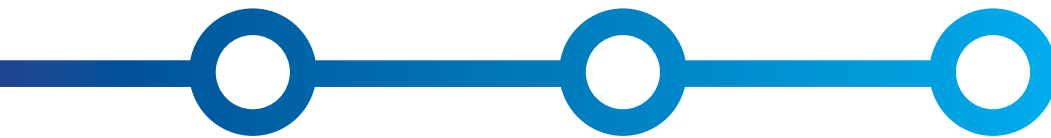


December 2013

Solvay United Nations Global Compact



Communication
on progress
Advanced level

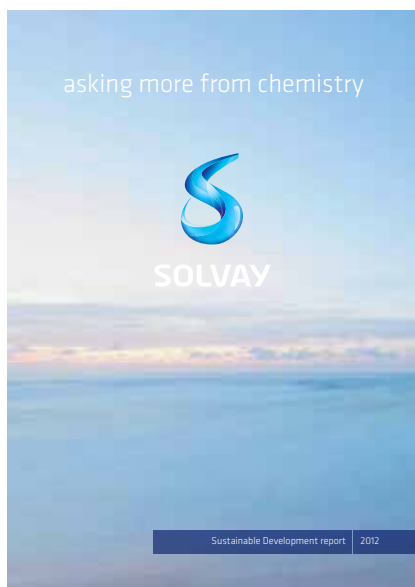


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ABOUT THIS DOCUMENT



In 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 Program 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 2013 refers to specific pages or sections in the *2012 Annual Report*, in the *2012 Sustainable Development Report* and additional online information. Solvay COP 2013 is available on [Solvay website](#).

CEO STATEMENT OF CONTINUED SUPPORT



"I am pleased to reaffirm Solvay's support for the ten principles of the UN Global Compact, all of which align with our Group's values and policies. Solvay is committed to continue 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.

Sustainability is at the heart of our vision. We want to be a role model for sustainable chemistry in the way we manufacture, do business and manage people, and by the product portfolio we offer to our customers. The Global Compact is the only global initiative that takes into account all the aspects of sustainable development and is focused on continuous improvement. A key challenge is to conciliate the various sustainability goals and the interests of our stakeholders.

In this annual Communication on Progress, we describe how Solvay has progressed in creating value for its stakeholders in full alignment with its commitment to corporate social responsibility and its code of conduct."

A handwritten signature in black ink, consisting of a large, stylized 'J' and 'P' that are connected, with a horizontal line extending to the right.

Jean-Pierre Clamadieu
Solvay Chief Executive Officer
December 20th, 2013

SOLVAY REPORTING TO UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

- 1 Solvay supports and respects the protection of international human rights within its sphere of influence.
- 2 Solvay is sure that it is not complicit in human rights abuses.

Clear commitments

Solvay is committed to respecting and supporting human rights with regard to its employees, the communities in which it operates and its business partners as expressed in the internationally recognized standards including the U.N. Universal Declaration on Human Rights. Solvay takes seriously any indication that human rights are not properly protected within its sphere of influence or that it may be complicit in any human rights violation. Employees are expected to understand the human rights issues that may be at stake in their workplaces and should prevent any violation of these rights. Solvay has adopted a specific policy dealing with human rights.

In December 2013, Solvay signed a global social and environmental responsibility agreement with IndustriALL Global Union the first international federation of workers for industry which represents 50 million workers in 140 different countries in sectors as diverse as the oil and gas, chemicals, mining, shipbuilding, automotive, aerospace, construction materials, environmental services industries, etc.. This agreement, gives tangible expression to Solvay's determination to ensure that the international labor standards defined by the International Labor Organization, the principles of the UN Global Compact, and the Group's social standards in the areas of health, safety and environmental protection are respected on all its sites all over the world.

