

Solvay
UN Global Compact

Communication on progress
Advanced level

September 2011





SOLVAY

Solvay's UN Global Compact statement

“Solvay's dedication to creating value for its stakeholders is linked hand-in-hand with its commitment to social corporate responsibility. The Solvay Group expressly supports the ten principles of the UN Global Compact with respect to human rights, labor, environment and anti-corruption, all of which align with our Group's values and policies. Solvay is committed to advance those principles within its sphere of influence by incorporating the UN Global Compact and its principles within its strategy, culture and day-to-day operations.”

Christian Jourquin
Chairman of the Executive Committee

September 21st, 2011

About this document

Last year, on the 6th of September 2010, Solvay committed itself to the United Nations Global Compact. This commitment includes supporting the ten principles of the UN Global Compact as well as reporting and communicating annually with its stakeholders on progress made to implement the principles.

Solvay is reporting according to the Advanced Programme and communicates on the 24 advanced criteria that are set by the UN Global Compact on the following areas:

- Strategy, governance and engagement
- UN goals and issues
- Implementation of Global Compact principles
- Value chain implementation
- Verification and disclosure

Solvay COP 2011 refers to specific pages or sections in the 2010 Annual Report, in the Sustainable development report 2008-2012, in the Sustainability indicators 2010 report and additional online information. Solvay COP 2011 is available on Solvay website.

Strategy, governance and engagement

Criterion 1: Strategic aspects of Global Compact implementation

Global Compact best practices	Solvay's best practices
Impact of broader sustainability trends on the long-term prospects and financial performance of the organisation	<p>See the Annual Report 2010 p.2: the megatrends that are fashioning tomorrow's world.</p> <p>See our website</p> <p>Solvay is a primary industry, carrying out energy –intensive industrial activities. The increase of energy cost, including the costs of energy supply, has an impact on Solvay's activities. Costs increase due to increased cost of exploration and exploitation, geopolitics, increased demand, and the rise in cost of CO2 emissions. The availability of energy at low cost is a key challenge.</p> <p>Climate change issues, and more generally the changes of consumer behavior related to "green consuming", could affect the products and markets of the Group. Threats and opportunities related to sustainability "green consuming" have been identified for an important share of the group's products and markets.</p>
Social and environmental impact of the organisation's activities	Page 2 – 3 Annual report
Key performance indicators to measure progress	<p>Sustainability Indicators (KPIs) are used to assess performance, to report about overall sustainability and extra-financial management and follow up the objectives to be achieved by 2012 and 2020.</p> <p>See our website</p>
Major successes and failures during the reporting period	<p>See our SD reporting "Sustainability indicators 2010: complementary document to the Solvay Annual Report" which includes a chapter of sustainability.</p>

Criterion 2: Implement effective decision-making processes and systems of governance for corporate sustainability

Global Compact best practices	Solvay's best practices
Involvement and accountability of management (C-suite) in corporate sustainability strategy and implementation in line with Global Compact principles	<p>Solvay's Sustainable Development strategy is supervised by the Executive Committee.</p> <p>Solvay has appointed a Group Coordinator Sustainable Development, who reports directly to the CEO. It is the role of the Group Coordinator to ensure that sustainability issues are embedded in all processes, businesses.</p> <p>See Solvay's organization</p>
Corporate governance structure and its role in oversight of corporate sustainability implementation in line with Global Compact principles	<p>Sustainable Development policy</p> <p>Responsible Care Global Charter</p>
Evaluation and executive incentive structures promoting sustainability strategy in line with Global Compact principles	A reflection phase is in place

