

AGREEMENT

This document outlines the 4th Agreement between Stena Line Scandinavia AB, in its capacity as responsible company within the Stena Line Group and the EWC-European Works Council, established in accordance with the Council Directive 94/45/EC of 22 September 1994 on the establishment of a European Works Council or a procedure in Community-scale undertakings for the purposes of informing and consulting employees, within the Stena Line Group.

1. Introduction

- 1.1 The purpose of this Agreement, in line with the Stena Line Group's vision and values which envisage all employees working as equal team members in an open and trusting environment, is to establish arrangements by which the Stena Line Group can provide information to and consultation with workforce representatives across Europe, on significant issues of a transnational nature.

The information and exchange of views shall relate in particular to the structure, economic and financial situation, the probable development of the business and substantial changes concerning the Stena Line Group.

- 1.2 For the dialogue to be wholly constructive the parties acknowledge that the body established by this Agreement, as well as the approach to the discussion of issues, must continually reflect the context, heritage, culture, competitive position and evolving organisation of the Stena Line Group. The parties to this Agreement recognise that this structure does not encroach onto those issues which are, or should be, negotiated or agreed at national or local level with the relevant trade unions or national works councils according to national laws, customs or trade union organisation agreements.
- 1.3 The parties to this Agreement also accept that the information and exchange of views within the EWC will be on matters concerning the community scale undertakings of the Stena Line Group as a whole i.e. on transnational questions.
- 1.4 This is an Agreement covering the entire workforce within the Stena Line Group and all parties are obliged to apply the regulations in this Agreement in such manner, however only permanent employed staff shall be appointed to the EWC.

2. Framework and Scope

- 2.1 A Stena Line European Works Council (hereinafter referred as "the EWC") will be established.
- 2.2 The EWC will establish a forum for the provision of information and consultation between the Central Management of the Group (hereinafter referred to as "Representatives of the Central Management", selected in accordance with Article 5 below) and employee representatives of the Stena Line Group which will be the basis of a constructive exchange of views on the following matters, the structure, economic and financial situation, the probable development of the business and of production and sales, the situation and probable trend of employment, investments and substantial changes concerning organisation, introduction of new working methods, transfers, mergers, cut backs or closures of undertakings, establishments or important parts thereof, and collective redundancies, in the context of the overall business performance.
- 2.3 Issues related to and which are dealt with specially through a collective bargaining arrangement between specific business units and recognised trade unions will be excluded from discussion under these procedures.

3. Composition of the EWC

- 3.1 The EWC shall consist entirely of workforce representatives, which meets with Representatives of the Central Management. The workforce representatives shall be selected in accordance with Article 4 below (hereinafter referred to as "Workforce Representatives").
- 3.2 In any of its deliberations the EWC must consider the total Stena Line Group perspective as well as the interests of the entire workforce within the Stena Line Group.

4. Selection of Workforce Representatives

- 4.1 The relevant European trade unions organisations (hereinafter jointly referred to as "the Unions") may select one Workforce Representative each to sit on the EWC. Although, the maximum number of Workforce Representatives shall be fifteen persons, totally, divided between the countries in accordance with Appendix 1. The Unions shall accept that this is an Agreement covering the entire workforce within the Stena Line Group and that also employees, who are not members of the Unions, therefore shall have the possibility to be selected. If the Stena Line Group acquires additional businesses, meaning that the Stena Line Group will carry on businesses in additional states, the parties shall enter into discussions about an increase of the maximum number of Workforce Representatives to sit on the EWC.

In countries where no works council comité d'entreprise or similar exists, the relevant unions will organise the election of the workforce representatives to sit on the EWC from the entire workforce.

The Workforce Representatives must be employees and currently active within the Stena Line Group (see also Articles 1.4 above and 4.4 below).

- 4.3 The names of Work Force Representatives must not notified to the appropriate Representative of the Central Management.
- 4.4 The Workforce Representatives shall be appointed to the EWC for a period of three years. If, a Workforce Representative's employment within the Stena Lien Group is terminated or, if the Workforce Representative in question becomes inactive (leave of absence, etc), for whatever reason, during the appointment period mentioned above the period of office is terminated immediately. Deputy members of the Workforce Representatives may be elected for the same period as an ordinary representative.

