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Agreement Pertaining to Information and Hearing of the Staff and Staff Representations of the Bosch Group in Europe

Preamble

The internationalisation of business and the Single European Market are bringing about a change in the thinking of the staff and in the structures of the Bosch Group. With regard to the process of integration, economic and social aspects together form the basis for a future-oriented company policy and for the strengthening of our competitiveness in the world market. The fair interaction of company management, staff and their representatives plays an important role in this. Informing each other in a timely manner just like the opportunity for all those involved to bring their own ideas into the dialogue is part of this. An exchange of information and opinion on an international basis shall promote mutual understanding and the awareness of membership in a leading European company group and the willingness to co-operate. The following Agreement is aimed at making a contribution hereto. A Europe-wide dialogue must take into account the variety of the Bosch Group and its presence in the countries of Europe in the same manner as it also take into consideration the autonomy of historically evolved social traditions in the particular countries. For this reason a process shall be introduced consisting of central and decentralised elements. A European staff committee is provided for at the central level. For the particular countries, the information and hearing of staff or their representatives shall be provided for in the customary form of the respective country. This Agreement shall apply to all staff in the Bosch Group falling within its scope. It is aimed at being permanent. Should experience gained within the framework of its implementation or changed framework conditions require a refinement of particular stipulations, the parties involved are prepared to do this. If procedures are not stipulated in detail, these shall be regulated in the spirit of trusting cooperation on a case-by-case basis.

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1. Scope

This Agreement in the meaning of § 17 of the Act Pertaining to European Works Councils from 28 October 1996 (EWCA), passed on the basis of EU Directive 94/45/EC from 22 September 1994, shall apply to the Bosch Group including all affiliated companies¹⁾ in the following countries. It shall regulate international information and hearing of staff or their representatives in the countries of the European Union which the Charter on Social Policy in the Annex to the Treaty Establishing the European Community applies to as well as in the other countries party to the Agreement Pertaining to the European Economic Zone of 2 May 1992 including Great Britain. Companies for which a European works council or a procedure to inform and hear the staff in an enterprise or company group operating throughout the Community already exists shall be excepted from this Agreement.

2. Object of information and hearing

¹⁾ Corresponds to the term "dependent enterprise" in the meaning of § 6 of the EWCA.

The information and hearing shall relate to trends involving the business situation and the prospects of the Bosch Group. The development of the business situation shall include the following matters of international character within the territorial scope of this Agreement:

- structure of the Bosch Group including significant changes (mergers or divisions of enterprises or plants; closures, restrictions on, or requirements of, enterprises, plants or important part of operations; shifts in production; mass redundancies)
- economic and financial situation of the Bosch Group
- probable trends in business, production and sales
- situation with regard to jobs and probable trends
- investments (investment programs) and basic changes in organisation
- introduction of new working and manufacturing processes
- other important circumstances, which affect the interests of staff in at least two member, states. Matters, which affect staff and companies in only one country, shall remain in the exclusive domain of the dialogue partners in such country in accordance with the rules and procedures prevailing there.

3. Europa Committee of the Bosch Group (EC), composition, term of mandate

An EC shall be formed in which each member country in which Bosch has a plant is represented by one member respectively for the purpose of information and hearing. Beyond this, each member country in which Bosch normally employs more than 5,000 staff shall send one delegate, and additional delegates shall be sent in accordance with the following table of normally employed staff:

5,001 to 10,000 staff =	1 additional member
10,001 to 20,000 staff =	2 additional members
20,001 to 30,000 staff =	3 additional members
30,001 to 40,000 staff =	4 additional members
40,001 to 50,000 staff =	5 additional members
50,001 to 60,000 staff =	6 additional members
60,001 to 70,000 staff =	7 additional members
70,001 to 80,000 staff =	8 additional members
80,001 to 90,000 staff =	9 additional members
more than 90,000 staff =	10 additional members

The appointment and dismissal of members and substitute members shall be performed in accordance with national transposition acts or other regulations of the respective country. The members and substitute members of the EC must be staff of the Bosch Group in accordance with No. 1. The company group management shall make the necessary information available so that all companies in the stipulated countries may be included in the respective appointments procedure.

