

# The importance of French language in working documents

Arbeitsrecht



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In a globalised business world, the use of several languages is common in companies operating internationally. In France, however, the use of French in contractual documents is usually mandatory. A bonus agreement in English can have expensive consequences under certain circumstances, as a recent case shows.

## <sup>1</sup> Facts

A case recently settled by the French Court of Cassation concerns an employee of the French branch of an American company. After the termination of his employment, the former employee brought an action for back-payment of variable remuneration components. He argued that the objectives necessary to determine this remuneration had been set out in documents written exclusively in English, which called into question their applicability.

## <sup>2</sup> Legal situation in France

The importance of French in the employment context is enshrined in the **Loi Toubon**, which stipulates that **all employment documents containing obligations for the employee or necessary for the execution of the contract must be written in French**. This applies in particular to documents setting out the criteria for variable remuneration. There are only exceptions for documents that originate from abroad or are intended for foreigners, but these are applicable within a narrow framework.

## <sup>3</sup> Decision-relevant question

In this case, although the documents originated from the American parent company, **they were used within the French subsidiary and therefore did not fulfil the requirement of having been "received from abroad"**. They should have been translated in order to comply with French law and

to be effective vis-à-vis the employee.

According to the judges, it was also irrelevant whether communication in the company was usually in English. Even if employees are proficient in English, this does not override the requirement that essential work documents must be available in French.

#### <sup>4</sup> Practical tip

It is strongly recommended that companies with employees in France translate all key documents into French, particularly those relating to working conditions and remuneration (for more information, see our fact sheet on [Hiring employees in France](#)).

This practice should also apply to corporate communications that may originate from abroad but are intended for employees based in France.

2023-10-24