



Progress beyond

Global Framework Agreement on social responsibility and sustainable development between

Solvay Group
and
IndustriALL Global Union

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AGREEMENT ON SOLVAY GROUP SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT,

Between:

Solvay Group, represented by its Chief Executive Officer & Member of the Executive Leadership Team, Ilham Kadri,

And:

IndustriALL Global Union, represented by its General Secretary, Atle Høie



PREAMBLE

The chemical industry can only operate with a strong sense of responsibility. Solvay insists on a spirit of responsibility in its dealings with employees, customers, suppliers, shareholders, communities, residents living near its sites, the environment and natural resources.

The "[Solvay One Planet](#)" approach, of which this agreement is an integral part, feeds into this development model which combines operational performance with high standards of behavior for ever greater responsibility towards all stakeholders.

This responsibility requires considerable involvement on the part of employees, which is why Solvay's desire to maintain a rich, balanced dialogue between management and employee representatives is central to Solvay's values and identity.

Such responsibility concerns all of Solvay's activities worldwide and thus requires dialogue with an organization operating at an international level.

That is the rationale for this agreement, through which Solvay and IndustriALL Global Union which organizes chemical industry employees worldwide, have created a structure for information and dialogue and affirming their joint commitment to good industrial and labor practices wherever in the world the Group operates.

Solvay makes this commitment voluntarily, over and above its compliance with the statutory and legal obligations in every country where the Group operates. The global standards listed below will be complied with by all Solvay entities worldwide.

Legislative requirements are being strengthened through binding regulations at national level, such as the [German Supply Chain Act](#), and a corresponding EU Directive and a binding UN treaty on business and human rights which are both advancing through preparatory stages. This Global Framework Agreement provides the mechanism to respond to these new stipulations.

The manufacturing world is undergoing a process of significant transformation, with major changes in digitalisation, connectivity, and artificial intelligence. The world of work will continue to change with these new technologies affecting research, manufacturing, logistics and sales of products. Solvay's commitment to its employees and its industrial relations is key in this period of transformation, so that employees can identify and acquire the competences that are indispensable for the development of their job and their employability. This requires attentive management of skills and competences, and strong union/employee representatives involvement.

The Group's subsidiaries, while taking the economic, social and cultural realities specific to their own country into account, will do their best to ensure that this agreement is applied in a spirit of continuous progress based on the provisions stipulated in this agreement.

Both parties to this agreement agree that the internationally recognized standards and principles contained within this Agreement will be applied at all Solvay sites throughout the world, regardless of whether or not they are required by national law or regulations.

Solvay and IndustriALL Global Union are committed to developing trusting and constructive relations to ensure effective application of this agreement.

I - SCOPE OF THE AGREEMENT

This agreement applies to companies over which Solvay Group exercises direct control.

The provisions of this agreement and the Core Labor Standards and relevant jurisprudence of the ILO shall take precedence over local and national laws in case the latter are less favorable.

In the event of merger, acquisition or corporate restructuring of any kind leading to the creation of new entities controlled by Solvay or in the event of similar changes affecting IndustriALL Global Union, these new entities shall automatically be deemed party to the global agreement and subject to its provisions until such time as the agreement is renegotiated.

Solvay expects its suppliers, contractors and sub-contractors comply with the principles this agreement contains.

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II - GLOBAL STANDARDS

Article 1

Solvay and IndustriALL Global Union affirm their adherence to texts governing basic labor rights and trade union rights in society and the company.

1.1 ILO Conventions

Solvay asserts its compliance with the International Labor Organization conventions on basic human rights.

- **Conventions 87, 98 and 135**

Within the framework of fundamental rights to freedom of association, including the right to engage in collective bargaining, employees have the right to be represented by freely elected delegates, to form organizations of their choice and to join them.

- **Conventions 29 and 105**

Commitment not to employ forced or compulsory labor.

- **Convention 138 and 182**

Commitment not to employ child labor.

- **Conventions 100 and 111**

Commitment to ensure equality of opportunity and treatment in employment, including equal remuneration for men and women for work of equal value, and the prevention of discrimination in respect of employment and occupation.

