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***Defining a company welfare system
through the joint action
of EWCs and Trade Unions
in the metal and finance sectors:
The key role of workers' participation rights***

Paris, 26-27 April 2018

BARGAINING AND WELFARE

National collective agreements in recent years have strengthened the already consolidated welfare provisions (supplementary pensions and integrative health) and introduced further welfare measures (flexible benefits) with the purpose of responding to new needs and also as forms of support to workers' available income.

Over these years, a wide range of negotiations at company and territorial level have developed over these subjects, experimenting increasingly complex forms of welfare.

Recent law regulations have incentivized negotiations on these issues, either with tax relief measures and with the large space assigned to collective bargaining in the definition and testing of specific measures.

This made it possible to overcome the problems posed by the unilateral initiatives of companies and the limitation of these initiatives essentially to large companies.

Today the welfare measures envisaged by national and second level collective agreements (territorial or companies, either large and SMEs) are extended to all workers and this represents a great solidarity value for the union for all workers.

CONTRACTUAL WELFARE A VALUE FOR WORKERS

Welfare Concept

The term welfare identifies the set of benefits in kind and monetary benefits aimed at responding to basic needs related to the family, childhood, housing and to protect citizens from the need and risks arising from absence of income in the event of illness, maternity, accident, disability, unemployment, old age.

Also included in this definition are the services concerning other areas of particular social relevance, such as education and health.

The Consolidated Law on Income Tax (TUIR) refers to "social utility expenses", eg "expenses related to works or services (...) incurred for specific purposes of education, recreation, social and health care or worship».

Welfare state has ancient roots

From the coffers of mutual aid and the first syndicalism of the nineteenth century to that of our times born with Lord William Beveridge, who on December 1st, 1942 proposed to the British society to defeat the 5 giants of post-war reconstruction: Need, Illness, Ignorance , Misery, Idleness.

The great occupational and demographic transformations and the changes in the economic context that cross our society mark today the European debate on Welfare.

The difficult economic situation and the lack of resources has in fact modified the traditional paradigm based on the classical public-private antinomy (the right parties are attentive to the private with little attention to the social, the left to the Welfare State).

Contractual welfare relationship and public welfare

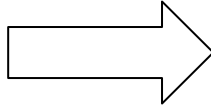
We are aware that as a trade union we mainly move in the context of occupational welfare, so-called second welfare, which means welfare integrated the universal system.

It is not in contrast, but rather complementary and indeed contributes to strengthening public welfare precisely because it intervenes in the areas currently exposed to public intervention, or in a subsidiary function with respect to what the public can play.

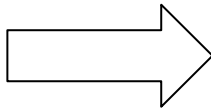
Meaning of contractual welfare

- Personal care, social well-being
- Shared nature. An advanced dimension of union and company relations
- Solidarity and inclusive characteristic. A new frontier of subsidiarity.
- Corporate responsibility. A perspective consistent with organizational and business wellbeing
- Generative social welfare
- Contractual role of the parties
- Development in company and national bargaining
- Emphasized by legislative measures
- Reading of workers' needs
- Consideration of the peculiarity of the territory
- Structuring welfare plans
- Territorial welfare for SMEs
- Interlocution with serious and virtuous operators
- Joint training
- Initiative towards institutions, qualification application for social services
- Cultural promotion

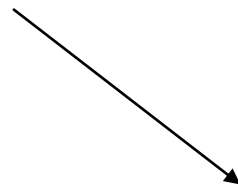
***CONTRACTUAL
WELFARE***



**SECTOR COLLECTIVE AGREEMENT:
SUPPLEMENTARY PENSION FUNDS,
HEALTH CARE FUNDS, BILATERAL
INSTITUTIONS**



**COMPANY COLLECTIVE AGREEMENTS:
WELFARE PLANS, TRANSPORT
SERVICES AND SO ON**



TERRITORIAL BARGAINING

WELFARE IN NATIONAL COLLECTIVE AGREEMENTS

COMPLEMENTARY PENSION

The contribution of the company to the supplementary pension fund in favour of the participating workers is increased from 1.6% to 2% of the contractual salary.