In 2013 Solvay has deployed its Sustainable Development approach, Solvay Way which is based on a continuous improvement reference framework, divided on four levels of progress. Solvay Way allows the Group's entities to self-assess their sustainable development progress on the basis of 23 commitments divides up into 48 practices and identify their improvement plans on an annual basis. Solvay has multi-annual objectives, monitored by the Executive Committee, aimed at improving its environmental and social profile.

This approach is structured by stakeholders and incorporates the requirements of ISO 26000. Supported by a strong governance, all employees are enlisted to in deploying it. For example towards its Employees stakeholder, Solvay has defined 5 commitments, divided on 12 best practices, regarding safety and health at work, professional development, fair treatment and respect of human rights.

Key actions

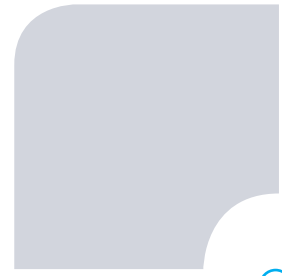
Solvay encourages its employees through its Speak Up campaign take up any difficulty or question with its hierarchy and other identified interlocutors as the Group cannot address questions or concerns unless it is aware of them. The first and best place for employees to Speak Up is with their individual manager or supervisor. In addition employees may seek help from other internal resources as well as from an external Ethics Helpline, this helpline is maintained by a private third party and operated in accordance with local law.

Solvay has in place a strong dialogue with its employees through the Solvay People Survey (groupwide survey, carried out every 2 or 3 years), through the European Works Councils and the national employer representative bodies. 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. Managers are requested to follow a special training addressing issue of open communication and non retaliation.

Since 2012, Solvay is taking part in a new collaborative initiative for the Chemical sector regarding the assessment of the CSR performances of suppliers: "Together for Sustainability". These assessments will be made on the basis of standardized criteria and tools for supplier sustainability audits in which human rights issues will be addressed. The participants to this initiative will share the supplier sustainability assessments and audits data. Nevertheless, the participants will keep responsibility for their own operations.

Key achievements

The key outcomes are in the *Solvay SD report 2012*, p. 96-97, 123, and in the *Solvay Annual Report 2012*, p. 161 *Solvay Annual Report 2011*.



LABOUR

- 3 Solvay upholds the freedom of association and the effective recognition of the right to collective bargaining
- 4 Solvay upholds the elimination of all forms of forced and compulsory labour
- 5 Solvay upholds the effective abolition of child labour.
- 6 Solvay upholds the elimination of discrimination in respect of employment and occupation.

Clear commitments

The Group has made a formal commitment to respect the international labor standards defined by International Labor Organization (ILO) conventions and the principles of the UN Global Compact. In 2013, the Group reaffirmed this commitment by signing a worldwide social responsibility agreement with IndustriALL Global Union. This agreement applies to all Solvay employees and is integrated in the Solvay Way framework which is part of the Solvay's management processes.

A chapter in the Code of Conduct is dedicated to Ethics & Integrity in the workplace. 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 stakeholders, including its employees and their representatives.

Key actions

The *Solvay's Code* of Conduct is supported by various policies, including policies dedicated to Human Resources. Solvay policies and procedures make qualifications, skills and experience the basis for the recruitment, placement, training and career evolution of employees at all levels. The Group recruits and selects staff without any form of discrimination on the basis of job requirements (expertise and competences) and the capability and willingness of candidates to adopt the underlying Group's Values.

Each employee is remunerated according to its responsibilities and conditions in the local market, every member of the managerial staff goes through an annual personal appraisal review, a number of talent round tables are organised where the career of women managers are discussed, opportunities allowing work-life balance are deployed: part-time, tele-working, nursery in a number of locations.

For Solvay, the people safety objective which is reaching a Medical Treatment Accident Rate lower than 1.0 by 2020, covers a common safety level for both the Solvay's personnel and contractors working on Solvay's sites.