Criterion 3: Engage with all important stakeholders

Global Compact best practices	Solvay's best practices
List of stakeholder groups engaged by the organisation	<p>Solvay's strategy for sustainability is based by a close relation with the expectations of the stakeholders than were grouped in five categories: investors, civil society at large, customers and suppliers, personnel, and local communities of its production sites. The Matrix 5x5, which constitutes the strategic framework of Solvay sustainability policy, formalizes and frames this broad commitment by crossing these expectations with the main strategic axes of action of the Group from which a series of objectives are defined.</p> <p>See the list of stakeholders identified through the Matrix 5x5 in the Sustainable development report 2008-2012 p.7-9. See also the objectives among which 25 were classified as "major".</p> <p>Our sustainability strategy is in line with society's changing expectations: stakeholders dialogue</p>
Process for stakeholder identification and engagement	<p>See the list of stakeholders identified through the Matrix 5x5 in the Sustainable development report 2008-2012 p.7-9</p>
Process of incorporating stakeholder input into corporate strategy and business decision-making	<p>Among the various ways used by Solvay to engage stakeholders:</p> <ul style="list-style-type: none"> - Investors' meetings and roadshows - Solvay's engagement in mutually beneficial dialogue with government and communities at local, regional, national and supranational level both directly and indirectly through its Public Affairs network. More information. - Dialogue with the various workers representatives such as the European Work Council - Strengthening dialogue with local communities and harmonizing actions to ensure the quality of its relationships and the sustainability of its industrial activities. Solvay regularly conducts opinion surveys among the community in the vicinity of large production sites. - The satisfaction measurement is part of the global commercial policy of each Product Line in the Group. International management standards like ISO 9001, EFQM methodology contribute to the attention given to its customers' satisfaction. Regular customers' surveys of different nature depending on the type of product and activity are organized. - Measurement of employee commitment - Solvay People Survey – Solvay: a worldwide opinion survey regularly carried out among all employees (the last one in 2011).

UN Goals and Issues

Criterion 4: Take actions in support of broader UN goals and issues

Global Compact best practices	Solvay's best practices
Adoption or modification of business strategy and operating procedures to maximize contribution to UN goals and issues	Solvay's sustainability strategy is integrated in the organisation of the Group and in the businesses processes: integrating sustainability . The Mission, Vision and Values of the Group also include UN goals and issues. See our website
Development of products, services and business models that contribute to UN goals / issues	Solvay contributes via its products to develop new solutions responding to social needs and the development of better and more sustainable technologies, especially along partnerships with various stakeholders.
Social investments and philanthropic contributions that tie in with the organization's core competencies, operating context and sustainability strategy	<p>Solvay has adopted a policy on community involvement as well as a policy on philanthropy.</p> <p>At corporate level, Solvay concentrates on initiatives related to science and technology, education and humanitarian and development projects.</p> <p>At local level, the Group's policy is to support social and economic development of the areas in which it operates in the frame of long term relationships with the neighboring communities.</p> <p>The Corporate citizenship is an inherent part of Solvay's sustainable development strategy. See our webpages.</p> <p>Our reporting on Corporate philanthropy & sponsoring is communicated in the "Sustainability indicators 2010" p.45</p> <p>See also page 45 of Sustainability indicators 2010.</p>
Public advocacy on the importance of one or more UN goals and issues	Ethics and integrity are the most reliable path to sustainable and responsible growth. The Group's values and principles tell employees and stakeholders what Solvay is and how Solvay acts. See our webpages .
Partnership projects and collective actions in support of UN goals and issues	<p>Solvay is pursuing its tradition of change in a consistent and coherent way. This includes initiatives in all areas, among them financial and extra-financial reporting, scientific competition and partnerships with project like the Solar Impulse (solar energy powered airplane).</p> <ul style="list-style-type: none"> - Science for Innovation 2010 - Solar Impulse

Human Rights Implementation

Criterion 5: Formulate robust commitments, strategies or policies in the area of human rights

Global Compact best practices	Solvay's best practices
Reference to relevant international conventions and other international instruments (e.g. the Universal Declaration of Human Rights (UDHR))	Solvay expresses its commitment to responsible behavior and integrity, taking into account the sustainable growth of its business, and its good reputation in the communities in which it operates in the Solvay's Code of Conduct . The Code is directly inspired by international statements such as the Universal Declaration of Human Rights, the Convention on the Rights of the Child and various International Labor Organisation (ILO) Conventions. Recently, the Group became a member of Transparency International.
Reflection on the relevance of human rights for the company	The Group's Code of Conduct, together with its Mission, Vision and Values, is a foundation of its strategy. Ethics and the five Solvay's Values, ethical behavior, respect for people, customer care, empowerment, and teamwork, shared by all employees are key levers. See the Annual Report p146
Written company policy (e.g., in code of conduct) on human rights	Solvay's Code of Conduct covers the various human rights issues. In addition Solvay adopted a specific policy dedicated on human rights in its businesses that will be deployed throughout the Group.
Allocation of responsibilities and accountability within the organization	Since 2007 a compliance organization under the leadership of the Group General Counsel has been put in place to enhance a Group-wide ethics and a compliance-based culture to promote compliance with applicable laws, Solvay's Group Code of Conduct and corporate values. Compliance officers have been appointed in all four regions. See the Annual Report p190-191