- **Convention 156**

Commitment to ensure rights and equality of opportunity for employees of both genders with family responsibilities and for pregnant and nursing women.

- **Convention 190**

Commitment to eliminate violence and harassment, including gender-based violence, in the world of work.

1.2 UN Global Compact

As a signatory to the United Nations Global Compact, Solvay undertakes to respect its 10 principles:

HUMAN RIGHTS

- **Principle No. 1**

Businesses should support and respect the protection of international labor law relating to human rights in their sphere of influence.

- **Principle No. 2**

Make sure that they are not complicit in human rights abuses.

LABOR STANDARDS

- **Principle No. 3**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

- **Principle No. 4**

The elimination of all forms of forced and compulsory labor.

- **Principle No. 5**

The effective abolition of child labor.

- **Principle No. 6**

The elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- **Principle No. 7**

Businesses should support a precautionary approach to environmental challenges.

- **Principle No. 8**

Undertake initiatives to promote greater environmental responsibility.

- **Principle No. 9**

Encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- **Principle No. 10**

Businesses should work against corruption in all its forms, including extortion and bribery.

1.3 Universal Declaration of Human Rights

1.4 OECD Guidelines for Multinational Enterprises (as revised in 2011)

1.5 ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy

1.6 UN Guiding Principles on Business and Human Rights

1.7 UN Sustainable development goals (as revised in 2015)

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III - COMMITMENTS SPECIFIC TO THE SOLVAY GROUP

In pursuance of the [Solvay Code of Business Integrity](#) :

1. HEALTH AND SAFETY

- The health and physical and mental safety of its employees is the main value and a priority for Solvay. Ensuring good working conditions and managing risk are daily concerns for the Group. Solvay has enacted demanding internal policies, including work-life balance, and insists on their stringent application. Its goal is to continually improve safety performance and regularly monitor assessment indicators for its own employees and the employees of subcontractors, contractors and suppliers.
- Solvay is committed to creating healthy working conditions for all personnel, regardless of the job they perform and its related risks.
- Solvay pledges that right from the outset, investment projects shall not compromise the health and safety of personnel or nearby residents. In addition, Solvay supports solutions likely to improve existing situations.
- Solvay recognises the specific mental health challenges of telework, and the need to protect employees' right to disconnect, and right to a realistic workload that does not lead to burnout. Social Dialogue and/or collective bargaining are key to a successful telework practice.

2. MOBILITY AND EMPLOYABILITY

- Solvay favors the direct employment of people under open-ended work contracts.
- Solvay undertakes to apply a fair wage policy comparable with good standards in the profession over the conditions of the country concerned.
- In the event of a restructuring of its activities or any other managerial decision having a major collective impact on employees, Solvay, in compliance with legal requirements and local practices, pledges to inform employees and their representatives as soon as possible and to give priority to efforts likely to minimize the impact on employment and working conditions, with a priority given to repositioning employees to jobs inside or outside the Group.
- Solvay believes that the autonomy and responsibility of each of its employees play a key role in the company's performance. For that reason, the company encourages

internal mobility, both geographic and for career advancement, to increase the employability of its personnel.

- Solvay strive to provide employees with the following services throughout their career at the company:
 - information about available jobs,
 - knowledge and skills development to prepare employees for new positions and new technologies
- Solvay supports employee voluntary mobility through coordinated management of its occupational families, at global level for exempt and at regional and national level for other employees with an expectation from its employees to be open for such mobility offers.
- Solvay strives to maintain a balanced age distribution among its workforce and pays particular attention to the working and performance conditions of senior employees.
- Solvay facilitates the transmission of knowledge and skills within teams and across the generations, day by day, and, more particularly, when new members join the team, or before an employee moves to another department or leaves the Group.