As part of the IndustriALL Global Union Agreement, each year, a joint assessment mission will be conducted in a country and on sites chosen by IndustriALL Global Union. This assessment will focus on health, safety, social responsibility, with thematic like health, safety and environmental protection and also on pay levels, training policy, the quality of the social dialogue, relationships with suppliers and subcontractors, the struggle against discrimination, the promotion of equal opportunities, etc. and environmental protection.

Key achievements

The key outcomes are in the *Solvay SD report 2012*

- Concrete commitments to our stakeholders, p. 10
- Frequency rate of occupational accident, p. 91
- Age pyramid, p. 81
- Diversity and equal opportunity KPIs, p. 80-81
- Press release December 17th, 2013 www.solvay.com

ENVIRONMENTAL PROTECTION – PRINCIPLE 7-8-9

- 7 Solvay supports a precautionary approach to environmental challenges
- 8 Solvay undertakes initiatives to promote greater environmental responsibility.
- 9 Solvay encourages the development and diffusion of environmentally friendly technologies.

SOLVAY REPORTING TO UNITED NATIONS GLOBAL COMPACT



Clear commitments

Solvay's vision is to invent a new model of sustainable chemistry. This Solvay long-term ambition translates its founder's vision of acting as a responsible company that responds to the societal and environmental challenges through a more innovative and sustainable chemistry. The Group prove this by imagining and producing increasingly innovative solutions that meet the sustainable development challenges facing our stakeholders.

The Solvay Way, the Group's sustainable development approach, is the result of this vision. By interacting with various stakeholders, this transversal approach serves as a catalyst and as a guide to constantly challenge and improve the sustainability aspects of the Group's behaviors and practices.

The Solvay Way is consistent with its commitment to the Responsible Care Global Charter®. Solvay aligns with the OECD Guidelines for Multinational Enterprises. The Solvay Way reference framework is also aligned with the international standard ISO 26000. There are five priority objectives in Solvay Way:

- To achieve excellence in safety, health and occupational hygiene for everyone on our sites.
- To realize an increasing share of our sales in markets or with portfolio of activities meeting the requirements of sustainable development.
- To continuously improve the performance of our technologies, processes and products so to avoid injuries and limit their environmental impact throughout the lifecycle of our products.
- To reduce greenhouse-gas emissions, energy and water consumption, and negative impacts on soil, water and air quality, as well as the use of resources.
- To develop rich and balanced social dialogue.

In order to share with its stakeholders its progress and results Solvay has set up priority targets regarding sustainable development and social responsibility by 2020. For example, Solvay aims to reach a Medical Treatment Accident Rate (MTAR) lower than 1.0.

Key actions

As a responsible chemical company, Solvay group makes significant investments in health, safety and environment to control the risks linked to its activity and to improve its environmental footprint, particularly its emissions into the air, water, and soil.

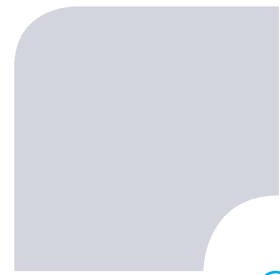
Each manufacturing sites checks its compliance with all local applicable environmental regulations, in particular with the operation permits. Solvay applies recognized Environmental Management Systems that are based on the principle of continuous performance improvement. These systems are the basis for the deployment of key elements which include risk analysis, monitoring of environmental performance and compliance to regulations and permits, follow-up of the corresponding corrective actions, review of performance and improvement plans by the management.

Solvay products and R&D projects are evaluated according to the SPM methodology. This methodology is part of the Solvay Way process. In addition, the environmental profiles "cradle to gate" (Ecoprofiles) of products have been established for 68% of the Group's portfolio. The environmental profiles are used to compare different products or processes and also help customers to build the lifecycle assessment (LCA) of their products. In practice, the results of the SPM assessments are endorsed by the Executive Committee. A personalized feed-back is given to Senior Managers and Global Business Units (GBU) entities to enable them to incorporate the results of the SPM assessments in their strategy. By end 2014 all key applications, with possible sustainability aspects, in all business lines, should be assessed, representing 80% of sales.

