

## **EUROPEAN WORKS COUNCIL AGREEMENT**

This Agreement is in accordance with the European Directive 94/95 EC of 22 September 1994 and the Swedish Transposition Law nr 359 of 9 May 1996.

The document outlines the Agreement between Capio AB, in its capacity as parent company within the Capio Group and the Special Negotiation Body on the establishment of a European Works Council, below the EWC.

### **1. Introduction**

Capio's vision is to be the leading European health care services company with a patient and customer focus, providing high quality and resource efficiency, based on confidence, respect and initiative.

The European Works Council will contribute to achieving Capio's vision, values and goals which are based on communication with patients and others, a high level of patient and customer service, medical quality and safety, research, development and training, respect for the environment amongst others.

The Agreement should be seen as an opportunity to increase understanding of the business, units and markets within the Group. It will contribute to transfer of knowledge, development of the corporate culture and a learning organisation. The EWC should also strive to contribute to the development and improvement of the working environment and physical **and psychosocial** working conditions.

Capio has a positive attitude towards workers' representation and trade unions.

Arrangements and conditions will be established so that the Capio Group can provide information to and consultation with employee representatives, on significant topics of a trans-national nature.

The aim is to create a constructive dialogue and therefore the parties acknowledge that the body established by this Agreement, as well as the actual discussion, must continuously reflect the organisational structure, governance model, heritage, culture and competitive environment of the Capio Group.

The Parties to this agreement will endeavour to assure that the composition of the EWC reflects the gender balance that exists in the Group.

### **2. Scope of the agreement**

This agreement and the EWC cover the whole of the Capio Group and relate to the parent company and the subsidiaries it controls as defined by national law.

A list of the companies is annexed to this agreement, which will be modified in accordance with changes in the Group. The scope will be reviewed every twelve months or more often if necessary and practically achievable in order to take account of developments in the Group and to bring into force the adjustments needed to reflect this.

### **3. Information and consultation**

#### **3.1 General**

The EWC will provide a forum for information and consultation between the Representatives of corporate management and employee representatives of the Capio Group.

The aim of the Agreement is that communication in the Capio Group should be open, multidirectional and based on mutual respect.

#### **3.2 Issues for information and consultation**

The content of the information and consultation concerning at least two countries relates in particular to:

- The structure, economic and financial situation, i.e. the overall business performance
- The probable development of the business
- The probable trend of employment
- Overview of available and open employee surveys, statistics and indicators
- Investments
- Substantial changes concerning the organisational structure
- Introduction of new working methods or production processes and the introduction of new technologies with consequences on employment and physical working conditions
- Mergers and acquisitions
- Cut-backs or closures of undertakings, establishment or important parts thereof;
- Collective redundancies
- Ongoing development and revision of Capio's overall business concept and quality system

Corporate management may also provide the EWC with any information, which they consider useful relative to the Group strategy.

#### **3.3 Level of information**

The parties to this Agreement accept that the information and consultation within the EWC of the Capio Group will be on matters of a trans-national nature, defined as issues significantly affecting employees interests at least two countries within which Capio has operations.

In addition to subjects concerning units or companies in two countries, major issues of restructuring which originate from a decision of the parent company may also be addressed.

Issues that relate to one country only or that are dealt with according to collective bargaining arrangements between units of the Group and trade unions will not be part of these discussions.

## **4. Composition of the EWC**

### **4.1 General**

The EWC consists of representatives employed by the Company who meet the representatives of Corporate management. The representatives of employees are elected as described below

### **4.2 Selection of employee representatives**

The selection of employee representatives shall be performed according to national laws in the applicable countries. The number of representatives shall be divided between the countries as the following:

From 50 – 500(f.t.e's) employees	1
From 500 - 2 000 (f.t.e's) employees	2
From 2 000 (f.t.e's) and more employees	3

If the Capio Group acquires additional operations, and as a result, will carry on businesses in additional countries within the framework of the Directive, the appropriate number of members from that country will be elected to the EWC.

The maximum number of members is 25. If using the formula above results in a higher number, representation will be reviewed.

### **4.3 Deputies**

Each full member of the EWC shall have a deputy. The deputy will only attend meetings and pre-meetings only in the absence of the ordinary member.

The deputy will receive the same written documentation related to meetings as the full member.

### **4.4 Term of office**

The term of office is three years or for the remaining duration of the current EWC agreement whichever is the shorter, but subject to paragraph 4.5 below.