Criterion 6: Implement effective management systems to integrate the human rights principles

Global Compact best practices	Solvay's best practices
Risk and impact assessments in the area of human rights	See the Policy on Human Rights in our Businesses. "In all our risk assessments of business operations, human rights aspects are increasingly taken into account and consequently this strengthens Solvay's practice with regard to human rights. When an identified risk comes out of an assessment, a mitigation plan has to be put in place." See the Annual Report p146
Regular stakeholder consultations in the area of human rights	The "Solvay People Surveys. These are internal surveys performed at regular intervals to evaluate how employees consider various aspects of the Group's management including human rights. The last one was performed in 2011. See the Annual Report p190 See Sustainability indicators 2010 p10
Internal awareness-raising and training on human rights for management and employees	Training courses and induction activities are organized to ensure that an ethical and compliant conduct is embodied in the way business is done by Solvay and also to address behavioral risks in certain specific areas, such as corruption. See the Annual Report p146 and See the Annual Report p190 As part of management development, mid-level managers follow a training to ensure fair and equal treatment in the workplace and to manage employment issues objectively and fairly. As part of a campaign called Speak Up, all managers have received a specific training on how to handle employees concerns in this area.

Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice	<p>Solvay has adopted a general policy on reporting irregularities and misconduct. Through the “Speak Up” campaign, Solvay encourages its employees to report their concerns or their ethical dilemmas. Solvay encourages its employees to discuss these issues in the first place with their managers or with dedicated internal organizations. Solvay has also installed an external reporting “hot line”, hosted by a third party for reporting concerns and seeking advice. This line is operated in the majority of the countries in which Solvay is active but not yet in all countries, due to regulatory constraints.</p> <p>See the Annual Report p190</p>
Inclusion of minimum human rights standards in contracts with suppliers and other relevant business partners	<p>Within the Policy on Human Rights in its Businesses, Solvay:</p> <ul style="list-style-type: none"> - promotes the respect and protection of human rights with its suppliers and subcontractors. - expects that its suppliers and subcontractors observe and respect the fundamental principles set out in the Solvay’s Supplier Code of Conduct. “ <p>Solvay has developed this Supplier’s Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors. This Supplier’s Code of Conduct deals inter alia with Human Rights issues.</p>
Audits or other steps to monitor and improve the performance of companies in your supply chain	Solvay will gradually deploy the Supplier’s Code of Conduct amongst all its suppliers and sub-contractors and develop appropriate means to monitor its application.

Criterion 7: Implement effective monitoring and evaluation mechanisms of human rights integration

Global Compact best practices	Solvay’s best practices
System to track and measure performance on human rights based on standardized performance metrics	<p>The compliance organization, in collaboration with the internal audit organisation, the legal department and other departments and functions, is monitoring the Solvay group compliance with applicable laws and its Code of Conduct. See the Annual Report p190</p> <p>See the Annual Report p146</p>
Leadership review of monitoring and improvement results	<p>On an annual basis a Compliance report will be issued to the Board of Directors.</p> <p>See the Annual Report p146</p>
Process to deal with incidents	<p>Any report or request for advice from employees will be dealt with by a dedicated organization. Any violation will be appropriately sanctioned. In 2010, 23 reports were registered through the internal helpline, among which 18 reports required further investigation.</p> <p>See the Annual Report p146</p>
Disclosure of main incidents involving your company	See SD indicators report 2010

Criterion 8: The COP contains standardized performance indicators (including GRI) on human rights

