GENERAL PRINCIPLES

This Agreement applies to all workers employed in ArcelorMittal group companies in the European countries listed in the appendix #1 to this Agreement. Any change in this list will be subject to an amendment between the signatories of this Agreement.

The signatories commit to comply with its provisions within the whole involved perimeter.

It cannot replace any national and local legislation and/or local, national, regional or company level agreements if these are more favourable for the workers. Moreover, the signatory partners intend to comply with all existing legislation and collective agreements at national and company level and with social dialogue structures and traditions.

Aim of the Agreement:

In an ever-changing environment, anticipation of change is a critical factor of success in maintaining and increasing the sustainability of the company.

The purpose of this agreement is to facilitate the management and the anticipation of change by promoting effective social dialogue with regards to changes within ArcelorMittal as well as accompanying tools to adapt, together with the development of appropriate training policies.

It aims to:

- Safeguard and develop the competitiveness of the companies concerned and secure the sustainable development of their production activities in Europe,
- Preserve and develop the employability of the AM workers in Europe,
- Develop the workers’ required competences and skills so as to enable them to adapt to the new economic and strategic challenges.

The agreement lays down minimum principles, to which all companies included in the scope of this Agreement should refer, with a view to anticipating and managing change in a socially responsible manner, and which do not prevent those companies from developing this further at local level or from continuing to do so where it already exists.
1. SAFEGUARDING EMPLOYMENT AND THE FUTURE OF ARCELORMITTAL

1.1. Maintaining Tools and plants

ArcelorMittal intends to preserve all the tools and plants which are currently mothballed or temporary suspended in order to restart them providing that market recovery allows doing so.

ArcelorMittal will use this period of time to investigate the current technology on those tools and plants and define industrial plans for the future, including:

- The upgrade and renewal of machineries and tools,
- The preservation of the critical skills,
- The role of the key contractors.

1.2. Maintaining the workforce

ArcelorMittal recognises the significant human capital of its workforce and will use all possible means to maintain the workforce, by using all possible alternative solutions - including short time working (in French, “Chômage partiel”, in Germany, “Kurzarbeit” in Spanish, “Regulation temporal de empleo”) - and providing training in periods of economic cutbacks.

The training provided should be available to all workers and aim at: maintaining the skills and knowledge of the workforce, providing possibilities for further career developments and individual life-long learning experiences, maintaining the sites’ tools and machinery, re-launching and the safety requirements linked to this.

ArcelorMittal intends not to resort to compulsory dismissals. If, once after all possible alternatives have been exhausted, dismissals are envisaged, ArcelorMittal and Trade Unions will commit to enter in a process aiming to reach negotiated solution, in good faith, in accordance with national legislations, traditions and cultures, with a view to create long term solutions for the future of the employment basins.

Social dialogue and search for negotiated solutions form the basic concepts of this framework agreement.

1.3. Maintaining Purchasing power

ArcelorMittal and trade unions will commit to enter in a process aiming to reach negotiated solution, in good faith, in accordance with national legislations, traditions and cultures:

- To maintain the workforce’s purchasing power, limiting the loss of salary in case of short-time working,
• To develop performance and incentive plans, this can be part of a negotiated solution.

The negotiation will respect the Collective Labour Agreements nationally and locally negotiated.

2. SUPPORT EMPLOYEES TO DEVELOP THEIR COMPETENCIES IN LINE WITH THE ANTICIPATED CHANGE WITH REGARDS TO JOBS AND SKILL REQUIREMENTS

It is understood that skill development and training are key elements to maintain competitiveness and to secure employment opportunities for workers.

In order to promote forward-looking management of jobs and competences, priority should be given to:

• Providing information on the company strategy and forecasts on main areas of company orientation and developments,
• Promoting the identification and anticipation of competence and qualification requirements for each field of activity and in all entities,
• Developing an active training policy accessible to all professional categories.

Guidelines on Training policy

• Promote individual professional development interview (interview to discuss possible career orientation combined with individual training plans to make internal voluntary mobility possible),
• Development of an annual collective training plan at local level in consultation with the trade unions
• Ensuring access to training for each employee
• Specific support for workers with low qualifications in order to guarantee their access to training
• Promote and develop lifelong-learning
• Validation of competencies and recognition of experience as a key element for guaranteeing career development.
• Develop tools to encourage workers to undertake training: career guidance and advice to workers (training advisers, external experts ....)
• Mobilisations of internal and external financial resources – also using the existing European, national and local available systems - to promote, finance and stimulate training.
• Create partnerships with existing training centres.

Existing structures and tools to inform on open position at corporate, national and local level will be extended to make this information available, taking into account the possibilities and instruments at the group’s disposal (e.g. newsletters, job info points,
and managing the constraints arising from the diversity of languages and organization structures in the company.

In order to manage the renewal of competencies in the most efficient way for both the company and the employees, the extension of local best practices and tools such as coaching, mentoring and apprenticeships will also be promoted.

This Chapter of the Agreement will be further developed and made more concrete before the end of 2010.

3. AN ACTIVE AND PERMANENT SOCIAL DIALOGUE AS A PRE-CONDITION FOR THE ANTICIPATORY MANAGEMENT OF CHANGE

The parties recognise the important role of social dialogue at European, national and local level. Maintaining a high level of social dialogue, especially in a period of ongoing cutbacks and temporary closures of tools and plants, should take precedence over all other matters.