Key achievements

The key outcomes are in the *Solvay SD report 2012*:

- Our priority targets by 2020, p. 7
- Environmental performance, pp. 52-73
- Sustainable Portfolio Management (SPM), pp. 38-48



CORRUPTION

10 Solvay works against corruption in all its forms, including extortion and bribery.

Clear commitment

Solvay explicitly states in its Code of Conduct that the Group prohibits bribery in any form. Exchanging token gifts and entertainment with customers or suppliers is only permitted in accordance with the applicable Group Policy. Facilitation payments are not permitted by Solvay. This commitment is also part of the IndustriALL Global Union Agreement. By signing this global agreement, Solvay undertakes to respect the 10 principles of the UN Global compact, principles of the ILO Conventions, and proper health safety and environmental commitments.

Key actions

Solvay has a compliance organization, under the leadership of the Group General Counsel. This organization has as the objective to enhance a groupwide ethics and compliance-based culture to ensure compliance with applicable laws and regulations and compliance with Solvay's Code of Conduct, values and corporate policies.

Solvay's Code of Conduct is supported by various policies including policies on Gifts, Entertainment and Anti-Bribery, on conflicts of interest and on insider trading.

Key achievements

The key outcomes are in the *Solvay SD report 2012*:

- Compliance with the Code of Conduct, p. 97
- Ethical practices, p. 109
- The Solvay Annual Report 2012
- Press release December 17th, 2013 www.solvay.com

SELF-ASSESSMENT ON ADVANCED LEVEL



Solvay was able to meet from the first year the criteria of the “Advanced reporting level” and consequently became a “Global Compliance Advanced” company.

STRATEGY, GOVERNANCE AND ENGAGEMENT



CRITERION 1

Key aspects of the company's high-level sustainability strategy in line with Global Compact principles

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>Never before has there been a greater need for sustainability and responsibility. All over the world, everyone is looking for new answers. Answers on climate change, on how to produce more with fewer resources, how to meet the needs of new consumers and how to fulfill our quest for health and well-being. Solvay believe that Chemistry is key to delivering this progress. Its ambition is to invent a New Model of Sustainable Chemistry.</p> <p>This Solvay long-term ambition translates its founder's vision of acting as a responsible company that responds to the societal and environmental challenges through a more innovative and sustainable chemistry. The Group prove this by imagining and producing increasingly innovative solutions that meet the sustainable development challenges facing our stakeholders.</p> <p>The Solvay Way, the Group's sustainable development approach, is the result of this vision. By interacting with various stakeholders, this transversal approach serves as a catalyst and as a guide to constantly challenge and improve the sustainability aspects of the Group's behaviors and practices.</p>
Major sustainability risks and opportunities in the near to medium term (3-5 years)	<p>In order to identify, assess and manage opportunities successfully and at the same time limit risks which are potentially significant for the activities of the Group, the Company has a risk management systems.</p> <p>Risk management is integrated in the strategic and operational decision making process, and is seen as an essential management tool and as an aid for making the decisions to achieve the company's short, medium and long term objectives.</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>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> <p><i>Solvay risks and opportunities are disclosed in Solvay Annual Report 2012, p. 130</i></p>

STRATEGY, GOVERNANCE AND ENGAGEMENT



Global Compact best practices

Social and environmental impact of the organisation's activities

Solvay's best practices

The Solvay Way integrates social, societal, environmental and economic aspects into the company's management and strategy, with the objective to create value. It takes into account the society's changing expectations, requesting industry to develop technologies, processes, products, applications and services in line with the objectives of sustainable development.

