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## Appendix

### Case Study TECH – Extended Background

TECH is a US-based multinational in enterprise software and hardware systems, employing approximately 18,000 workers across Europe. Prior to Brexit, the EWC's representative agent was located in the UK, which also hosted the company's European headquarters. TECH operates across major European economies, including Germany, France, and Romania.

The company's EWC was established in 2007 following the acquisition of a competitor. It was constituted under the UK subsidiary requirements (Transnational Information and Consultation of Employees Regulations 1999, TICER) rather than through a negotiated agreement under Article 6 of Directive 2009/38/EC. As subsidiary requirements apply only in the absence of an agreement after two years of negotiations, this points to a limited willingness on management's part to engage in negotiated institution-building.

At the time of Brexit, the EWC comprised 26 members, including three UK representatives. It met annually in person and was supported by a steering committee that convened monthly. Company-funded training by external experts facilitated informed consultation during restructuring processes. However, management restricted participation in external EWC events and trade-union networks, limiting cross-organisational learning. The absence of a company-specific agreement complicated adaptation to organisational change and contributed to disputes over consultation timing, confidentiality, and access to strategic information. These tensions culminated in a formal complaint to the UK Central Arbitration Committee, reflecting increasing mistrust between management and employee representatives.

### Case Study COMPUTE – Extended Background

COMPUTE is a multinational information technology (IT) service and consulting company headquartered in France, employing approximately 105,000 workers across 69 countries. Founded in the late 1990s, the company became a Societas Europaea (SE) in 2005. It is among the world's leading producers of supercomputers and expanded primarily through a series of mergers and acquisitions. Despite this expansion, the company struggled to achieve coherent industrial integration. Its financial situation deteriorated significantly, leading to unsuccessful sale negotiations and, eventually, to the announcement of a creditor agreement supported by banks, bondholders, and the French state.

The company's first EWC agreement was signed in 2007 and renewed in 2012. It covered 15 countries and was widely regarded as exemplary among French multinationals, granting extensive rights including access to external expertise, paid time for EWC duties, mandatory consultation on changes in work organisation, and formal training entitlements.

This institutional arrangement began to erode after 2018 following major changes in corporate governance. Frequent turnover in CEO and HR positions weakened established routines of social dialogue. A new, US-influenced management style prioritised cost control, legal

formalism, and centralised decision-making, reducing access to top management and limiting informal exchange. During the COVID-19 pandemic, consultation processes became increasingly digitalised, with communication largely channelled through HR.

In 2020, management unilaterally terminated the EWC agreement, citing financial constraints and organisational simplification. After failed renegotiations, the EWC was formally dissolved in 2021. Although a legal injunction filed by the EWC and unions from six countries was dismissed, the company was ultimately required to re-establish a Special Negotiating Body (SNB) to negotiate a new agreement under Directive 2009/38/EC. Negotiations lasted more than one year and concluded only under the threat of reverting to subsidiary requirements.

### Case Study STEEL – Extended Background

STEEL is a German-headquartered multinational engineering and steel company founded in the nineteenth century and employing approximately 100,000 workers worldwide. The company has grown significantly through mergers and acquisitions, although the integration of acquired units has not always been smooth, and achieving a coherent industrial structure after rapid expansion remains an ongoing challenge. STEEL operates in more than 18 European countries, reflecting its broad industrial presence.

In recent years, the company has undergone major restructuring, including workforce reductions in steel production and administration, as well as outsourcing and divestments. These measures were driven by competitive pressures from low-cost international competitors, high energy costs, and a weakening global economy. Restructuring processes at STEEL typically involve active participation by employee representatives, particularly the German works council, consistent with the social-partnership model characteristic of large German firms and supported by strong trade union presence.

The STEEL EWC was established in 1999. Prior to Brexit, it comprised 61 members from 12 countries, reflecting the company's extensive European operations and proportional representation based on workforce size. Shortly before Brexit, the UK was represented by two members and one honorary member.

The EWC is well resourced and closely integrated with national employee representation structures. It maintains a dedicated office adjacent to those of the works council and central works council, supported by a full-time assistant and a full-time consultant. Within the company, this spatial proximity is commonly referred to as the "co-determination corridor." A strong and well-coordinated German delegation plays a central role in EWC activities.