### **4.5 Modification of representation**

Modification to the employee representation resulting from developments within the Group shall comply with the provisions of 2 and 4.2 above.

The term of office of a member of the EWC automatically ceases when a representative loses his or her elected or union mandate.

### **4.6 Selection of representatives of the central management/Management representation**

The CEO of the Capio Group will select the representatives of Corporate management in order to ensure a meaningful discussion of the agenda for any meeting.

## **5. Operations and means**

### **5.1 Chairmanship**

The CEO will chair the meetings, but may at his or her discretion delegate this role to another member of senior management where conflicting priorities arise.

## 5.2 Co-ordinating group

The Workforce representatives shall at their first preparatory meeting, select a Co-ordinating group, consisting of four representatives, of which one shall be elected as Employee chairperson.

The Co-ordinating group are chosen from and by the full employee members of the EWC and are selected for the duration of their term of office as a member of the EWC. The members of the Co-ordinating group will be employed in Capio operations in three different countries.

The role of the Co-ordinating group is to prepare the employee representative input to the agenda, co-ordinate the activities and administration of the employees side of the EWC, deal with any matters associated with exceptional meetings and participate in the follow up meeting described in 5.7 below.

The Employee Chairperson represents the EWC concerning all procedures connected with the Council's legal personality.

He or she is also responsible for communication with the representative of Corporate management regarding EWC related issues.

When necessary, the Coordinating Group shall have the opportunity to meet between formal EWC meetings, and may request facilities and expenses from the company for such meetings. Any such meetings will be held in an appropriate and cost-effective manner and may involve video or teleconferencing where this is appropriate. The company will support reasonable translation needs and communication within the co-ordinating group.

The company will provide permanent storage space for material related to the Co-ordinating group. This will be discussed further when the representation is confirmed for the EWC.

Any expenses for which the co-ordinating group require reimbursement must be approved in advance.

## 5.3 Meetings

The meeting of the EWC will take place twice a year, with the aim of timing the meetings to best suit the company business year.

The meeting structure will comprise an employee pre-meeting, the EWC meeting itself and a follow up meeting with the Co-ordinating group. Meeting arrangements will, where possible, be made to take place over two working days and with one overnight stay for the majority of members.

If there are extraordinary circumstances where major issues of a trans-national nature that significantly affect employees interests at least two countries arise **and it is requested by the co-ordinating group**, Corporate management will call an extraordinary meeting of the EWC.

#### 5.4 Venue

The meetings will, if practically achievable, be held at Capio units, at dates and times, which will be mutually agreed between the parties.

#### 5.5 Agenda

An agenda, limited to the items listed in 3.3 and 3.4 above, shall be agreed between the representative of Corporate management and the Employee Chairperson, not later than one month before a meeting takes place.

The agenda, which shall be worded in English, shall be distributed not later than two weeks before a meeting takes place.

#### 5.6 Minutes

Minutes shall be taken at the meetings. A Representative of the Corporate management will take the minutes, and these will be reviewed by a **member of the co-ordinating group**.

The minutes should be distributed not later than one month after the meeting and approved at the next meeting of the EWC.

#### 5.7 Release

The coordinating group and one selected member of corporate management will meet following the EWC meeting (on the same day) to agree a release (the follow-up meeting). The Co-ordinating group may also meet alone directly after this meeting to review the meeting of the EWC.

The release will be circulated to all members of the EWC. In order that everyone in the relevant countries is informed about the content of the EWC meetings this release will be issued through the normal communication channels, i.e. web sites and notice boards. This release shall be worded in English and translated into the languages needed to cover the EWC country representation.

The issue of further development of communication channels will be addressed by the EWC.

#### 5.8 Experts

At the EWC meetings or in conjunction with work associated with them, the employee representatives may choose to be assisted by one external expert. The name of the expert will be communicated to Corporate management prior to his or her attendance at any full meeting of the EWC.

Any costs associated with the use of experts, and for which the employee representatives seek reimbursement, must be agreed in advance.

#### 5.9 Language at meetings

The meetings will be performed in the corporate language which is English. See appendix.

#### 5.10 Costs

The operating expenses of the EWC, preparatory meeting, “follow up” and “review” meetings; employee representative training if applicable; and costs related to the use of experts described in paragraph 5.8 above, will be financed by the Capio Group.