Solvay's commitment to sustainable development and social responsibility applies to all lifecycle stages of its products, including the design, manufacturing, product applications, end-of-life, use of resources, and the social consequences of their manufacture or use. Solvay Way based on a continuous improvement reference framework, divided in four levels of progress, allows all entities to evaluate their practices and identify their improvements on an annual basis.

See more information in [Solvay SD report 2012](#), pp. 6-17 and in [Solvay Annual Report 2012](#), pp. 14-15

Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term (3-5 years)

The Solvay Group's priority objectives in sustainable developmental and social responsibility are:

- To achieve excellence in safety, health and occupational hygiene for everyone on the sites.
 - To realize an increasing share of sales in markets or with an activities portfolio meeting the requirements of sustainable development.
 - To continuously improve the performance of technologies, processes and products, so as to avoid injuries and limit their environmental impact throughout product lifecycles.
 - To reduce greenhouse gas emissions, energy and water consumption, and negative impacts on soil, water and air quality, as well as the use of resources, especially non-renewable ones.
 - To develop rich and balanced dialogue with employee representatives at national and international levels.
 - To implement the global social and environmental responsibility agreement with IndustriALL through which the Solvay Group confirms its respect for fundamental social rights and its commitment to sustainable development and social responsibility wherever it conducts its activities;
- Solvay Way presents the overall strategy to manage sustainability impacts, risks and opportunities.



Global Compact best practices

Key performance indicators to measure progress

Solvay's best practices

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 2020.

See more information on [Solvay SD Report 2012](#), p. 7

Major successes and failures during the reporting period

Solvay discloses successes and failures in its SD reporting:

See [Solvay SD report 2012](#)

STRATEGY, GOVERNANCE AND ENGAGEMENT



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>The Solvay Way aims to involve each and every employee, regarded as a direct and essential player of the Group's social and environmental responsibility.</p> <p>Coordinated by the Sustainable Development Management team, the Solvay Way is directed via a global network of more than 200 «champions» and «correspondents» who ensure its active deployment within all the entities of the Group. The Sustainable Development Department, attentive to the needs of the different stakeholders and responsible for supervising the approach on behalf of the Group, coordinates the work of this network and reports directly to the CEO.</p> <p>In practice, each entity (Global Business Units or Functions) has chosen a Champion, charged with boosting and driving the implementation of Solvay Way in its organization. The Champion is assisted by a network of «correspondents» responsible for field deployment in industrial sites, R & I centers and business units. The Champions and correspondents play key roles in Solvay Way. They ensure the deployment of the process by mobilizing their colleagues around defined objectives and by setting action plans.</p> <p><i>Solvay SD Report 2012, pp. 6, 13-15</i></p>
Corporate governance structure and its role in oversight of corporate sustainability implementation in line with Global Compact principles	<p>Deployed in 2013, Solvay Way applies to the 30.000 employees. And is monitored by Solvay's senior management. The Sustainable Development Group General Manager reported directly to the Chairman of the Executive Committee.</p>
Goals and incentive schemes for management (C-suite) to promote sustainability strategy in line with Global Compact principles	<p>A strong sign of Solvay's commitment at the highest level is that in 2013, 10% of the annual Bonus for the Chairman of the Executive Committee (CEO) and 7500 managers of the Group is linked to their contribution to the Sustainable Development process.</p> <p><i>Solvay SD Report 2012, pp. 14</i></p>



