

Unilever European Works Council Agreement

December 2014

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Preamble

- The internationalisation of businesses and the changes in Europe, also in terms of the European Internal Market, are changing the way people think and leading to changes in company structures. In this integration process, which is important for both the company and its employees, economic and social aspects form the basis for a future-oriented company policy.
- In 1996 Unilever formed a European Works Council (UEWC) in order to create a framework for the effective consultation and exchange of information on a European level. Management and employees have now reached a future oriented agreement based on the goodwill and co-operation previously developed. Both management and employees recognise that the framework of the agreement continues to provide a sound basis for consultation. Established practices and further arrangements regarding the implementation of the Information and Consultation process are set out in annex 1
- Many decisions that were once made at national level are now increasingly made interdependently at international levels. Whilst implementation of strategy will be at national/local level by national/local management according to local legislation, the role of the UEWC to consult with management at European level now assumes a greater relevance.
- The development of a fair, frank and trusting relationship between the management, the employees and their operational representatives is important. It will be facilitated by comprehensive and timely communication of information as part of a mutual exchange of views allowing all parties to bring their own ideas into the dialogue. An exchange of information and opinions across the countries will promote mutual understanding and a willingness to co-operate.
- Procedures and definitions which are not mentioned within this 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.

1. Aim and Status of the Agreement

The following Agreement under the terms of Article 13 of the AEU Directive (94/45/EC) dated 22nd September 1994 governs supranational information and consultation of employees and their representatives.

2. Scope

This Agreement shall apply to all Unilever companies in the European Economic Area including Switzerland. Companies joining and leaving Unilever NV/PLC in the European Economic Area and Switzerland will be automatically included in the Agreement or respectively excluded from the same. The fact that companies join or leave Unilever PLC/NV shall have no influence on the validity of this agreement.

3. Composition

The UEWC is composed of a management delegation with authority and of an employee delegation. Only employees of Unilever companies that are included within the scope of the UEWC are eligible to be members of the employee's delegation. For the next four years (2014 – 2018) the number of representatives for the respective countries are as stipulated in Annex 2 to this agreement.

Selection or appointment of employee representatives

The employee representatives shall be elected or appointed in accordance with the national legislation collective labour agreements or with current practice.

The employee representatives thus elected or appointed are considered to be fully representative of all Unilever employees in their country including employees who join the Unilever NV/PLC during his/her full term of office.

The term of office of each employee representative in the UEWC shall correspond to his/her national practice but shall normally not be longer than 4 years.

If necessary on business or on personal grounds the succession of an employee representative should be organised in line with the agreed procedure on the selection of employee representatives.

Re-election or re-appointment shall be possible.

The employee members of the UEWC 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.

4. Organisation

- a) The Management shall appoint an authorised Management Representative.
- b) The employee delegation will elect from amongst its members and for its organisation a Chairperson and a Vice-Chairperson.
- c) Furthermore the employee delegation in the UEWC may establish a Coordination Committee (the "ECC") which shall consist of the Chairperson and Vice-Chairperson of the employee delegation and of up to 6 further employee representatives. The tasks of the ECC shall be laid down by the employee delegation in rules and procedures. These rules and procedures shall be submitted to the management for notification. Normally ECC meetings will take place monthly (excepting holiday seasons) but the ECC and management representatives may meet more frequently at the request of the employee or management representatives. The UEWC will elect 3 substitutes for the ECC members from the members of the UEWC in the event that ECC members are unavailable.
- d) An ECC Feedback group which shall normally consist of 4 ECC members is tasked with co-ordinating ECC activities and completion of necessary preparation work as required.

The chairperson convenes the group following an ECC meeting. The effectiveness of this arrangement will be reviewed after 4 years.

- e) Twice a year a plenary UEWC meeting shall normally take place in Rotterdam under rotating Chairpersonship of the management and the employee representatives. In the same spirit of this joint body the Chairpersonship of the ECC meetings will also be rotated. One of the 2 UEWC meetings shall be dedicated to training purposes.

- f) The employee delegation may hold a preparatory session on the day before the plenary meeting. After the plenary meeting the employee delegation may organise a debriefing meeting. In total the preliminary session plenary meeting and debriefing meeting should not take up more than two days excluding travelling time.
- g) The employee delegation shall be entitled in the preliminary session and debriefing meeting as well as in the meetings of the Coordination Committee (art. 4c) to invite internal or external experts of their choice in conjunction with topics which will be dealt with in the UEWC. In so far as this incurs costs which the employee delegation wishes the management to bear prior consent shall be required.
- h) It is agreed that all participants shall endeavour to reduce the number of languages used. Representatives elected to the ECC at the time of this agreement can access interpretation or can choose to undertake an intensive language course at the expense of their employing company to enable them to work in English.