3. EMPLOYEES BENEFITS

Solvay ensures that its employees are covered by welfare protection schemes that provide benefits in the event of illness, disability, maternity, paternity, death, or after their retirement, to keep more favorable to its employees, in compliance with local laws, regulations and practices and develops whenever needed its own complementary benefit plans. Solvay is committed to set up the “Solvay Cares” program which aims to provide at least the same minimum health standard to all employees worldwide.

4. ANTI-DISCRIMINATION

- Solvay rejects any form of discrimination and is committed to respecting diversity and promoting equality of opportunity. The company transforms the provisions of ILO Convention 111 into company policy which rejects any alteration of equal opportunity or fair treatment in employment on the basis of race, sex, skin color, religion, political or union opinion, national extraction or social origin. Solvay is particularly supportive of its employees with family responsibilities and conforms with the provisions of ILO Convention 156.

- This approach includes specific efforts to promote employee diversity. Solvay is promoting Diversity and Inclusion within the group, as a factor of success, notably considering gender, at every level of the organization, and intercultural diversity.
- Solvay recognises that gender-based violence and harassment at work is a daily reality for millions of women workers around the globe. The new ILO Convention 190 is the first international standard that aims to put an end to violence and harassment at work, and that recognizes that everyone has the right to freedom from violence and harassment in their working lives. Solvay commits to be compliant and work together with unions / employees representatives on this topic.

5. RESPONSIBLE RELATIONS WITH SUPPLIERS, CONTRACTORS AND SUBCONTRACTORS

- Solvay expects its suppliers, contractors and subcontractors to comply with the law and with statutory regulations, as well as basic human rights stipulated by international agreements and standards, and therefore contribute to Solvay's compliance with the provisions of this agreement. Solvay will encourage them in this and offer the benefit of its expertise in these areas whenever needed. Therefore the content of the present agreement is communicated to each supplier, contractor and subcontractor.
- Any serious violation of employee health and safety legislation, environmental protection or basic human rights that is not remedied despite previous warning shall lead to termination of relations with the company concerned in compliance with contractual obligations.
- In line with the different international standards on supply chain due diligence such as the OECD Guidelines for MNCs and the upcoming EU Directive, and different national legislation, Solvay and the Solvay Global Forum will create a working group to analyze labor rights in Solvay suppliers. This working group will conduct a deep analysis into Solvay suppliers in at least one country per year, investigating whether core labor rights are respected at the suppliers and seeking remediation in case of non-compliance. Information will be shared in the working group with transparency and responsibility. IndustriALL Global Union will provide support to this work.
- Solvay is an important actor in the global supply chain for batteries in electric vehicles, where IndustriALL Global Union conducts focused supply chain work. Solvay and IndustriALL will apply special attention to this supply chain, with the aim of ensuring ethical conditions along it.

6. RISK MANAGEMENT AND ENVIRONMENTAL PROTECTION

● Process and product risks

Risk management is a priority for Solvay, whose guiding principle is the application of the best standards.

Within the framework of its policies and procedures, Solvay undertakes to develop:

- a **preventive approach** with regard to known and identified risks
- a **precautionary approach** characterized by a proactive, forward-looking and intelligence-gathering approach to science and technology as regards the issue of risks affecting the company's activities.

Within the context of its product stewardship policy, Solvay pledges to support its products throughout their life cycle, including via the provision of support to its customers.

Solvay is developing a specific approach for substances classified as “very high concern” (SVHC), including CMRs (carcinogenic, mutagenic and toxic to reproduction). Solvay has implemented specific recommendations that encourage the substitution of these substances and strict controls over their use when there is no possible substitute.

● Environment

Solvay complies with national and international environmental laws and regulations and adheres to “the chemical industry’s commitment to progress in environmental protection”. The company applies these principles as part of its ongoing commitment to improve safety and also health and environmental protection, and to preserve natural resources.

As such, Solvay will do its utmost to use, whenever possible, the best existing technologies allowing it to reduce greenhouse gas emissions from its production processes.

The [Solvay One Planet](#) roadmap, launched in early 2020, outlines ten ambitious targets to be achieved by 2030, in three key areas: CLIMATE, RESOURCES and BETTER LIFE. Any future changes to the roadmap will be communicated with IndustriALL and the Solvay Global Forum.

