

## SCHEDULE

Regulation 19(3)

### STANDARD RULES ON EMPLOYEE INVOLVEMENT

#### PART 1

##### COMPOSITION OF THE REPRESENTATIVE BODY

1.—(1) The management of the SE must arrange for the establishment of a representative body in accordance with the following provisions.

(2) The representative body must be composed of employees of the SE and its subsidiaries and establishments.

(3) The representative body must be composed of one member for each 10%, or fraction of 10%, of employees of the SE, its subsidiaries and establishments employed for the time being in each EEA state.

(4) The members of the representative body must be elected or appointed by the members of the special negotiating body.

(5) The election or appointment is to be carried out by whatever method the special negotiating body decides.

2. Where its size so warrants, the representative body must elect a select committee from among its members comprising at most 3 members.

3. The representative body must adopt rules of procedure.

4. The representative body must inform the competent organ of the SE of the composition of the representative body and any changes in its composition.

5.—(1) Four years after its establishment, the representative body must decide—

(a) whether to open negotiations with the competent organ of the SE to reach an employee involvement agreement, or

(b) whether the standard rules in Part 2 of this Schedule and, where applicable, Part 3 of this Schedule are to continue to apply.

(2) Where a decision is taken under sub-paragraph (1) to open negotiations, regulations 14 to 16 and 18 apply to the representative body as they apply to the special negotiating body.

#### PART 2

##### STANDARD RULES FOR INFORMATION AND CONSULTATION

6.—(1) The competence of the representative body is limited to—

(a) questions which concern the SE itself and any of its subsidiaries or establishments in another EEA state, and

(b) questions which exceed the powers of the decision-making organ in a single EEA state.

(2) For the purpose of informing and consulting under sub-paragraph (1), the competent organ of the SE must—

(a) prepare and provide to the representative body regular reports on the progress of the business of the SE and the SE's prospects;

*Status: This is the original version (as it was originally made).*

- (b) provide the representative body with the agenda for meetings of the administrative or, where appropriate, the management or supervisory organs and copies of all documents submitted to the general meeting of its shareholders;
- (c) inform the representative body when there are exceptional circumstances affecting the employees' interests to a considerable extent, particularly in the event of relocations, transfers, the closure of establishments or undertakings or collective redundancies.

**7.—(1)** The competent organ must, if the representative body so desires, meet with that body at least once a year to discuss the reports referred to in paragraph 6(2)(a).

This sub-paragraph is without prejudice to paragraph 8.

(2) The meetings must relate in particular to the structure, economic and financial situation, the probable development of business and of production and sales, the situation and probable trend of employment, investments and substantial changes concerning organisation, introduction of new working methods or production processes, transfers of production, mergers, cut-backs or closures of undertakings or establishments, or important parts of undertakings or establishments, and collective redundancies.

**8.—(1)** In the circumstances set out in paragraph 6(2)(c), the representative body may decide, for reasons of urgency, to allow the select committee to meet the competent organ and it has the right to meet a more appropriate level of management within the SE rather than the competent organ itself.

(2) In the event of the competent organ not acting in accordance with the opinion expressed by the representative body, the two bodies must meet again to seek an agreement, if the representative body so wishes.

(3) In the circumstances set out in sub-paragraph (1), if the select committee attends the meeting, any other members of the representative body who represent employees who are directly concerned by the measures being discussed also have the right to participate in the meeting.

(4) Before any meeting referred to in this paragraph, the members of the representative body or the select committee, as the case may be, are entitled to meet without the representatives of the competent organ being present.

**9.** Without prejudice to regulations 24 and 25, the members of the representative body must inform the employees' representatives or, if no such representatives exist, the employees of the SE and its subsidiaries and establishments, of the content and outcome of the information and consultation procedures.

**10.** The representative body and the select committee may each be assisted by experts of its choice.

**11.—(1)** The costs of the representative body must be borne by the SE which must also provide the members of that body with financial and material resources needed to enable them to perform their duties in an appropriate manner, including (unless agreed otherwise) the cost of organising meetings, providing interpretation facilities and accommodation and travelling expenses.

(2) However, where the representative body or the select committee is assisted by more than one expert, the SE is not required to pay the expenses of more than one of them.

## PART 3

### STANDARD RULES FOR PARTICIPATION

**12.**—(1) In the case of an SE established by transformation, if the rules of an EEA state relating to employee participation in the administrative or supervisory body applied before registration, all aspects of employee participation continue to apply to the SE.

(2) Paragraph 13 applies to that end with the necessary modifications.

**13.**—(1) In the case where—

(a) an SE is established otherwise than by transformation, and

(b) the employees or their representatives of at least one of the participating companies had participation rights,

the representative body has the right to elect, appoint, recommend or oppose the appointment of a number of members of the administrative or supervisory body of the SE.

(2) Their number must be equal to the highest proportion in force in the participating companies concerned before the registration of the SE.

**14.**—(1) The representative body must decide on the allocation of seats within the administrative or supervisory body.

(2) In doing so, the representative body must take into account the proportion of employees of the SE employed in each EEA state.

(3) If the employees of one or more EEA states are not covered by that proportional criterion, the representative body, in making its decision under sub-paragraph (1), must appoint a member from one of those EEA states including one from the EEA state in which the SE is registered, if appropriate.

(4) Every member of the administrative body or, where appropriate, the supervisory body of the SE who has been elected, appointed or recommended by the representative body or the employees is to be a full member with the same rights and obligations as the members representing shareholders, including the right to vote.