

Parker Hannifin

16/10/2003



AGREEMENT CONCERNING THE ESTABLISHMENT OF THE PARKER HANNIFIN EUROPEAN CONSULTATIVE FORUM

AIM & SCOPE OF AGREEMENT

- 1.1 This agreement defines the scope, role, membership and operation of the Parker Hannifin European Consultative Forum ("the Forum") and fulfils the Company's obligations to Directive 94/45/EC.
- 1.2 The parties to this agreement believe that the Company's business and employee interests are best served by there being a joint understanding of the objectives, strategy, competitiveness and performance of the Company, and of its operating environment and market position. To encourage this understanding, the Forum will provide a vehicle for the Company to provide information and consult employees concerning its European operations and to allow a free exchange of views and opinions between its management and employee representatives.
- 1.3 The Forum shall operate in a spirit of co-operative partnership, good faith and mutual trust, committed to the best interests of the Company and its employees.
- 1.4 The parties to this agreement recognise the importance of the procedures concerning information, discussion and consultation fiat operate at local/national level. The local/national consultative arrangements must retain precedence over the Forum and will remain solely responsible for issues that are the subject of collective bargaining or negotiation. Information provided by the Company at a Forum meeting on facility- or country-specific issues shall be consistent with that already provided through existing local consultative machinery.

OPERATIONS COVERED

- 2.1 This agreement covers the entire workforce in the Company's wholly-owned or majority controlled operations in the European Union (EU)/European Economic Area (EEA) and Switzerland.
- 2.2 In the event of significant changes to the size and composition of the Company's operations in Europe the Company may propose amendments to the composition of the Forum.

ROLE

- 3.1 The Forum will comprise an annual meeting of both Company management and representatives of employees.
- 3.2 The Company will provide information and consult on employee matters, economic, financial, and business developments within Europe where these affect Company operations in at least two European countries.
- 3.3 The Forum is not intended to replace, duplicate or supersede the established procedures, local or national, for informing and consulting employees within the Company's European operations.