The costs of salary, travel and time-off (no loss of earnings but no compensation for costs which are not directly connected to the meeting) for meetings established by this Agreement – will be paid for by the unit in the Capio Group where the Workforce representative is employed and will be in line with local laws and applicable agreements in respective country.

Any other expenses for which reimbursement may be sought from to time must be agreed with Corporate management in advance.

Employee representatives will not be expected to fund their own travel costs associated with attending EWC meetings in advance.

## **6. Status and resources of members**

### **6.1 Protection clause**

Candidates, members and former members of the Capio Group EWC shall not suffer any disadvantage in their position within the Capio Group on the grounds of their candidature for, or membership of, the EWC.

### **6.2 Training of workforce representatives**

To support the quality and the effectiveness of the dialogue in the EWC, training may be needed (e.g. language training or other competence enhancement). Training should be needs defined, reviewed on an annual basis and mutually agreed between the parties.

### **6.3 Access to equipment**

All of the permanent and deputy members of the EWC will have computer and telecommunication access in order to be able to carry out their functions. This will be in an environment free from disturbances.

### **6.4 Confidentiality**

EWC meetings shall be seen as open unless an issue is identified as confidential by the representatives of Corporate management

If information is identified as confidential, the employee representatives, and any experts or observers, are bound by the duty of confidentiality and are prevented from disclosing the information in question outside of the EWC meetings.

The obligation not to disclose any confidential information continues beyond the date of the expiry of the employee representatives term of appointment with the exception of information which is, or becomes, generally known or which has come, or comes, to be general knowledge outside the framework of the EWC.

Participants, who breach the obligation of confidentiality, shall be prohibited from further participation in the proceedings of the EWC and may also be subject to disciplinary action or other proceedings in accordance with applicable national law.

Corporate management will not be required to disclose any information which is of a sufficiently commercially sensitive nature that, if disclosed to any person outside the EWC, could risk causing the company material harm or serious prejudice.

## **7. Duration, revision and termination**

### **7.1 Duration of the Agreement**

The Agreement shall remain in force for an initial period of three years and shall, after the first period has ended, be automatically renewed for further periods of three years, unless and until either party gives written notice of their intention to renegotiate the Agreement in line with para 7.2 below.

### **7.2 Revisions**

Not earlier than nine calendar months before the date of expiry of this Agreement, or nine calendar months before the end date of any extension to it in line with para 7.1, either party may give notice of their wish to renegotiate its terms.

Notice from the employee representatives must be given formally and in writing to the Chairman of the EWC, who will acknowledge receipt of the request. Notice from Corporate management will be given to and acknowledged in a similar manner by the Employee Chairperson.

In the event of a failure to hold a renegotiation meeting or a breakdown of negotiations at the expiry date of the Agreement, the effect of this Agreement shall be maintained during the following twelve months. At the end of this period, a European Works Council shall be put in place, made up as in the absence of an agreement with an SN. These arrangements will remain in place until such time as a new agreement is reached.

### **7.3 Amendment**

Notwithstanding paras 7.1 and 7.2 above, the Agreement may be otherwise amended from time to time by mutual agreement of the Parties. Any amendment must be in writing and signed by the Chairman of the EWC and a majority of the employee representatives.

## **8. Form of agreement, laws and disputes**

### **8.1 Language**

The Swedish version will be the authentic version between the parties. Translation to other languages will be as mutually agreed.

### **8.2 Entire agreements**

The Agreement and its appendices constitute the entire agreement between the Parties. The contents of this Agreement and its appendices supersede all previous written/oral commitments and undertakings.

### **8.3 Governing law and disputes**

This Agreement shall be interpreted and governed in accordance with the legislation which is applicable to the Head office of the Capio Group, without regard to conflict of law principles, at present Sweden.

Any dispute arising in connection with this Agreement shall be settled by the relevant courts in Sweden.

## **9. Authorisation**

The Representative signatories of Corporate management are authorised to conclude this Agreement on behalf of Capiro AB and its relevant subsidiary companies in the European countries covered by this Agreement.

The SNB signatories are authorised to conclude this Agreement on behalf of all employees within the Capiro Group as representatives of the workforce covered by this Agreement.

## **10. Signatures**

Date

Signed:

Representatives of the Corporate management:

Representatives of the SNB:

**The SNB members were assisted during the negotiations by Jan Willem Goudriaan of EPSU**