

Principles of Social Responsibility

Codes of Conduct

Gebr. Röchling KG

November 2004

Principles of Social Responsibility at Gebr. Röchling KG (Codes of Conduct)

Recitals

Gebr. Röchling KG acknowledges its social responsibility in open and fair world trade as a crucial precondition for additional economic growth. Gebr. Röchling has agreed with the European Works Council on the following basic principles in order to achieve these goals. The European Metal-Workers Federation and the International Metal-Workers Federation have also become party to this Agreement upon its signing.

Gebr. Röchling KG

- Welcomes the initiative to promote responsible business conduct in the ongoing process of internationalisation and globalisation,
- Declares its willingness to adhere to and secure generally accepted working standards of the International Labour Organisation (ILO) and human rights,
- Aims at preventing the irreversible process of globalisation from causing anxiety among the people of the world
- Aims at showing the human side of globalisation including by creating and safeguarding jobs
- is convinced that social responsibility is an important factor affecting the long-term success of Gebr. Röchling KG and contributing to worldwide peace and prosperity.

The precondition for the company to assume this responsibility, however, is the short, medium, and long-term competitiveness. Assuming social responsibility is also an indispensable part of a values-oriented company management. Gebr. Röchling KG will do everything in its power to link the economic, environmental and social objectives of this Agreement with the medium and long-term strategic ideas and plans and everyday company decisions within the framework of company development oriented towards sustained development.

Given the need to ensure customer satisfaction and international competitiveness, Gebr. Röchling KG is endeavouring to meet these responsibilities with its products and services and its actions at European and international production sites and in its company culture. The following principles are being set out in knowledge of the responsibility of both sides and in the conviction that this Agreement can make an important contribution to better cross-border cooperation throughout Gebr. Röchling KG and to overcoming cultural and language barriers.

§ 1 Human rights

1.1 Human rights

Gebr. Röchling KG is in favour of and supports respect for internationally recognized human rights.

1.2 Equal opportunity / non-discrimination

Gebr. Röchling KG shall be obligated to ensure equal opportunity with respect to employment and to refrain from any discrimination if national law does not expressly provide for selection based on certain criteria. There must be no different treatment afforded to employees as a result of sex, race, colour of skin, handicaps, origin, religion, age or sexual preference (ILO Agreements 100 and 111).

1.3 The parties to the Agreement emphasise the principle of equal opportunity with great respect and proclaim their opposition to discrimination and exclusion and in favour of integration and tolerance, not only for the employees, but also between and with the management. The employees and management shall treat each other with mutual respect, show mutual understanding and place mutual trust and confidence in each other to achieve the common company objectives.

1.4 Gebr. Röchling KG rejects any type of forced labour (ILO Agreement nos. 29 and 105). Child labour is prohibited (ILO Agreements nos. 138 and 182). The minimum age of the employees shall be based on respective national laws and regulations or collectively bargained agreements if such are not lower than the minimum age of employment set out in ILO agreement no. 138.

§ 2 Working conditions

2.1 Remuneration

The right of all employees to reasonable remuneration is recognised (ILO Agreement no. 100). Remuneration and other benefits (social benefits, holiday, etc.) shall take into account the principle of fairness and correspond to respective national statutory standards or the level of national economic sectors at a minimum.

2.2 Working time

Gebr. Röchling KG shall act to ensure that respective national regulations pertaining to working time and regular paid holiday are respected. Working time including overtime may not exceed applicable statutory and/or collectively bargained standards in the respective countries for any extended period of time.

2.3 Occupational health and safety

Occupational health and safety have top priority. Gebr. Röchling KG shall act to ensure occupational health and safety is upheld at the job site within the framework of national provisions and shall support continuous further development to improve working life.

2.4 Training

Existing skills and know-how of the staff are of tremendous importance to the future viability of Gebr. Röchling KG at all production sites throughout the world. For this reason Gebr. Röchling supports and promotes training measures for the employees which are suitable to expand and deepen professional and technical know-how. Training and retraining are assigned special importance in future development.

2.5 Environment

The products and services of Gebr. Röchling KG should also help save the environment in the future. The protection of the environment and improvement in living and environmental conditions are important company objectives of Gebr. Röchling KG. Cooperation shall take place with the local institutions in charge to achieve and maintain respective international, European and national environmental standards.

§ 3 Freedom of association / role of employee representatives and trade union rights

2.1.1 The right of employees of Gebr. Röchling KG to form non-affiliated trade unions and join such as they see fit is hereby recognised (ILO Agreement nos. 87 and 98). The parties to the Agreement accept the establishment of company or trade union interest representation bodies by the employees and view such as positive if such are not in contradiction of national statutory provisions. Gebr. Röchling KG accepts the results of collective bargaining involving Gebr. Röchling KG on the basis of national provisions.

3.2 Gebr. Röchling KG, the employees and trade union representatives of the staff work openly and in the spirit of a constructive and cooperative resolution of conflicts accommodating the interests of both sides. A fair accommodation of economic interests of the company and the employees shall be sought.

§ 4 Execution and implementation of the Agreement

4.1 The principles of social responsibility / Codes of Conduct of Gebr. Röchling KG are binding throughout the world and apply to all companies in the Group in which a Gebr. Röchling has industrial leadership.

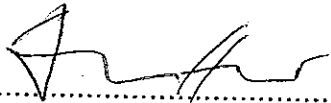
These obligate management and employees at all level to respect, accept and promote the attainment of the agreed-upon objectives. The management of the respective business units shall be responsible for this as well as employee representatives where they are present.

4.2 These basic principles shall be made available to all managements, interest representatives and employees throughout the Group in suitable form. The management shall consult with the respective employee representatives on communications and information measures for informing the employees and jointly implement and execute these.

- 4.3 Gebr. Röchling KG expressly supports and encourages its business partners to apply and take into account the agreed-upon principles in their respective company policy. It views this to constitute a positive basis for future business relationships.
- 4.4 All the employees have the right to address topics and problems in connection with the agreed-upon principles. This shall not result in any disadvantages or sanctions as a result thereof.
- 4.5 The parties to the Agreement shall act to ensure that the Agreement is respected. Information regarding problems, differences or required changes in the basic principles shall be exchanged and discussed by the partners on an annual basis. This exchange of information is currently taking place in the European Works Council of Gebr. Röchling KG.

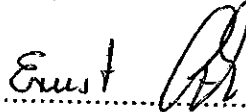
Mannheim, 30 November 2004

On behalf of the
Management



Georg Duffner
Chairman of the Management
of Gebrüder Röchling KG

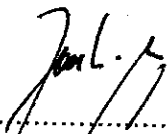
On behalf of the
European Works Council



Ernst Gräber
Chairman of the
European Works Council

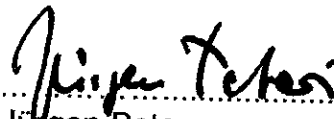
Entering into the Agreement at the time of its signing

On behalf of the European Metal-Workers
Federation

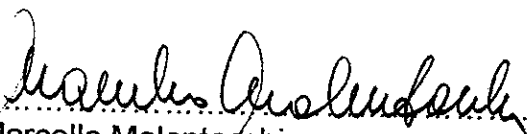


Joachim Leidig
Coordinator of the European
Metal-Workers Federation

On behalf of the International Metal-
Workers Federation



Jürgen Peters
Chairman of the International Metal-
Workers Federation



Marcello Malentacchi
General Secretary of the
International Metal-Workers Federation