CRITERION 3

Engage with all important stakeholders

Global Compact best practices	Solvay's best practices
Regular stakeholders consultations in the area of human rights, labour, environment and anti-corruption	<p>Among the various ways used by Solvay to engage with stakeholders:</p> <ul style="list-style-type: none">• Investors' meetings and road shows: Solvay is developing a targeted communication and dialogue on its sustainability policy and parameters and multiplies the opportunities of dialogue with investors involved in Corporate Social Responsibility (CSR) values. <i>Solvay SD Report 2012, p. 108</i>• 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.• Dialogue with the various workers representatives such as the European Work Council, and IndustriALL Global Union.• In its 2013 IndustriALL Global Union agreement, two joint assessment mission will be conducted in a country and on sites chosen by IndustriALL. This assessment will focus on health, safety and environmental protection pay levels, training policy, the quality of the social dialogue, relationships with suppliers and subcontractors, the struggle against discrimination, the promotion of equal opportunities, etc.• Solvay internal consultation via the Solvay People Survey: the aim is to ensure that relationships between employees are founded on trust and mutual respect. Every two or three years, a "Solvay People Survey" will be carry out <i>Solvay SD Report 2012, p. 29 and 79.</i>• 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. <i>Solvay SD report 2012, pp. 103-106</i>• Regular customers' surveys of different nature depending on the type of product and activity are organized.
List of stakeholder groups engaged by the organization	<p>Solvay is committed toward:</p> <ul style="list-style-type: none">• customers;• employees;• suppliers;• investors;• communities;• planet. <p><i>See the list of stakeholders identified in the Solvay SD Report, pp. 10-12</i></p>



STRATEGY, GOVERNANCE AND ENGAGEMENT



Global Compact best practices	Solvay's best practices
Process for stakeholder identification and engagement	<p>Solvay Way is structured by stakeholders and incorporates the requirements of ISO 26000.</p> <p><i>See the list of stakeholders identified in the Solvay SD Report 2012, pp. 10-12</i></p>
Outcome of stakeholder involvement	<ul style="list-style-type: none"> • Solvay performance recognized in extra-financial ratings <i>Solvay SD Report 2012, p 34-35</i> • Solvay participation to "VinylPlus" program: a voluntary commitment by Europe's PVC industry <i>Solvay SD Report 2012, pp. 117</i> • Solvay and IndustriALL Agreement Please see: Press release December 17th, 2013 www.solvay.com • Solvay Product Safety Summaries (PSS) realized in the frame of an initiative of the ICCA (International Council of Chemical Association) <i>Solvay SD Report 2012, p. 112</i>
Process of incorporating stakeholder input into corporate strategy and business decision-making	<p>The commitments of the Solvay Way reference framework aim to achieve an optimal level of responsibility towards Solvay's stakeholders. With these stakeholders and their representatives, Solvay develops and maintains permanent dialogue on issues of sustainable development. Discussions are based on the will to innovate and move forward together as well as to develop specific partnerships. Contracts are prepared, negotiated and executed by Solvay to reflect the Group's sustainable development policy. Solvay Way practices are reviewed each year by external partners and the Sustainable Development Department implements the findings and conclusions to achieve progress.</p> <p><i>Solvay SD Report 2012, pp. 10-12</i></p>

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 organization of the Group and in the businesses processes. The Mission, Vision and Values of the Group also include UN goals and issues. "Build a strong leader participating in the reshaping of the global chemical industry. Be a model of sustainable chemistry, attracting and growing the people who will imagine, engineer and make the solutions that meet the global challenges society faces, creating value for all our stakeholders"
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. Solvay Sustainable Portfolio Management (SPM) tool supports strategic decisions by the Executive Committee by assessing the sustainability of a product along two axes: its production and its markets. <i>Solvay SD Report 2012, pp. 38-45</i> Ecoprofiles of product portfolio <i>Solvay SD Report 2012, pp. 44, 116</i>
Social investments and philanthropic contributions that tie in with the organization's core competencies, operating context and sustainability strategy	At corporate level, Solvay concentrates on initiatives related to science and technology, education and humanitarian and development projects. 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. <i>Solvay SD Report 2012, p. 101</i>
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.
Partnership projects and collective actions in support of UN goals and issues	Partnership projects and collective actions are reported in <i>Solvay SD Report 2012, pp. 47-48, 67, 101</i>