Employee awareness of the relevant environmental standards and group policies plays an important role in Solvay’s approach at both the international and local levels. Solvay

and IndustriALL Global Union will pool their efforts to enhance employee awareness and expertise in that respect.

Solvay and IndustriALL Global Union both recognize the necessity of transitioning the economy to mitigate climate change to emit less carbon. A joint commitment is made by both parties to the principles of [Just Transition](#) (as defined by ILO) to provide the framework for an equitable transition to a climate resilient future. This topic will be a regular item for discussion in the Global Solvay Forum, to ensure that the following principles are achieved throughout the group:

- Management of the issue will be conducted in a spirit of social dialogue and stakeholder engagement
- Any workers losing their jobs due to business decisions impacted by climate change will be supported in their transition to new jobs
- New green jobs created inside Solvay will be as much as possible local, inclusive, and decent work, so that new green jobs are not outsourced

7. SOCIAL DIALOGUE

- Solvay and IndustriALL Global Union share the same commitment to a rich, balanced social dialogue. This dialogue, which is part of Solvay's culture, takes the form of various initiatives involving employee participation, as well as regular negotiations with staff representatives. IndustriALL Global Union and its affiliates strive for active participation and an attitude of mutual respect throughout the various dialogue structures inside the Group.
- Solvay and IndustriALL Global Union will work together to increase the involvement of employees and their representatives in this dialogue and to develop it at an international level.

In this respect and in compliance with national laws and the company's local practices, Solvay will communicate the necessary information to employee representatives for them to learn about and understand relevant issues. Trade Union/employee representatives pledge to respect the confidentiality of such information.

- Solvay respects the right of its employees to form or join any trade union of their choice. Solvay will remain neutral concerning employee preference to join, remain with, transfer, or abandon their relationship with a trade union of their choice, as part of its culture of respect for free choice of its employees.

Solvay will refrain from any unfair communication with its employees to influence their decision on trade union representation and will ensure all communications with its employees are factual and non-hostile toward the trade union seeking organization.

- The parties to this agreement also signed a Memorandum of Understanding (MoU) for Labor Relations in the United States of America in parallel to this GFA. The GFA and MoU have matching durations.
- Solvay pledges not to practice any discrimination due to trade union/employee representatives activities either when hiring or when managing employees' careers.
- Solvay prohibits any discrimination against employees or their representatives who claim rights stipulated in this agreement or act in accordance with its provisions.
- Solvay and IndustriALL Global Union will jointly monitor indicators that assess the company's existing social dialogue structures.
- The Solvay Global Forum (SGF) is established with a view to develop a place for internal social dialogue between trade union/employee representatives and Solvay top management at global level, specially on the strategy of the company. The purpose of the Global Forum is among others to contribute to implementation of this agreement, to take initiatives to secure and extend social dialogue inside the group, to analyze main aspects of the Group's functioning and propose initiatives for improvement.
- Exact composition and terms of reference of the SGF have been determined through a specific agreement signed in 2022. It is included in the annex to this agreement.

8. CIVIL DIALOGUE

- Solvay attaches great importance to having a regular and trustful dialogue with the communities neighboring its sites. For this purpose, the company is developing a dialogue policy that takes into account local laws, regulations and practices.
- Solvay asserts its willingness to develop, as needed, a constructive and responsible dialogue with non-governmental organizations active in its industry.
- Solvay is committed to maintain and seek to improve the existing local and global societal engagement of its employees, on a voluntary basis.

9. RIGHT TO RAISE CONCERNS

- All employees are committed and responsible for complying with the law and with the company's undertakings and rules of conduct. They may alert their supervisors, managers, trade union/employees representatives to violations and may also refer matters to the local representative of the Human Resources, Legal department or to the Compliance Officer in charge. Solvay has set up a special mechanism that ensures employees' concerns are heard in the event that the usual means of dialogue are not functioning properly.

