ENCLOSURE 5 - MINUTES

47th General Assembly Istanbul, 29 April 2026

National reports

National Roundtable on Key Developments in Austria

<u>Developments in Collective Bargaining</u>

Due to the difficult economic situation in the metal industry, a two-year collective bargaining agreement below the inflation rate was reached.

The collective bargaining negotiations in the metal industry were carried out under challenging conditions. Inflation in Austria is above the eurozone average, the economic situation remains tense.

As in 2023, a two-year agreement was once again reached. This agreement contains measures that employers have been advocating for years.

<u>Conclusion 2025 (effective from November 1, 2025)</u>:

- **Actual wages and salaries** (Ist-Lohn bzw. -Gehalt) will increase by **1.41 %**.
- **Wages and salaries under the collective agreement** (kollektivvertragliche Mindestlöhne und -gehälter) will increase by **2 %**; advancement values (Vorrückungswerte) remain unchanged.

From November 2025 to June 2026, employees will receive either two additional two-day leaves or two € 500 one-time payments to support purchasing power. The exact arrangement will be decided jointly at the company level.

<u>Conclusion 2026 (effective from November 1, 2026)</u>:

- **Actual wages and salaries** (Ist-Lohn bzw. -Gehalt) will increase by **1.9 %**.
- **Wages and salaries under the collective agreement** (kollektivvertragliche Mindestlöhne und -gehälter) will increase by **2.1 %**; advancement values (Vorrückungswerte) remain unchanged.
- **Apprentices' pay** will increase by **2.1 %**.

For the agreement taking effect on November 1, 2026, wage and salary adjustments were, for the first time, successfully separated from inflation, with an actual increase of less than 2 % already agreed upon.

Economic Outlook and Major Trends in the Labour Market

Inflation rate

The average inflation rate in 2025 was 3.6 %, clearly above the ECB's target of 2 %. Inflation was mainly driven by higher energy prices at the beginning of the year 2025, rising food prices, and increasing rents. In summer 2025, inflation was at times above 4 %.

After nearly halving at the start of the year 2026, inflation edged up slightly to 2.2 % in February 2026. With energy prices 4.1 % below last year's level, they lowered the inflation rate by 0.4 percentage points. Yet recent rises in oil and gas prices indicate that this moderating effect on inflation could soon fade. The 12-month average from March 2025 to February 2026 is +3.33%.

Gross Domestic Product (GDP) growth

Austria's economy showed little growth for most of 2025. In the first half of the year, economic output stayed almost unchanged. A clearer increase in economic activity is expected only in the fourth quarter of 2025. This is mainly because business confidence improved over the course of the year. Overall, the economy is estimated to have grown by about 0.5 % in 2025.

The economic recovery is expected to continue (excluding geopolitical risks, such as the Iran conflict). As a result, gross domestic product is projected to increase by more than 1 % in both 2026 and 2027.

Unemployment rate

Employment is expected to grow more strongly again from 2026 onward, while unemployment is set to decline, supported by demographic trends. The population of working age will begin to shrink steadily from 2025. However, this effect will be offset by a continued rise in labour force participation, in particular due to the gradual increase in the statutory retirement age for women.

The current rate is 7.5 %, with a projected rate of 7 % for the following year.

To the colleagues and members of Ceemet 5 2 2026

Sectoral negotiations for metal and technology in Belgium failed

In Belgium, wage negotiations are rather strongly framed by legislation.

In almost all sectors, a system of automatic linking of wages to inflation has been in place for many decades. Almost all these schemes are included in sectoral collective labour agreements, the modalities of which are, however, sectorally different (periodicity, calculation method, scope, etc.).

On the other hand, there was an intervention from politics about 30 years ago. At the end, the automatic linking of wages to inflation with "free wage negotiations" on top of that had led to a development of wage costs that put our country at an increasing competitive disadvantage. This political decision was converted into the Competitiveness Act of 1996. This law stipulates that wages and wage costs may not increase more than those of our three most important trading partners, namely France, Germany and the Netherlands. In this way, a wage norm was set, the height of which is determined every two years by the interprofessional social partners, if not by the government. This law, which was also gradually tightened up, kept wage cost competitiveness in check on the one hand, but on the other the automatic increases took an increasing bite of the "available" wage margin for wage negotiations. As a result, for some years now, the scope for wage negotiations has been limited or even virtually non-existent.

For the period 2025-2026, the interprofessional social partners have not reached an agreement to set the level of the wage norm. This put the ball in the government's court. Due to the late installation of a new government, the final decision on this has not been made until the late summer of 2025. The government finally set the wage standard at 0%, but with the compromise of raising the legal limit for meal vouchers. Meal vouchers are agreed in collective bargaining agreements at sector level (which is rare) or at company level, or in individual agreements.

As a result, the focus of the sectoral negotiations was largely on the increase of meal vouchers whether or not. And due to the late political decision, these negotiations did not take place until late in the autumn of 2025.

For the metal and technology sector, the positions of employers and trade unions were very different. For Agoria, meal vouchers are a theme that must be agreed a priori at company level. The trade unions, on the other hand, wanted to make a sectoral agreement so that almost every employee would receive an increase in meal vouchers. In the negotiations, a formula of a sectoral agreement was sought, but with the possibility of opt-out for the companies. However, after a few rounds of negotiations at the end of 2025 and the beginning of 2026, it became clear that no compromise could be found. Other topics were also discussed during the discussions, such as career leave and commuting interventions, but an agreement on this without an agreement on meal vouchers was also not possible.

The sectoral negotiations have thus broken down, shifting to the company level. These have started a few days ago. It remains to be seen how this will go.

CEEMET 47TH GENERAL ASSEMBLY
29TH APRIL 2026

National roundtable
FRANCE

In France, President Macron is nearing the end of his term, and the Parliament does not currently have a clear majority. As a result, no major reforms in labor law are being undertaken at this stage. The main legislative development remains the transposition of the Pay Transparency Directive, which is not finished yet.

TRANSPOSITION OF THE PAY TRANSPARENCY DIRECTIVE

- After consultation of social partners, we are waiting for the finalization of the draft bill;
- The latest version of the draft bill we had contains some gold plating : For example, reporting requirement for companies with at least 50 employees.
- **Next steps:** end of May the draft bill should be tabled in Parliament. A slot will need to be found in Parliament's schedule to examine the text. The transposition process won't be completed in June and could take several more months.

COLLECTIVE BARGAINING IN THE METAL INDUSTRY

There has been significant activity **within our sector** over the past few weeks and months.

Minimum wages

- Negotiations on the 2026 minimum wage scale resumed in November 2025, following last year's unsuccessful discussions—the first since our new collective agreement came into force in 2024.
- In a highly uncertain economic environment for the metal industry, we submitted a final proposal based on a moderate average increase of 0.86%, aimed at preserving competitiveness and protecting jobs. This proposal was accepted end of February by 3 trade unions out of four.
- Negotiations were more complex this year, particularly due to changes in the leadership of several trade union delegations.

Profit-sharing schemes

- For several months, negotiations on employee profit-sharing schemes have been underway in our sector. This negotiation resulted to several agreements.
- Through them, we aim to provide the sector with a comprehensive, attractive and easily accessible profit-sharing framework to support companies, and especially SMEs:
    - To offer a toolkit that can be used on a voluntary basis;
    - To offer an 'industry-focused' fund within savings schemes to finance the productive economy;
    - To enable employees to build up secure long-term savings.

Disabled workers

- On 31 March 2026, UIMM and three out of four trade unions signed an agreement on the employment of people with disabilities.
- **Context :** the MET sector continues to make progress in inclusion, with a 4.5% employment rate of people with disabilities in 2024, above the industrial private sector average. However, disparities remain: large companies reach or exceed 6%, while companies with 20 to 49 employees stand at 3.6%, highlighting the need for further efforts.
- This agreement sets a specific target of a 5% employment rate in the metal sector by 2032. It focuses on practical steps to improve inclusion of workers with disabilities:
    - awareness-raising and communication initiatives;
    - strengthening measures to prevent disability and support the continued employment of disabled workers;
    - continue to develop tailored, individualised training programmes to take into account the specific needs of candidates with disabilities;
    - etc.

GESAMTMETALL
Die Arbeitgeberverbände der Metall- und Elektro-Industrie

17. April 2026

Item 3: Note
National Report on major social developments

1. Labour Market and Social Policy

- The federal government is currently under great pressure. In light of the additional challenges posed by the war with Iran, the Ministry of Economics has recently **halved its growth forecast for this year and now expects growth of just 0.5 percent**, down from the 1 percent growth forecast in January.
- **The promised structural reforms to cope with high energy prices and overwhelming bureaucracy have not yet been implemented**; instead, the governing parties have only managed to reach a minimal consensus on minor relief measures, such as **short-term tax cuts on petrol and diesel**, and a **highly controversial tax- and duty-free one-off payment of €1,000, which employers can pay out voluntarily.** Furthermore, reforms to the **health insurance system** are now planned, as expenditure in this area is threatening to skyrocket.
- In addition to this, the **Social Democrats** are under a lot of pressure after they performed very poorly in two state elections in March (Baden-Württemberg and Rhineland-Palatinate). In September, a total of three state elections will take place in Saxony-Anhalt, Mecklenburg-Western Pomerania and Berlin. Massive losses of votes are expected, and it is then unclear whether a weakened SPD will continue to be part of the government.

