Global Framework Agreement on social responsibility and sustainable development between

Solvay Group
and
IndustriALL Global Union
AGREEMENT ON SOLVAY GROUP SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT,

Between:

Solvay Group, represented by its CEO & Chairman of the COMEX, Jean-Pierre Clamadieu,

And:

IndustriALL Global Union, represented by its General Secretary, Valter Sanches
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 Way" 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, are creating 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.

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.

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.

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)

III - COMMITMENTS SPECIFIC TO THE SOLVAY GROUP

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.

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 other job opportunities inside 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, particularly through placement centers (when they exist)
  - training to prepare them for new occupations and new technologies
  - knowledge and skills development

- 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.

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 Care” program which aims to provide at least 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, especially considering gender, at every level of the organization, and intercultural diversity.
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 sub-contractor.

- 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.

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.

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 to that respect.

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 mutual respect attitude of trade union/employee representatives to 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 for form or join any trade union of their choice. Solvay will remain strictly 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 in accordance with “Solvay people model”.

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.

• Solvay pledges not to practice any discrimination due to trade union 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 and reference of the SGF shall be determined through a specific agreement in 2017, after a two-year assessment.
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 double the existing local and global societal engagement of its employees, on a voluntary basis.

9. **RIGHT TO RAISE CONCERNS**

- All employees are 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 or Legal department. 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.

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**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 reference framework (Solvay Care Management System)

- **MTAR:** frequency rate of all accidents expressed per million worked hours

- **LTAR:** accident frequency rate with lost working time, expressed in terms of number of accidents per million hours worked

- 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
Solvay Way

The Solvay Way approach aims at continuous progress in terms of social and environmental responsibility within the framework of greater dialogue with employees and their representatives.

The Solvay Way reference framework provides an annual assessment of the Group’s entities’ practices and progress objectives with regard to six different stakeholders: customers, suppliers, employees, investors, communities and the environment.

The reference framework should allow entities to determine their current level of implementation of these practices, then to define the associated improvement objectives and plans in a continuous progress approach.

The commitments of Solvay are liable to undergo changes; any such changes will be included under this article during the subsequent renegotiation of this agreement.

The responsibility profiles thus outlined form part of the monitoring indicators for this agreement and IndustriALL will be involved in the annual review of the implementation of Solvay Way.

Solvay and IndustriALL Global Union consider that the Solvay Way approach makes a very major contribution to the dynamic application of this agreement and have agreed to combine their efforts to ensure its complete success.
V - APPLICATION OF THE AGREEMENT: METHODOLOGY

This agreement, which applies to 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 the "sustainable development", Human Resources (HR) and Purchasing sections.

In this respect, particular attention will be paid to new recruits, who will be given a copy of 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 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.

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

- 3 representatives from the Solvay Group appointed by the Group General Management
- 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.

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 convened in the first quarter of the year.
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. Conducted towards the end of validity of the agreement, this review may be entrusted to an external expert chosen by both parties, with the cost being covered by Solvay.

Health and Safety Visit

An annual joint visit shall be organized to monitor the health and safety situation within the Group.

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 contain 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

This agreement is renewed for a period of five years.

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

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 countries where Solvay production sites are based. The English version of the agreement shall have legal force for the signatories.

Brussels, February 3rd 2017

Solvay Group, represented by Jean-Pierre Clamadieu, CEO & Chairman of the COMEX

And

IndustriALL Global Union, represented by Valter Sanches, General Secretary

Endosures:
1. Solvay Way Framework
2. Solvay People and Management Model