

# AGREEMENT FOR INFORMATION AND CONSULTATION WITH EMPLOYEES OF PANASONIC IN EUROPE

## INTRODUCTION

Panasonic within Europe is a number of companies which operate reflecting the Basic Business Philosophy of Matsushita, through Autonomous Management in a Divisional System.

It is vitally important that excellent communications exist in all Panasonic European companies. Structures for the regular exchange of information are essential if our mutual objective of continuous improvement is to be achieved.

Panasonic therefore sees the creation of a Europe-wide congress as consistent with the existing structures and with our overall respect for collective wisdom.

⊕ ⊕ ⊕

The following Agreement is entered into between Panasonic Europe Ltd. (acting in its own right and on behalf of the group of Panasonic Companies in Europe, as defined in Appendix A) and its employees and/or their representatives of their locations within Panasonic's European Operations (as listed in Appendix A).

## 1. PRINCIPLES

- 1.1. The parties to this agreement agree to establish the Panasonic European Congress (PEC).
- 1.2. The establishment of the PEC is intended to provide an appropriate forum for the exchange of information and consultation between Management and Employees with the aim of establishing a transnational dialogue. In order to achieve this both Management and Employee Representatives shall act based on a spirit of co-operation and shall work together so as to achieve the company's and employees' goals and objectives.
- 1.3. The existing rights and procedures of current national and local arrangements/agreements/ laws and of Employee Representative bodies and/or Employee Representatives shall not be affected by this agreement.
- 1.4. The Agreement shall be limited to information and consultation only regarding the group of Panasonic/Matsushita Companies in Europe, as defined in Appendix A.
- 1.5. In this agreement, "consultation" means the exchange of views and establishment of dialogue between PEC Employee Representatives and representatives of Management regarding Panasonic/ Matsushita companies within Europe, (as defined in Appendix A) of transnational issues.
- 1.6. All parties to this agreement recognise the need for PEC representatives, including those elected to the ERC, to be adequately trained in order for them to fulfil their roles effectively.

Bearing this in mind the MRC and ERC will from time to time, jointly agree a training plan for new and re-elected PEC representatives, designed to ensure that they understand the agreement and the role of a PEC representative.

Such training may include, but not necessarily limited to:

The directive

The Agreement

The role of PEC representatives

Training will be arranged at a time appropriate to ensure that the PEC representative can effectively participate and contribute at the annual PEC.

- 1.7. All parties to the agreement recognise the importance of the role of PEC representative and membership of the ERC.

To this end the Company will ensure that no individual employee representatives to the PEC, who are carrying out their legitimate duties as PEC representatives, will suffer any discrimination.

Discrimination includes, but is not limited to:

Denial of access to Training

Less favourable Salary Treatment

Denial or delay of access to promotion

Denial of Access to job opportunities

## **2. MEMBERSHIP**

- 2.1. Employee Representatives and their substitutes shall be elected according to local/national law and/or custom and practice. However, where there is an elected body in place the Employee Representatives shall be elected/selected from within that body. The term of office of Employee Representatives of the PEC shall be according to local/national law and custom and practice. The name of the Employee Representative attending the PEC must be communicated to their Local Management at least 6 weeks before the meeting (in accordance with 2.3 below).
- 2.2. Employee Representatives must be in permanent employment and have worked for at least 12 months for the Company unless local laws dictate otherwise.
- 2.3. Each Panasonic company as defined and listed from time to time in Appendix A which employs 25 permanent employees and above will have one Employee Representative to the PEC.
- 2.4. Notwithstanding 2.3 above a company with less than 25 employees is entitled to send an Employee Representative if there is no other Panasonic company in the same country in the European Union/European Economic Area. However where there are two or more such Companies in the same country with less than 25 employees then the Company with the largest number of employees will be entitled to send one Employee Representative to the PEC.

When a new Company becomes a member of the group of European Panasonic Companies it will automatically be added to those companies as listed in Appendix A, and its employees will be entitled to send a representative to the PEC as in 2.2 above.

If the number of employees is less than 25 then 2.4 shall apply. Management, after consulting with the Employee Representative Committee, may include other European companies not in the EU/EEA at any stage in the future.

European companies located in countries that are not in the EU/EEA may send a representative to the PEC on an "observer" status.

No additional interpretation services will be provided for representatives on an "observer" status.

The issue of future European representation will be reviewed when other European countries join the European Union.