5. Selection of the Representatives of the Central Management

- 5.1 The Managing Director of the Stena Line Group shall elect the Representatives of the Central Management to meet with the EWC to safeguard a meaningful discussion. The Managing Director of the Stena Line Group shall decide the number of Representatives of the Central Management to meet with the EWC at his absolute discretion.

6. Meetings

- 6.1 The meetings of the EWC will take place twice a year, whereas one meeting will take place not later than May. The second meeting will take place not later than October. Where there are exceptional circumstances affecting the employees' interests to a considerable extent, an extraordinary meeting of the EWC will take place. Although, the maximum number of extraordinary meetings will be one per year and on every occasion the Representatives of the Central Management shall agree the utilisation thereof.
- 6.2 Representatives of the Central Management will lead the meetings and co-ordinate the arrangements as set out in Article 6.5 below.
- 6.3 The location of the meetings will be at the Stena Line Headquarters in Sweden or other locations as may be agreed by the parties, at dates and times, which will be mutually agreed between the parties.
- 6.4 The meetings will be conducted in the corporate language, which is English.
- 6.5 An agenda shall be agreed between the Representatives of the Central Management and the contact person of the Co-ordinating Group of the Workforce Representatives, elected in accordance with Article 7.3 below, not later than one month before a meeting takes place.

The agenda together with supporting documents, which shall be worded in English, shall be distributed to all participants not later than three weeks before a meeting takes place.

- 6.6 The contact person of the Co-ordinating Group of the Workforce Representatives, elected in accordance with Article 7.3 below, is responsible for the communication with the Representatives of the Central Management regarding the agenda. The date and time of a meeting, the published communiqué, informing the nomination of representatives, and other similar administrative issues that are necessary for an effective functioning of the EWC.
- 6.7 Minutes shall be taken at the meetings, whereas a Representative of the Central Management shall be minutes-taker and a Workforce Representative shall be minutes checker.
- 6.8 The last item on the agenda shall be the drafting of a communiqué, which will be agreed between the Workforce Representatives and one selected member of the Central Management. This Communiqué will be circulated to all members of the EWC. In order that everyone in the relevant countries is informed of the deliberations of the EWC this communiqué will be posted on workplace notice-boards both on ship and shore facilities, except matters which are identified as confidential (see Article 6.9 below). This communiqué shall be originally worded in English and translated to German, Polish, Dutch and Swedish.
- 6.9 EWC sessions shall be deemed "open" unless the topic is identified as confidential by the Representatives of the Central Management. The present members of the Central Management decide and inform on every occasion which information is confidential.
- If information is identified as confidential by the Representatives of the Central Management, the Workforce Representatives are bound by a duty of confidentiality and are prevented from disclosing the information in question outside the EWC meetings. This obligation continues beyond the date of the expiry of the Workforce Representatives' term of appointment with the exception of information which is or becomes generally known or which has come or comes to general knowledge other than through the Workforce Representatives' breach of this Article.
- Workforce Representatives, who breach the obligation of confidentiality, shall be prohibited from further participation in the proceedings of the EWC and may also be subject of disciplinary actions, etc, in accordance with national law.
- 6.10 Candidates, members, former members and deputy members of the EWC shall not suffer any disadvantages in their position within the Stena Line Group, or reprisals, on the grounds of their candidature for or membership of the EWC.
- 6.11 At the EWC Meeting Workforce Representatives may, if agreed in advance between the parties, be assisted by one external expert at Stena Line Group's expense.

7. Workforce Representatives' Preparatory Meeting

- 7.1 In order to prepare for the EWC meeting the Workforce Representatives may have a meeting for themselves for up to one day (hereinafter referred to as "the Preparatory Meeting"). The Preparatory Meeting will take place immediately before the EWC meeting.
- 7.2 At the Preparatory Meeting Workforce Representatives may, if agreed in advance between the parties, be assisted by one external expert at Stena Line Group's expense.
- 7.3 The Workforce Representatives shall on their Preparatory Meeting elect a co-ordinating group, consisting of three Workforce Representatives (hereinafter referred to as "the Co-ordinating Group"), of which one shall be elected to be the contact person with the Representatives of the Central Management.