Special legal proceedings

- **Amendment to the German Supply Chain Act (LkSG) of 2021**: One promise of the new federal government was to defuse the "LkSG". That revision is currently underway, but it would hardly bring any relief for companies. However, the parliamentary proceedings are stalling. We are lobbying intensively for the new CS3D from the Omnibus I-Package to be implemented immediately, at least raising the threshold from the current 1,000 up to 5,000 employees.

- Implementation **of the Pay Transparency Directive:** ongoing at national level, but currently no voting dates or a draft are known. Gesamtmetall is lobbying intensively here for the use of all possible leeway. So far, collective agreements have been subject to a presumption of adequacy, which states that the regulations do not discriminate on the basis of gender. If this were to be abolished, as a clear clause to protect collective agreements is missing in the relevant EU directive - our pay framework agreements would have to be reviewed and probably revised.

- **Federal Public Procurement Law (Bundestariftreuegesetz)**: In future, contractors awarded public contracts by federal authorities will be obliged to apply the collective agreements specified in the tender for contracts worth 50,000 euros or more. We reject

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this massive encroachment on collective bargaining autonomy. The process is currently on hold pending renegotiations prior to the final vote in Parliament.

- **Pension Commission**: The committee of independent experts and members of parliament is to develop a proposal by June on how the pension system can be kept stable in the future. This is part of the promised reform agenda by the Government.
- **Welfare State Commission**: Another committee currently working, in which we are involved on the employers' side, is to develop a fundamental reform proposal for the entire welfare state also as part of the reform agenda.

2. Collective Bargaining

- The collective bargaining round for the mechanical and electrical engineering industries will take place in autumn 2026 and is expected to be a difficult one.
- In December 2025, an agreement was reached with IG Metall to postpone the deadline for the start of the collective bargaining round. This was prompted by the union’s wish not to have to discuss and finalise its demands before the summer break.
- Under this agreement, the official demands will now not be presented to us until the end of September 2026. The first negotiations will then take place in early October 2026. The no-strike clause remains in force until 31 October 2026, meaning that strikes are possible as of 1 November 2026.
- The collective bargaining round is expected to take place against a very difficult backdrop. The economic situation is not expected to improve by autumn. The political climate is also weighing heavily on the negotiations, as the reforms needed to improve competitive conditions are slow in coming. Companies find themselves caught between a recession and poor business conditions and are also struggling with excessively high unit labour costs. Germany is losing around 10,000 industrial jobs every month.
- An expensive result of the upcoming bargaining round would further fuel the deindustrialisation that is already taking place. At the same time, it must be borne in mind that the MET industry is very heterogeneous and that flexibility is key.
- IG Metall will not finalise its demands for the collective bargaining round until September. At the moment, it is impossible to predict how those demands will look. Rising inflation will certainly play a role in their considerations but given the uncertain situation, it is impossible to make a reliable prediction as to exactly what IG Metall will demand.

GA Istanbul 29. April 2026.

National Round Table on Major Social Development : labour law and collective bargaining

HUNGARY

In Hungary, the period 2025–2026 brought about a significant structural transformation in the field of labor law and collective agreements, which was primarily determined by the domestic transposition of EU directives (especially the Minimum Wage Directive) and multi-annual wage agreements.

Here are the most important developments in summary:

1. Wage policy and minimum wage changes

Under the three-year wage agreement between the government and social partners, the minimum wages will increase significantly, aiming to reach 50% of the average wage:

2. Collective agreements and EU action plan

The EU 2022/2041 Directive requires that Member States where collective agreement coverage does not reach 80% must develop an **action plan** to increase coverage.

- The situation: In Hungary, coverage is currently low (around 18-20%).

- Development: By the end of 2025, the government must (should) present an action plan to encourage sectoral dialogue. According to trade unions, the aim is to strengthen sectoral collective agreements, as company-level agreements alone are not sufficient to reach the 80% target.

3. Amendments to the Labor Code (Mt.)

The rules have been refined in several points for the sake of flexibility and protection:

- Paternity leave: From 2025, the deadline for taking paternity leave has been postponed from the 2nd month after the birth of the child to the end of the **4th month**.

- Dismissal protection: Protection has been extended to managerial employees during the entire duration of paternity leave (10 working days), so in 2026 the dismissal ban will also apply to them during this period.

- Public holiday supplement: The rule has been clarified: the 100% wage supplement for overtime on public holidays is mandatory, it cannot be replaced with a rest day or a lower supplement

- Simplified Employment (EFO):

Daily public charges have increased in line with the minimum wage (e.g. 2,900 HUF/day in the case of casual work in 2025).

From 2026: The annual 90-day limit for working with one employer has been abolished, but the annual cumulative limit (including other legal relationships) will remain 120 days.

4. Other important changes

- Family tax allowance: From July 2025 and then from January 2026, the amount of the tax allowance for children will be doubled in two stages, which means a noticeable net wage increase for employees.

Managers' responsibility: Occupational safety and administrative regulations have become stricter, with particular regard to the frameworks for digital working and teleworking.

Note: Although the Court of Justice of the European Union struck down certain technical details of the Minimum Wage Directive at the end of 2025 (following a lawsuit by Denmark), the main objectives of the Directive – such as increasing collective bargaining coverage – remain binding for Hungary

According to the EU Directive 2022/2041, Hungary indeed had to prepare an „action plan” to increase collective bargaining coverage, as the domestic level (approx. 18-20%) falls far short of the expected 80%.

Based on government communication and trade union feedback, the action plan was not published as a single, spectacular document, but was incorporated into the three-year wage agreement concluded at the end of 2024 and the related legislative amendments.

Here are the main elements of the government strategy to strengthen sectoral dialogue (2025–2026):

1. Institutionalization of the VKF

The government raised the „Permanent Consultation Forum” of the Competition Sector and the Government (VKF) to a legislative level from 2025.

Until now, this body operated on the basis of informal agreements, but has now become a named, permanent forum. This is the basis for giving the social partners (trade unions and employers) a greater say in sectoral issues.

2. "Reviving" Sectoral Dialogue Committees (SDCs)

A key point of the action plan is the revive of the Sectoral Dialogue Committee system, which has been dormant for years.

Objective: To develop mechanisms that encourage employers to conclude sectoral agreements.

Problem: In Hungary, employers often avoid sectoral commitments because they limit flexibility at the company level. The government's plans include certain „administrative simplifications” for companies that are covered by a sectoral collective agreement.

3. Extension of collective agreements

Part of the government's strategy is to facilitate the extension of sectoral agreements to **erga omnes** (for all).

*- If the representative partners in a sector reach an agreement, the minister can extend it to all companies in that sector, even those that did not participate in the negotiations. From 2025, the government has promised to accelerate these processes.

4. Data collection and monitoring

The EU directive also requires accurate data collection. The Central Statistical Office and the Ministry responsible for employment policy have introduced a new monitoring system from 2025, which tracks the number of collective agreements and the proportion of employees covered on a quarterly basis, in order to measure the effectiveness of the action plan.

Trade union criticism (early 2026)

Although the government has complied with the EU on paper by submitting the action plan, according to the larger trade union confederations (e.g. MASZSZ, ÉTOSZ), the plan is "leaky". Their main objections are:

- There is a lack of direct „ material incentives” for employers.

- The 10% representativeness threshold is still too high in smaller sectors.

- They lack strengthening of trade unions' right to enter the workplace (e.g. digital access to employees).

In summary: The "action plan" is currently more of a „framework”, which relies on continuous negotiations through the VKF, than a radical, immediate package of legislative amendments. Achieving the 80% target in 2026 still seems unrealistic, but the process has started – under EU pressure.

End of the report

Summary : Laszlo Deak

REPORT SPAIN. APRIL 2026

ECONOMIC SITUATION

- **European context (European Central Bank):** Eurozone GDP growth forecasts: 1.4% in 2025, 1.2% in 2026, 1.4% in 2027, and 1.4% in 2028.
- **Spain GDP growth forecasts (Bank of Spain):** 2.8% in 2025, 2.3% in 2026, and 1.7% in 2027.
- **Inflation in Spain:** 2.8% in 2024; 2.9% in 2025; forecast of 2.2% in 2026 and 1.9% in 2027.
- **Unemployment:**
    - **Year-on-year data:** the balance over the last twelve months shows a decrease in unemployment of 160,426 registered unemployed, with a variation rate of -6.22%.
    - **By age:** unemployment fell in March among those under 25 by 431 people, and year-on-year by 8,547 (-4.33%), standing at 188,977 people, the lowest figure for the month of March in the historical series.

COLLECTIVE BARGAINING SITUATION ACROSS ALL ECONOMIC SECTORS (as of 31 March 2026)

- Total number of registered collective agreements: 2,240
- Average working time: 1,739.31 hours/year
- Agreed wage increase: 2.92%

METAL SECTOR

- **PROVINCIAL METAL AGREEMENTS IN 2026**

  Most of the collective agreements registered and with economic effects in 2026 are revisions of agreements signed before 2026.