- 2.5. Management representatives shall be appointed by the Managing Director of Panasonic Europe Ltd. after due consultation with the Managing Directors of the companies as listed in Appendix A.
- 2.6. A representative of management shall lead the meeting and co-ordinate the arrangements.
- 2.7. Employee Representatives will appoint an Employee Representative Committee, which will comprise of three people. The responsibilities of this committee will be to jointly agree the agenda and final minutes of the annual meeting with Management and to be informed and consulted in the event of substantial transnational issues occurring at a different time from the annual meeting. Discussions with the Employee Representative Committee will be held in English. However, where necessary, translation support will be made available in order to help understanding.

### **3. ORGANISATION**

- 3.1. The PEC will meet once per year (normally between 1st January and the 31st March). In exceptional circumstances, when an issue arises which has significant transnational implications for all our operations in Europe, a special meeting of the PEC may be called. Such an extraordinary meeting will be jointly agreed between Management and the Employee Representative Committee.
- 3.2. The leader of the PEC will be responsible for arranging the date and location of the meeting. The date and location of the meeting will be confirmed two months in advance.
- 3.3. A pre-meeting for Employee Representatives will take place immediately preceding the annual meeting. One external expert may be invited to attend to give advice/guidance to the Employee Representatives as required.
- 3.4. The PEC, including the pre-meeting, will be for three days (excluding travel) during which there will be ample time for both information and consultation on issues as detailed in 4.2 below.
- 3.5. 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 Employee Representative Committee shall have the right to be informed. In such circumstances it shall have the right to meet, at its request, the Management Representative

Committee, so as to be informed and consulted on measures significantly affecting employees' interests.

Those members of the European Works Council who have been elected or appointed by the companies which are directly concerned by the measures in question shall also have the right to participate in the meeting organized with the ERC.

This information and consultation meeting shall take place as soon as possible on the basis of a comprehensive report drawn up by the management, on which an opinion may be delivered at the end of the meeting or within a reasonable time.

This meeting shall not affect the prerogatives of the central management

- 3.6. The agenda of the annual meeting will be circulated to all members of the PEC, one month before the meeting. The final minutes of the annual meeting will be sent out within one month of the meeting to Employee Representatives and Local Management. The minutes will be sent out in English and jointly agreed between Management and the Employee Representatives. The translation into local language has to be done under the responsibility of local Management. In the case of ambiguity in translation, the English language version shall be the authoritative version.
- 3.7. The content of the minutes of the PEC should be fed back to employees at each location by the Employee Representative and Local Management. For those locations without an Employee Representative, the final minutes will be sent to Local Management who will be responsible for the feedback/distribution to all their employees.
- 3.8. The ERC and MRC will meet, either face to face or by videoconference, 4 times each year. The ERC will have a pre-meeting prior to each ERC / MRC meeting, at which the "Expert" may be present, if the ERC wish.

If these meetings are held face to face, they will be of a maximum 2 days duration, (including travel, the pre-meeting, and the meeting with the MRC).

It is recognised that there may be occasions, outside the regular ERC / MRC meetings, when the ERC may need access to the advice of the "Expert". On these occasions the ERC may request access, and the MRC will not unreasonably withhold such access.

#### **4. CONTENT**

- 4.1. All concerned accept that the responsibility for information and consultation of local issues shall remain at local level. The topics discussed at the meeting of the PEC shall concern transnational European issues.
- 4.2. During the two day meeting the PEC will focus primarily on the Group performance of Panasonic's European companies in the current year and the Business Forecasts/ objectives for the forthcoming year. Other subjects, which may be covered, include new products, broad commercial issues, and other topics that are of major interest to both parties, which affect transnational issues such as employment trends and

organisational changes (relating to any or all of the companies as listed in Appendix A).

There will then be a Question and Answer session and open discussion on subjects as detailed above. Any appropriate points made during the discussion will be feedback at the next PEC meeting and, if applicable, within a reasonable period after the annual meeting of the PEC.

4.3. It is accepted by all concerned that Management have the responsibility to manage Company Business and to make decisions in the best interests of the Company and its employees.

4.4. The meeting will be held in English, which is Panasonic's official Company language at a European level, and has been for a number of years.

However it is recognised that a number of Employee Representatives may not speak English so where necessary simultaneous translation will be offered for the pre-meeting and the main meeting. However, it is the long-term aim that all participants of the PEC shall speak and understand English to an acceptable level.

## **5. CONFIDENTIALITY**

5.1. In order to create and maintain a feeling of mutual trust and confidence all those present at the PEC shall not divulge any information that is supplied to them where it is expressed to be on a confidential basis. This obligation will continue after the conclusion of their term of office and/or employment. Any breach of this provision would be seen as a serious disciplinary offence and will be dealt with through the company disciplinary procedure or as set down in National Laws and custom and practice. Additionally any such proven breach will result in the immediate removal from the PEC of the person(s) involved.