8. Training of Workforce Representatives

- 8.1 To ensure that the deliberations of the EWC are of a standard that befits a transnational business the Stena Line Group will offer training facilities in English or other agreed training to the Workforce Representatives. These training courses will be arranged locally.

9. Expenses

- 9.1 The operating expenses of the EWC, the Preparatory Meeting, Workforce Representatives' training and any costs related to the use of agreed experts – as set out in this Agreement – will be financed by the Stena Line Group.
- 9.2 The costs of salary, travel, accommodation and time-off (no loss of earnings, but no compensation for costs, etc, which are not connected to the meetings and/or do not arise) for meetings established by this Agreement – will be paid by the Employing Company within the Stena Line Group in accordance with the local laws and/or practices and/or agreements in the country of employment of the Workforce Representative. Travel, accommodation and associated expenses must be agreed before being incurred. Stena Line Scandinavia AB, as responsible company within the Stena Line Group, guarantees the fulfilment of its sister companies obligations according to this Article (9.2).

10. Status of Agreement

- 10.1 This is an Agreement covering the entire workforce, providing for the transnational information and consultation of employees, which is in force before the implementation of the Council Directive 94/95/EC of 22 September 1994 on the establishment of a European Council or a procedure in Community-scale undertakings and Community-scale Groups of undertakings for the purposes of informing and consulting employees.

11. Governing law and Disputes

11.1 This Agreement shall be construed in accordance with and by governed by the laws of Sweden.

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

12. Authorization

12.1 The Central Management signatories are authorised to conclude this Agreement on behalf of Stena Line Scandinavia AB and its relevant sister companies in the European countries covered by this Agreement.

12.1 The EWC signatories are authorised to conclude this Agreement on behalf of all employees within the Stena Line Group as representatives of the workforce covered by this Agreement.

13. Headings

13.1 The division of this Agreement into separate articles and the insertion of headings shall not affect the interpretation of this Agreement.

14. Amendments

14.1 Only those amendments and additions to this Agreement that are made in writing and signed by the parties are valid.

15. Entire Agreements

15.1 The Agreement and its appendices constitute the entire agreement between the parties on all issues to which the Agreement relates. The contents of this Agreement and its appendices supersede all previous written/oral commitments and undertakings.

16. Severability

If any provision of this Agreement or part thereof shall to any extent be or become invalid or unenforceable, the parties shall agree necessary and reasonable adjustments of the Agreement in order to secure the vital interest of the parties and the main objectives prevailing at the time of execution of Agreement.

17. **Duration of Agreement**

17.1 This Agreement will last for three years from 1 June 2005 (Date of signature).

17.2 During its currency the Agreement may be amended by mutual agreement of the parties to this Agreement.

17.3 In the twelve calendar months before 1 June 2008, the parties will enter into discussions, under the forum of the continuance of this Agreement or on suitable replacement agreements. In the absence of such discussions commencing this Agreement will continue to apply for further twelve months.

18. **Miscellaneous**

18.1 This Agreement has been executed in both English and Swedish. In case of contradictions or discrepancies between English and Swedish version, the English version shall prevail.

Appendix 1

REPRESENTATION IN EWC, DIVIDED BETWEEN COUNTRIES:

Denmark	1
United Kingdom	3
Holland	2
Ireland	1
Norway	1
Sweden	5
Germany	1
<u>Poland</u>	<u>1</u>
Totally	15

SIDE LETTER

To the agreement between Stena Line Scandinavia AB, in its capacity as a responsible company within the Stena Line Group, and the EWC Council, established in accordance with a Council Directive 94/95/EC of 22 September 1994 on the establishment of a European Works Council or a procedure in Community-scale undertakings for the purposes of informing and consulting employees, within the Stena Line Group in the states of the European Union and the European Free Trade Area.

1. Translation

- 1.1 Regarding meetings of the EWC, the Workforce Representatives may request that the Stena Line Group provides simultaneous interpreting facilities. Although, the representatives of the central management shall agree the utilisation thereof.
- 1.2 The parties agree that special efforts shall be made to train the Workforce Representatives in the English language, so that translation can be avoided.
- 1.2 A review of the needs of translation during the meetings of the EWC and the achievements of training the Workforce Representatives in the English language shall be undertaken.

