

Joint Declaration
on Human Rights and Working Conditions
in the BMW Group

Preamble

The continued globalisation of the markets in goods and capital enables transnational groups to set up global production and distribution networks. These global networks imply social responsibility and respect for the fundamental principle of people co-existing and working together in harmony.

The group management, along with the national and international organisations representing workers' interests recognise their social responsibility and the basic principles behind the Global Compact. The BMW Group supports these initiatives taken by the United Nations and endorses the vision of helping a sustainable and homogeneous economy materialise.

Values-oriented corporate management should help utilise the opportunities of success for both the company and the workforce, while limiting any risks present. Ultimately, this is also important for international competitiveness and thus for the future of the BMW Group and its employees.

The group management and the national and international organisations representing workers' interests have established the following goals and implementation measures for the BMW Group's corporate activities world-wide. These will be implemented while complying with laws in force in the different countries and locations and while recognising different cultural traditions.

1. Goals

The following basic goals and principles of implementation are inspired by the International Labour Organisation's core labour standards and in addition to national legislation take account in particular of ILO Conventions No. 29, 87, 98, 100, 105, 111, 138 and 182.

The BMW Group will comply with internationally recognised human rights.

1.1. Freedom of choice for employees

Working for the BMW Group is a matter of choice. Forced and bonded labour, including slave labour and prison labour, will be rejected in accordance with ILO Conventions 29 and 105.

1.2. No discrimination

The BMW Group will guarantee equal opportunities and equal treatment regardless of ethnic origin, skin colour, gender, religion, nationality, sexual orientation and political beliefs insofar as the basis is democratic principles and tolerance towards those with different opinions.

Employees shall be placed neither at an advantage nor a disadvantage because of membership of a trade union or an in-house staff association.

1.3. No child labour

Pursuant to ILO Conventions 138 and 182 children should not have their development inhibited; they should be treated with dignity and their safety and health should not be put at risk.

The BMW Group will adhere to the general rules regarding the minimum age for admission to gainful employment.

1.4. Freedom of association

The right of all employees to form associations to protect their collective interests and to engage in collective bargaining to agree working conditions is recognised.

The BMW Group and the respective employee organisations will co-operate constructively in a spirit of good faith. Even in cases of disputes the goal shall always be to maintain viable co-operation in the long term.

1.5. Remuneration

Remuneration in the BMW Group complies with current minimum rates of pay as guaranteed by law with no differentiation on the basis of gender. The BMW Group observes the minimum standards currently in place in the respective branches at national level and follows current trends on the respective labour markets.

1.6. Working time

The BMW Group will comply with the respective national rules and agreements on working time and on paid leave.

1.7. Occupational health and safety

In the area of occupational health and safety the BMW Group will as a minimum comply with national regulations in respect of health and safety in the workplace; decent and human working conditions are an important feature of BMW's corporate policy. This is supplemented by an active policy of prevention appropriate to specific situations; e.g. current initiatives to provide information on the spread of HIV/Aids and measures to prevent it.

1.8. Qualifications

Employees of the BMW Group are sought out, hired and promoted on the basis of their job-related qualifications and skills. Targeted skills enhancement for employees is supported so as to ensure high output and work of high quality.

2. Implementation principles

The goals and principles of implementation set out in this joint declaration apply for the BMW Group worldwide. Like the human resources guidelines and the model for the workforce and management these are an integral part of the corporate culture of the BMW Group.

2.1. Dissemination

The contents of this joint declaration will be disseminated within the BMW Group in the appropriate manner.

2.2. Business partners and suppliers

The BMW Group's business partners and suppliers will be encouraged to introduce comparable principles in their corporate structures and to apply them in the context of their own corporate policy. The BMW Group expects its business partners and suppliers to use these principles as a basis in their mutual dealings and regards them as a suitable criterion for lasting business relationships.

2.3. Periodic consultations

Consultations on compliance with the goals and implementation of the principles will take place periodically via the EURO-Forum. An initial exchange of views on this will take place at the end of 2006 at the latest.

2.4. Final clauses

This joint declaration shall enter into force on the day of its signing. No individual or third party claims are admissible.

Only the German language version of this declaration is binding.

Munich

On behalf of the BMW Group

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Chairman of the Staff Committee

Ernst Baumann

Director of Human Resources

On behalf of the staff representatives

Manfred Schoch

Chairman of the EURO Works Council of the BMW Group

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