Global Compact best practices	Solvay's best practices
Outcomes of risk and impact assessments	This work is in progress. Solvay will gradually incorporate Human Rights in all its risk assessments.
Outcomes of internal awareness-raising and training efforts	In 2010, 1612 managers were trained on Solvay's Speak Up Campaign.
Outcomes of mechanisms for reporting concerns or seeking advice	In 2010, 23 reports were registered through the internal helpline, among which 18 reports required further investigation and one of them was seeking for advice. In 5 cases, disciplinary actions were taken.
Percentage of contracts with business partners guaranteeing minimum human rights standards	The deployment of the Supplier's Code of Conduct is a work in process.
Outcome of audits or other steps to monitor and improve the performance in the supply chain regarding human rights	In 2010, 23 reports were registered through the internal helpline, among which 18 reports required further investigation.

Labour Principles Implementation

Criterion 9: Formulate robust commitments, strategies or policies in the area of labour

Global Compact best practices	Solvay's best practices
Reference to relevant international conventions and other international instruments (e.g. ILO Core Conventions)	The Code of Conduct is part of the Group's constant effort to maintain and strengthen trust both among all its employees and between the Group and its partners, including its employees, their representatives, shareholders, customers and suppliers, government agencies and all other third parties. The Code is inspired by international Conventions such as the Universal Declaration of Human Rights, the Convention of the Rights of children and the Conventions of the International Labour Organization (ILO)
Reflection on the relevance of the labour principles for the company	"Growing our people to grow our group" is an objective deployed through six specific policies. See the Sustainable development report 2008-2012 p.66
Written company policy (e.g., in code of conduct) on labour	The Solvay's Code of Conduct is supported by various policies dedicated to Human Resources: <ul style="list-style-type: none"> - employee performance management - workforce planning - hiring policy - career management - job evaluation and job families - compensation - long term benefits - international mobility policy Solvay also adopted a Charter on Sustainable Development and Corporate Social Responsibility
Allocation of responsibilities and accountability within the organization	The responsibilities and accountability are defined within the policies dealing with human resources management
Specific commitments and goals for specified years	See the objectives related to human resources among the 107 targets to be achieved by 2012 or 2020 in the Sustainable development report 2008-2012

Criterion 10: Implement effective management systems to integrate the labour Principles

Global Compact best practices	Solvay's best practices
Risk and impact assessments on labour	Among the main risks for people in the Solvay group activities are those related to the excessive exposure of employees, contractors and the public during production activities and exposure to hazardous products or during the transportation or use of these hazardous chemicals. See Solvay Annual Report 2010 p.149
Regular stakeholder consultations regarding labour	Regarding internal stakeholders, surveys (Solvay People Surveys) are performed at regular intervals (the last one in 2011) to evaluate how employees consider the various key aspects of the Group's management. See the Annual Report p190 . See Sustainability indicators 2010 p10
Internal awareness-raising and training on labour principles for management and employees	Through the Solvay Corporate University, Solvay is offering various types trainings to its personnel in this matter.

Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice	Solvay has adopted a general policy on reporting irregularities and misconducts. Solvay encourages its employees to use the “Speak Up” line when faced with concerns or ethical dilemmas. Solvay encourages its employees to discuss these issues in the first place with their managers or with the dedicated internal organizations. Solvay has also installed an external reporting “hot line”, hosted by a third party for reporting concerns and seeking advice. This line is operated in the majority of the countries in which Solvay is active but not yet in all countries due to regulatory constraints. See the Annual Report p190
Inclusion of minimum labour standards in contracts with suppliers and other relevant business partners	Solvay has recently developed a Supplier’s Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors. This Supplier’s Code of Conduct deals inter alia with issues of minimum labour standards.
Audits or other steps to monitor and improve the performance of companies in your supply chain	Solvay has recently developed a Supplier’s Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors.