Election onto the ECC is not dependent on the level of knowledge of English however future members are expected to commit to developing their English skills to a level suitable for operating in the ECC. Full language training and translation support will be given, usually for the first 12 months. This arrangement will be reviewed after 4 years.

All written information prepared by the management as well as the agenda, shall only be drawn up in English. English shall be the authoritative language. The way information will be disseminated shall be agreed in advance. Translation of all written information, into the respective mother tongue may be undertaken in the respective home country at the expense of the company concerned.

- i) The costs connected to the meetings, as well as travelling, accommodation and board for the participants, shall be borne by the company.

5. Competence

- a) The subjects of information and consultation shall in particular be the matters listed below being of a cross-border nature and which affect at least two countries within the geographical scope of application of this Agreement:
- Economic and financial situation
 - Progress of the business in the different sectors
 - Probable trends in employment
 - Investments
 - Significant organisational and structural changes
 - Introduction of new working methods and production procedures
 - Relocation of production and relocation of product lines
 - Workforce reduction in or closure of operational units or major parts thereof as well as collective redundancies.

By way of example, further themes may be:

- Health and Safety of employees and Environmental protection
 - Training
 - The situation of women
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- b) The UEWC shall not infringe the authority and competence of the respective national or local management and the respective national or local employees' representative bodies.
 - c) Matters relating to employees and companies in just one country shall remain under the exclusive competence of the interlocutors in such country under the rules usual thereto (e.g. matters in conjunction with state legislation or national collective labour agreements; salaries, wages, working conditions, negotiations of any kind; personal or political matters).
 - d) Tasks of the Chairperson and the Vice-Chairperson of the employee delegation and of the appointed management representative (art. 4a) on behalf of the UEWC Chairperson:
 - Preparation of the agenda for the annual plenary meeting
 - Circulation of the presentations from the UEWC and ECC meetings (subject to confidentiality arrangements).
 - Point of contact between meetings for example in the event of special circumstances significantly affecting employees' interests in several countries. They consult amongst themselves on the necessity and format of all further information and consultation. This could imply the involvement of the Coordination Committee or the respective employee representatives in the UEWC of the countries concerned.

6. Confidentiality

The employee delegation must maintain confidentiality (i.e. based on their national legislation or practices) on all business and company secrets which they learn in their capacity as representatives as well as on all matters designated confidential or whose confidential nature they ought to appreciate in the light of the confidentiality requirement being imposed. This also applies to third party experts.

The duty of confidentiality shall not be terminated by cessation of their representative mandate or by cessation of the involved person's employment at the undertaking.

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

7. Duration

- a) This agreement shall come into force on the day upon which it is signed and shall apply for an indefinite period.
- b) Evaluation of this agreement and the functioning of the UEWC 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 UEWC agreement will stay valid.
- c) In the event of fundamental changes to the EU directive the management and employee representatives can propose amendments to reflect these changes. If no agreement is reached the existing UEWC agreement will stay valid.
- d) The agreement can be terminated by the majority of employee representatives or by the European Leadership Team ("ELT") with a notice of one year but not before 4 years have elapsed. Termination can only be justified for exceptional reasons and must be well argued in writing.
- e) 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 Dutch EWC transposition law will apply.

8. Interpretation of the Agreement

In so far as differences of opinion shall arise between the management and the employee representatives as to the content and interpretation of this Agreement, these should be settled within the framework of voluntary negotiations.
Dutch law shall apply.

Rotterdam, December 2014



Herman Soggeberg
UEWC Chairman



Jan Zijderfeld
President Europe

Name	Function	Signature
Neil Humphrey	SVP Supply Chain Europe	
Ranjay Radhakrishnan	SVP HR Europe	
Rupert Chatwin	VP Europe	
Dewaele Tom	VP HR CEE	
Faure Frederic	VP Human Resources France	
Heinrichs Alexandra	VP HR DACH	
Henbest Louise	HR Director Nordics	
Munden Tim	VP HR, Unilever UK & Ireland	
Stolk Rob	VP HR Benelux	
Zeegers Martine	HR Director HR & Finance Europe	
Blatchford Mark	European HR Services Director	

