

Implementation of an Ideamanagement Health&Safety at ThyssenKrupp Elevator Operating Units CentralEasternNorthernEurope and SouthernEuropeAfricaMiddleEast



1. Basic principles of the agreement

- People are the most important components for a successful Ideamanagement Health&Safety. The basis for a successful Ideamanagement Health&Safety is established through the contribution of every single employee. Occupational safety and health protection are the responsibility of the employer.
- This agreement confirms the key role played by the trade unions and employees in occupational safety. It promotes the cooperation between trade unions, employees and company management with the aim of improving collaboration and creating new occupational safety standards.
- The trade union representatives, the employees and the employer representatives advocate the Ideamanagement Health&Safety for all employees.
- The trade union representatives, the employees and the employer representatives actively support the implementation of suggestions for occupational safety.
- This agreement is not a substitute for European or national legislation. The same applies for international, European, national, regional and local agreements or those made at company level, or legal regulations should these be more favourable.
- For legal or contractual obligations already in place, the local social partners are responsible for deciding whether and to what extent these obligations exceed this agreement, whether and to what extent they are supplemented and whether they need to be adapted.
- Already existing Health&Safety-committees or similar employee-representative institutions will be included in the implementation of this agreement.

2. Scope of the agreement

This agreement applies for all countries within the operating units CentralEasternNorthernEurope and SouthernEuropeAfricaMiddleEast which belong to the respective OU on July 1, 2011. This agreement shall apply to any additionally added countries after consultations between the social partners.

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3. General aim and purpose of this agreement

The aim of the agreement is the development and implementation of a comprehensive and flexible Ideamanagement Health&Safety for the further promotion and improvement of occupational safety and health protection for the employees of ThyssenKrupp Elevator OU CENE and SEAME.

The most important components of the Ideamanagement Health&Safety are the ideas, experiences and improvement suggestions for occupational safety by the employees of ThyssenKrupp Elevator OU CENE and SEAME.

4. Improvement objectives

Suggestions for improving occupational safety / Ideas Health & Safety (IHS) as defined by this agreement are suggestions which describe a currently disappointing, uncertain or dangerous situation and, if possible, provide a concrete solution towards its improvement.

Suggestions for the improvement of occupational safety contribute towards

- Improving working conditions
- Recognising risks
- Preventing accidents and thus reducing the resulting costs
- Creating good working conditions over the long- and short-term
- Increasing motivation for occupational safety, health protection and accident prevention
- Reducing the follow-up costs resulting from accidents
- Creating a safer working environment and a better environment.

The company must verify the suggestions and implement suitable solutions.

Suggestions for the improvement of occupational safety (IHS) contain suitable solutions, in particular when they

- reduce health risks to health, as well as accidents
- reduce employee workload
- guarantee the quick provision of tools and working materials of appropriate quality
- lead to an improvement in ergonomics

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- help to avoid stress and demotivation
- reduce psychological pressures
- support environmental conservation
- increase the reliability of work and working conditions
- promote the image of the company and the industry
- promote the quality of the products and their distribution or
- save raw and auxiliary materials, as well as energy or other resources

make a contribution and serve to simplify and improve

- elevator and production systems
- production methods
- processing steps
- work processes
- operations
- equipment and fittings
- tools
- machinery or
- maintenance and repair

improve and contribute towards the organisation of

- transportation
- storage
- training

in order to further develop the culture of health and safety within the company.

5. Criteria for improvement suggestions

An improvement suggestion is any idea which is submitted in written or electronic form and whose implementation improves or avoids a currently unsatisfactory, uncertain or dangerous situation.

This also includes improvement suggestions within the context of moderated and organised group processes (e.g. meetings, Kaizen, CIP, TQM, etc).

Suggestions can also come from a group representing several individuals.

The suggestion must be based on a personal initiative and may not be the result of a concrete task or work order.

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Suggestions in terms of strategic company decisions (e.g. company expansion, pricing policy, relocation of production facilities, inclusion of new products in the production area) are not suggestions for improvement as intended by this agreement and therefore will not be regarded as such.

Other suggestions excluded are those which have no relevance to occupational safety or health protection. They will be returned to the submitting person or group.