INTEGRATIVE HEALTHCARE

Integrative health is established with the extension to all workers and the provision of coverage for employees' children and dependent family members (including civil unions and cohabiting de facto), with a cost of 156 Euros to be paid by the companies.

FLEXIBLE BENEFITS

The companies provide workers with welfare plans of 450 euros in three years 2018-2020, with the availability of each share of resources (average value of 150 euros per year) for the worker for a period of 12 months.

The Welfare Plan will allow workers to have many forms of use of the available amounts: shopping vouchers, fuel vouchers, educational expenses (school canteen, school texts, summer camps, etc.), care services (assistance to elderly or non self-sufficient family members), leisure (gym subscriptions, training courses), healthcare and supplementary pensions and so on in accordance with law provisions.

SUBJECTIVE RIGHT TO TRAINING

The subjective right to training is introduced for 24 hours minimum in the three years for all. The Company will prepare the training programs also making use of the territorial commissions between the parties and the involvement of the workers.

RIGHT TO STUDY

The chapter on the right to study is modernized

The 250 hours in the three years for the recovery of compulsory education are re-launched and the 150 hours in the three years are revitalized in favour of all the workers attending the eight training courses according to the European qualifications framework, from the lower school to the specialist courses and university masters.

WORK-LIFE BALANCE

The aim is to incentivize negotiations at company level on the measures of conciliation, working time, flexibility, agile work.

Guidelines have been defined for the solidarity bank of hours, to encourage company agreements on the transfer of hours and leaves by colleagues and companies to workers with serious family difficulties.

HEALTH & SAFETY

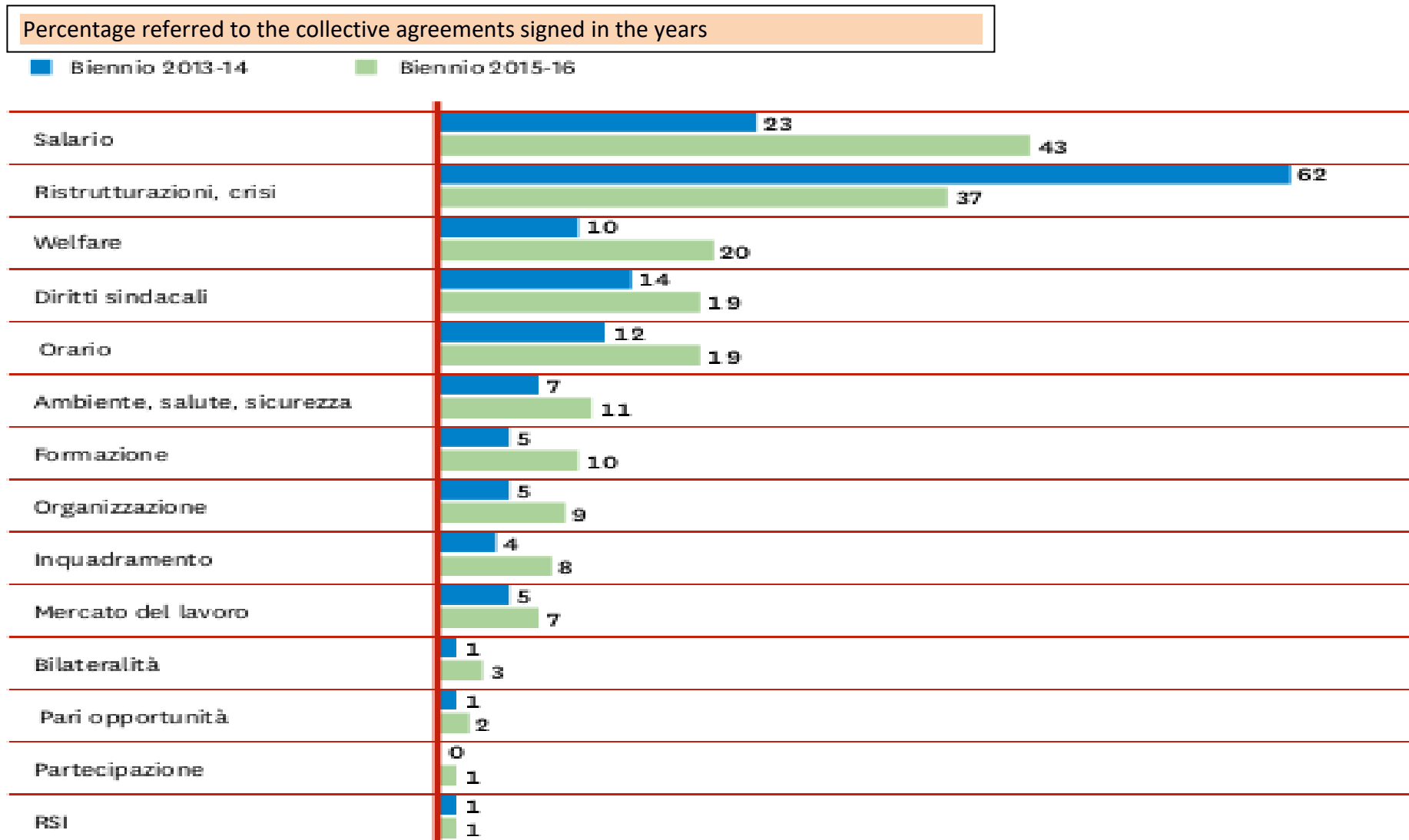
Joint training on health and safety, meetings with workers, analysis of risk factors.

