

## **5 unions representing 80% of the workforce sign the New Momentum for Growth agreement**

**The PSA Group today signed a New Momentum for Growth performance agreement with five of the Group's six trade unions: CFE/CGC, CFTC, CFDT, FO and GSEA.**

This new agreement will **underpin the roll-out of the Push to Pass strategic plan**, helping to support the Group's growth and strengthen its performance, driving it forward in line with employees' best interests.

### **Building the Group's future together and strengthening its corporate social leadership**

By signing this agreement, the PSA Group intends to take collective bargaining practices to the next level. Improved dialogue and relationships with the unions built on trust will give the Group a competitive edge. The goal is to transition from a collective bargaining culture to one that involves collectively building the Group's future by sharing and discussing strategy ahead of the curve to support the transformation process.

### **Strengthening the Group's performance through its agility against an unstable economic background**

The PSA Group must improve its performance to ensure its sustainability and preserve jobs.

The Group confirms that France is still the main location for its engineering activities, and is determined to ensure that 85% of technological innovation activities remain there.

The PSA Group is aiming to produce one million vehicles a year in France on average over the next three years, provided that European markets continue to recover and return to pre-crisis levels, and that no major issues arise in the environmental and regulatory landscape. Ongoing performance plans and enhanced flexibility will enable the Group to better respond to fluctuations in the markets. The sustainability of production plants will be achieved through even greater flexibility and efficiency.

### **Developing a responsible employment policy**

The Group adheres to a responsible employment policy by protecting both internal and external career paths. The measures implemented help it to anticipate the transformations required and strengthen the employability of its workers. The Group is stepping up its efforts to retrain **1,000** staff members for internal positions per year. A proactive youth employment scheme has also been introduced with the goal of employing **2,000 young people** a year under the new intergenerational contract to invest in staff for the future. The six Territorial Career Mobility and Transition Platforms will improve mobility in the regions where the PSA Group operates by encouraging workers to move between companies and segments.

The PSA Group also plans to recruit **1,000** new members of staff on **permanent contracts** over the course of the agreement, 50% of whom will be hired as juniors as part of the Group's youth employment initiative.



## Implementing a balanced wage policy

A balanced wage policy combining the redistribution of benefits from growth, rewards for individual/group performances and effective cost control will be implemented, notably by strengthening the profit-sharing policy and further increasing the number of staff entitled to incentive bonuses.

## Enhancing employee experience

The measures introduced as part of this agreement will support the introduction of innovative and collaborative working practices and assist the Group's digital transition by helping employees to take up new technologies. Innovative **e-working** practices will help improve employees' work-life balance; the goal is to raise the number of staff taking advantage of this option from 2,000 to **4,000 employees**. In addition, the PSA Group has set itself the goal of being global number one in the automotive sector for health and safety at the workplace.

Xavier Chereau, Executive Vice-President, Human Resources, said: *"I would like to praise the quality of the discussions held and the commitment of the five unions that signed this new agreement. More than a simple competitiveness agreement, it is a labour agreement that underpins our performance. It is the result of a new mindset: it will contribute to the success of our Push to Pass plan and underpin the Group's growth. In these increasingly unstable economic times, it is our performance that will protect both the organisation and its staff"*.

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### **About PSA Group**

*With its three world-renowned brands, Peugeot, Citroën and DS, the PSA Group sold 3 million vehicles worldwide in 2015. Second largest carmaker in Europe, the PSA Group recorded sales and revenue of €54 billion in 2015. The Group confirms its position of European leader in terms of CO2 emissions, with an average of 104.4 grams of CO2/km in 2015. With a fleet of 1.8 million connected vehicles on the road worldwide, the Group is on the cutting edge of innovation in this field, and is expanding its services as a mobility provider. It is also involved in financing activities (Banque PSA Finance) and automotive equipment (Faurecia). For more information, please visit [groupe-psa.com/en](http://groupe-psa.com/en)*