The transferability and practicality of the improvement suggestions in group companies is verified.

Extensive implementation costs are no criteria for the denial of improvement suggestions.

6. Participants of Ideamanagement Health&Safety

Employees:

- The employees of ThyssenKrupp Elevator OU CENE and SEAME have the right and the opportunity to submit information regarding unsatisfactory, unsafe or dangerous situations and, if possible, to develop solutions for the improvement of health and safety.
- The submission of an improvement suggestion will have no negative personal consequences, reprisals or negative personal impact for the employee.
- The employees are entitled to an immediate and complete assessment of their improvement suggestions for occupational safety / IHS.
- The objective assessment of their improvement suggestions for occupational safety / IHS takes place soon after submission to the assessment committee.
- The employees have the right to appeal the decision made should an improvement suggestion for occupational safety / IHS be rejected or if it is considered to have been assessed unfairly or inappropriately.

Assessment Committees:

Delegation to committees:

Employee representatives are entitled to join assessment committees and are invited to put themselves forward.

The assessment committees are equally representative of employees and employer. The voting power of all bodies – who created this agreement and who work on the basis of it – are equal between employer and employee representatives. Employee representatives can be, for example, members of the works council, trade union representatives or members of the selected health and safety committees in accordance with the

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local, regional and national employee representation structures. The employee representatives are exempt from carrying out their duties while attending the assessment committee meetings, a stipulation which has no effect on their salary. There are local (branch or MC-level), central (RC-level) and international (OU-level) committees set up.

Branches without their own employee representation are included in the representation of interests for the next largest subsidiary.

Members of the local assessment committee:

- Branch/Manufacturing Center (MC) managers (or their authorised representatives)
- Employee representatives in accordance with local employee representation structures
- H&S managers of branch/Manufacturing Center

Members of the central assessment committee:

- CEO RC (or authorised representative)
- Employee representatives in accordance with local employee representation structures
- H&S managers RC

Members of the OU Idea Management Steering Committee:

- CEO OU (or authorised representative)
- Employee representatives in accordance with local employee representation structures
- H&S managers OU

The Idea Management Steering Committees of OU CENE and SEAME meet once a year during the EWC meeting within the presence of EMF.

Tasks of the H&S manager in the committees:

The H&S manager prepares and moderates the committee meetings. In terms of his involvement with the rewards, he plays an advisory role and has no voting power. He is responsible to keep the assessment committee informed regarding product changes and changes within the organisation.

He is also partially responsible to support the implementation of ideas and suggestions in cooperation with the concerned departments.

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The primary tasks carried out by the committees are

- the advice and discussion of suggestions
- if necessary, consultation with appropriate experts
- collaboration in deciding on rewards
- supporting the implementation of suggestions

The central assessment committees are additionally responsible for dealing with second appeals, suggestions which go beyond the scope of the local sites and the resolution of disputes.

The Ideamanagement Steering Committees guarantee, in particular, the exchange of information between the RCs of the OU, as well as the implementation of suggestions which go beyond the scope of an RC. Furthermore, they promote the continued development of the process.

Reporting:

In order to secure the idea management process and its further development, a reporting system for all levels will be implemented and converted. This reporting system also assists with the control of the level of implementation, the results of the suggestions and the relevant decisions. The reports also include the level of implementation of this agreement of each country or branch/MC.

Aims:

- Create transparency
- Quantitative assessment of improvement suggestions
- Qualitative assessment of improvement suggestions
- Amount/Scope of rewards
- Conversion rates
- Overview of all activities

Regular reporting

- Report every 3 months from local H&S manager to RC H&S manager (for large RCs)
- Report every 3 months from RC/MC/country H&S manager to RC/MC/country CEO
- Report every 4 months from RC/MC/country H&S manager to OU H&S manager
- Report every 6 months from OU H&S manager to management of TK Elevator OU CENE and SEAME
- Report every 12 months from OU H&S manager to EBR TKE and EMF

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Management:

- The managers responsible support and promote the improvement suggestions for occupational safety / IHS on behalf of the employees and are responsible for rewarding successful suggestions and putting them into practice.