PARTICIPATION

The national collective agreement provides numerous company levels of confrontation and participation in training, professional training, work organization (organizational participation), company performance and strategic decisions of the company (strategic participation).

Matters of supplemental bargaining

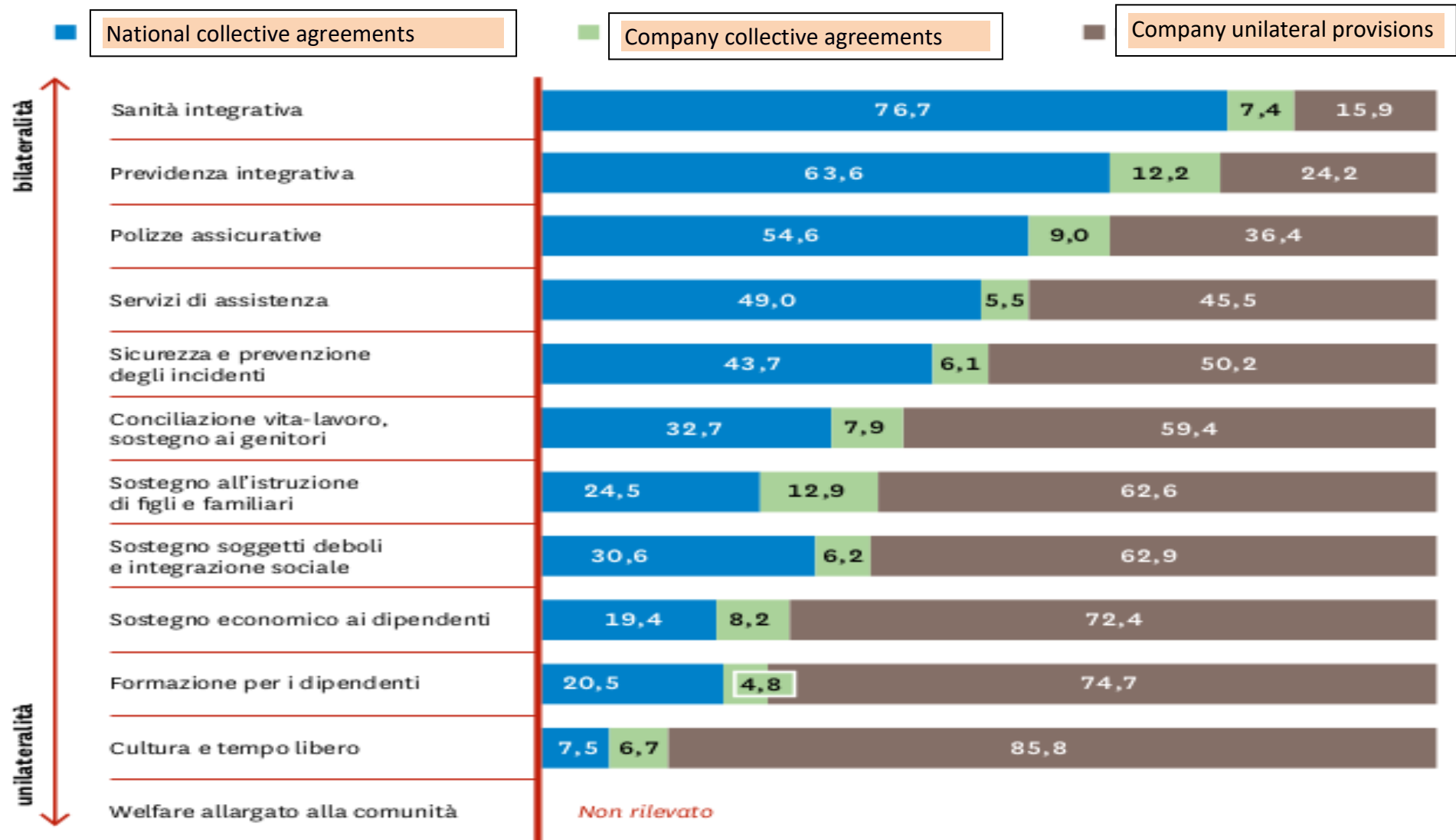
Ocsel Cisl survey - general information on private sectors



