

## **The Tetra Pak European Council (TPEC) agreement**

### **Tetra Pak**

represented by

### **AB Tetra Pak (Reg. No. 556050-0398)**

and

### **The Tetra Pak Employee Representatives (“the TPER”)**

have agreed to replace the above-mentioned parties’ former agreement of 1 December 1995 concerning the Tetra Pak European Committee (“the TPEC”) with a new agreement called the Tetra Pak European Council Agreement.

The aim of the Agreement is to promote the comprehension of Tetra Pak’s activities in European Union member states, thereby maintaining good industrial relations and ensuring that Tetra Pak remains competitive and develops successfully.

The meetings and activities governed by the Agreement are to be held and conducted in the spirit of Tetra Pak’s Vision, Mission, People Idea and Core Values.

## **1. Definitions**

### *1.1. The Company:*

All Tetra Pak companies with employees working in the European Union.

### *1.2. TPEC:*

The Tetra Pak European Council: a formal body at European corporate level consisting of representatives of the management of the Company and of the employees. The TPEC is Tetra Pak’s form of the European Works Council required by the EU directive (No. 94/45/EC of 22 September 1994).

### *1.3. TPER:*

Tetra Pak Employee Representatives: Persons elected by the employees in the countries concerned to represent them on the TPEC.

### *1.4. Management Representatives:*

Representatives appointed by the management of Tetra Pak headquarters and the relevant market companies.

### *1.5. Executive Committee:*

A Committee with three representatives from management and three representatives elected by the employees (see 1.6. Select Committee). The chairman of the TPEC chairs the Executive Committee.

*1.6. Select Committee:*

Three employee representatives elected by the TPER as members of the Executive Committee.

*1.7. Preparatory Committee:*

The Preparatory Committee consists of the Executive Committee plus two representatives of the host country of the annual joint TPEC meeting, one of which is elected from the employee representatives and the other is appointed by the management.

*1.8. Chairman of the TPEC:*

The Chairman of the annual joint TPEC meeting and the Executive and Preparatory Committees. The Company appoint the Chairman of the TPEC.

*1.9. Secretary of the TPEC:*

The Secretary of the annual joint TPEC meeting. The Company appoint the Secretary.

*1.10. Chairman of the TPER:*

The Chairman of the TPER and the Select Committee and a member of the Executive and Preparatory Committees. The employee representatives elect the Chairman of the TPER.

## **2. Purpose of the TPEC**

The TPEC shall exchange information and, when appropriate, consult about Tetra Pak's activities, organisation, business development, economic information and the market and business environment to improve its understanding of Tetra Pak's operations within the European Union.

## **3. Scope**

The work of the TPEC shall at all times have a community dimension, i.e. it shall concern two or more EU countries. At no time and in no way shall it take precedence over the local procedures set up in accordance with national legislation for maintaining industrial relations.

## **4. Representatives**

All TPEC representatives shall be permanent employees of Tetra Pak and have a sufficient command of the English language, so that they can fulfil their duties and be active members of the TPEC.

The local companies shall approve and arrange English language training for any representatives who need additional skills in order to meet the above-mentioned demands. Other training might also be arranged to give representatives a good understanding and knowledge about Tetra Pak's operations.

New delegates of the TPER will receive the relevant introductory training from their local company and employee representatives or cluster representatives.

#### **4.1. Employee Representatives**

In the countries covered by this Agreement, in companies with a staff of 20 or more, the employees shall nominate representatives to the TPEC in accordance with their country's laws and customs, or by an election approved by the parties, with regard to the functioning and consistency of the TPEC. Representatives shall be re-elected at least every fourth year.

The maximum number of employee representatives on the TPEC is 30. The countries covered by this Agreement which have companies with 20 or more employees shall nominate one representative.

If the maximum number of employee representatives (30) is not reached, countries with 300 employees or more may nominate one additional representative. This shall be done in order of size, starting with the country with the largest number of employees, until the maximum of 30 is reached.

If a country has more than 25 per cent of the total number of employees of the EU countries concerned, that country may appoint a third delegate.

If the maximum of 30 representatives is exceeded, the countries with the largest number of representatives shall be the first to decrease their representatives. Other countries shall then decrease their representatives pro rata according to the number of their employees.

The term "number of employees" refers to the number of persons employed in each country at 31 December of the year preceding the annual TPEC meeting. In March every year management shall provide the TPER with a list of companies and number of employees employed within the EU countries.

Employee representatives from a country that ceases to be represented (according to above mentioned formulae) may remain in office for one additional twelve-month duration period. New member states in the EU shall join the TPEC the year after they join the EU. The maximum number of 30 representatives shall still apply.

Employee representatives shall have the opportunity and means to report back to their constituents within two months after the annual TPEC meeting held in each country. This shall be coordinated with local management and the company TPEC management representative in advance.

#### **4.2 Employee Representatives Substitutes**

Countries having only one representative may be represented by a substitute if the elected representative is unable to fulfil his/her duties.

The substitute shall meet the same basic requirements as the elected representative and shall accept the same pledge of confidentiality. (see 9. below).

It is the duty of the elected representative to give, at no additional cost to Tetra Pak, all the information needed for the substitute to be able to fulfil his/her duties and be an active member of the TPEC.

### **4.3 Company Representatives**

The management of Tetra Pak headquarters and the relevant companies shall nominate the representatives required to ensure the proper functioning and consistency of the TPEC.