  The average agreed wage increase is 2.61% across all agreements with economic effects in 2026: 2.57% in revised agreements and 3.55% in newly signed collective agreements.
  Average annual working time in the sector: 1,746.51 hours.

- **NATIONAL AGREEMENT**

Confemetal and trade union organizations are currently in the process of negotiating the national collective agreement for the metal sector (framework agreement), which establishes the regulation of general aspects of sectoral collective bargaining.

This agreement expired on 31 December 2023, and its renewal is shaped by several key issues:

- **Trade union position:** promotion of worker subrogation in service contracts and strengthening of information and consultation rights in areas such as training, equality, and the energy and digital transition.
- **Employers' position:** greater flexibility in hiring, proposing to extend the duration of certain temporary contracts and the probationary period up to the legal maximums, together with measures related to training.

LEGISLATIVE ACTIVITY

- The **Comprehensive Response Plan to the Middle East Crisis** has been approved through Royal Decree-Law 7/2026, introducing significant conditions in the labour sphere, particularly linked to access to and maintenance of public aid. The main measures adopted include:
    - **Ban on crisis-related dismissals:** until 30 June 2026, beneficiary companies may not dismiss or reduce employment due to force majeure or ETOP causes (economic, technical, organisational, or production-related) linked to the crisis; non-compliance entails repayment of aid and the nullity of the dismissal.
    - **Extension to permanent-discontinuous workers:** this limitation also applies to permanent-discontinuous contracts, preventing the termination of activity or lack of recall from being justified on the same grounds.
    - **Acceleration of sustainable mobility plans:** the deadline for implementing these plans is shortened (until December 2026 for obliged companies), and non-compliance entails repayment of aid.
- Royal Decree 240/2026 of 25 March has been approved, introducing a significant reform in the compatibility of the minimum vital income with employment income, with the aim of encouraging access to employment and simplifying the previous system.
- Law 1/2026 of 8 April on the promotion of the social economy has been approved. It directly affects employment, labour inclusion, and the Social Security system. It is a cross-cutting regulation that not only updates the framework for cooperatives and social enterprises but also introduces relevant adjustments in occupational risk prevention, public procurement, hiring incentives, and the management of the minimum vital income.
- In addition, other initiatives remain pending approval, such as the Trainee Statute, developments related to flexible retirement, and the transposition of European Directive 2023/970 on pay transparency, among others.

ITEM 3 - NATIONAL ROUNDTABLE ON MAJOR SOCIAL DEVELOPMENTS: LABOUR LAW AND COLLECTIVE BARGAINING

For this item, we would like to kindly ask you to focus your intervention on the **major recent developments in the field of social reforms and collective bargaining**.

Slovenia major social developments (labour law and collective bargaining)

Two major developments mainly resulting from pre-election populistic approach of left oriented government. In both cases bargaining process was bypassed by the government.

1. November 2025: Introduction of new “Winter allowance” that must be paid as one-off payment to all employees, starting already in 2025. It is comparable to “Christmas bonus”. Minimal “Winter allowance” is 50% of the minimal salary in Slovenia.
2. High increase of minimal salary in 2026: +16%. The goal is that no net salary is lower than 1000 €.

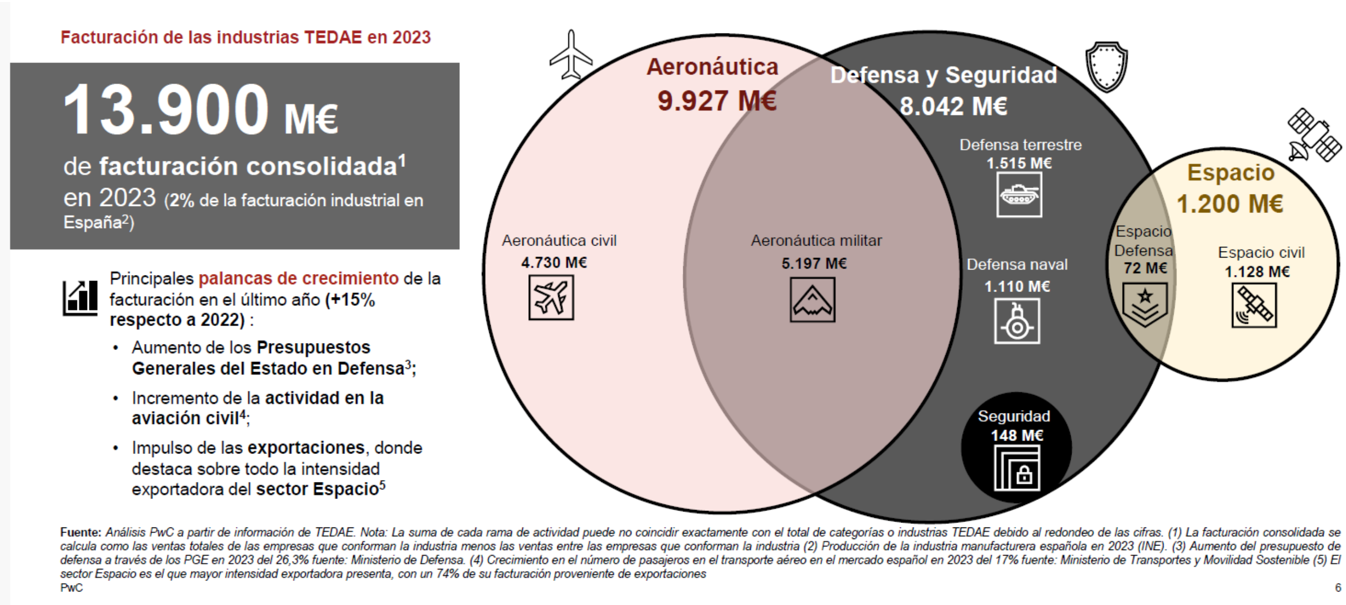
SPAIN

Effect of the international turmoil on the MET sector: how will the new defence strategy and the US trade war affect our companies, especially in the defence and automotive industries?

- **DATA AND FIGURES ON THE DEFENCE INDUSTRY IN SPAIN**: employment, exports, R&D etc.

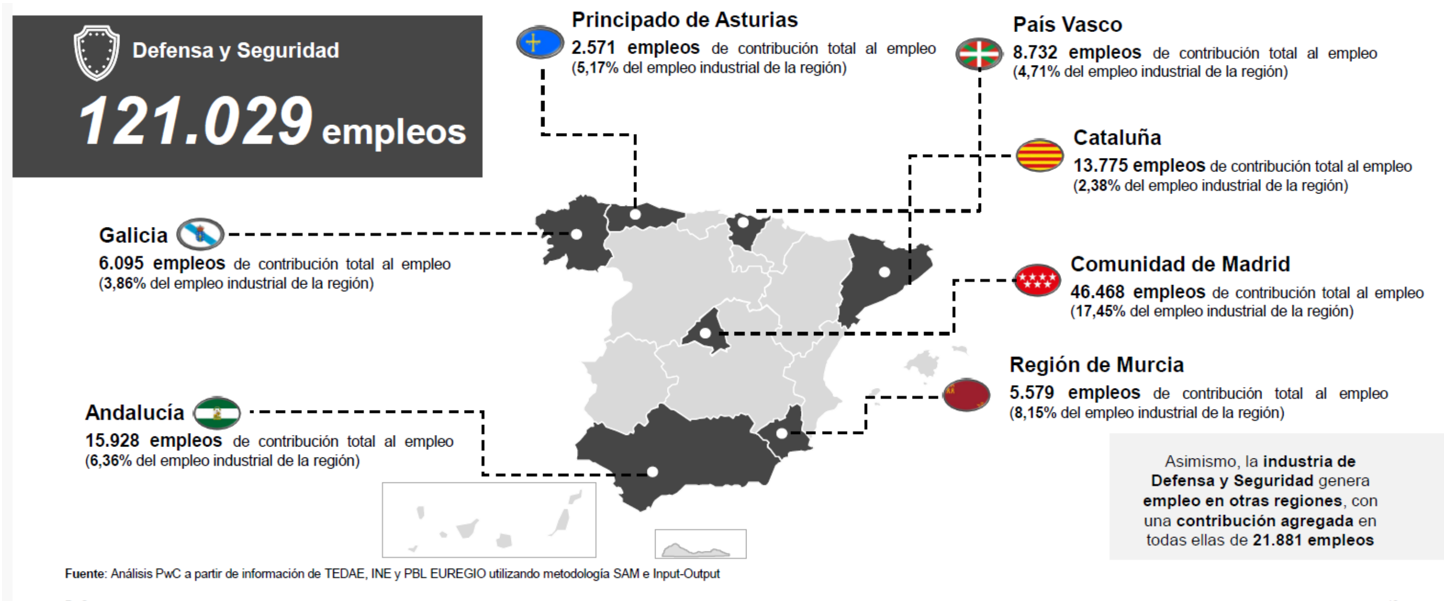
  LAST AVAILABLE DATA 2023

  - <u>**DEFENCE INDUSTRY Turnover: 8,042 M €** (increasing by a 8,9% in comparison to 2022)</u>