Criterion 11: Implement effective monitoring and evaluation mechanisms of labour principles integration

Global Compact best practices	Solvay’s best practices
System to track and measure performance based on standardized performance metrics	No information
Leadership review of monitoring and improvement results	The compliance organization, in collaboration with the internal audit organisation, the Legal department, other departments and functions, is monitoring compliance with applicable laws and Solvay’s Group Code of Conduct. On an annual basis a Compliance report will be issued to the Board of Directors. See the Annual Report p146
Process to deal with incidents	Any report or request for advice will be dealt with by a dedicated organization. Any violations will be appropriately sanctioned. In 2010 23 reports were registered through the internal helpline, 18 reports required further investigation. See the Annual Report p146
Disclosure of main incidents involving your company	See SD indicators report 2010

Criterion 12: The COP contains standardized performance indicators (including GRI) on labour principles integration

Global Compact best practices	Solvay’s best practices
Outcomes of risk and impact assessments	See the Annual Report p190
Outcomes of internal awareness-raising and training efforts	No information yet
Outcomes of mechanisms for reporting concerns or seeking advice	No information yet
Percentage of contracts with business partners guaranteeing minimum labour standards	No information yet
Outcome of audits or other steps to monitor and improve performance in the supply chain regarding the labour principles	No information yet

Environmental Stewardship Implementation

Criterion 13: Formulate robust commitments, strategies or policies in the area of environmental stewardship

Global Compact best practices	Solvay's best practices
Reference to relevant international conventions and other international instruments	Solvay refers in its reporting to the Global Reporting Initiative The Solvay environment policy is consistent with its commitment to the Responsible Care Global Charter®. Responsible Care
Reflection on the relevance of environmental stewardship for the company	See the Sustainable Development Policy of the Solvay group. Solvay's sustainability strategy is integrated within the organisation of the Group and within its businesses and processes
Written company policy on environmental stewardship	The Solvay Policy on Environmental management of operations The Solvay Responsible Care policy
Allocation of responsibilities and accountability within the organization	Responsibilities and accountability are defined within the Policy on Environmental management of operations
Specific commitments and goals for specified years	<p>Among the 25 major objectives set by Solvay in 2008 to be achieved by 2012 or 2020, some concern specifically the environment:</p> <ul style="list-style-type: none"> - Reducing by 20% (in tonnes-km) the share accounted for by road among transport of our products in Europe; - Reducing the overall energy intensity of our vehicle fleet by over 30%; - Reducing by 20% at comparable perimeter the greenhouse gases emissions (in CO₂ equivalent), both direct and indirect (through energy purchases), associated with our manufacturing; - Reducing by 20% at comparable perimeter our total energy consumption; - Establishing energy diagnosis audits at 80% of our manufacturing sites and all our administrative sites; - Applying Solvay's policy on the use of laboratory animals throughout the Group and introducing the ethical supervision of animal experiments by the Solvay Animal Care and Use Committee (SACUC); - Reducing by 20% at constant perimeter the Global Air Emission Index; - Reducing by 20% at constant perimeter the Global Water Emission Index. <p>Towards Sustainable development: assessment and prospects 2008-2012 (p.10-11) See the sustainability roadmap</p>

Criterion 14: Implement effective management systems to integrate the environmental principles

Global Compact best practices	Solvay's best practices
Environmental risk and impact assessments	Annual Report 2010, Risk management, p. 150
Regular stakeholder consultations on environmental impact	The strategy of Solvay is to regularly open its production plants to people and organizations living in their vicinity and to maintain a constant dialogue and long term relationships with the neighboring communities See the Sustainable development policy of the Solvay group p.83
Internal awareness-raising and training on environmental stewardship for management and employees	Solvay's strategy is to encourage the development of skills relating to Sustainability and getting the Competence Centres involved. Solvay encourages as well the emergence of a view of Sustainable development derived from discussions with its various stakeholders, and encourages a creative approach through to share views in these matters. Sustainability indicators 2010, p 31
Grievance mechanisms, communication channels and other procedures (whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	Solvay has adopted a general policy on reporting irregularities and misconduct. When facing concerns or ethical dilemmas, Solvay encourages its employees to report them through its "Speak Up" campaign. Solvay encourages its employees to discuss these issues in the first place with their managers or the dedicated internal organizations. Solvay has also installed an external reporting "hot line", hosted by a third party for reporting concerns and seeking advice. This line is operated in the majority of the countries in which Solvay is active but not yet in all countries due to regulatory constraints. See the Annual Report p190
Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners	The Solvay's Code of Conduct includes a paragraph regarding the relation with Suppliers: "Suppliers are selected, without discrimination, through open competition and on the basis of an objective and verifiable evaluation of their performance as well as their ethical performance (in matter such as safety, respect for the environment and children rights) ..." The Solvay General Terms & Conditions for Purchase includes environmental and security obligations: "Supplier undertakes to ensure during the course of its activities the protection of the environment." Solvay has recently developed a specific Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors. This Supplier's Code of Conduct deals inter alia with environmental matters.
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	Solvay has developed a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors.
Other established or emerging best practices	Solvay applies recognized Management systems that are based on continuous improvement. These systems are the basis for the deployment of key elements such as risk analysis, monitoring of environmental performance and of compliance, follow-up of corrective actions, and review of performance and improvement plans by the management. More information in the Sustainability indicators 2010, p 27