IV - PERFORMANCE INDICATORS

Solvay and IndustriALL Global Union will carry out an annual review of this agreement on the basis of indicators reported by the group as regards the commitments stipulated by the agreement.

Health, safety, environment

- Percentage of sites audited in terms of hygiene, safety and the environment over the past three years, in accordance with the company's internal requirements.
- **RIIR:** Injury and illness (based on OSHA definition) frequency rate expressed in terms of number of incidents per 200,000 hours worked (includes contractors)
- **LTIIR:** injury and illness (based on OSHA definition) frequency rate with lost working time, expressed in terms of number of incidents per 200,000 hours worked (includes contractors)

- Employee coverage of occupational exposure (chemicals, noise....)
- Employee coverage of medical surveillance
- Identification and support of sites requiring attention on well-being at work (mainly based on Solvay employee survey)
- Impact on the environment and natural resources:
 - water
 - air (CO2 emissions)
 - energy consumption
 - waste management

Employees and social and societal dialogue

- Number of employees (total headcount, per country and per site)
- Employment structure (direct employment, temporary employment)
- Group policy regarding subcontracting
- Existing social protection schemes and number or category of employees covered
- Mobility: number of jobs filled by internal candidates versus number of jobs filled by external candidates
- Job training
- Existing social dialogue structures
- Societal actions

Solvay and IndustriALL Global Union jointly monitor ways to optimize the currently reported social indicators and to identify new areas of need.

Relations with suppliers, contractors and subcontractors

- Review of compliance with Solvay standards and any corrective measures that may be required
- Review of complaints lodged by suppliers and the processing of these complaints by Solvay

V - APPLICATION OF THE AGREEMENT: METHODOLOGY

This agreement, which applies to and influences all Solvay activities worldwide, strengthens and extends the company's labor practices and is not intended to replace or interfere with local dialogue and negotiation practices.

Solvay pledges to provide management with copies of this agreement and to inform employees of its existence and the commitments it entails. With the purpose of wider awareness and distribution, simplified and electronic versions may also be used. This agreement will be translated into the languages of the different countries concerned in agreement with IndustriALL Global Union and will be available on the Group's website.

In this respect, particular attention will be paid to new recruits, who will be given access to this agreement.

Solvay and IndustriALL Global Union will cooperate to ensure the optimum circulation and understanding of this agreement by employee representatives on its sites. In this respect, Solvay will facilitate the participation of these delegates in meetings that may be organized locally or remotely by IndustriALL Global Union to help develop the social dialogue required by this agreement.

Solvay and IndustriALL Global Union agree that they will be mutually available on an ongoing basis to inform each other of any problems encountered and to determine the best solutions.

Solvay and IndustriALL Global Union both believe that problems are best resolved as close as possible to the location where they have arisen.

Nonetheless, Solvay and IndustriALL Global Union agree that in the event of difficulties which cannot be resolved or failure to apply the terms of this agreement, a process of conflict resolution as below will be followed:

If no satisfactory solution is found, the matter shall be dealt with directly by the national management and related trade unions, in liaison with the signatories of this agreement.

Failing that, the signatories shall have the possibility to bring the case to Solvay headquarters, notwithstanding the place where the agreement is executed or/and the intervention of a third party. In case of a conflict and/or a need for interpretation and implementation of this agreement and/or the parties are unable to reach a solution that is appropriate to remedy the breach satisfactorily to the Parties, the Parties shall agree to seek the expert advice of the ILO or other mutually agreed third party for mediation and dispute settlement. The parties agree to abide by the final view of the ILO or other third party. In the absence of further continuation of dispute, legal jurisdiction may intervene.

All of the problems encountered and solutions provided shall be presented at the annual meeting between signatories.

VI - MONITORING AND ANNUAL REVIEW

Solvay and IndustriALL Global Union will continuously monitor the correct application of this agreement and in this respect they will conduct an assessment through a Global Panel once a year in a jointly defined country or zone.