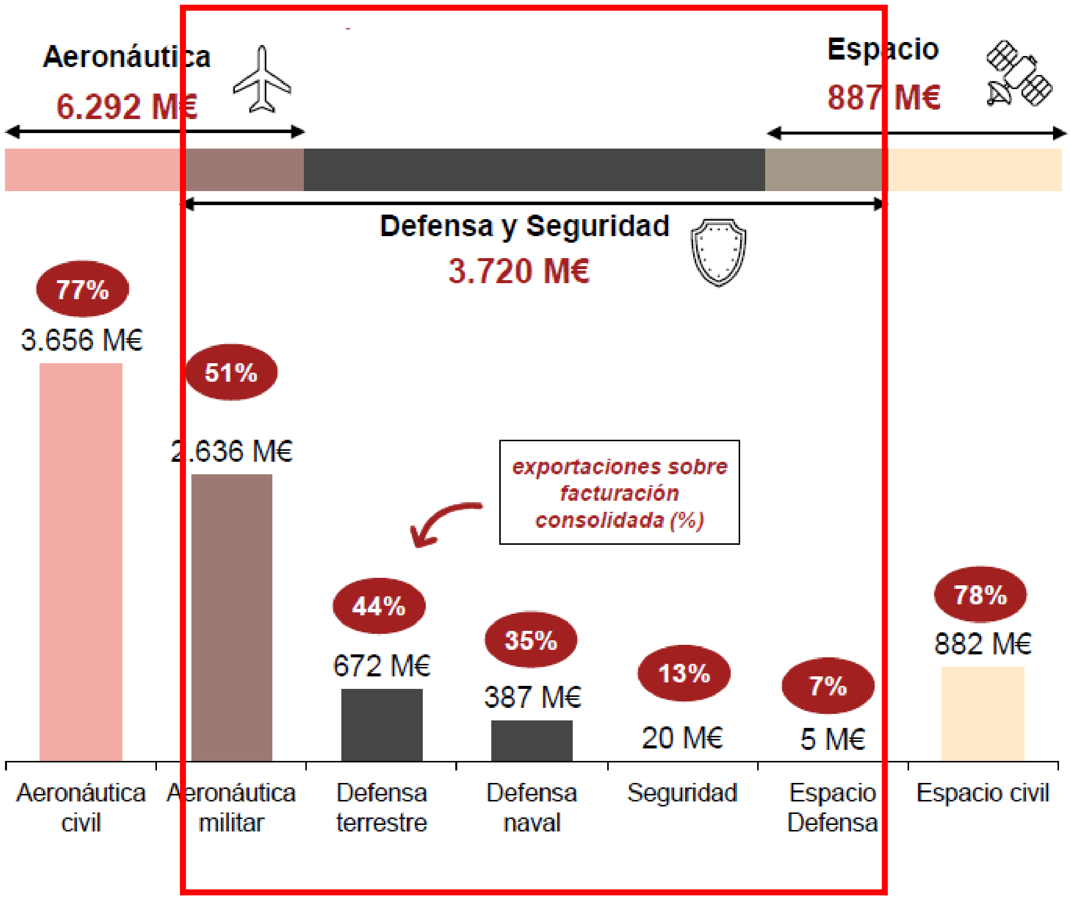


  - <u>DEFENCE INDUSTRY REPRESENTS</u> around **3% of the Gross added Value of manufacturing industry** in Spain

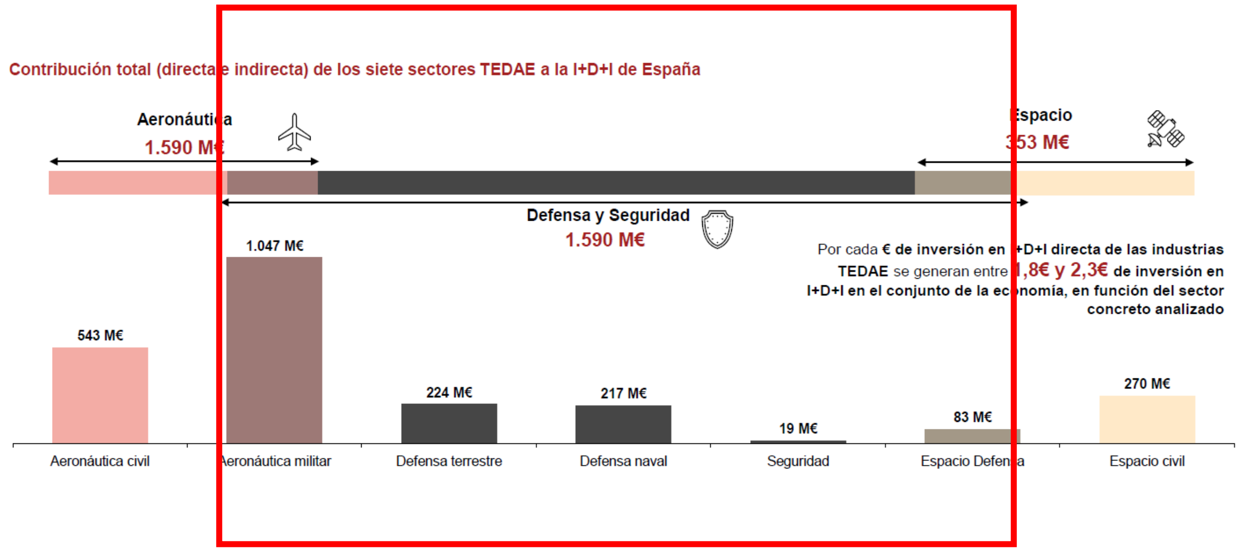
  - <u>**EMPLOYMENT:**</u> **121,029 workers** (33,507 direct employees and 87,522 indirect employment) mainly distributed in the following regions: Madrid, Andalucía, Cataluña, País Vasco, Galicia, Murcia and Asturias



- **<u>DEFENSE EXPORTS</u> reached €3.72 billion** in 2023



- **R&D €1.59 billion**, representing the 17.9% of the total industrial R&D



- **Information as regards the recent decisions taken by your government in the field of defence: industrial, military, budgetary etc.**

The Spanish Government has a very fragile balance in government and its parliamentary weakness has prevented the approval of general budgets since 2022, having since then postponed the previous one despite the fact that the geopolitical and economic context is very different from almost 3 years ago.

PUBLIC EXPENDITURE IN DEFENCE in 2023 was 1,2% of GDP (not yet available consolidated figures of 2024). The Government expressed the commitment to reach the 2% but seems that today higher ambitions are on the table for the European countries.

Political partner of socialist party in the Government (left winged) rejects to increase military budget and anticipated its vote against, if it is to be decided at the parliament.

So, at this moment, not having the possibility to pass through new general budget and not having the support of part of the government itself to approve any extraordinary measure at this regard, the Government opted for a creative formula to approve some extraordinary budget. The solution fount is approving in Commission of Secretaries of State the allocation of a specific credit transfer of 2,084 million Euros to defence spending.

These founds now allocated as a credit transfer come from other contracts and programs which were already in progress. The 2,084 million Euros will go to areas of "updating, maintenance, improvement resources and infrastructures", as indicated briefly by the Government.

Additionally to specific measures for the defence sector, extraordinary measures have been adopted in order to respond to new circumstances and support all industry; the so called "RESPONSE PLAN AND COMMERCIAL RELAUNCH"

The Plan will mobilize €7.4 billion in new financial resources at the national level and will leverage a further €6.7 billion from existing instruments in two areas of action:

- PROTECTION AND IMMEDIATE SUPPORT NETWORK FOR THE MANUFACTURING SECTOR
  - Activation of all available mechanisms to support companies in sectors affected by U.S. tariffs, as well as to facilitate the maintenance of employment.
  - Activation of RED mechanism for companies in difficulty due to the tariffs, in the most exposed and affected sectors.
  - Official line of guarantees, endowed with €5,000 million to facilitate access to financing that favors the maintenance of productive activity and employment by companies affected by tariffs.
  - 1 billion, to finance the working capital or investment needs of companies, including SMEs.
  - 400M€ plan to provide incentives for the acquisition of electric vehicles and the deployment of recharging infrastructure.
  - 200M€ Industrial Productive Investment Support Fund: loans on favorable terms or equity participation for the installation or modernization of plants or production processes.
- MEASURES FOR THE RECONVERSION OF OUR PRODUCTIVE CAPACITY AND THE PROMOTION OF ITS INTERNATIONALIZATION
  - Reorientation of part of the surplus productive capacity as a consequence of the tariff shock or structural transformation processes.
  - Re-channeling of funds from the Recovery Plan, up to 5,000M€, to accompany the productive fabric in its transformation process.
  - Financing for export credit insurance, up to €2,000M. In addition, operations may be complemented with interest rate risk coverage
  - Instruments to support internationalization, up to €500M.
  - Specific support plan for sectors affected by the new commercial scenario, both to strengthen their position in the U.S. market and to facilitate their access to new markets.