The EWC maintains close relations with company management and is in regular contact with the CEO, as well as with IndustriALL Global and IG Metall. It operates with its own budget and convenes two in-person meetings per year. While the council is generally described by its members as functioning in a cooperative and "pleasant" manner, it acts primarily as a consultative rather than a decision-making body. Representatives from other countries benefit

from transnational information flows, whereas German representatives often perceive limited additional value given their more extensive national participation rights.

Case Study HEALTH – Extended Background

HEALTH is a German-headquartered chemical and pharmaceutical multinational founded in the nineteenth century and employing approximately 100,000 workers worldwide. The company has a strong international presence and is a major player in the global industry. In recent years, it has undergone significant restructuring, including a major acquisition aimed at strengthening its competitive position.

Restructuring processes at HEALTH typically involve active participation by employee representatives at multiple organisational levels, with the German works council playing a central role in negotiations. This reflects the social-partnership model characteristic of large German companies, underpinned by a strong tradition of trade union involvement.

Even before the introduction of the EWC Directive in 1994, HEALTH had established a transnational employee representation body (“European Forum”), which today encompasses representatives from 28 countries. The EWC is organised as a joint body comprising 60 employee and 20 employer representatives, following the “French” model of EWCs (Lecher et al., 1998). Historically, the UK has held one seat.

The EWC steering committee, regarded as the council’s main working body, includes representatives from most countries and meets four times per year. Although German law generally prohibits mixed employer–employee EWCs, HEALTH’s agreement predates the 1994 Directive and is protected under its grandfathering clause (Article 13). Despite the joint structure, the employee side operates autonomously, with separate preparatory meetings and independent coordination.

German representatives play a leading role due to their positions in supervisory boards and works councils. The EWC primarily serves as a consultation body, with much of its substantive work conducted in thematic cluster groups that facilitate intensive communication among representatives.

*Table 2: Comparison of Cases by Institutional mode of Change and Outcome, Negotiation Process, and Explanatory Factors*