Value of bargaining levels

Index Pmi survey - generality of private sectors

Percentage of companies with at least one initiative in the areas



WELFARE AND WORK LIFE BALANCE IN THE COMPANY COLLECTIVE AGREEMENTS

COMPANY BARGAINING

Some examples of significant company agreements

Flexible benefits and facilitations

In many companies the measure of flexible benefits is widespread, in addition to the provisions of the National Collective Labour Contract

- Welfare measures, in particular those related to the area of education and assistance, can affect not only employees but also their family members.
- In additions, the parties identify a specific online platform for the management of corporate welfare.
- There are agreements that stipulate that any residuals of the "Welfare Account" can be transferred and accumulated to the following year.
- Among the agreements that choose to use coupons, there are those that provide for the possibility of using the coupon also for the purchase of the company's products.
- There are also agreements that refer to facilities for sport and leisure.

Performance bonus converted into welfare

Many agreements, based on the possibilities offered by the Stability Law for 2016, 2017 and 2018, provide for the total or partial conversion of the result bonus in welfare services and benefits, to the individual choice of the worker, also with the commitment of the company to increase the amount transferred on welfare with measures ranging from 10% to 25%.

Recent agreements in several companies, large groups, expect to transfer from the Pdr to the Welfare from a minimum of 400 Euro (with an increase of 5%) up to a maximum of 1500 Euro, with an increase that goes up to 10% of the value of transferred .

Study support

There are several cases in which the recognition of school prizes and / or scholarships is introduced for the children of employees and / or employees themselves or the reimbursement of expenses related to the purchase of textbooks or to tuition fees at courses of study.

Leave and permits

In the company bargaining various types of leave and leave have been set up, paid or not, in addition to the provisions of the law or the National Collective Labour Contract.

There are paid leave for medical visits, leave or leave for parenting support, and leave for family assistance.

Bank hours

Several agreements regulate the institution of the bank of hours, a tool used to set aside the hours worked in excess of normal working hours, then under the extraordinary regime, uncomfortable shift, multi-week time or

night work. The set aside hours can be used to enjoy paid compensatory rests or to face periods of lesser work intensity. There are agreements expressly stipulating that in case of reduction of work activity, permits in bank hours may be used as a priority with respect to the use of the IGC.