7. Organisational diagram and responsibilities in Ideamanagement Health&Safety

→ See also organisational chart / process flow diagram

The organisation of the Ideamanagement Health&Safety in OU CENE and SEAME countries is the responsibility of the RC H&S managers, led by the respective H&S manager of OU CENE and SEAME. Furthermore, the OU H&S managers are responsible for keeping EMF and EWC informed.

The H&S-Managers are also partially responsible to support the implementation of ideas and suggestions in cooperation with the concerned departments.

The CEO of the respective RC is responsible for the development of the Ideamanagement Health&Safety in the RCs and the regions. He is supported by the respective H&S manager RC. The H&S manager RC is responsible for organising the practical implementation within the RC/MC/country and manages this implementation.

The processing of the suggestions up until their assessment takes approximately 3 months, 2 months are planned for this. Unaffected here is the faster implementation of any immediate measures for safeguarding occupational safety and health protection.

The employees work on/draw up the suggestion for occupational safety / IHS using a special form or using a computer-based system and send their suggestion to the H&S manager responsible for the local Ideamanagement Health&Safety. This H&S manager confirms receipt of the suggestions and prepares them for further assessment.

Subsequently, it is passed on to the local assessment committee for further assessment. When the assessment committee has made its decision, the suggestor (employee) is immediately informed of the result by the H&S manager responsible for the Ideamanagement Health&Safety. The bonus awarded is paid out in accordance with the nationally agreed procedure.

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If the employee does not agree with the decision made, he can immediately lodge a written appeal with the H&S manager responsible for the Ideamanagement Health&Safety together with his reasons for doing so. The improvement suggestion is immediately passed on to the local assessment committee for further discussion. The bonus determined remains unchanged.

After further discussing the matter, the local assessment committee can improve the result or make no change to it.

Any difference between the old bonus and the new bonus is immediately paid out to the employee in accordance with the nationally agreed procedure.

If the employee still does not agree with the new result, he can lodge another appeal with the H&S manager responsible for the Ideamanagement Health&Safety.

The second appeal will be passed on to the central assessment committee. After discussing the matter, the central assessment committee can improve the result or make no change to it.

Any difference between the old bonus and the new bonus is immediately paid out to the employee in accordance with the nationally agreed procedure. The employee may not lodge any further appeals.

All decisions made by the assessment committee are taken by majority vote. The voting power of all bodies – who created this agreement and who work on the basis of it – are equal between employer and employee representatives. If there is no majority after the third vote is taken, the decision is made by lot.

Suggestions which cannot be converted due to technical or organisational reasons remain valid without restriction for 3 years.

If the suggestion (or part of the suggestion) is implemented by the company within 3 years, the suggestion must be assessed once again by the assessment committee.

8. Rewards

Taken as a basis for the assessment of incalculable suggestions for occupational safety / IHS is the assessment route referred to in the Appendix.

The rewards paid out can be individual or collective rewards which take place within the scope of support projects or employee welfare-funds. Individual regulations for this are decided at country level. If there is no alternative procedure decided at country level, the reward is paid out individually to the person who submitted the suggestion.

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The assessment of calculable suggestions for occupational safety / IHS is carried out as follows:
The costs for its implementation are determined. The reward is calculated as 25% of the difference between the implementation costs and the savings in 1 year (net savings).

9. Final Provisions

The English version of this agreement takes precedence in any disputes regarding interpretation.

The term of this agreement is 5 years after coming into force. Should there be no termination of this agreement 3 months before expiration of these five years, the term of the agreement is automatically extended by a further three years. The contractual parties must assemble as soon as possible after termination to recommence negotiations.

This agreement is verified by the contracting parties three years after coming into force.

The costs for an interpreter for further negotiations, as well as translations, are assumed by ThyssenKrupp Elevator.

The members of the various assessment committees are exempt from their specific duties when carrying out work for the committee which has no adverse affect on their salary payment.

Necessary qualification measures for committee members are enabled by ThyssenKrupp Elevator who continues to pay the remunerations as well as all relevant costs.

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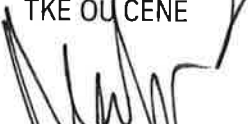
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14th November 2012



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Vice President H&S
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