The term of mandate for members shall be four years. If the requirements pertaining to appointment cease to apply during the term of the mandate, a new member shall be appointed. In such case

the length of mandate shall be deemed to be the remaining time of the mandate of the person who has left.

The number of members in the EC shall be limited to a maximum of 3 if nothing to the contrary is stipulated in the EWCA.

Changes in numbers of staff within the scope of the Agreement set out under No. 1 shall not automatically lead to a change in the number of members. Changes in the numbers of staff in the countries during the term of mandate shall only have an impact on the composition of the EC if they are due to the sale or acquisition of enterprises, plants or parts of plants. If new countries fall under the scope of the Agreement with Bosch plants in accordance with No. 1, these shall receive seats in the EC in accordance with No. 3, Section 1. Should the key under No. 3, Section 1 lead to the EC having more than 30 members due to changes in the number of workers or other countries becoming members falling within the of the Agreement, the key shall be subject to renegotiation. This shall not affect the other stipulations of this Agreement.

4. Meeting of the EC

The EC shall meet one time per year upon the invitation of the chairman of the EC, with this usually taking place at the headquarters of the Robert Bosch GmbH and at a point in time which allows reports to be made on trends relating to the business situation. No. 5, Section 2 shall apply to information and hearing regarding events which take place in between meetings, the nature of which does not allow any delay.

The meeting shall serve the purpose of informing and hearing in accordance with No. 2 on the situation of the Bosch Group. The Chairman of the EC and the Company Group Management shall agree upon time and place of the meeting and the agenda. Information shall be provided using company documents. If necessary to prepare the meeting, the document shall be translated into the required languages prior to this and submitted to the EC members in a timely manner.

In addition to the EC members, representatives of the Company Management shall take part in the meetings.

The length of the meeting shall as a rule not exceed two days including the prior meeting of EC members.

EC members may take part in training sessions performed by Bosch internally in its further training in the economic sphere, which is suited to helping such members perform their tasks and which is required within the framework of the modes of procedure common with the regional company. The same shall apply to language training. The right to undergo any training going beyond this under national law shall remain unaffected.

The conference language shall be German with simultaneous translation being provided in the necessary number of languages. Language training for particular individual EC members shall have priority if the expense of interpreting could probably be reduced by this within the term of a mandate.

Minutes shall be drafted of each meeting of the EC which shall be signed by the Chairman of the EC and a representative of the Company Management and translated into the respective national languages.

5. Business Committee (BC)

The EC shall form a BC composed of three members from its ranks. The BC shall be composed of the Chairperson of the EC and two additional members elected by the EC from its ranks. The BC may be extended by one additional member if this enhances its functionality.

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The BC shall be the dialogue partner of the Company Group Management in exceptional, international circumstances (in particular shifts in production, closure of companies, plants or important parts of plant, mass redundancies) which have a significant impact on the staff in at least two member states and this treatment cannot be delayed until the next annual meeting of the ECA. A representative of the Company Group Management shall inform the BC Chairperson as to these matters on the basis of existing documents which have been sent to him/her if this is required. The respectively responsible managements shall inform the respective BC members and the members which directly represent the locations directly affected in the same way. When the German Chairperson of the BC provides information, a hearing date shall be set within the following two weeks which shall be met upon the request of the BA. The BC and EC members who directly represent the location affected may have a pre-meeting prior to the hearing which if possible is to take place on the same day as the meeting and the post-meeting which directly follows the hearing. Hearing, pre- and post-meetings shall be translated into the necessary number of languages. If the BC does not honour the hearing date, it may state its position regarding the matter pursuant to Section 2 within two weeks.