Time flexibility bands

The agreements on time bands for flexibility of entry and exit are included among the life-work conciliation tools. The flexibility period is even one hundred and twenty minutes from the beginning of the theoretical working time. Other agreements provide for slower hours of 30 minutes with recovery on the same day, but contracts are spreading that instead extend the recovery of flexibility on a weekly basis. In some cases, the recovery takes place on a multi-weekly basis, in others it takes place on the reference month.

Interesting are the agreements on timetables in which there are forms of flexibility of working hours in and out of working hours, a system of 'Recovery Permits', shift work is defined on the menu of diversified models.

Part Time

The part-time contract is a tool to promote a better reconciliation between life time and working time, consistent with the technical and organizational needs of companies.

Generally, with company agreements, we try to increase the percentages of maximum limits for access to part-time work and thus favor the choice of the worker.

The same applies to the particular needs of the worker who give the right to access the part time: in some cases there are requirements regarding the socio-economic situation of the requesting worker, in others reference is made to the working mothers or fathers workers returning from maternity / paternity leave and workers with disabilities. In some situations, even if not yet widespread, part time is used near retirement in order to

promote active aging and the so-called intergenerational relay.

Some agreements tend to widen the availability to use part-time by creating new job positions with hiring new staff. Another important aspect concerns the possibility of reversibility at the request of the worker from full-time employment relationships in part-time relationships.

Agile or Smart-working

Agile work is a way of working that allows you to carry out part of the activity even outside the company premises and is increasingly establishing itself as a useful tool for reconciling the professional activity and the needs of workers' lives.

Unlike "teleworking", in which the worker is permanently located outside the company, agile work combines the advantage of full integration into the business reality with the possibility of flexibility in the organization of working hours.

The entry into force of the legislation on agile work (Law No. 81/2017) gave a further push to the agreements on the subject, although they had also been registered previously.

Some agreements indicate the characteristics that "agile" work sites must possess (eg other company offices, the domicile of the employee, other places that meet the security criteria and allow the necessary confidentiality in the use of data. Generally, agile work is aimed at some professional figures or activities for which the physical place of the performance is not always decisive (eg processing, planning, etc.), and limits are imposed on the number of workers or areas involved. In some cases access to subjects who are in conditions of particular need is favoured.

With reference to working time, company agreements provide for the use of agile work, respecting normal working hours, within specific time slots of availability and a maximum number of days is also foreseen (in the

week and / or in the month) in which the work service can be carried out under this scheme.

As for the protection of health and safety at work, in accordance with the provisions of the law, the company undertakes to provide the worker with indications, information and training in order to allow an effective and safe performance of the work service, in addition to the equipment of technological tools needed.

Holidays and permits in solidarity

The law provides for the possibility of transferring holidays to colleagues to allow the assistance of minor children for particular health conditions. Several agreements extend this possibility by extending the scope of action to the care needs of family members. Many company agreements provide for the use of this tool. In some cases, the company undertakes to supplement / increase the amount of solidarity hours given by colleagues.