MEMBERSHIP OF THE PANEL

- 2 or 3 representatives from the Solvay Group appointed by the Group General Management
- 1 or 2 representatives from IndustriALL Global Union's central body
- 1 representative per geographical region chosen by IndustriALL Global Union among Solvay Global Forum members
- The geographical regions concerned are: North America, South America, Europe and Asia.

Both parties can discuss and agree on an adaptation of the representation according to Solvay's evolving presence in the World.

TERMS OF ORGANIZATION

The Panel convenes a meeting at least once a year. The parties may decide to convene additional meetings, if necessary.

The Panel's annual meeting shall be convened in one of the Group's sites chosen by the parties to this agreement in the first quarter of the year.

Solvay shall pay traveling and accommodation expenses incurred by the members of the Panel in addition to those related to the organization of meetings.

The draft report made by IndustriALL shall be sent to Solvay within one month after the meeting. Solvay shall transmit its comments on the draft one month later it has been received. The parties will produce a joint meeting report. If there are different views, they will be placed at the end of the joint report.

Any problems encountered with the application of this agreement will be outlined in a report that will also discuss the solutions brought to bear. If the difficulties are observed locally this report will be written jointly by management and employee representatives at the site concerned and will be included in the overall review.

IndustriALL Global Union will make a presentation on the application of this agreement on a yearly basis during the Solvay Global Forum meeting.

On this occasion, Solvay will present a review document on the basis of the agreed indicators and the results of the joint assessments conducted by IndustriALL Global Union and Solvay in the countries provided for under the terms of this agreement.

Solvay and IndustriALL Global Union agree to carry out a joint review before the end of the agreement in order to prepare for its possible renewal..

Workers' Rights to Health and Safety Visit

An annual joint visit shall be organized to monitor the health and safety situation within the Group. The parties share the common understanding that safe and healthy workplaces are achieved through a commitment to fundamental rights of workers to know the risks and hazards, to participate in the health and safety oversight, and, if necessary for safety reasons, to shutdown dangerous work to fix issues arising. The annual visit will seek to address the application of this rights based approach within the Solvay operations of a jointly defined country or zone.

For this purpose, access to indicators regularly observed by the Group shall be transmitted to IndustriALL. The parties to this agreement may agree, if required, to supplement these indicators with other specific information.

The work is grounded on a continuous progress approach. As such, the report contains observations and recommendations for improvement. The draft report made by IndustriALL is sent to Solvay within one month after the visit. Solvay will transmit its comments on the draft within one month later it has been received. The parties will produce a joint meeting report. If there are different views, they will be placed at the end of the joint report.

OTHERS PROVISIONS

Solvay and IndustriALL Global Union are the only parties authorized to answer any questions raised by the application of this agreement.

Solvay and IndustriALL Global Union agree about the advantages of developing a worldwide social dialogue within the Group and will pursue reflection on this matter. Once they have been decided, the terms and conditions of this dialogue will be the subject of an amendment to this agreement.

VII - VALIDITY OF THE AGREEMENT on sites are based. The English version of the agreement shall have legal force for the signatories.

This agreement is renewed for a period of four years.

The agreement may be revised at any time by means of a contractual amendment, with a view to adapting the agreement.

In case of substantial change of the scope and/or structure of the Group, the parties will remain committed to build on the long-standing positive collaboration and commitment to the values of this agreement. At the time of the change, the parties will convene with the common goal to continue the Global Framework Agreement in the new entities, achieving the ownership and support from all stakeholders. Subject to the parties' agreement, this GFA will then be considered valid for its remaining duration in the new entities.

In the year preceding the agreement's expiration date, and no later than three months before this date, the signatories will meet to prepare an overall review of the application of the agreement, with a view to its possible renewal.

Either signatory may withdraw from this agreement, provided it gives six months' notice.

This agreement will be translated, according to a list jointly defined with IndustriALL Global Union, into each of the languages of the main countries where Solvay production sites are based. The English version of the agreement shall have legal force for the signatories.

Brussels, March 31, 2022

Solvay Group, represented by its Chief Executive Officer, **Ilham Kadri**,

And:



IndustriALL Global Union, represented by its General Secretary, **Atle Høie**