If necessary, the EC members who represent the locations directly affected shall have the opportunity to meet in their country with one member of staff of the location directly affected to exchange information prior to such meeting or to get in touch in some other manner prior to the hearing. The information provided within the framework of the hearing may be passed on to the staff representatives directly affected by telephone or in writing.

The BC shall moreover perform the daily business of the EC and prepare EC meetings.

6. Expenses

The EC and BC shall make available the necessary tangible resources and office personnel at the headquarters of the company management. The daily tasks, the costs relating to the organisation and execution of the meetings and the travel and accommodation expenses accruing for the participants shall be assumed by the company to the necessary extent.

Moreover, the EC members shall have communications resources made available to them to the required extent.

7. Experts

The BC or the EC may obtain support from experts chosen by them if this is necessary to properly perform their tasks. The company shall bear the cost of one expert.

Should additional experts cause additional costs to arise in organisational terms at the joint meeting with the Company Management, an agreement shall be made regarding such participation.

8. Information at the country level

The staff or the staff representations shall be informed as to matters which are treated in the EC in conformity with No. 2 in the customary national form as soon as possible after the meetings of the EC. For these purposes the translated minutes of the meeting shall be passed on to the respective management. Such management shall in turn provide the minutes of the meeting to the representatives of the staff. If there is no staff representation, the staff shall be informed in the customary national form as to the minutes of the meeting.

The EC members shall make use of the bodies existing in their respective countries (for example, company group works council/general works council) and routine meetings to report on the annual EC meeting. If there is no comparable body, the EC members of a country may meet together once annually to report on the EC meetings with one staff representative respectively from the locations represented by them for a one-day meeting. Any modes of procedure significantly deviating herefrom shall require the prior written consent of the respective management.

For local staff representatives not represented in the EC, participation in the reporting shall be in accordance with the required interest representation within the framework of the respective national regulations. It shall be ensured that one representative of the respective location may take part in the reporting.

In addition, the members of the EC and BC may use the communications resources available to them to exchange information within the framework of this Agreement.

9. Basic elements of co-operation

The cooperation shall be marked by openness and mutual trust and serve the well-being of the staff and the Bosch Group. This shall not affect the rights and obligations of the EC members in pursuing staff interests in accordance with their national legal systems.

10. Confidentiality

The meetings stipulated in this Agreement shall not be public. If particular information is expressly labelled confidential, it may not be passed on to third parties, including following the expiration of a mandate. It may not be used vis-a-vis local staff representatives prior to a date which may be named. The obligation to maintain confidentiality shall also apply to experts, interpreters and local staff representatives.

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11. Protection of staff representatives

The BC and EC members shall have the same protection and same security in performing their tasks as they do under the legal regulations and customs of the country in which they are employed. They may not be have any advantage or suffer any disadvantage as a result of the exercise of their mandate.

The BC and EC members shall be provided paid leave to perform their tasks within the framework of this Agreement in accordance with the respective national transposition laws; at a minimum, however, they shall be credited with the working time which they lose as a result of taking part in the meetings provided for in this Agreement.

12. Final stipulations

This Agreement shall enter into force on 1 June 1998 and shall not be limited in time. It may be terminated no earlier than the expiration of five years by either side with a period of six months prior to the end of a year. The existing Agreement shall continue to apply until the conclusion of a new agreement. Beginning 1 June 2003, the EC or the Central Management may exercise the right to file an application or take an initiative under § 9, section 1 of the EWCA with the consequence of the § 20 of the EWCA if notice to terminate the Agreement has been submitted.

After two years have elapsed the parties shall consult on any adjustment in this Agreement which may be necessary on the basis of experience gained.

If differences of opinion arise regarding the content or the interpretation of this Agreement, a representative of the Company

Group Management and the BC Chairperson shall jointly render a decision. Should the difference in opinion not be able to be resolved in this manner, a ruling shall be obtained before the competent court in Stuttgart.

The German version of this Agreement shall apply.

Stuttgart, 29 April 1998

Stuttgart, 12 May 1998

Special Negotiating Committee

Robert Bosch GmbH

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