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
Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g. the Universal Declaration of Human Rights)	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. Solvay's Group Code of Conduct expressly states that Solvay is committed to respecting and supporting human rights with regard to its employees, the communities in which it operates and its business partners as expressed in the internationally recognized standards including the U.N. Universal Declaration on Human Rights. Through its IndustriALL Global Union Agreement, Solvay re affirmed its commitment to respect Human Rights.
Statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company	Solvay's policy on Human Rights in our Businesses has been approved by the Executive Committee. This Policy endorses Solvay's commitment to protect and advance human rights.
Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services	Solvay's Code of Conduct and the Human Rights policy clearly stipulates what Solvay expects from its employees and from third parties acting on behalf of Solvay. Through a separate program, Solvay communicates its expectations to its suppliers.
Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties	Solvay's policy on Human Right is available internally to all personnel. Solvay employees will be trained, as part of a larger training. In due course the policy will also be available externally. IndustriALL agreement applies to the 30000 employees of the Group and is integrated in the Solvay Way reference framework. Every year two assessments will be carried out on a production site chosen by IndustriALL to verify the correct application at a grassroots level of the commitments made by the Group.



CRITERION 6

Implement effective management systems to integrate the human rights principles

Global Compact best practices	Solvay's best practices
On-going due diligence process that includes an assessment of actual and potential human rights impacts	Human Rights is part of the Risk Assessment, and part of the IndustriALL Global Union missions realized on production sites chosen by IndustriALL. See also of Solvay Annual Report 2012 Press release December 17 th , 2013 www.solvay.com
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, this includes training on Human Rights.
Operational-level grievance mechanisms for those potentially impacted by the company's activities	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 "lines", hosted by a third party for reporting concerns and seeking advice. These lines are operated in the majority of the countries in which Solvay is active but not yet in all countries, due to regulatory constraints. It is expected that these lines will be operated in 2014 Groupwide.
Allocation of responsibilities and accountability for addressing human rights impacts	The function "Ethics and Compliance" has the more specific objective of strengthening a culture based on ethics and compliance with the Solvay Values and Code of Conduct.. It consists of "Compliance Officers" who are present in the four regions. These are assisted by a network of experienced employees tasked, in addition to their other responsibilities, with supporting activities in this area. The function "Ethics & Compliance" reports twice a year to the Board of Directors. <i>Solvay Annual Report 2012, p. 161</i>
Internal decision-making, budget and oversight for effective responses to human rights impacts	Solvay "Speak Up" program encouraged the employees to take up any difficulty or question relating to the application of the Code of Conduct with its hierarchy and other identified interlocutors. The alternative for internal reporting is the external Ethics Helpline to voice any difficulties or pose questions in complete confidence. <i>Solvay Annual Report 2012, p. 161</i>
Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to	Solvay has not been confronted with any adverse human rights impacts.

HUMAN RIGHTS IMPLEMENTATION



CRITERION 7

Implement effective monitoring and evaluation mechanisms of human rights integration

Global Compact best practices	Solvay's best practices
System to monitor the effectiveness of human rights policies and implementation, including in the supply chain	<p>Through Solvay's Speak Up program, Solvay encourages its employees to Speak Up in case of any questions, concerns or potential violations. Other avenues for employees to alert the company are the Solvay People Survey (Worldwide survey carried out every two or treethree years) and on many sites a counselor has been appointed.</p> <p>Through the internal audit organization, the knowledge of the employees of the content of the policy will be verified.</p> <p>In its 2013 IndustriALL Global Union agreement, two Solvay has decided that every year, a joint assessment missions will be conducted in a country and on sites chosen by IndustriALL Global Union.</p> <p>This assessment will not only focus on health, safety and environmental protection but also on pay levels, training policy, the quality of the social dialogue, relationships with suppliers and subcontractors, the struggle against discrimination, the promotion of equal opportunities, etc.</p> <p>IndustriALL represents 50 million workers in 140 countries in the mining, energy and manufacturing sectors. The deployment of the IndustriALL agreement is also integrated in the Solvay Way framework, the new Group's sustainability approach, which is part of the Solvay's management processes. The level of knowledge of the IndustriALL Agreement by employees will be followed.</p>
Monitoring drawing from internal and external feedback, including affected stakeholders	<p>Solvay has a strong dialogue with its employees in place through the Solvay People Survey (group wide survey, carried out every 2 or 3 years), through the European Works Councils and the national employer representative bodies. IndustriALL Agreement and its animation is also an important opportunity to have a social dialogue. Through the Speak Up campaign Solvay also receives feedback and will share this feedback with the relevant internal organizations in order to improve current procedures.</p>
Leadership review of monitoring and improvement results	<p>Reports made are taken very seriously by the organization and are investigated by the compliance function. The decision has been taken to report on ethics and compliance regarding training and non-conformities twice a year directly to the Board.</p>
Process to deal with incidents	<p>Any alerts received on potential violations will be investigated by the dedicated compliance organization.</p>