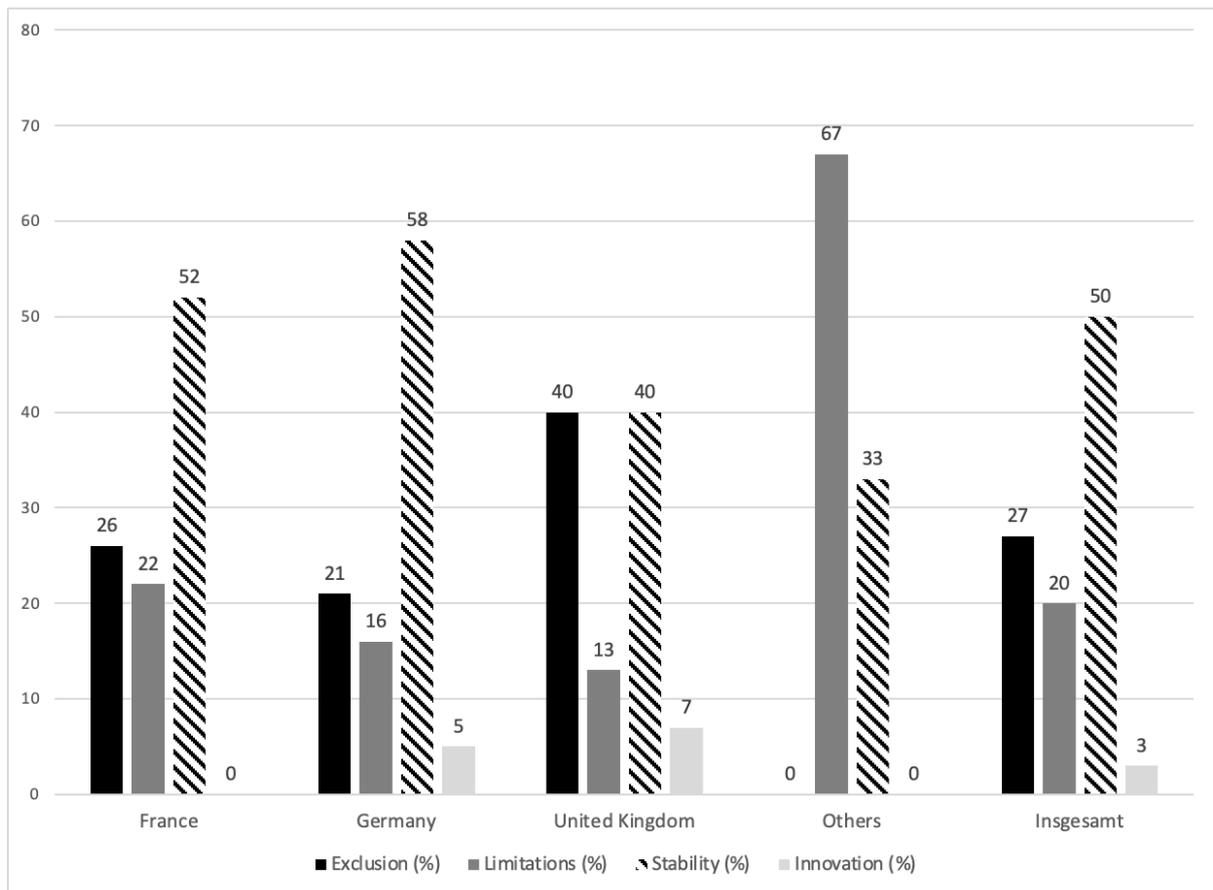
Case	Type	Description / Negotiation Process	Explanatory Factors
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TECH	<p>Exclusion (loss of 3 UK seats and jurisdictional relocation to Ireland; Erosion of participation rights and fragmentation of the EWC; continued formal existence but substantial weakening of transnational employee representation.)</p> <p>Modes of change: <i>displacement, drift</i> (through continued reliance on the subsidiary requirements), and implementation of external expert participation.</p>	<p>No negotiation: unilateral management decision to relocate the EWC's legal base from the UK to Ireland</p> <p>EWC request for observer status rejected.</p>	<p>Structural factors: US-based multinational with a highly centralised management structure; legally fragmented European organisation; weak embeddedness in European industrial relations systems; limited enforcement mechanisms under Irish law.</p> <p>Actor-related factors: Legalistic, compliance-oriented management strategy;</p> <p>weak EWC negotiation capacity (poor Article-7 agreement); limited union support); loss of experienced UK delegates who previously mediated between management and employee representatives; shift from trust-based interaction to formal procedural compliance.</p>
COMPUT E	<p>Limitation (UK and Swiss representatives were granted "guest status", allowed to attend meetings but without voting rights or access to country-specific information)</p> <p>Mode of change: <i>drift</i> through negotiated limitation of rights.</p>	<p>Original EWC dissolved; protracted renegotiation during corporate crisis; management leveraged Brexit and financial instability to reduce EWC scope; SNB accepted "guest status" compromise to avoid collapse.</p>	<p>Structural factors: severe financial constraints, centralised governance, weak enforcement context.</p> <p>Actor-related factors: Management shifts to US management style, negative stance towards EWC</p> <p>EWC rather weak: limited union support, fragmented, and coordination across countries remained limited</p>
STEEL	<p>Stability (agreement on retaining UK reps and status)</p> <p>Mode of change: Institutional reproduction (stability through reinforcement of existing rules and shared values).</p>	<p>Early, consensual coordination between management, central works council, and EWC; formal agreement guaranteeing continued UK participation; no contestation.</p>	<p>Structural factors: institutionalised codetermination system, strong IG Metall involvement, well-resourced EWC, embedded social-partnership culture.</p> <p>Actor-related factors: positive management stance, cooperative EWC leadership, proactive British delegates, strong trust relations.</p>
HEALTH	<p>Innovation (additional mandates for non-EU countries)</p> <p>Mode of change: Institutional expansion</p>	<p>Employee side proactively used Brexit as a negotiation window; management agreed to include the UK and additional non-EU members via a</p>	<p>Structural factor: institutionalised codetermination system, long-standing social-partnership norms, well-resourced EWC, inclusive corporate culture.</p> <p>Actor-related factors: strong leadership of the German chair, high</p>

	through proactive agency and structural support.	supplementary agreement.	trust between management and labour, pragmatic negotiation culture.
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Source: Own Compilation

Figure 1. Distribution of Institutional Outcomes across Home Countries (n = 64)



Source: Author's compilation based on 64 company cases (France = 27; Germany = 19; UK = 15; Others = 3).