

Remarks

by

**Thomas Schlenz**

Chairman of the Group Works Council of ThyssenKrupp AG

at the

**Ceremony to mark 200 years of Krupp**

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Mr. President,  
Madam Premier,  
Lord Mayor,  
Professor Dr. Beitz, Dr. Cromme and Dr. Hiesinger,  
Ladies and Gentlemen,

I am very pleased to be able to speak to you here today. 200 years ago Friedrich Krupp established a cast steel factory in Essen and laid the foundation stone for one of the most successful and tradition-steeped companies in German history. The attraction the company Krupp still exerts today is impressive. This is not only because Krupp helped shape the development of the economy in the Ruhr and Germany as a whole over the past 200 years. First and foremost it is because the Krupp family defined an understanding of entrepreneurship that is still exemplary today.

“The goal of labor should be the common good,” said Alfred Krupp in 1873. This commitment stands for a long tradition of entrepreneurship that links business success with the common good. What many companies today are trying to develop under the heading of “corporate social responsibility” is something that has always characterized Krupp.

As early as 1836 Alfred Krupp set up a company health insurance fund for his then 80 employees. That made him a pioneer in setting standards of social security for his workers. At the same time, Alfred Krupp recognized at an early stage that a satisfied and loyal workforce was a requirement for lasting business success. To this extent, providing housing and a company retail store were not charity toward his employees, they were clear competitive advantages, to use today’s term.

In many ways, these social benefits were not only a role model for other companies, but also for Bismarck’s social legislation. The ThyssenKrupp Group is still committed to this philosophy today. A particularly good example is currently emerging on the historic site on Altendorfer Strasse in the new ThyssenKrupp Quarter: Construction work is well underway for a child daycare center.

All the achievements throughout Krupp’s 200-year history would be of historical value only if they were not still being lived out today. That this is the case at ThyssenKrupp is attributable first and foremost to Berthold Beitz. He set himself the task of continuing the life work of the

Krupps - initially as chief executive of Krupp, and then as Chairman of the Board of Trustees of the Alfried Krupp von Bohlen und Halbach Foundation.

Over the decades, Mr. Beitz not only steered the company Krupp successfully through in part difficult times; in keeping with the spirit of the Krupps he was also always an entrepreneur with an eye for the big picture and a mind to the long term. Maintaining a balance between business success and responsibility to employees was always of great importance to him. And he took action to ensure that the interests of employees were upheld. One example that went down in history was Otto Brenner's appointment as employer representative to the Krupp Supervisory Board in 1968. The head of the IG Metall trade union as representative of the owners on the Supervisory Board – that was a powerful signal. It was something that had never been seen before.

Berthold Beitz and the Alfried Krupp von Bohlen und Halbach Foundation are guarantees of stability and continuity at ThyssenKrupp. It is to Berthold Beitz's credit that, following the merger of Thyssen and Krupp, the Foundation was able to increase its shareholding again to over 25 percent and is now an anchor of stability. It is a good feeling for employees to work for a company that acts long term and sustainably. I am convinced that without the Foundation, the company would probably no longer exist. That is shown by other examples.

That Mr. Beitz as a mediator and the voice of reason is still shaping ThyssenKrupp's path today was shown most recently just over two years ago by the "Essen Declaration". In the course of the targeted reorganization of the Group, a conflict arose between the Executive Board and the codetermination side that posed a massive threat to the good corporate culture. Thanks to Mr. Beitz's involvement, it was once again possible to reach a consensus and resolve the conflict permanently.

Once you are part of the "family", you are not cast out into an uncertain future! That was the tenor of the discussions between the Executive Board and employee representatives on the new strategic plan for ThyssenKrupp announced in May this year. There is agreement that parts of the company available for disposal will only be sold to buyers who can present a convincing overall plan to further develop the company and thus secure jobs. In addition, compulsory redundancies are ruled out. In this, ThyssenKrupp can be a role model for others. As a representative of the employees I can therefore say in good conscience: We are in good hands in this company.

In today's times we are unlikely to hear a business leader say the words "the goal of labor should be the common good". But the insight that the interests of employers and employees can be brought into harmony, and that it is actually in everyone's interests to bring them into harmony, is already of great value in itself.

And if we realize that the responsibility of a company is not restricted to its employees but also extends to the region, the country and in these times of globalization even beyond, then maybe we have learnt some key lessons from the 200 year history of Krupp. It is down to us to carry them on. I very much hope we succeed.

Thank you for your attention.