- **Regarding impact on automotive industry in Spain.**

In the case of Spain, alarm caused by 25% tariffs imposed to automotive sector by the US it is perhaps more contained than in other neighboring countries: the figures and the structure of the Spanish automotive sector suggest a much more limited direct impact than might be supposed at first glance.

Spain, one of Europe's largest vehicle manufacturers, is not among the main exporters to the US market. Its specialization in compact, low-cost vehicles, designed mainly for Europe, has reduced its direct exposure to the new tariff.

However, the sector is not breathing easy: the interdependence in the supply chain, especially in components, and the possibility of a reaction from the European Union open up an uncertain scenario that requires analysis for the sector beyond the immediate figures.

Spain is the second largest producer of vehicles in Europe and the eighth in the world. However, exports of Spanish vehicles to the US are relatively low. In 2024, Spain exported 8,316 light vehicles to the US market, valued at approximately $178.5 million. This figure contrasts sharply with the more than $8 billion in exports to countries such as France or Germany.

The main reason for this low volume lies in the type of vehicles that are manufactured in Spain. Spanish plants specialize in more affordable compact and utility models, mainly aimed at the European market. These vehicles do not fit in with the preferences of the US consumer, who tends to opt for larger, higher performance vehicles, such as SUVs and pick-ups.

Although the export of complete vehicles is limited, Spain has a significant presence in the manufacture of components for automobiles. Many of these parts are exported to other countries where vehicles destined for the US market are assembled. The application of tariffs could indirectly affect Spanish component manufacturers, as it would make vehicles assembled outside the US more expensive, reducing their competitiveness in the American market.

Therefore, the greatest impact is estimated to be on parts because 60% of the parts in a US-made vehicle are made outside the country and Spain has a significant presence in this sector.

Ceemet 47th General Assembly

Istanbul, April 29th 2026

Marcel Marioni, Head of employer policy Swissmem

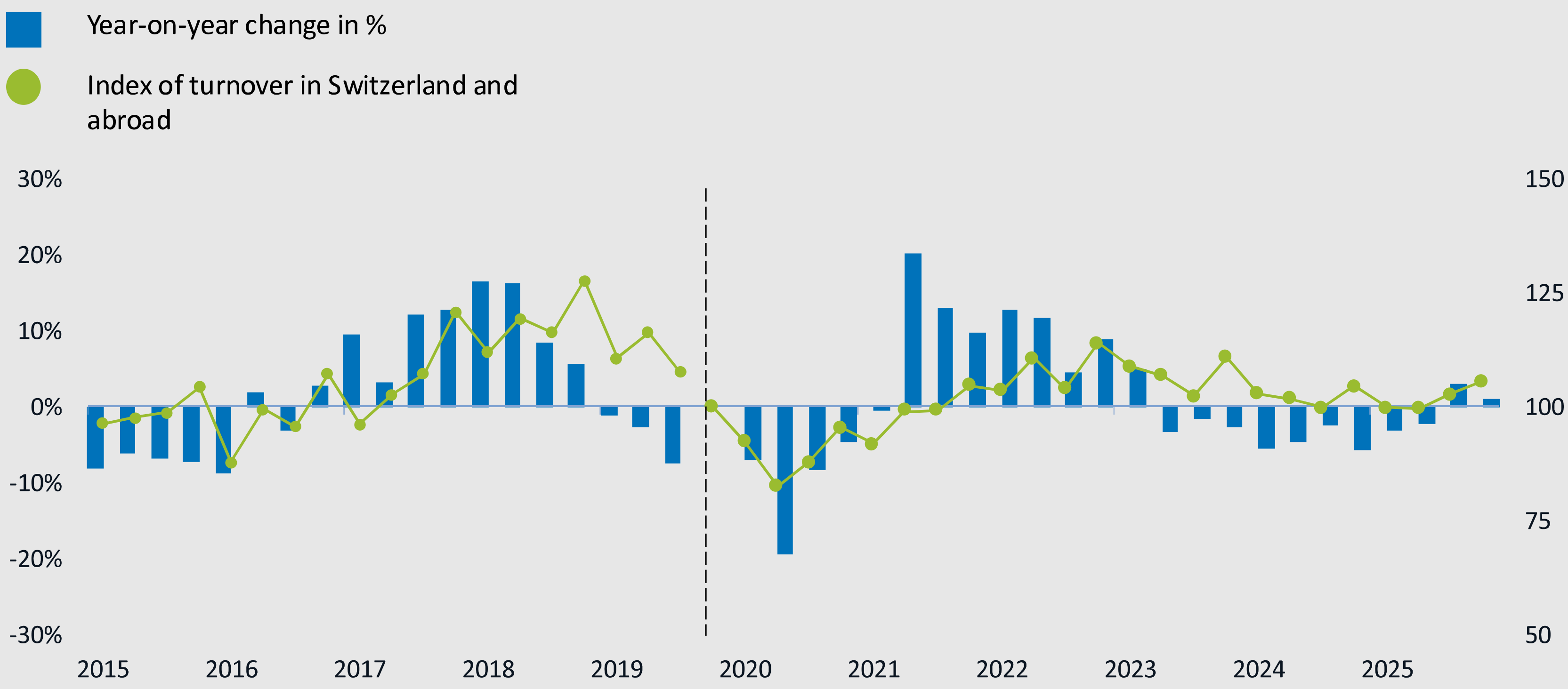
Current situation in the Swiss technology industry

Q4/2025

SWISSMEM

Turnover in the technology industry

Swissmem quarterly statistics (Q4/2019=100)*



*New basis Q4/2019 = 100 (N = 257 companies)
The index series and rates of change for the period Q4/2019 to Q1/2021 have been recalculated