The parties will promote social dialogue at European and local levels.

The social dialogue in ArcelorMittal aims to anticipate the future and preserve the sustainable development of the Group, through establishing a permanent and confident relationship between management and trade unions.

The principles and guidelines laid down in this chapter are the minimum standards supporting the deployment of social dialogue in all ArcelorMittal companies included in the scope of this Agreement.

The tools of social dialogue are information, consultation and negotiation. They are used in different ways according to national laws, conventions or traditions. The statutory bodies dealing with social dialogue may be different (trade unions, employee representatives’ bodies …), but in all the countries, social dialogue is based on the representativeness of the trade unions and on the respect of the EU social Directives and on national legislations.

Minimum standards for social dialogue will be jointly defined in companies where they do not exist and deployed in the other ones, structuring the frequency and content of meetings to be held with the social partners at all levels, and ensuring that proper information is shared at proper level in the organization.

Minimum standards will be implemented in the framework of national legislations and do not prevent from developing this further at local level or from continuing to do so where it already exists.

The deployment of minimum standards will be reviewed on a yearly basis by the follow up committees set up by this Agreement in its chapter 4.
Reinforcing the role of the European Work Council and the national employee representative bodies

To respect the different competencies of the employee representative bodies at European, national and local level, ArcelorMittal will seek to inform them simultaneously in accordance with their own and different prerogatives.

Information on company strategy (including industrial plans, innovation and R&D), on employment perspectives and on future company activities and consultation (when needed) will be conducted on a timely manner for ensuring the collective expression of ArcelorMittal workers and efficient running of the company.

Role of the European and national Trade Unions

In addition to the information and consultation of the European, national and local employee representative bodies, the existing Social Dialogue group within ArcelorMittal is redesigned and empowered.

This Social Dialogue group will be composed of 12 representatives of trade unions and 12 representatives of ArcelorMittal management (including the negotiating teams of this Agreement).

The missions given to the Social Dialogue group are:

- Ensure an active and permanent exchange at high level on Group strategy,
- Act as a social and industrial observatory,
- Jointly explore the viability of all sites,
- Monitor and follow up this Agreement according to its chapter 4, acting as the follow up committee at corporate level.

Its mission shall also include the review of the following indicators:

- The participation of the group in the European steel production,
- The evolution and types of investments, including new technologies,
- Analysis and types of critical competences,
- Demographic and employment evolutions,
- Analysis of the need for training,
- Information on sub-contractors.

4. FOLLOW UP COMMITTEES

The follow up committees support the social dialogue laid out in the chapter 3.
Their mission is to identify existing problems and to propose possible solutions. They shall be the sole and exclusive bodies to supervise the implementation and interpretation of the Agreement. They shall issue a summary report twice a year.

At national level:

It is the main level of follow up. A national follow up committee is set up in each country included in the scope of this Agreement. It is composed, in equal number, of management representatives lead by the country HR coordinator, and of employee representatives (one representative by national trade union represented in ArcelorMittal group). This national follow up committee is responsible for monitoring the implementation of this Agreement in its country. It can at all time recourse to the European follow up committee to reinforce the follow up of this Agreement.

At European level:

The Social Dialogue Group is acting as the follow up committee at European level. It aims to forestall any difficulty through following implementation and anticipating possible issues. It meets every quarter. It receives the reports from the national committees to feed its works and cascades its conclusion to the national follow up committees.

5. MISCELLANEOUS

This Agreement does not create any rights and obligations other than those stipulated herein.

No third party will be entitled to exercise any right grounded on this Agreement.

Confidentiality

All oral and written communications among and between the Parties and their members concerning the information received through the application of this Agreement shall remain confidential and will not be made available to third parties, unless there is a legal obligation of disclosure or the parties decides to release them.

Interpretation and dispute

A conciliation body with equal representation on both sides is established at the ArcelorMittal headquarters in order to conciliate in any potential disputes resulting from the interpretation or implementation of this agreement.

Only this conciliation body can settle such a dispute and its decision is final. It is made up of the negotiating teams of this Agreement.
Where a member leaves the conciliation body, he/she will be replaced by his side, with respect of the balance in the conciliation body.

Before submitting the dispute to the conciliation body, management and trade unions should first address it through national follow up committees, following national practices and traditions.

Amendment

In the event that any change occurs which would disrupt the balance of commitments prevailing between the signatory partners at the date of signature of this Agreement, either ArcelorMittal or the EMF could ask to modify it. The party who will take the initiative of the request will submit to the other party a draft of a modifying text.

Dissemination & Implementation

This agreement will be communicated to all workers of ArcelorMittal, following national practices and traditions

Duration

This Agreement enters into force as from its signature for an indeterminate duration, except for chapter 1. Article 1.3. “Maintaining Purchasing Power”, which is valid for the duration of 1 year after signing the agreement, period which by mutual agreement can be extended.

Termination

This Agreement can, however, be terminated by either of the two parties with an advanced notice of 3 months during the first year and 6 months after, sent by registered mail with an acknowledgement of receipt addressed to the other party.

Authentic version

This Agreement will be translated into all languages of the countries included in the scope of this Agreement. In the event of divergence between the various language versions, the English version will be deemed to be authentic.
For and on behalf of ARCELORMITTAL SA

For and on behalf of EUROPEAN METALWORKERS FEDERATION