



AKER ASA

EWC Aker ASA

Stavanger 15-17 October 2008

EWC History in Aker



EWC Aker - History

In the beginning, there was....Kværner

- Employee initiative, based on the EU directive
 - A lot of efforts and contact amongst empl.reps across borders
 - Resistance from some of Kværner's managers
 - Sarinkangas: "You should rather visit Lahti or Holmenkollen, EWC is just nonsense"
- 20 Sept 1996, agreement signed
- EMF heavily involved (one of the early agreements in Europe)
- $\frac{3}{4}$ employee reps, $\frac{1}{4}$ management reps
 - Chairman and secretary altered between empl./management
- EWC used as a tool for contact and influence in connection with sales/turn a rounds/ downsizing/close downs etc
- Leonardo da Vinci project
 - Language training
 - Web based network for cooperation amongst EWC delegates
- Kværner merged with Aker Maritime EWC 4 Feb. 2003



History, cont..

Aker Maritime

- Employee initiative, based on the EU directive
 - Positive response from Norwegian management
 - Contact with Finnish, English and Scottish colleagues. Also meeting with Finnish Metalworkers Union. Positive response
 - Resistance from British management reps
 - McNulty managers were strongly against informing their employees about the situation in their company.
- Agreement signed June 2000
- Only employee reps as members of the EWC
 - CEO and HR manager to be present in the meetings
- AMA merged with Kværner EWC 4 Feb. 2003



History, cont..

Aker Kværner

- Internal discussions and clarifications between employee reps before negotiations with AK Management on new agreement for the merged company
- New agreement for Aker Kværner signed 4th February 2003.
- Important improvements compared to the former agreements
 - Much clearer wording
 - Extended possibilities for meetings
 - Own budget
 - Language training



Other EWC agreements in Aker

- **Aker Material Handling**
 - Well functioning EWC for many years.
 - As the company was declining, the EWC was in 2004 threatened by close down due to few international employees => in favour of an agreement on Aker ASA level
 - Continued their own EWC after being sold out of Aker in 2007
- **Aker Yards**
 - No separate agreement. Some yards were part of the former Kværner agreement.
 - Took part in the Aker Kværner meetings as observers.
 - Negotiations for some period to establish an AY agreement, but that were “turned down” in favour of an Aker agreement
 - Established their own EWC after being sold out of Aker in 2007, with assistance from EWC reps in Aker
- **Aker Seafoods**
 - EWC agreement for some years, but not very active. “Sleeping” agreement in the period before joining the Aker agreement



History, cont..

During 2004

Gradually changing attitude
from:

- Most important to have separate and self-contained EWC in the subsidiaries

Towards:

- We need to establish an EWC on Aker ASA level, combined with opportunities for separate meetings/sessions for the subsidiaries.

Why?



Why Aker EWC

- Aker ASA to play a more important role towards its subsidiaries
- CEO of Aker ASA was chairman in the boards of AK, AY, ASF and AMH
- Possibility to meet the “ultimate decision makers”
- Need for discussions between employee reps in the different subsidiaries
- Corporate Aker ASA management declared common profile in important matters:
 - Company branding, profile and guiding principals
 - Company values
 - People policy



EWC Agreement Aker ASA

- Negotiations took place during 2004 and 2005
- Agreement signed May 24. 2005
- Replaced the EWC agreements in ASol and ASF, but these are still valid in case situations occur that makes them relevant as fall back solutions
- Some improvements made, i.e.:
 - Countries outside EU/EEA
 - Training
- Romanians joined EWC from January 2006 as observers
- French delegates (from Chantieres de'l Atlantique) joined the EWC from Nov 2006
- Ukrainians' from Aker Yards joined as observers in the last Aker EWC meeting before the sale of Aker Yards in 2007
- Language and financial training provided through courses in York, England



Aker ASA EWC Agreement, cont..

- New agreement signed 24 July 2007, after sale of Aker Yards
 - Some changes in the table for representation (lowering of thresholds)
- Five plenary meetings so far in the Aker ASA EWC: May 05, Jan 06, Nov 06, May 07, Jan 08 and this meeting is nr. six.



Challenges faced

- Different culture and history regarding employee involvement and industrial relations
- Different legislation
- Different nomination and election arrangements
- Blue collar versus white collar employees
- Unionized and non-unionized labour
- Very different attitude amongst company managers



Experiences in the EWC work

- The plenary meetings are functioning well according to the feedback from the delegates
- High degree of openness from the managers in the meetings (more poorly in between the meetings)
- Important with separate sessions for the subsidiaries
- OK balance between internal and external issues and speakers in the meetings
- Useful contributions from both national and international union representatives
 - Orientations on issues like transnational bargaining, European Companies, International Frame Agreements, Social dumping, etc
- But there are areas for improvement, particularly:



Experiences in the EWC work

- Sales/acquisitions of companies
 - Our experiences regarding such is positive in Norway, but we have not succeeded in transferring similar routines in connection with acquisitions and particularly in sales of companies outside Norway
 - It is more like information *after* transactions than consultation *before* transactions
 - The reasons why are mixed:
 - Managers hesitate due to secrecy and security risks
 - Different countries – different customs. Our managers think that in many countries employee reps are not used to such openness and how to deal with sensitive information
 - Our opinion: If this continues, the company is violating the EWC agreement