- 0.3%

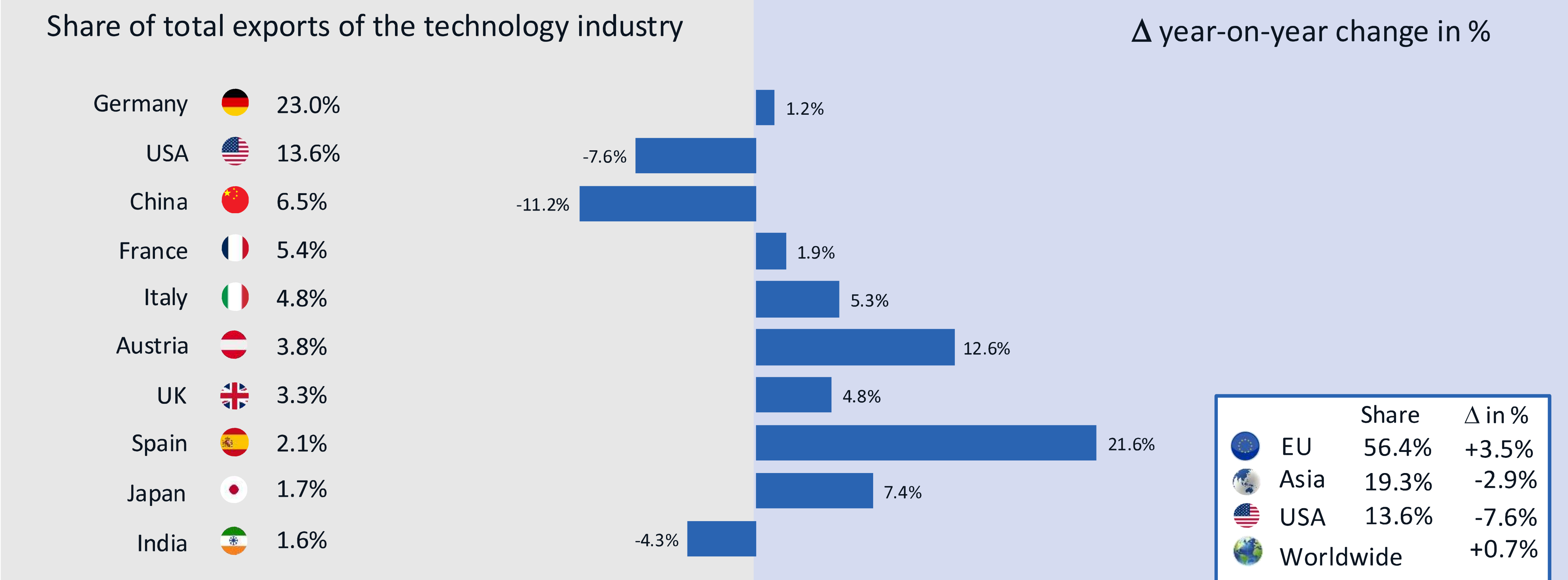
2025

1.1%

Q 4 / 2 0 2 5

Technology industry exports January to December 2025

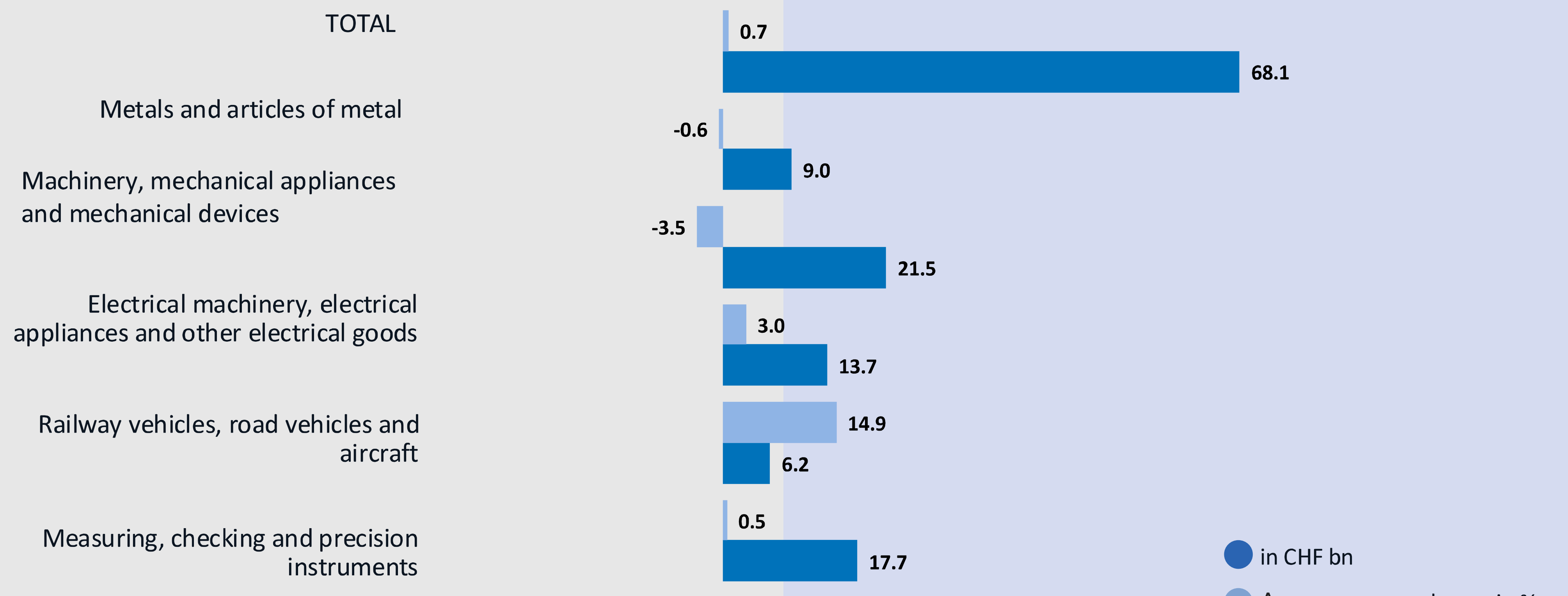
By country and region



Source: FOCBS

Technology industry exports January to December 2025

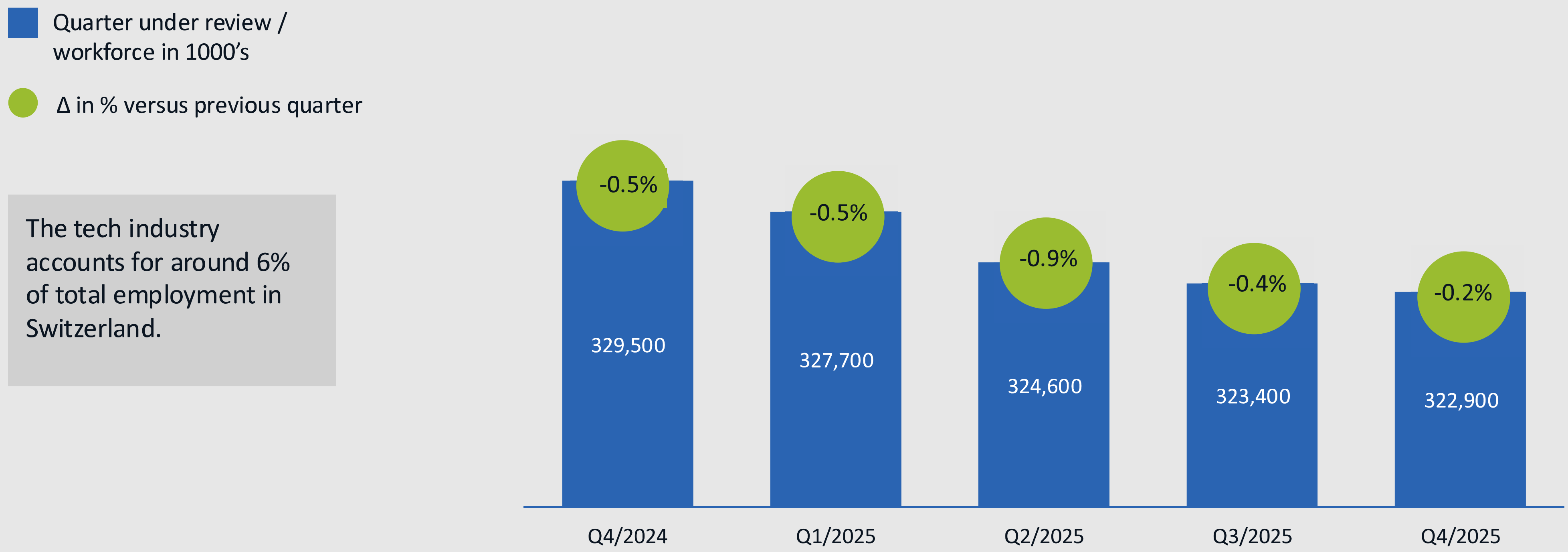
By selected product groups, change compared with prior-year period



Source: FOCBS

Workforce in the tech industry

Full-time and part-time; as at February 2026



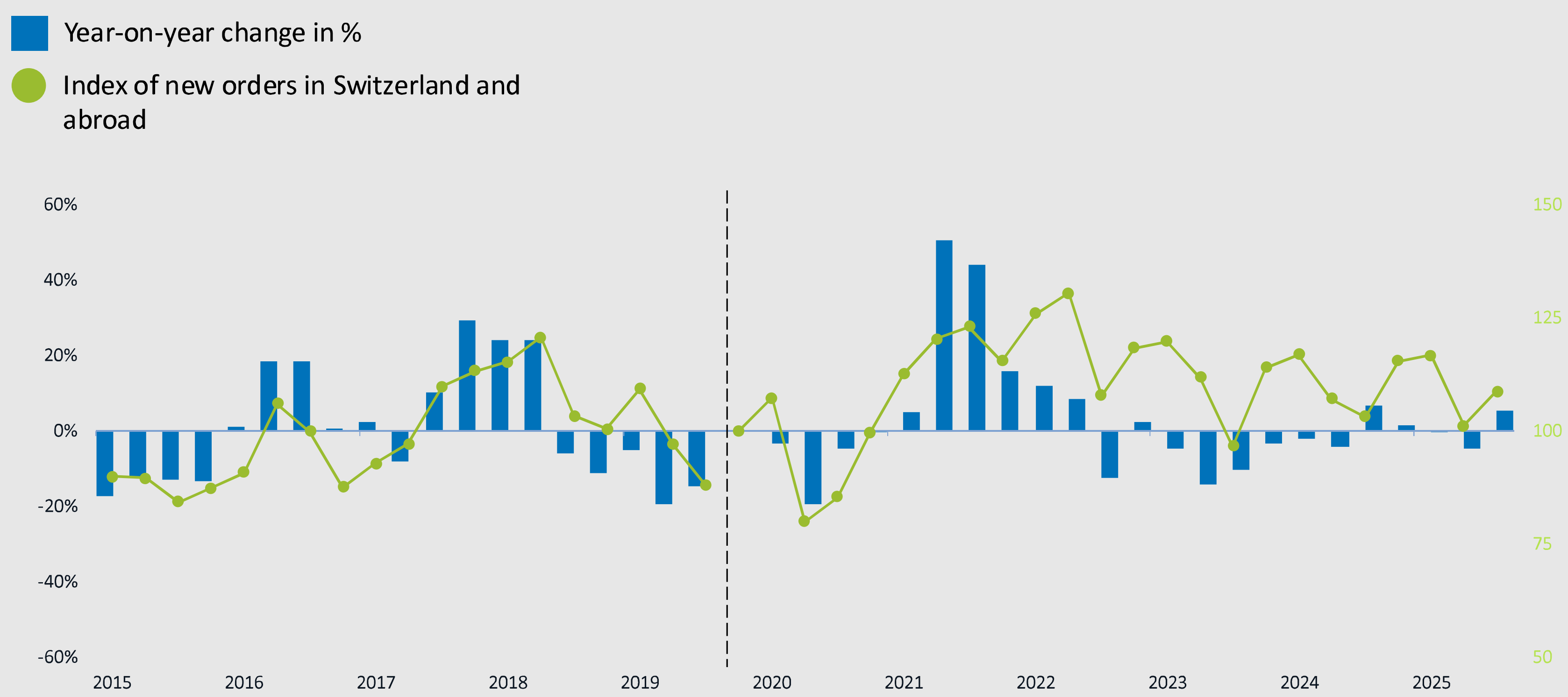
The tech industry accounts for around 6% of total employment in Switzerland.

Annual values: Four-quarter average
Source: Besta statistics (FSO); Swissmem calculations

The employment statistics calculation methods were renewed in Q2/2025. Owing to changed methods (gender-specific calibration), all published time series as of Q2 2018 have been revised.