Criterion 15: Implement effective monitoring and evaluation mechanisms for environmental stewardship

Global Compact best practices	Solvay's best practices
System to track and measure performance based on standardized performance metrics	Environmental data (about 300 parameters) are collected and consolidated and a series of KPIs are published through a variety of channels, in line with the UN's Aarhus Convention on public access to information on the environment and in reference to the Global Reporting Initiative. See the various reporting channels for environment performance: http://www.solvay.com/EN/Sustainability/sustainabilityreporting/environmentalreporting/Home.aspx
Leadership review of monitoring and improvement results	To be developed
Process to deal with incidents	Each manufacturing site checks compliance with the local applicable environmental regulations, in particular with operation permits. Environmental management systems include systems dedicated to check this compliance. A programme of audits of processes and performances through an independent third party has been initiated and will be deployed further in the coming years. See the sustainability indicators 2010, p. 25 Historical soil contamination of some sites are carefully identified and managed including setting appropriate provisions for monitoring and remediation initiatives. See Annual Report p 151
Disclosure of main incidents involving the company	See Annual Report p152-153

Criterion 16: The COP contains standardized performance indicators (including GRI) on environmental stewardship

Global Compact best practices	Solvay's best practices
Outcomes of risk and impact assessments and measurements of environmental footprint	Solvay is : - Calculating ecoprofiles for all of its major products; - Taking part to lifecycle assessments covering the whole value chain for applications of its products; - Using original validated sustainability assessment tools for all planned innovations or acquisitions, and, more generally, in taking decisions for all important (dis)investment plans. See more information in the Solvay website
Outcomes of internal awareness-raising and training efforts	Indicators and reporting to be further developed in this area.
Outcomes mechanisms for reporting concerns or seeking advice	See Sustainability indicators 2010 . Among those : - reporting of the land rehabilitation p.19 - environmental infringements p.25 - accidents during transportation of our products p.27
Percentage of contracts with business partners guaranteeing minimum environmental standards	Solvay has recently developed a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors.
Outcome of audits or other steps to monitor and improve performance in the supply chain	Solvay conducts audits in specific cases and has developed recently a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors.
Rewards, labels and certifications	- Operational sites are certified (ISO 14001, EMAS, Responsible Care® or equivalent) - Alignment with Best Available Techniques (BAT) - Verified compliance to the ECVM Charters for PVC production and to the achievement of the Vinyl 2010 Commitments More information in the Annual Report 2010

Anti-Corruption Implementation

Criterion 17: Formulate robust commitments, strategies or policies in the area of anticorruption

Global Compact best practices	Solvay's best practices
Reference to relevant international conventions and other international instruments	Solvay expresses its commitment to responsible behavior and integrity, taking into account the sustainable growth of its business, and its good reputation in the communities in which it operates in the Solvay's Code of Conduct . The Code is inspired by international Conventions such as the Universal Declaration of Human Rights, the Convention on the Rights of the Child and various International Labor Organisation (ILO) Conventions. The Group became recently a member of Transparency International.
Reflection on the relevance of anti-corruption for the company	See the Annual Report p146
Written company policy on anti-corruption (code of conduct)	Solvay has a specific Policy dealing with Gifts, Entertainment and Anti-Bribery
Allocation of responsibilities and accountability within the organisation	Since 2007 a compliance organization under the leadership of the Group General Counsel has been put in place to enhance Group-wide ethics and a compliance-based culture in order to ensure compliance with applicable laws and compliance to Solvay's Group Code of Conduct or corporate values. Compliance officers have been appointed in all four regions. The Compliance Officers report directly to the Group General Counsel. See the Annual Report p190-191
Specific commitments and goals for specified years	To have 100% of the managers having followed a specific training on corruption and bribery issues in 2011. To introduce an e-tracking system for gifts and entertainment in 2011.

