



European Appendix to ABB Social Policy

European Appendix to ABB Group Social Policy

Preamble:

In addition to ABB Group's Social Policy, which is wholly supported by the Employees Council Europe (ECE), the following also applies specifically to ABB companies and employees covered by the ECE. This appendix must be applied on a country-by-country basis in Europe, and is also offered as best practice for the rest of the ABB world, to strengthen ABB's attractiveness as an employer.

This appendix does not replace any valid, more inclusive national laws, collective agreements or other relevant regulations, which remain unaffected by this appendix.

1.0 Development of personnel

To protect the interests of employees in the light of ongoing changes in globalized markets and enterprises and to offer new opportunities to them, the following apply:

1.1 Every ABB company is required to conduct at least one employee qualification analysis per year, and identify the qualification criteria to be met in future.

1.2 Every employee shall have a one-on-one interview with his/her (direct) superior at least once a year. As a minimum, the person's job performance during the past year shall be reviewed and appropriate measures agreed. Suggestions may be offered by both the manager and the employee.

As a rule, all employees shall have access to further personnel development and training opportunities. Personnel development shall be encouraged by ABB, and participation shall be voluntary. The costs of personnel development initiatives approved by ABB and the cost of training required by ABB will be met by the company.

2. Working time and vacation

ABB will ensure that applicable laws, industrial standards, regulations and collective agreements on working time regulations, including overtime, constitute the minimum standards applicable at ABB. The same applies to employees' entitlement to vacation time.

3. Family and career

In consideration of different national and cultural conventions, ABB seeks to adopt various models designed to promote a balance between family and career.

4. Pensions and benefits

ABB provides a pension scheme or retirement pay, and other benefits, for its employees that are at least in accordance with the given national laws, collective agreements or other relevant regulations and standards customary in this industry.



5. Personnel adjustments

ABB acknowledges its social responsibility towards its employees. Thus ABB will seek all possible alternatives to dismissals, in consultation with employees' representatives/trades unions and in accordance with applicable laws, regulations and collective agreements with the objective to avoid dismissals.

Restructuring will be undertaken in a socially acceptable way for the employees concerned wherever possible and after consulting the respective employees' representatives /trade unions and in accordance with applicable laws, regulations and collective agreements.

In the event of personnel adjustments, applicable laws, regulations, collective agreements and the applicable rights of national employee representatives/trade unions shall be observed, as required, and remain unaffected.

Undue delays in all elements of the process described in 5 [above] may be referred, by either ABB or the employees' representatives, to the disputes procedure in 7 [below].

6. Implementation

ABB Country Management shall review implementation of this European Appendix to ABB Group Social Policy with employee representatives/trade union. The objective is a swift implementation of this Policy in the relevant countries.

In accordance with European and national laws and applicable conventions, the Country Management and the employee representatives/trade unions shall assure that any contractual arrangement amongst themselves resulting from implementation of this agreement will be binding for all interested /parties affected.

7. Conflict resolution

In the event of a conflict over the Policy or its implementation, the ABB ECE President and the ABB Executive Committee member in charge of Human Resources will come together at an early date to resolve the conflict when escalated by either of these two parties. This also applies to conflicts originating from issues referred to in Clause 10 of the Group Social Policy.

Rotterdam, 27th of February 2009

ABB Employees Council Europe

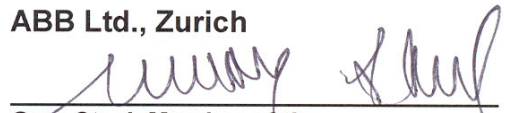


Wilhelm Kuper, ABB ECE President



Eva-Lena Pettersson, ABB ECE Vice President

ABB Ltd., Zurich



Gary Steel, Member of the
Executive Committee, Human Resources