New orders for the technology industry

Swissmem quarterly statistics (Q4/2019=100)*



*New basis Q4/2019 = 100 (N = 257 companies)
The index series and rates of change for the period Q4/2019 to Q1/2021 have been recalculated

1.4%
2025

5.0%
Q4/2025

Current political issues with an impact of the labor market

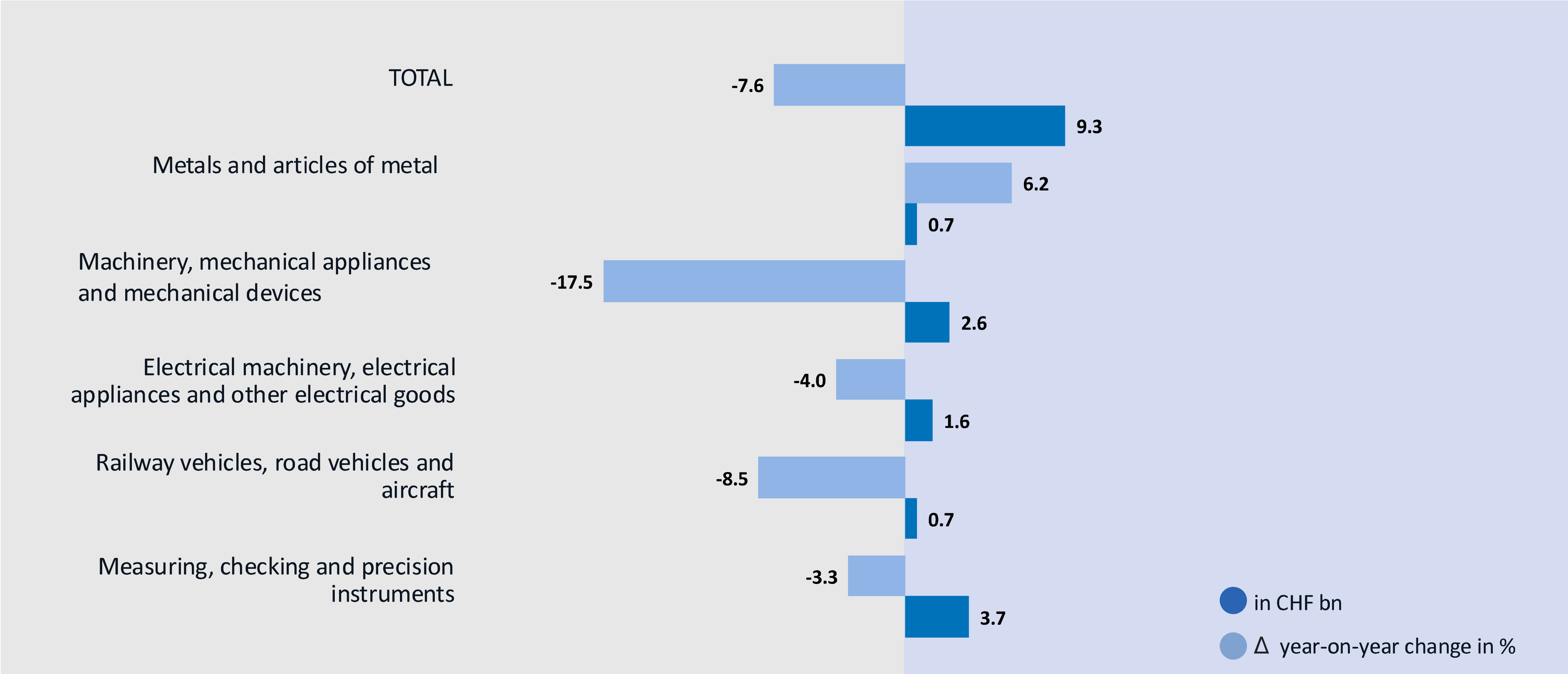
SWISSMEM

Detailed evaluation of US exports

SWISSMEM

Tech industry exports to the US between January and December 2025

By selected product groups, change compared with prior-year period



Source: FOCBS

US-tariffs and the MET-Industrie

- General: 10% tariffs on Swiss imports into the US (except for pharmaceuticals and gold)
- 50% tariffs on steel and aluminium
- US exports down for the first time in Q4, falling 7.6%; positive US export momentum of the last years broken

Bilaterals III

Parliamentary consultation and referendum

- **Parliamentary consultation (March 2026)**
  - ➢ Expert committees in Q2, followed by the Council of States in summer 2026 and the National Council in autumn 2026
  - ➢ Based on a ruling by the Federal Supreme Court, the Federal Council does not anticipate a cantonal majority → could still be decided by Parliament, however
  - ➢ Parliament can either approve or reject the negotiated outcome, but cannot introduce amendments

- **Referendum**
  - ➢ A referendum will certainly be launched and is expected to come to a vote
  - ➢ Probably at the beginning of 2028 in order to avoid a referendum vote during the election year 2027
  - ➢ Four planned federal decrees:
    1. Stabilisation package: updates the existing market access agreements and establishes institutional rules (including dispute settlement, assumption of rights and state aid) → ratification of this package is a prerequisite for the other agreements
    2. Electricity agreement: closer integration within the EU electricity market
    3. Food safety: improved cooperation, coordination of standards and rules
    4. Health: facilitates crisis preparedness and data coordination

Collective Bargaining and labour market reforms (I)

- Validity of Collective Employment Agreement of MET Industry until June 30th 2028

  Preparations for the negotiations from 2027 onwards

- No national rules of minimum wages, but in 5 cantons (JU, NE, GE, BS and TI) and in Collective Employment Agreements
- Minimum wages between CHF 21 and 24 per hours
- In other cantons, we will be holding referendums on the introduction of minimum wages (VS, VD).
- There will be new referendums on raising the minimum wage in TI and JU

Collective Bargaining and labour market reforms (II)

- **New**: The Swiss Parliament has passed a law stipulating that minimum wages set out in generally binding collective agreements take precedence over cantonal minimum wages.
  Please note: possibility of referendum.

- Possible increase in employer contributions to fund the 13th pension (AHV)

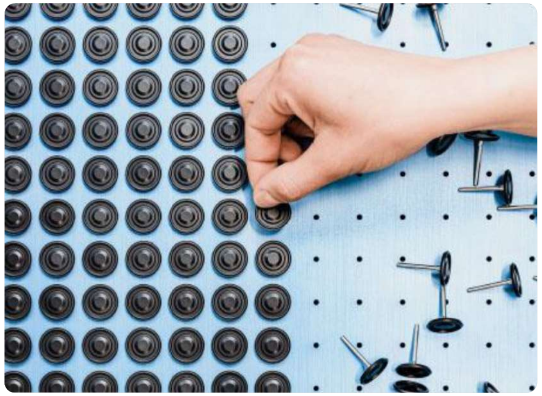
- Reform of the pension system and a possible increase in the retirement age

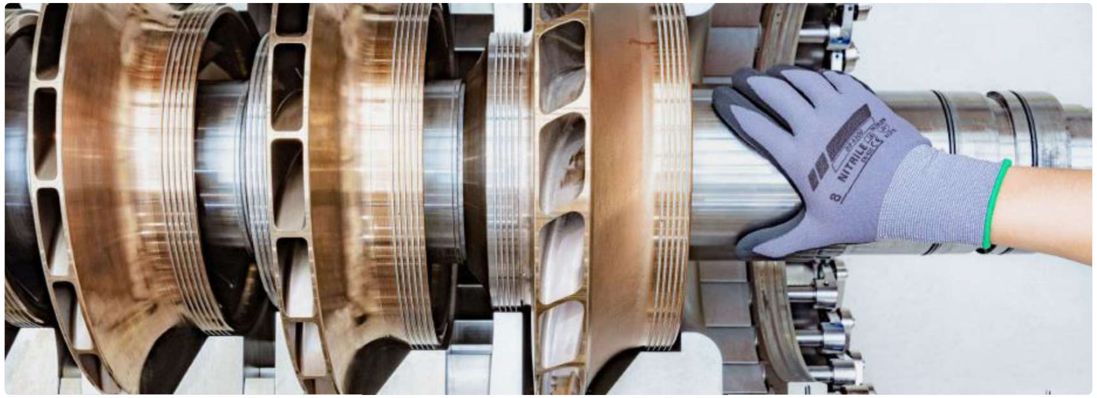
Other Political activities – overview

- Focus now on free trade and agreements with as many countries as possible
- Solid public finances and credible defence capabilities as a prerequisite for a strong economy
- Better possibility to export war material (**Please note**: Referendum)
- No further cost-driving regulations for employers
- Secure and cost-efficient electricity supply
- No restrictive definition of neutrality in the constitution

- Federal popular initiative: “No 10 million Switzerland (sustainability initiative) vote at 14 june 2026







Thank you!