Important for real information and consultation in our EWC

- We must accept the differences between unions, skills, social and political traditions, national legislation, opinions and systems
- We must build good network between representatives
- Develop good communication with national and international unions. (EWC's aren't union bodies, but are results of union initiatives).
- Develop language skills for better communication
- This will strengthen our ability to challenge our management in and between the meetings



Different nationalities – communication is a challenge

- Language training – an important right
- Beneficial to develop English language skills amongst the EWC members
- Difficult to develop social relations through interpreters
 - Cooperation is always easier amongst acquaintances
- According to feedback; very good courses in York
- **BUT:**
 - That every EWC member has the right to attend English training does not mean it is compulsory
 - Interpretation will still be arranged for every delegate who needs it



EWC Representatives Oct 2008

	BA	Norway	UK	Be Ne Lux	Germany	France	Denmark	
AS	ED&S	Atle Tranøy*						
		Åsmund Knutsen						
		Oddvar Hølland						
		Arve Toft						
		Atle Teigland**	Bruce Thomson					
		Harald M Bjørnsen						
	P&C		Geoff Calvert	Wim De Graaf	Johannes Koch			
			Steve Picot					
	P&T				Bernhard Küppers			
AKS		Bjarne Kristiansen				Roger Loviton	Peter Skøtt	12
		7	3	1	2	1	1	15

* EWC chairperson

** EWC secretary



Working Committee

- Atle Tranøy, Chairperson
- Atle Teigland, Secretary
- Wim De Graaf, Member
- Bruce Thomson, Member



International Frame Agreement (IFA)

- Negotiations ongoing since early 2006.
- Several difficulties occurred during the negotiations due to “strange” attitudes in some of the subsidiaries in different parts of the world
- IFA – a step towards a Global Works Council??



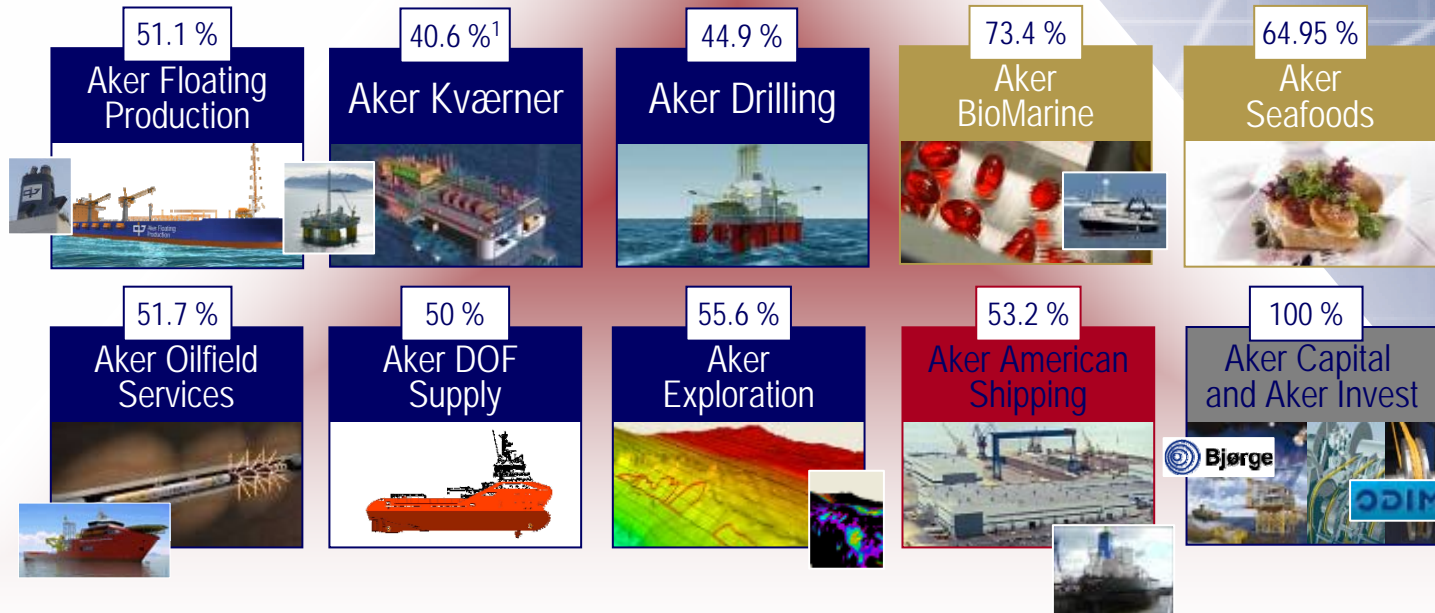
AKER ASA

Company Structure, changes

EWC Implications



This was Aker, when we last met



Aker ownership shown (in %)
¹ Held by Aker Holding





This is Aker



35 000 employees
Operations in 35 countries
NOK 62 bn revenues

Energy, maritime,
seafoods & marine
biotech industries

41.0 %

Aker Solutions



51.1 %

Aker Floating Production



100 %

Aker Drilling



82.9 %

Aker BioMarine



64.85 %

Aker Seafoods



50 %

Aker DOF Supply



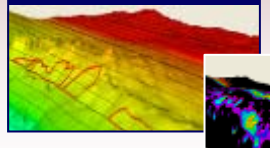
77² %

Aker Oilfield Services



61.2 %

Aker Exploration



100² %

Aker Clean Carbon



50.3 %

Aker Philadelphia Shipyard



Key investments



Aker ownership shown (in %)

¹ Held by Aker Holding, adjusted for shares hold by Aker Solutions

² Including shares owned by Aker Solutions

