

Principles of Social Responsibility in Labor Relations in the ThyssenKrupp Group

Preamble

As a group oriented toward technology, the ThyssenKrupp Group has a particular need for the innovative capacity of its employees in order to remain internationally competitive and successful in the global economy over the long term. To achieve that goal, strategic positions in international competition must be consolidated or expanded, especially in the world's growth regions.

Ensuring and developing innovative and competitive capacity is ultimately a decisive and essential requirement for ensuring the long-term future of the ThyssenKrupp Group and its workforce. In this respect, the ThyssenKrupp Group and its workforce have been confronting the challenge of globalization together. In this regard, ensuring the long-term entrepreneurial success has taken place in a spirit of respect and cooperation and in the exercise of social responsibility.

ThyssenKrupp is meeting its responsibility toward shareholders, customers and employees as well as toward society and the environment.

The Group is committed to the goals of sustainable development and for that reason is a member of the BDI's "econsense" sustainability forum. Sustainable conduct is understood as an ongoing process which, aside from the company's economic performance, also includes social benefits, resource consumption, jobs and advanced training.

Aside from its business activities, the ThyssenKrupp Group considers itself a committed and responsible corporate citizen. As part of its social responsibility, the Group is involved in public welfare institutions, projects and activities, primarily at its own locations, in the areas of culture and education, sports, and in social, charitable and humanitarian activities.

In those countries in which ThyssenKrupp companies are active, ThyssenKrupp works to improve people's quality of life. This includes cooperation with responsible institutions where necessary.

This Agreement is based on the general obligation of everyone involved in business to acknowledge and respect fundamental rights which are laid down e.g. in the United Nations Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

On this basis, the Executive Board of ThyssenKrupp AG, the Group Works Council and the European Works Council document with this Declaration the fundamental goals and principles of socially responsible cooperation. A fundamental basis for exercising that social responsibility is that the ThyssenKrupp Group remains competitive, innovative and economically successful in the short, medium and long term. The social partners are determined to preserve that basis.

The social rights and principles described below are based on the relevant conventions of the International Labor Organization (ILO) given in the Annex, in the version valid at the time that this Framework Agreement comes into effect.

The goals are realized in accordance with the currently valid versions of the laws applying in the various countries and locations.

1. Equal Opportunity

The Parties affirm their support for the principle of equal opportunity and the variety of people and cultures at the Group's various locations. The Contractual Partners are against discrimination and in favor of integration, fairness and tolerance not only among employees, but also among and with supervisors and corporate management. The culture of mutual trust and reciprocal respect is of great importance in achieving common corporate goals.

Different treatment of our employees based on sex, age, race, ethnic origin, sexual identity, a handicap, religion or world view may not take place, unless national legislation expressly requires selection according to certain criteria. A distinction made with regard to a certain occupation shall not be considered discrimination to the extent that the differentiation is based on the requirements of that occupation.

The promotion, integration and respectful treatment of handicapped people is a special challenge for us.

2. Working Time and Vacation

With a view to ensuring sustainable competitiveness and employment, the corporate policy regarding working time shall, within the existing contractual and legal regulations, take into account both the concerns and goals of all employees and of the corporate management.

In accordance with the legislation of the countries in which ThyssenKrupp is active, all employees are entitled to vacation time.

3. Remuneration

The right to fair remuneration is recognized for all employees. Pay and other benefits (social benefits) shall meet the minimum respective national or local legal norms or the level of the national economic sectors/industries and regions.

4. Health, Safety and Working Conditions

A preventive health policy, improvement of safety at the workplace and of working conditions are for ThyssenKrupp a fundamental part of the task of management. The Parties set themselves the objective of achieving improvements in these areas.

5. Promotion of Vocational Training

ThyssenKrupp has hitherto supported the basic and advanced training of its employees to a high degree, and intends to continue to foster vocational training at a high level in order to strengthen the competence of its employees and, with a view to the future, to make possible a high level of performance.

ThyssenKrupp sees in its broad-based intra-corporate culture of training an essential element to ensure the future for employment, competition and innovation.

6. Right to Associate

The right of employees to form and join unions and employee representative bodies on a democratic basis within the framework of domestic national legislation is recognized. Conflicts arising in the establishment of unions in the subsidiaries shall be dealt with fairly.

ThyssenKrupp and the employee and union representative bodies shall work together openly and in a spirit of constructive, cooperative conflict resolution for the benefit of the Group and its employees.

Existing rights to collective bargaining (contract bargaining) on the basis of national regulations are recognized.

7. Forced and Child Labor

ThyssenKrupp strictly rejects all forms of forced labor and exploitative child labor. Children must not be impeded in their development, and their rights are to be protected.

8. Execution and Implementation

These agreed Principles shall be valid worldwide for all subsidiaries. Through their publication on the internet/intranet, ThyssenKrupp shall ensure that this Agreement is brought to the knowledge of employees and can be implemented in the subsidiaries.

ThyssenKrupp shall ensure that these Principles are made known to customers and suppliers, including in particular through publication on the internet. ThyssenKrupp shall thereby encourage its customers and suppliers to consider corresponding principles in their own corporate policies with a view *inter alia* to promoting mutual relations.

Signatory Parties shall monitor compliance with this Agreement.

Responsibility for implementation shall be borne by the Management Boards and Directors of the subsidiaries; violations are to be reported to ThyssenKrupp AG without delay.

The Chairmen of the Group Works Council and the European Works Council shall be informed at least once per year of violations of this Framework Agreement.

9. Term

This Agreement shall terminate, without the need for notice of cancellation, on December 31, 2010.

Düsseldorf, January 19, 2007

Executive Board

Group Works Council

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European Works Council

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