Name		Country	Signature
Christa	Ortmayr	Austria	
Aziz	Abbatoy	Belgium	
Sabrina	Pauwels	Belgium	
Kirsten	Pedersen	Denmark	
Jean Jacques	Le Priol	France	
Thierry	Labeye	France	
Pascal	Petitpierre	France	
Johan	Franzen	Finland	
Jürgen	Löwel	Germany	
Jens	Theivagt	Germany	
Carmen	Schäfer	Germany	
John	Kostoupoulos	Greece	
Timea	Takacs	Hungarian	
Carlo	Carelli	Italy	
Beniamino	Premicerio	Italy	
Giuseppe	Montesarchio	Italy	
Hermann	van der Heide	Netherlands	
Alex	den Brok	Netherlands	
Teun	Coenradi	Netherlands	
Zygmunt	Krajewski	Poland	
Zbigniew	Cielinski	Poland	
Nuno	Vieira	Portugal	
Marisol	Basarte	Spain	
Maribel	Navarro-Manzano	Spain	

Lars	Erlandsson	Sweden	Lars SA
Karin	Schlaepfer	Switzerland	K. Schlaepfer
Peter	Duerr	Switzerland	P. Duerr
Michael	Metcalfe	UK	M. Metcalf
William	Hodgeson	UK	W. Hodgeson
Ian	Swift	UK	I. Swift
Michael	Rooke	UK	M. Rooke

ANNEX 1.

Further arrangements regarding Information and Consultation

- a) The body which informs and consults with the UEWC is the European Leadership Team (“ELT”), which is also responsible for the consistency of the process. ELT appoints an authorized Management Representative.
- b) Information and Consultation will take place with respect to significant transnational projects.
- c) Management recognizes the need to inform on major local issues to the extent they are part of a European strategy and expresses the intention to fulfill this need. For the avoidance of doubt, this intention does not include any Consultation on local issues.

Consultation with the UEWC

- d) Any information provided to the UEWC will be adequate and relevant and will be given in good time using cost effective ways of communication.
- e) Management recognizes the need to provide the UEWC also with relevant information relating to specific parts of the European Business. All relevant information on specific issues will be made available by ELT via the Management Representative. Appropriate management representation of the European Business will be ensured during the plenary meetings. Employee representatives will inform the Management Representative as early as possible of their information needs in order to facilitate the Information process. As part of an evolutionary process management agrees to continue the dialogue with employees with a view to further improve the information and consultation process regarding the European Business.
- f) The need to involve any new EU candidate countries in the future is recognized but prudent timing is important given the state of development of these countries and the more urgent priorities of the Unilever organisations in these countries.

Regarding the role of the plenary UEWC and the ECC:

- 1) The objective of the plenary UEWC is to be informed and consulted with on relevant transnational issues at a strategic level, including supply chain strategy and the issues mentioned in clause 5. Competence of the agreement. Under normal conditions two plenary meetings will take place per year.
- 2) The principle role of the ECC, authorized by the UEWC, is to be informed and consulted with on relevant transnational issues on a regular basis.
- 3) Sufficient time for Information and Consultation will be made available, but always taking into account the complexity of the transnational issue concerned. Without prejudice to the foregoing of this paragraph the start of the Information and Consultation process will be mutually aligned with any applicable local information and consultation process. The local information and consultation process and the European Information and Consultation process are complementary and are not each other's substitute.

ANNEX 2

Number of UEWC employee representatives including EWC Chairperson.

Country	Number of Reps.
Austria	1
Belgium	1
Czech Republic	1
Denmark	1
Estonia	0
Finland	1
France	3
Germany	4
Greece	1
Hungary	2
Ireland	0
Italy	3
Latvia	0
Lithuania	1
Netherlands	3
Norway	0
Poland	3
Portugal	1
Romania	1
Slovakia	0
Spain	2
Sweden	1
Switzerland	2
United Kingdom	4
Grand Total	36

ANNEX 3

Definitions

Information

The provision of data and the explanations of such data, orally or in writing.

Consultation

Exchange of views and establishment of a dialogue See Annex 4

Employee

All regular staff considered as “employees” according to the legislation/practice in each Member State of employment.

Unilever company

Any company of which Unilever NV/ PLC or companies belonging to the Concern hold the majority (i.e. 51 %) of the equity.

European Economic Area

The EEA contains the countries as described in the geographical scope of that Treaty.

Management

Management in this agreement refers to the management representatives responsible for the execution of this agreement on behalf of the Central Management.