## **5 Information and Consultation**

### **5.1 Annual Joint TPEC Meeting**

A full-day annual meeting shall be held at which the representatives of the employees and of the management meet at an agreed location within the European Union.

The Company shall distribute signed copies of the minutes in English, along with abbreviated presentation material from the meeting within four weeks from the last day of the meeting. Minutes shall be approved and signed by the Chairman of the TPEC and the Chairman of TPER.

The signed minutes shall be distributed to the local companies where they shall be translated within four weeks.

### **5.2 Meetings of the Preparatory Committee**

The representatives of the Preparatory Committee shall meet for half a day six months before the annual joint TPEC meeting, to prepare it

The management shall distribute the minutes in English of the Preparatory Committee Meeting within two weeks after the meeting.

The Preparatory Committee's role is to ensure the consistency of the annual joint TPEC meeting by preparing and distributing an agenda at the latest four weeks before the TPEC meeting. Any relevant material needed for preparation of a topic will be distributed two weeks before the TPEC meeting.

### **5.3 Meetings of the TPER**

The day before the annual joint TPEC meeting the TPER may meet separately for a full day arriving the preceding evening. After the TPEC meeting TPER can stay behind that evening to sum up the meeting and travel home the morning after

The day before the Preparatory Committee meeting, the TPER may meet separately for a full day. This meeting shall be planned in such a way that representatives arrive the preceding evening and leave late in the afternoon. Its purpose is to give input to the Preparatory Committee, taking place the day after, and it may also be used for training purposes.

#### **5.4 Meetings of the Executive Committee**

The Chairman of the TPEC may call for meetings of the Executive Committee if so requested by the Select Committee, or when a business matter of major importance arises, implicating employees' interests in at least two EU member states. These meetings may also take the form of a telephone or videoconference.

The management shall distribute concise minutes or information material in English of the Executive Committee meetings within two weeks after the meeting.

#### **5.5 Meetings of the Select Committee**

The Select Committee will be given the opportunity to prepare and explore issues of major importance and complexity which have implications for employees' interests in at least two EU member states. These meetings may be held by telephone, videoconference, or be physical meetings. Physical meetings of the Select Committee shall be approved by the chairman of the TPEC. The Select Committee shall endeavour to coincide the meetings with other meetings covered by this Agreement.

#### **5.6 Chairmen's Forums**

Bimonthly discussions shall be held between the Chairman of the TPEC and the Chairman of the TPER. The Chairmen's forums are for information purposes only and no minutes will be distributed.

### **6 Support from Experts**

On request, the Company shall pay for internal or external support from experts, recognized by the management and agreed beforehand by the Chairman of the TPEC. The expert shall have particular knowledge or skills and be able to contribute to work furthering the aim of this Agreement. He/she may be invited to attend meetings that only Employee Representatives attend.

### **7 Costs**

The local companies shall cover costs in accordance with local policies.

The local companies shall cover all costs related to the meetings as mentioned above.

Reasonable costs arising from additional meetings shall be covered after approval by the Chairman for the TPEC.

All representatives shall have company telephones and computers at their disposal at the local companies' expense and follow local guidelines and regulations.

## **8 Protection**

No employee representatives shall be discriminated against because of their commitment to the TPEC, while they are in office or thereafter. Any presumed discrimination shall be reported to the Chairman of the TPEC who shall take the appropriate measures.

## **9 Confidentiality**

The TPEC representatives accept that they may be given confidential information imported in confidence, and expressly stated to be confidential, which could have serious effects if it became general knowledge. The representatives undertake not to disclose such information indiscriminately. The pledge of confidentiality shall apply also after a representative's mandate expires.

Any representative breaking the confidentiality pledge shall be dismissed from the TPEC immediately. The Chairman of the TPEC shall consult the Executive Committee before taking action.

If the employee representatives use the services of an expert, no information shall be given to the expert unless he/she has agreed in writing, to treat all information as confidential.

## **10 Duration**

This Agreement shall come in to force on 1 December 2003 and will remain valid until 30 November 2010. Thereafter it shall be automatically renewed for a period of one year.

If both parties agree, this Agreement shall be reviewed after four years. However, if a new EU-directive stipulates compulsory changes overriding the agreement, both parties will meet to agree on any necessary changes to the agreement.

As of 30 November 2009, either party may initiate renegotiation by giving a twelve-month's notice in writing.

This agreement shall be replaced by the applicable rules in Swedish Law concerning the European Workers' Council (SFS 1996:359) if the parties cannot agree upon new terms.

## 11 Applicable Law and Arbitration

This Agreement shall be governed by Swedish law.

Disputes shall be settled in accordance with the Swedish Arbitration Law in force at the time of the dispute.

Arbitration proceedings shall be held in the city of Lund, Sweden, in the Swedish language. Tetra Pak shall cover the cost of the proceedings.

In the event of the TPER initiating arbitration, it shall cover the cost of legal counsel to a maximum of SEK 50,000 if it loses the cases.

Lausanne, 5 May 2003

### *Management Representatives*

### *Employee Representatives*

Chairman of TPEC

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Magnus Dahlström

.....  
Dieter Wolf

Managing Director AB Tetra Pak

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BengtL Andersson

.....  
Ronny Larsson

.....  
Derek Wright