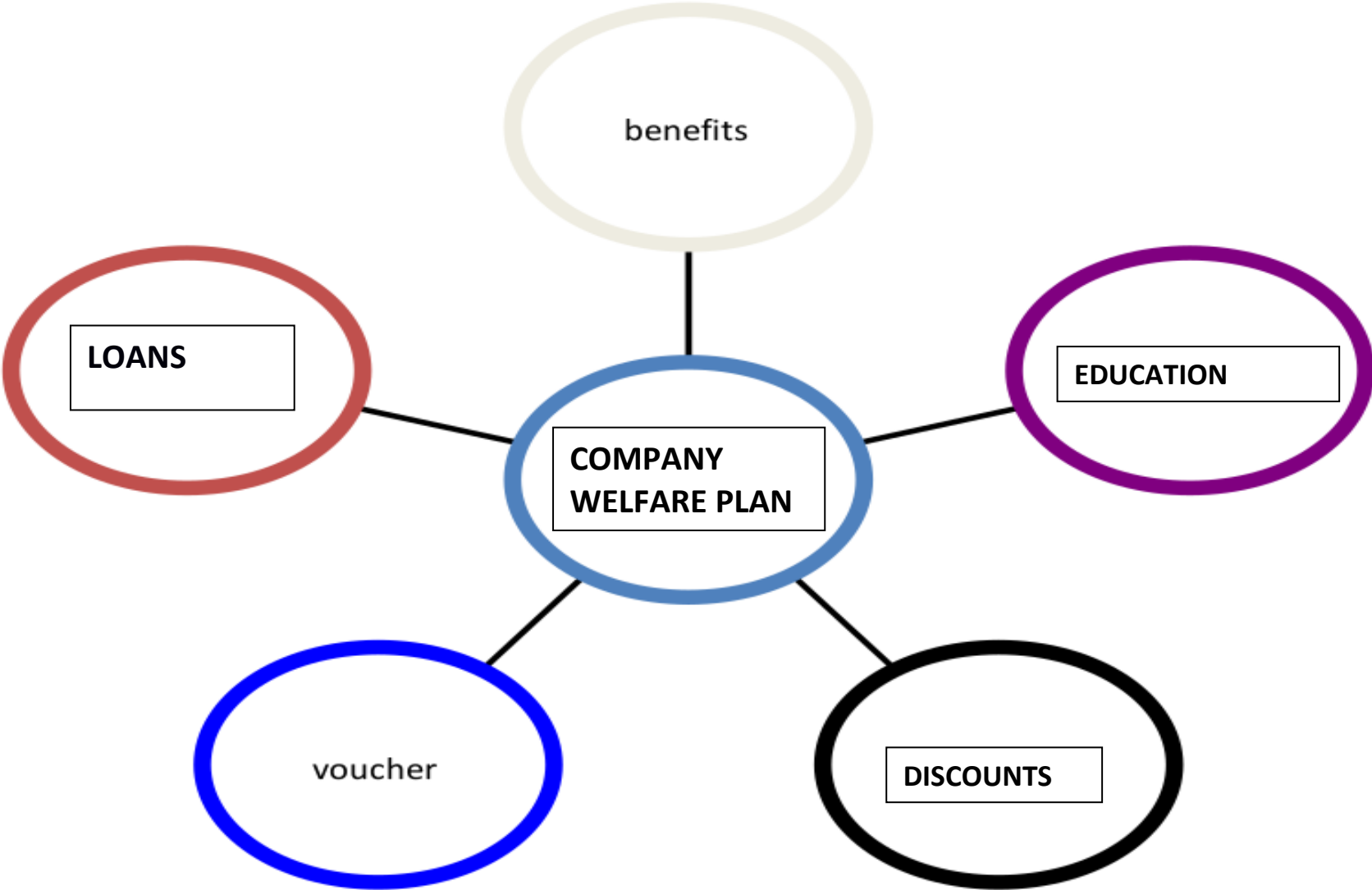
Organizational participation

There are numerous agreements that provide for the establishment of working groups with the strong involvement of workers for the management of the organization and of the work process.

Strategic participation

Agreements involving the share ownership of workers and the participation of workers' representatives on company boards begin to be concluded. The forms of strategic participation are more widespread through committees with the presence of trade union representatives of the workers who are consulted beforehand, with the acquisition of an obligatory opinion, although not binding, with respect to the company's strategic choices.

Corporate welfare plan



BARGAINING TERRITORIAL

TERRITORIAL BARGAINING

Some examples of significant territorial agreements concerning SMEs

Territorial agreement with SME Business Associations that can be adopted by the company.

Analysis of the sector at the territorial level

Occupation

Result award with territorial indicators, which must however be verified in the specific trend of the company

Use of the equalization element

Welfare flexible benefits

Support tools for health and safety intervention

Term contracts and stabilization conditions

Tools to encourage entry to work