chairman, and Secretary at the first meeting.

The Coordinator will be appointed by the Company. The Coordinator has responsibility for:

- (i) The coordination of annual plenary meetings
- (ii) The approval of TIEWC expenses (in coordination with the Chairman)
- (iii) The coordination of TIEWC meeting agenda, minutes and TIEWC communication

The Chairman to be appointed by the employee members of the TIEWC at the first meeting and will be responsible for:

- (i) Preparation of invitations to the annual plenary meeting in cooperation with the coordinator
- (ii) Coordinating and sending invitations for the Employee Representative meetings
- (iii) Coordinating the activities of the TIEWC, including approving the minutes and the TIEWC communication

The Secretary to be appointed by the employee members of the TIEWC at the first meeting and is responsible for documenting concise meeting minutes.

The TIEWC may establish a steering committee of up to five members consisting of a maximum of one member per country with appropriate representation considering headcount level in all represented countries. The Steering Committee will be responsible for assisting the Chairman at his/her discretion.



§ 4 Annual Meetings

Once a year a plenary TIEWC meeting shall take place in a location and on a date decided upon by the Coordinator in consultation with the Chairman. The first TIEWC plenary meeting will take place once two thirds of Employee Representatives have been appointed or within 6 months, whichever is the first to occur and will include ½ to one full day of training in addition to the normal meeting time allotment.

The TIEWC shall be entitled in the meeting to invite one internal or external expert at the Company's cost. Internal experts shall only be invited in so far as the Management has not been able to answer any questions adequately prior to the plenary meeting as determined by TIEWC. Management reserves the right to exclude the Expert from any portion of the plenary session.

The information provided to the TIEWC shall relate in particular to the structure, economic and financial situation, the probable development of the business and of production and sales of the European Community as it relates to the Company.

The annual information and consultation meeting of the TIEWC shall relate in particular to:

- (i) the situation and probable trend of employment
- (ii) investments
- (iii) substantial changes of the Company concerning: organisation, introduction of new working methods or production processes, transfers of production
- (iv) mergers, cut-backs or closures of undertakings, establishments or important parts thereof
- (v) collective redundancies.

Timing and structure of plenary meetings shall be:

- (i) 90 calendar days prior to plenary meeting the Coordinator shall solicit topics and the Chairman shall send invitations to the plenary meeting.
- (ii) 30 calendar days to the plenary meeting the Coordinator shall set the agenda for the plenary meeting.
- (iii) The employee delegation may hold a preparatory session on the day before the plenary meeting with, if required, an expert appointed by the TIEWC. Immediately after the plenary meeting the employee delegation may hold a separate debriefing meeting. In total the preliminary session, plenary meeting and debriefing meeting should not take up more than two and half days excluding travelling time.
- (iv) if required, the TIEWC shall give any final consultative feedback within 30 days of the conclusion of the plenary meeting.



§5 Extraordinary Meetings

Where there are exceptional circumstances affecting the employees' interests to a considerable extent, particularly in the event of relocations, the closure of establishments or undertakings or collective redundancies, the Steering Committee or, where no Steering Committee exists, the TIEWC shall have the right to be informed. To the extent the exceptional circumstance involves a country which is not represented on the Steering Committee, the Chairman shall invite the TIEWC representative for the country impacted.

The TIEWC shall have the right to meet via webex, subject to availability of translation services, or in person in an exceptional information and consultation meeting with Management of the Company so as to be informed and consulted on measures significantly affecting employees' interest. The Coordinator and Chairman will agree on the details of such exceptional information and consultation meeting.

Timing and structure of extraordinary meeting shall be:

- (i) 10 business days prior to the extraordinary meeting, the Coordinator shall inform the Chairman and/or Steering Committee for the need and subject of an extraordinary meeting
- (ii) 5 business days prior the extraordinary meeting, the Chairman or his/her delegate shall confirm the meeting time and attendees for the extraordinary meeting
- (iii) the extraordinary meeting shall take no longer than ½ to one full day
- (iv) 10 business days after the extraordinary meeting, the Chairman or his/her delegate shall respond to the Coordinator with any questions or concerns
- (v) 20 business days after the extraordinary meeting, the Coordinator shall respond to the Chairman and Steering Committee
- (vi) 30 business days after the extraordinary meeting, the Chairman or his/her delegate shall give a final consultative response to the Coordinator which will conclude the information and consultation process

To the extent that one party responds earlier than the maximum business days stated above, the timing of the next step's timing will begin immediately.

§ 6 Communication and Languages

In all Meetings of the TIEWC and its steering committees a simultaneous translations will be provided if necessary. All written information prepared by the management as well as the agenda, Minutes and the Joint TIEWC communication, shall only be drawn up in English. English shall be the authoritative language. Translation of all written information, into the respective mother tongue may be undertaken in the respective home country legal entity at the expenses of the company concerned.

All written communications will be by email.

The outcome of plenary meeting, subject to the duty of confidentiality, shall be communicated to employee representatives (or to the employees if no representatives) by the appropriate TIEWC member and/or



Management member in the appropriate way agreed with the TIEWC and Management.

§ 7 Cost

Any reasonably necessary equipment/costs, e.g. associated with expert services, conference facilities, translations, travel and accommodations, will be paid by the Company at the discretion of the Coordinator. Any reasonable and required costs for goods, accommodations or services which are exclusively provided to the Employee Representatives will be approved by the Coordinator prior to engagement.

