

Declaration on Social Rights and Industrial Relationships at LEONI

Preamble

With this declaration LEONI documents fundamental social rights and principles which represent the basis of LEONI Corporate Policy. The social rights and principles described in this agreement are oriented towards the relevant United Nations Conventions of the International Labour Organisation.

LEONI firmly believes that social responsibility is an important factor in the sustained success of the company; this relates also to shareholders, business partners, customers and employees. This is a prerequisite for contributing to global peace and global affluence in the future.

The future security of LEONI and its employees stems from the spirit of co-operative conflict management and social commitment, on the basis and with the goal of ensuring economic and technological competitiveness. A particular expression of social commitment is manifested in the efforts undertaken to secure and develop employment opportunities.

However, in order for LEONI to exercise this responsibility, its sustained competitiveness now and in the future are essential. Furthermore, the exercise of social responsibility is an indispensable part of value-oriented corporate management.

The globalisation of LEONI is indispensable for international competitiveness and consequently for securing the future of the company and its employees.

LEONI and its employees face the challenges of globalisation together. Together they should utilise the opportunities for the success of the company and the workforce, as well as for competitiveness, while limiting potential risks.

The realisation of the following goals is effected with due consideration being given to the applicable law and prevailing customs obtaining in the different countries and locations.

§ 1 Basic Goals

1.1 Human Rights

LEONI respects and supports compliance with the internationally acknowledged human rights.

1.2 Freedom of Association

The basic right of all employees to establish and join unions and employee representations is acknowledged. Compliance with this human right must not, however, contravene national statutory regulations and existing agreements in so far as these do not violate ILO Conventions No. 87 (Freedom of Association and Protection of the Right to Organise) and No. 98 (Right to Bargain Collectively). The freedom of association and protection of the right to organise is also guaranteed in those countries in which freedom of association and the right to organise is not acknowledged as a right. LEONI, the unions and employee representatives respectively work together openly and in the spirit of constructive and co-operative conflict management.

1.3 No Discrimination

Equal opportunity and treatment, regardless of race, colour, sex, religion, nationality, sexual orientation, social origin or political persuasion - as far as it is based on democratic principles and tolerance towards persons thinking differently - is assured.

Employees will be chosen, hired and promoted only based on their qualifications and abilities, insofar as national law does not expressly stipulate other criteria.

1.4 Free Choice of Employment

LEONI rejects any knowing use of forced labour, bonded labour or involuntary prison labour.

1.5 No Child Labour

Child labour is prohibited. The minimum age for acceptance for employment in accordance with the respective governmental regulations will be observed. Children's safety and health must not be impaired. Their dignity is to be respected.

1.5 Compensation

The compensation and benefits paid or provided for a normal work week correspond at least to the respective national legal minimum requirements with the principle of "equal pay for equal work" applying.

1.6 Work Hours

The work hours and paid recreational leave correspond at least to the respective national legal requirements.

1.7 Occupational Safety and Health Protection

LEONI meets at least the respective national standards for a safe and hygienic working environment, and in this context will undertake appropriate measures to assure health and safety in the work place so that healthy employment conditions are maintained.

1.8 Qualification

LEONI supports the qualification of its workforce in order to facilitate the attainment of high performance levels and high-quality work standards.

§ 2 Realisation

2.1

These principles are binding for LEONI worldwide. LEONI will place its executives in the respective countries under the obligation to comply with this declaration.

These principles will be made available to all employees and their representations in a suitable manner.

2.2

During internal audits, the Internal Auditing Department will monitor compliance with these principles and will include them in its audit criteria.

2.3

LEONI supports and encourages its business partners to take this declaration into account in their own respective corporate policy. It views this as an advantageous basis for mutual relationships.

2.4

Implementation and compliance with these principles will be reported on and discussed during the annual European Works Council meetings.

2.5

Third parties cannot derive or enforce any rights from this declaration.

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This declaration enters into force on the day it is signed. It has no retroactive effects.

Nuremberg,

The Managing Board

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On behalf of the EWC:

On behalf of the International
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