SWISSMEM

EMPLOYMENT RIGHTS ACT BRIEFING – MARCH 2026

Headline position

1. Make UK has welcomed the passage of the Employment Rights Act 2025, ending a long period of uncertainty. We are pleased that our members' views have already had a big impact on the Government's wider Plan to Make Work Pay, and look forward to continuing to work with the Government on the remaining policy decisions and implementation of the Act over the next two years to ensure that new measures can be made to work for businesses.
2. We support the Government's efforts to eradicate exploitative labour market practices where they exist, but it is crucial that this is balanced so that the overwhelming majority of quality manufacturing businesses can operate flexible workforces and recruit the people they so badly need. The legislation begins to constructively set out how this balance might be struck, but getting the detail right is the critical next step of the process.
3. In November 2025, the Government made a significant amendment to the Act to insert a qualifying period of six months for the right to protection from unfair dismissal. This is a change for which Make UK had long argued and represents a major improvement to the legislation for businesses, who were concerned about the potential disincentive to hiring.

State of play

4. The Government has made welcome changes to the Act during the legislative process, including:
    a. **Protection from unfair dismissal:** retaining a six-month qualifying period for the right to protection from unfair dismissal and no longer proceeding with a statutory probation period. Moving to a day one right would have significantly increased the risk of employers facing employment tribunal claims at a time when the system is already severely backlogged, and no proposal for a 'light-touch' fair dismissal process in a statutory probation period would ultimately have removed this risk. This would have resulted in lower hiring, particularly among candidates with recent experience or at higher risk of inactivity – precisely the candidates the Government is trying to include in the labour market with its Get Britain Working agenda.
    b. **Fire and rehire:** broadening the scope of reasons for which it is legitimate for an employer to dismiss an employee for failing to agree a variation of contract, and subsequently re-engaging them on different terms and conditions. This ensures that employers can restructure where necessary and makes it easier to achieve broad consent for changes to employment contracts across groups of workers.
    c. **Trade unions:** compromising on a 10-day notice period for industrial action, as opposed to reducing to 7 days. The Trade Union Act 2016 increased the notice period to 14 days; the Government's intention was to revert to the pre-2016 position of a 7-day notice period. The compromise reached in December 2024 of a 10-day period helps to mitigate employers' concerns about the impact on productivity and the potential disruption caused by industrial action at shorter notice, although there remain concerns over the increased ballot mandate to 12 months and the broader industrial relations framework proposed by the Act.

d. **Collective redundancy:** allowing further consultation on abolishing the so-called 'establishment test'. This enables more input from industry and reduces the risk of imposing measures which would require significant consultation across the business on collective redundancy, increasing complexity and confusion for employers. Removing the establishment test would be harmful to productivity and be likely to result in a high level of unintentional non-compliance with a complex set of measures.

5. Following the legislation receiving Royal Assent in December 2025, there remain a number of critical policy decisions still to be made in consultation with stakeholders. These decisions will be introduced through secondary legislation in 2026.

6. Key areas include:

   a. **Right to guaranteed hours:** the Government will consult on the proposed reference period of 12 weeks; the threshold for eligibility in terms of hours worked per week; and measures relating to notice of shifts and compensation for shift cancellation and postponement at short notice.

   b. **Trade unions:** the Government has recently closed its consultation on trade union access rights and employers' duty to inform workers of their right to join union, where we have urged the Government to enable sufficient time and flexibility for businesses and unions to negotiate. It is still to consult on a potential decision to lower the union membership threshold for statutory recognition from the current 10% to as low as 2%.

   c. **Fire and rehire:** further consultation on the scope and application of automatic unfair dismissal in cases of failure to agree on variation of employment contracts, specifically on changes to expenses/benefits and shift patterns. We are calling for both of these areas to be excluded from the definition of 'restricted variations' which would lead to automatic unfair dismissal.

   d. **Flexible working:** implementation of the requirement for employers to rely on a reason for declining a flexible working request.

Current priorities for manufacturers

7. **Protection from unfair dismissal:** The Government should not implement the changes to unfair dismissal until: guidance has been published on compliance; Acas has updated its code of practice on disciplinary and grievance procedures; and proposals to clear the backlog of cases in the employment tribunal system have been published. Implementing the changes before these steps have been taken risks creating major uncertainty from employers, leading to potential spikes in dismissals and ET cases, and a further slowdown in hiring.

8. **Zero hours contracts:** The reference period should be a minimum of 52 weeks rather than 12, the Government needs to define 'low hours' to avoid part-time work and annualised hours being captured and make sure it is targeted at genuinely exploitative practices. On this basis, we would recommend further scrutiny of the Act to ensure that only 'exploitative zero hours contracts', as per the Plan to Make Work Pay, are targeted by this measure. The right to guaranteed hours should also be a right for the employee to request or claim a contract reflecting their regular working hours, rather than an obligation on the employer to make an offer regardless of circumstance.

9. **Trade union reforms:** Reforms should ensure that trade union recognition and industrial action require strong support from across the workforce, and focus on enabling employers to engage effectively with their workforce and plan efficiently in the event of industrial action being taken.

10. **Statutory sick pay:** The Government's decision to set the lower earnings replacement rate at 80% of earnings will lead to a significant cost for business which should be mitigated by the re-introduction of a rebate for SMEs.

Assessment of costs

11. The Government's initial impact assessment of the Bill puts the total financial cost of the measures to employers at 'up to' £5 billion, with a breakdown of the estimated impact of the individual measures from the Bill. The revised impact assessment published after Royal Assent significantly downgrades the potential cost to employers – but given the number of policy decisions outstanding, and that it excludes the lifting of the unfair dismissal compensation cap, the IA is likely to understate the impact of the Act on businesses.
12. A significant portion of the estimated cost of the Bill is attributed to the establishment of a Fair Pay Agreement for the adult social care sector and the creation of the School Support Staff Negotiating Body, meaning that the two most expensive policies from the Bill will have no direct impact on manufacturers.
13. The biggest direct cost to manufacturers from the Bill is likely to be the reforms to Statutory Sick Pay, where the removal of the three-day waiting period and lower earnings limit is estimated to cost £1.07 billion to businesses across all sectors. The right to guaranteed hours – including the right to reasonable notice of shifts and proportionate compensation for cancelled or postponed shifts – is also likely to have relatively high-cost implications compared with other measures in the Bill (estimated in total at c.£550 million across all sectors).

The Manufacturers’ Organisation

EMPLOYMENT RIGHTS ACT 2025: IMPLEMENTATION TIMELINE

TAKING EFFECT FROM FEBRUARY 2026

- **Industrial action:**
    - Reduced notice period for strikes from 14 days to 10 days
    - Doubled mandate from 6 months to 12 months
    - Protection against dismissal for taking industrial action

TAKING EFFECT FROM APRIL 2026

- **Statutory Sick Pay:** Removal of three-day waiting period and lower earnings limit.
- **Day-one family leave:** Entitlement to Paternity Leave and Unpaid Parental Leave from day one.
- **Fair Work Agency:** New labour market enforcement body with stronger powers to intervene.
- **Simplifying trade union recognition:** simple-majority only required for recognition ballots and likely-majority test no longer required for recognition applications.
- **Collective redundancy protections:** Increase to the protective award for non-compliance.
- **Whistleblowing protections:** Stronger protections for workers who report sexual harassment.
- **Holiday pay records:** Requirement to keep adequate records to show they have complied with holiday pay and entitlement rules. These records need to be retained for 6 years from the date they were made.
- **Action plans:** Large employers are encouraged to publish the steps they are taking to reduce their gender pay gap and support employees experiencing menopause.
- **Bereaved Partner's Paternity Leave:** New right to time off following the death of a child's mother or primary adopter.

TAKING EFFECT IN H2 2026

- **August 2026:**
  - Electronic and workplace balloting for statutory trade union ballots

- **October 2026:**
  - **Trade unions:** new access rights; employer duty to inform workers of their right to join a union; new rights for trade union reps; code of practice on unfair practices in the recognition process; protection against detriments for taking industrial action
  - **Employment tribunals:** extension of time limit on making a claim from 3 months to 6 months
  - **Harassment and discrimination:** new obligations for employers not to permit third party harassment and take ‘all reasonable steps’ to prevent harassment
  - **Fair Pay Agreement:** adult social care
  - **Procurement:** two-tier code

TAKING EFFECT IN 2027

- **1st January 2027:**
  - **Protection from unfair dismissal**: qualifying period reduced to six months for all employees, cap on compensation lifted
  - **Fire and rehire:** automatic unfair dismissal apart from exceptional circumstances
- **Rest of 2027:**
  - **Zero hours:** new right to guaranteed hours, reasonable notice of shift changes and proportionate compensation for cancelled shifts
  - **Collective redundancy:** new organisation-wide threshold for requirement to consult workforce
  - **Flexible working:** new process for employer response to request
  - **Electronic and workplace balloting:** introduced for recognition and derecognition ballots
  - **Non-disclosure agreements (NDAs):** regulations to prevent the misuse of NDAs in cases of workplace harassment or discrimination
  - Mandatory action plans on gender equality and supporting employees through the menopause
  - Enhanced dismissal protections for pregnant women and new mothers
  - Specifying ‘reasonable’ steps for prevention of sexual harassment
  - Regulation of umbrella companies
  - Bereavement leave including pregnancy loss: new employee entitlement