



Principles on
Fair Working Conditions &
Social Partnership

METRO AG

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Objective

The Business principles of the METRO govern Metro's business decisions and actions throughout the world, and equally apply to corporate actions and the behaviour of individual employees. They incorporate Metro's HR Fundamentals for doing business.

One of the business principles (7) refers to the respect for fair terms and conditions of employment.

METRO is committed to fair terms and conditions of employment worldwide and recognizes the right of employees to organize in accordance with national laws and regulations. All applicable labor and employment laws are to be complied with. Companies of METRO respect the right of employees to engage in collective bargaining in accordance with national laws and regulations.

To ensure that each METRO operating unit throughout the world follows the business principle on Labour and Employment practices consistently, a set of global principles have been established in 2004 and re-confirmed by the Board of METRO AG in 2008.

Scope

The Principles on Fair Working Conditions and Social Partnership apply to all employees who work in or on behalf of any METRO company worldwide. Following the management model of the group – decentralization of responsibility – the local management is responsible for concrete embodiment of both the social dialogue with the employees and employees' representatives as well as fair working conditions in each country within the scope of these principles

Principles

METRO is committed to fair and just working conditions around the world

Within the domain of its own market and companies, METRO unconditionally supports the four fundamental principles of the ILO (International Labour Organization). In specific terms, these principles address the following issues:

1. Freedom of association and effective recognition of the right to collective bargaining.
 - Key elements of the Group's business structure are open channels of communication between employers and employees as well as a constructive and responsible working relationship with employees' recognized representatives. This principle applies to every country where METRO does business. As part of a trusting relationship, the companies in METRO respect the right of collective bargaining and their employees' freedom of association.

- METRO affirms that employees who have decided to join a union based on the ILO's principles will not be subject to dismissal as a result of their union membership or to any sort of discrimination;
- In terms of union organizations in the companies and markets, METRO assumes a strictly neutral position. As a result, local managing directors will neither promote nor obstruct efforts to organize unions based on national rights and laws.
- Within the framework of these principles, it is the responsibility of the local social partners to define and shape the social-partnership relationship. Clashes of interest or conflicts that are a natural part of relationships will be discussed in an open, professional dialogue, and will be addressed in a fair way.
- A constructive social dialogue will offer opportunities for both sides if the social partners conduct it in a manner that contributes to improving the company's competitiveness and, as a result, the securing local jobs in the long term. This is based on mutual respect between the representatives of management and labour, and on the joint desire to promote the company's long-range success.
- Regular informational meetings and consultation between management and labour representatives about transnational issues strengthen international cooperation, promote mutual understanding and support internationalization as the Group's growth engine. METRO's external partners within the social framework on the international level are the umbrella organizations of employer associations and the unions in trade and retail. METRO Euro Forum serves as the international discussion platform for transnational issues.

2. Elimination of all forms of forced or compulsory labour and disciplinary measures

- METRO categorically rejects all forms of forced or compulsory labour, including the employment of prison inmates, lodging deposits or the retention of identity documents of its employees upon commencing employment, in all of its markets and companies. It respects the principle of freely selected employment.
- The company shall not withhold any part of any employee's salary, benefits, property, or documents in order to force such employee to continue working for the company.
- The employee shall have the right to leave the workplace premises after completing the standard workday, and be free to terminate their employment provided that they give reasonable notice to their employer.
- The company shall not engage in or support trafficking in human beings.
- In its companies around the world, METRO permits no child labour as defined in the ILO agreement on the subject, the conventions of the United Nations and national laws. METRO considers the rights of young employees to be particularly worthy of protection.

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Nations and national laws. The METRO GROUP considers the rights of young employees to be particularly worthy of protection.

4. Elimination of discrimination in employment and occupation

- METRO promotes all employees according to their abilities and performance. As an “equal opportunity employer” METRO offers all employees and applicants the same chance, regardless of sex, age, race, ethnic background, sexual orientation, possible handicaps, religion or beliefs.

5. Remuneration

- Wages paid for regular working hours, overtime hours and overtime differentials shall meet or exceed legal minimums and/or industry standards.
- Illegal, unauthorized or disciplinary deductions from wages will not be made.
- In situations in which the legal minimum wage and/or industry standards do not cover living expenses and provide some additional disposable income, METRO companies are further encouraged providing its employees with adequate compensation to meet these needs.
- Deductions from wages as a disciplinary measure are forbidden unless this is permitted by national law and a freely negotiated collective bargaining agreement is in force.
- METRO will ensure that wage and benefits composition are detailed clearly and regularly for employees. Additionally METRO will ensure that wages and benefits are rendered in full compliance with all applicable laws and that remuneration is rendered in a manner convenient to the employees.
- METRO will reimburse all overtime at a premium rate as defined by national law. In countries where a premium rate for overtime is not regulated by law or a collective bargaining agreement, the employee shall be compensated for overtime at a premium rate or equal to prevailing industry standards, whichever is more favourable to the employee’s interests.

6. Working hours

- METRO shall comply with applicable national laws and industry standards on working hours and public holidays.
- The maximum allowable working hours in a week are as defined by national law but shall not on a regular basis exceed 48 hours and the maximum allowable overtime hours in a week shall not exceed 12 hours.
- Overtime hours are to be worked solely on a voluntary basis and to be paid at a premium rate. In cases where overtime work is needed in order to meet short-term business demand and METRO activity is party to a collective bargaining agreement freely negotiated with workers organizations representing a significant portion of its workforce, the company may require such overtime work in accordance with such agreements. Any such agreement must comply with the requirements above.
- An employee within METRO is entitled to at least one free day following six consecutive days worked. Exceptions to this rule apply only where both of the following conditions exist:
 - National law allows work time exceeding this limit
 - A freely negotiated collective bargaining agreement is in force that allows work time averaging, including adequate rest periods

7. Workplace Health and Safety

- METRO shall provide a safe and healthy workplace environment and shall take effective steps to prevent potential accidents and injury to workers' health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the workplace environment, and bearing in mind the prevailing knowledge of the sector and of any specific hazards.
- METRO will establish and follow a clear set of regulations and procedures for the identification, prevention and minimization of the hazards and risks.
- All personnel shall have the right to remove themselves from imminent serious danger without seeking permission from the company.
- In particular, a management representative responsible for the health and safety of all personnel and accountable for the implementation of the Health and Safety elements shall be appointed. All personnel shall receive regular and recorded health and safety training, moreover, such training shall be repeated for new and reassigned personnel. Systems to detect avoid or respond to potential threats to health and safety of all personnel shall be established.