Criterion 18: Implement effective management systems to integrate the anti-corruption principle

Global Compact best practices	Solvay's best practices
Risk and impact assessments in the area of anti-corruption	See the Annual Report p146
Regular stakeholder consultations on anticorruption efforts	As a result of Solvay's recent membership of Transparency International, the dialogue with stakeholders will be further developed on anti-corruption matters.
Internal awareness-raising and training for management and employees regarding corruption and anti-corruption efforts	Training course and induction activities are organized to ensure that ethical and compliant conduct is embodied in the way business is done at Solvay and to address behavioral risks in certain specific areas, such as antitrust or corruption. Regular campaigns, like the anti-corruption campaigns are organized to train new employees and to maintain the right level of awareness in the whole Group. See the Annual Report p146
Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice on corruption	Solvay has adopted a general Policy on reporting irregularities and misconducts. Solvay encourages its employees to report when faced with concerns or ethical dilemmas through its Speak Up campaign. Solvay encourages its employees to discuss these issues in the first place with their managers or dedicated internal organizations. Solvay has also installed an external reporting hot line, hosted by a third party for reporting concerns and seeking advice. This line is operated in the majority of the countries in which Solvay is active but not yet in all countries due to regulatory constraints

Inclusion of minimum anti-corruption standards in contracts with suppliers and other relevant business partners	Solvay has recently developed a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors. This Supplier's Code of Conduct deals inter alia with anti-corruption matters.
Audits or other steps to monitor corruption and improve the performance of companies in your supply chain	Solvay has developed a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors. This Supplier's Code of Conduct deals inter alia with anti-corruption.

Criterion 19: Implement effective monitoring and evaluation mechanisms for the integration of anti-corruption

Global Compact best practices	Solvay's best practices
System to track and measure performance on corruption based on standardized performance metrics	The compliance organization, in collaboration with the internal audit organisation, the Legal department and other departments and functions, is monitoring compliance with applicable laws and Solvay's Group Code of Conduct. See the Annual Report p146
Leadership review of monitoring and improvement results	On an annual basis a Compliance report will be issued to the Board of Director See the Annual Report p146
Process to deal with incidents	Any report or request for advice will be dealt with by a dedicated organization. Any violations will be appropriately sanctioned. In 2010, 23 reports were registered through the internal helpline, among which 18 reports required further investigation. See the Annual Report p146
Disclosure of main incidents involving your company	See the Sustainability Indicators report 2010

Criterion 20: The COP contains standardized performance indicators (including GRI) on anti-corruption

Global Compact best practices	Solvay's best practices
Outcomes of risk and impact assessments	Grievance mechanisms, communication channels and other procedures for reporting concerns are in place. See the Policy on reporting irregularities and misconduct. See the Annual Report p190
Outcomes of internal awareness-raising efforts and training for management and employees	Training in process. The objective is to reach 100% participation amongst all managers.
Outcomes of mechanisms for reporting concerns or seeking advice	In 2010, 23 reports of various irregularities and misconducts (but not specifically corruption) were registered through the internal helpline, 18 reports required further investigation, one report was a request for advice. In 5 cases disciplinary actions were taken.
Percentage of contracts with business partners guaranteeing minimum anti-corruption standards	Solvay has recently developed a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors. This Supplier's Code of Conduct deals inter alia with anti-corruption matters.
Outcome of audits or other steps to monitor and improve performance in the supply chain regarding anti-corruption efforts	Solvay has recently developed a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors. This Supplier's Code of Conduct deals inter alia with anti-corruption matters and appropriate audits procedures will be developed accordingly.