5.2. Certain documents distributed to members of the PEC and expressed to be on a confidential base will be regarded as confidential and should not be disclosed to external sources. A breach of this provision will be treated as 5.1 above.

## **6. COSTS**

The Company will be responsible for providing travel, accommodation and meals for participants of the PEC according to their local company rules.

## **7. PERIOD OF AGREEMENT**

This agreement will be effective until August 2011. During the final year of the Agreement, Management and the Employee Representatives in the PEC will meet to consider the continuation of the Agreement, and whether any amendments are necessary. Should it be necessary both parties may agree that the period of the current agreement, and all its clauses, may be extended so as to facilitate the conclusion of the review.

In the event of the European law changing during the life of the agreement, in such a

way that it fundamentally affects one or more clauses of the agreement, the ERC and MRC will begin discussing the implementation of the applicable EU laws and regulations with a view to facilitate their adoption during the life of the voluntary agreement.

## **8. STATUS OF AGREEMENT**

8.1. The parties to this agreement are aware of the "Directive (no. 94/45) on the establishment of European Works Councils or procedures in community-scale undertakings for the purposes of informing and consulting employees" and recognise that this agreement is in accordance with Article 13 of the Directive as adopted by the Council on the 22nd September 1994.

8.2. 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, Panasonic Europe Ltd. is the controlling undertaking for the purposes of the Directive and is located in the UK.

The parties agree that any dispute arising under this agreement shall - subject to paragraph 8.3 below - be subject to the exclusive jurisdiction of the country in which the Company has its European Headquarters, applying the law of that country. Until otherwise changed Panasonic Europe Ltd. is the controlling undertaking for the purposes of the Directive and is located in the UK.

8.3. In the event of substantial changes in the Group's Company Structure, the adoption of the Directive by any Member State or the transposition into National Law by any Member State, Panasonic Management, after consulting with the Employee Representative Committee, may introduce any appropriate changes taking all such factors into account. This in no way affects the validity of the Agreement.

8.4. In the case of ambiguity in translation of this agreement the English language version shall be the authoritative version.

Signed on behalf of employees at:

.....  
Signed: *J. Brooks* *Salvador*  
Date: *8.2.2008* *8-2-08*  
*Dr. J.*

Signed on behalf of Management at:

.....  
Signed: *[Signature]*  
Date: *8 February 2008*

Signed on behalf of Panasonic Europe Ltd.:

.....  
Signed: *[Signature]*  
Date: *Febr. 08 2008*

## APPENDIX (A)

### GROUP OF EUROPEAN PANASONIC COMPANIES (as of 12/2007)

- Panasonic Europe Ltd (PE)
- Panasonic UK Ltd (PUK)
- Panasonic Marketing Europe GmbH (PME)
- Panasonic Nordic Organisation AB (PNO)
- Panasonic France S.A (PFS)
- Panasonic Italia SpA (PIT)
- Panasonic Espana S.A (PES)
  
- Panasonic Eastern Europe Handelsgesellschaft M.B.H (PEG)
- Panasonic Polska Spolka Z.O.O. (PPS)
- Panasonic Czech Republic s.r.o. (PCS)
- Panasonic Slovakia Spol s.r.o. (PSK)
- Panasonic South-East Europe Ltd. (PSEE)
- Panasonic Romania S.R.L (PRS)
  
- Panasonic Industrial Europe GmbH (PIE)
- Panasonic Automotive Systems Europe GmbH (PASE)
- Panasonic Battery Sales Europe N.V. (PASE)
  
- Panasonic Manufacturing UK Ltd. (PMUK)
- Panasonic AVC Networks Czech s.r.o. (PAVCCZ)
- Panasonic AVC Networks Slovakia s.r.o. (PAVCSK)
- Panasonic Automotive Systems Czech s.r.o. (PASCZ)
- Panasonic Communications Company (UK) Ltd. (PCCUK)
- Panasonic Electronic Devices Europe GmbH (PEDEU)
- Panasonic Electronic Devices Slovakia s.r.o. (PEDEU-SK)
- Panasonic Battery Belgium N.V. (PBBE)
- Panasonic Battery Poland S.A. (PBPL)
  
- Panasonic R&D Centre Germany GmbH (PRDCG)
- Panasonic Mobile Communications Development Europe Ltd. (PMCDE)  
Panasonic Europe Software Development Laboratory s.r.o. (PESDL)
  
- Panasonic Finance (Europe) Plc (PFI(UK))
  
- = Companies with 25 permanent employees and above will be entitled to send one Employee Representative to the PEC