For the avoidance of doubt, all costs incurred by Employee Representatives will be subject to the rules of the travel and expense policies of the legal entity of the Employee Representative.

§ 8 Training

Any reasonably necessary costs for training (including language training) for Employee Representatives, individually or as a group, will be paid by the Company. Training needs will be defined in cooperation with the Coordinator and the Chairman. Preferably, trainings will be held for the TIEWC as a group at the annual meetings. New TIEWC representatives will receive appropriate training soon after being elected or appointed.

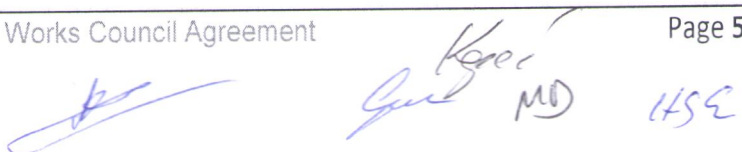
§ 9 Protection of TIEWC members

The employee members of the TIEWC will enjoy the protection that the national legislation and/or practice in their country of employment provides for. By virtue of exercise of their mandate they may neither receive preferential treatment nor may they be disadvantaged; they must receive leave of absence for attending the meetings referred to in this Agreement in accordance with national praxis. In the event that an Employee Representative leaves employment of a TI legal entity then the Management will within a reasonable time inform the Chairman and provide details of the reason for such departure.

Management will inform local management of the rights and obligations of the TIEWC members, which includes reasonable time to deal with TIEWC business.

§ 10 Confidentiality

The employee delegation must maintain confidentiality on all business and company secrets which they learn in their capacity as Employee Representative as well as on all matters designated confidential by Management or whose confidential nature they ought to appreciate in the light of the confidentiality requirement being imposed. This also applies to third party experts.

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The duty of confidentiality shall not be terminated by cessation of their representative mandate or by cessation of the involved person's employment. The duty of confidentiality will cease when such information is either in the public domain or no longer confidential.

Management shall not be obliged to provide information which would be prejudicial to the business interests of the Company.

§11 Duration

This agreement shall come into force on the day upon which it is signed and shall apply for an indefinite period.

Evaluation of this agreement and the functioning of the TIEWC under this agreement will take place every 4 years in line with the term of office of the employee representatives. Both management and the employee representatives can make proposals for amendment. If no agreement is reached the existing TIEWC agreement will stay valid.

Changes to the Directive are not immediately anticipated, but in the event of fundamental changes to the Directive Management and Employee Representatives can propose amendments to reflect these changes. If no agreement is reached the existing TIEWC agreement will stay valid.

The agreement can be terminated by (i) the majority of Employee Representatives with a notice of one year but not before 4 years have elapsed or (ii) by a majority of the employees represented by the TIEWC through a general vote.

In case of notice of termination the Management and Employee Representatives shall evaluate the situation which may lead to a renegotiation of the agreement. If however no agreement is reached before the end of the 1 year notice period UK EWC transposition law will apply.

§ 12 Interpretation Agreement

In so far as differences of opinion shall arise between Management and Employee Representatives as to the content and interpretation of this Agreement, these should be settled within the framework of voluntary negotiations.

English law shall apply.



Agreed:


Date: March 27, 2019

Special Negotiation Body – Employee Country Representatives

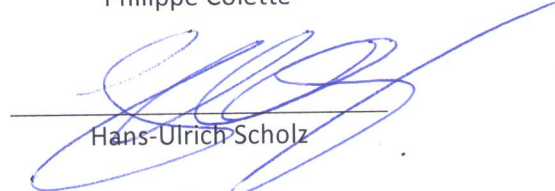
Belgium:


Philippe Colette

France:


Michel Ducros

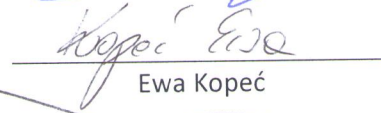
Germany:

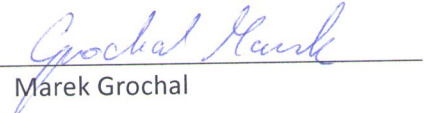

Hans-Ulrich Scholz

Italy:

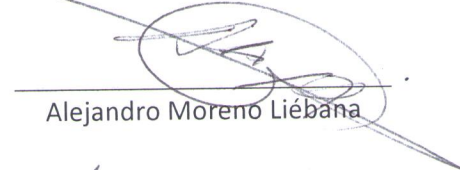

Mauro Percivale

Poland:


Ewa Kopec


Marek Grochal

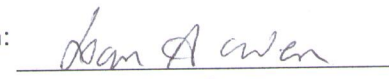
Spain:


Alejandro Moreno Liebana

Sweden:


Avni Latifaj

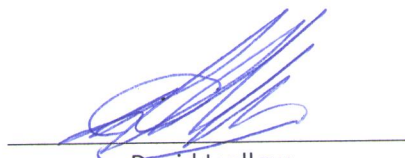
United Kingdom:


Joan Owen

Czech Republic no representative present
Hungary no representative elected
Slovakia no representative elected
Slovenia no representative present
Germany - Not present Ali Ögel, Enis Baykal

TI Fluid Systems/TI Automotive:


Domenico Milicia


David Ludlow


Steffen Brambach