Value Chain Implementation

Criterion 21: Implement the Global Compact principles in the value chain
Verification and Transparency

Global Compact best practices	Solvay's best practices
Description of raw materials and (semi-) finished products used, by country or region of origin	No information consolidated yet at this stage
Description of key suppliers, subcontractors and other business partners involved in the value chain	Suppliers and subcontractors are considered among the key stakeholders of the Group. See the strategic 5x5 Matrix in the " Towards Sustainable development report: assessment and prospects 2008-2012 ". Given their number and variety, a more specific description of the suppliers, subcontractors and other business partners will require a specific development.
Value chain risk assessment to identify potential issues with suppliers and other business partners	Solvay has recently developed a Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors..
Policy on value chain, including a policy for suppliers and subcontractors	Based on its Supplier's Code of Conduct, Solvay is in the process to develop a procedure to communicate to its suppliers and subcontractors Solvay's expectations and to assess them on their ethical behavior and sustainability performances. The objective is to integrate both social and environmental KPIs in the verification of the sustainability of the supply chain.
Communication of relevant policies/codes, positions or concerns to suppliers and other business partners	Based on its Supplier's Code of Conduct, Solvay is in the process to develop a procedure to communicate to its suppliers and subcontractors Solvay's expectations and to assess them on their ethical behavior and sustainability performances. The objective is to ntegrate both social and environmental KPIs in the verification of the sustainability of the supply chain.
Audits/screenings for compliance in value chain	Through the supply chain ethics and sustainability project, appropriate types of audits will be developed and organized.
Allocation of responsibility in the value chain and procedures to remedy any non-compliance issues	No information yet reported in this area.
Other established or emerging best practices	No information yet to report in this area.

Verification and transparency

Criterion 22: The COP provides information on the company's profile and context of operation

Global Compact best practices	Solvay's best practices
Legal structure, including any group structure and ownership	See Solvay Annual Report 2010
Countries where the organisation operates, with either major operations or operations that are specifically relevant to sustainability	See Solvay Annual Report 2010, p10-11
Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	See Solvay Annual Report 2010, key figures In the Solvay webpages Profile brochure
Primary brands, products, and/or services	In the Solvay webpages Profile brochure
Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.)	See the Solvay webpages Sustainable development part of the Annual Report 2010, p48-53 “Towards Sustainable development report: assessment and prospects 2008-2012”

Criterion 23: The COP incorporates high standards of transparency and disclosure

Global Compact best practices	Solvay's best practices
COP uses the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines	A concordance Table with the criteria of Global Reporting Initiative is used : <ul style="list-style-type: none"> - in “Towards Sustainable development report: assessment and prospects 2008-2012” p.86-87 - in the Sustainability indicators 2010 report
COP qualifies for Level B or above of the GRI application levels	No information yet reported at this stage
COP includes comparison of key performance indicators with peer companies	No information yet reported at this stage
COP includes comparison of key performance indicators for the previous 2-3 years	This is usually the case for the KPIs selected and reported by Solvay. See the Sustainability indicators 2010
Other established or emerging best practices	Solvay has set in 2008 a series of 107 sustainability objectives to be reached by 2012 or 2020 among which 25 were classified as major. The Sustainability Indicators Report published now yearly by Solvay jointly with its Annual Report contains already about 80 parameters and about 65 KPIs. A programme of external verification of processes and performances has also been initiated and will be further deployed in the coming years.

Criterion 24: The COP is independently verified by a credible third party

Global Compact best practices	Solvay's best practices
Independently verified against assurance standard (e.g. AA1000 Assurance Standard, ISAE 3000)	A programme of external verification of processes and performances has been initiated and will be further deployed in the coming years. External verification for energy, greenhouse gases and environmental emissions by external auditors according to the ISAE 3000 was performed for 2010 data. See the Sustainability indicators 2010
Verified by independent auditors	Limited Assurance Report to the preparation processes of the Energy and Environmental indicators of the Solvay Group See the Sustainability indicators 2010 p.6-7
Reviewed by a multi-stakeholder panel	No information yet reported at this stage
Reviewed by peers (e.g. Global Compact Local Network)	No information yet reported at this stage
Verified through other form of independent verification	No information yet reported at this stage



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