Employee Delegation

The employee delegation is the group of employee representatives in the UEWC as a whole.

Employee representatives

An employee representative is an employee of a Unilever company elected or appointed as described under Article 3.

Confidentiality

Where documents are marked as:

Embargo: Then no member of the EWC /ECC is permitted to disclose the content of the document to any other person until such time as the embargo is lifted.

Where a document is marked Strictly Confidential ECC Only or EWC only, the document is not permitted to be distributed beyond the EWC / ECC

Where a document is marked as Unilever Internal use only, then whilst the document may be shared with employees for feedback and communication purposes, the document itself cannot be distributed beyond the designated recipients.

Unless a document is not specially marked it is for ‘general communication’, that means that any documentation received can be distributed to employees or parties external to Unilever without express authorisation.

Within presentations, the confidential information shall be limited to some pages only, so that the remaining presentation is easier to distribute.

Announcement / Decision / Implementation

Announcement shall mean the intention of the European Leadership Team to implement change or take other action, subject to the necessary corporate action and consultation or co-determination procedures in the relevant jurisdictions. An announcement shall not represent the final decision to implement such change or other action.

Decision shall mean that the European Leadership Team has decided to implement in the relevant jurisdictions the change or other action, subject to the necessary corporate action and consultation or co-determination procedures in the relevant jurisdictions

Implementation takes place when for example, notice of termination is served, production lines are moved or production arrangements are changed or when new organisational structures are enacted.

Transnational

A matter shall be transnational, if it concerns at least two countries within the geographical scope of application of the present Contract. This includes questions regarding one country, as long as they are of importance for the European employees regarding the extent of their possible effects, or if they entail the transfer of activities from one country into another country.

Timely information

Information shall be considered "timely" if it makes possible a thorough review regarding the consultation, before a final decision is made.

ANNEX 4

European management and the ECC agreed to adopt the following protocol for the management of consultation at a European level.

To this end there will be two explicit consultation phases :

- o Phase 1 –Providing a description of strategic challenges and issues (per category / area etc); this will take place on an ongoing basis with ECC (as per current practice). This phase will become primarily focused on the provision of information to the ECC, on the explanation of issues faced and abstract criteria for cross border decision making, allowing then for the raising and responses to specific questions.
 - o Phase 2 –This phase will involve consultation on the basis of a proposed decision arising from strategy and cross border decision criteria outlined in phase 1 (typically around a site or selection of sites where restructuring of a transnational nature is proposed).
 - o Phase 2 consultation will be held at the first ECC meeting after an announcement of a proposed transnational decision in a country, and be completed prior to the implementation of a project. (Subject to the timeline below) The ECC will be formally invited to state their advice either during the ECC meeting or in a reasonable period of time after the meeting. The Company will in all cases advise the ECC of a time period during which it's advice can and will be considered. After the issuing and response to the ECC's advice, then consultation on the issue at a European level will then be completed.
- In certain cases, the ECC may choose to issue more than one statement if the consultation of a transnational project is staggered and the business is not able to confirm the number of countries impacted in one meeting.
- o In certain cases, where the right conditions exist – dialogue may be held with the ECC during the period when there is not yet a proposed decision, but when alternative directions and possibilities are being explored-at an earlier stage of management deliberation, and prior to any public announcements.
 - This dialogue held prior to a public announcement will entail:
 - o Local Reps of any site (s) likely to be under discussion, being advised in advance that dialogue is proposed to begin at a European level to discuss the cross border aspects of the alternative directions and possibilities.
 - o Agreement of these Local Reps to this dialogue commencing prior to public announcement (Where local reps object to ECC involvement prior to public announcement – the issue will be referred to the EWC Chairperson for resolution)
 - o Agreement of ECC and local reps to respect confidentiality during this phase. (It is envisaged that dialogue held at this early stage would be conducted 3 or 4 weeks prior to any possible public announcements).

Where local conditions allow, more public 'review' announcements can be made. In these circumstances, dialogue could be conducted at an even earlier stage of management deliberation. Examples of this have been the 'review' announcements made in the UK .This however requires mutually agreed interpretation of local legal requirements, willingness of all participants to consider all options available, and the operation of a partnership approach to employee relations in the respective countries or locations.

- Where Management determines that the conditions above cannot be realized, then Phase 2 consultation on the basis of a proposed decision will commence formally after public announcement. This is understood by all parties as the default position. During the consultation process, both Dialogue or formal process no implementation must take place.