CRITERION 8

The COP describes key outcomes of human rights integration

Global Compact best practices	Solvay's best practices
Outcomes of due diligence process	Solvay has integrated Human Rights in its risk assessments and is incorporating Human Rights due diligence in the assessment of its suppliers through the "Together for Sustainability" initiative. A collaborative initiative for the Chemical sector regarding the assessment of the CSR performances of suppliers. These assessments will be made on the basis of standardized criteria and tools for supplier sustainability audits in which human rights issues will be addressed. <i>Solvay SD Report 2012, p. 123</i>
External and formal reporting of operations or operating contexts that pose risks of severe human rights impacts	Work in progress. Solvay is in the process of developing a procedure to identify potential human rights impacts.
Disclosure of main incidents involving the company	As part as consolidated financial statements, Solvay publishes the important litigation in which it is involved. Solvay is not involved in any litigation concerning human rights. <i>Solvay Annual Report 2012, pp. 138-140</i>
Outcomes of processes of remediation of adverse human rights impacts	Not applicable. No case of remediation.

LABOUR PRINCIPLES IMPLEMENTATION



CRITERION 9

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

Global Compact best practices

Reference to relevant international conventions and other international instruments (e.g. ILO Core Conventions)

Solvay's best practices

Solvay's policy on Human Rights expressly states that Solvay endorses and promotes the principles contained within the Universal Declaration of Human Rights, the Convention on the Rights of the Child, the International Labor Organization (ILO), and the core conventions on Labor Standards. In 2013, the Group signed a worldwide social responsibility agreement with IndustriALL Global Union which represents 50 million workers in 140 different countries. This agreement, the first one of its kind in the chemical industry, Solvay's agreement with IndustriALL Global Union shows Solvay's determination to ensure that basic labor rights and the Group's social standards in the areas of health, safety and environmental protection are respected on all its sites all over the world. Solvay SD Report 2012, p. 9
Please see:
Press release December 17th, 2013 www.solvay.com



Global Compact best practices	Solvay's best practices
Reflection on the relevance of the labour principles for the company	<p>Solvay commits to respect international social standards as defined by the International Labor Organization and to comply with the principles of the United Nations Global Compact in all its operations worldwide. The IndustriALL Global Union agreement reinforces the commitments already made by Solvay in the areas of health & safety at work, the management of risks related to the pursuit of its business activities and environment protection. The signatories are determined to fulfill this agreement in a concrete and dynamic manner. Every year, two joint assessment missions will be conducted in a country and on sites chosen by IndustriALL. The first one, conducted by the Global Safety Panel (a committee gathering 4 union representatives from Solvay – one for each of the 4 region of the world where Solvay is present – and 2 representatives from IndustriALL) will measure the results of Group safety policies. The second one will assess the application of the agreement in all its dimensions: not only health, safety and environmental protection but also pay levels, training policy, the quality of the social dialogue, relationships with suppliers and subcontractors, the struggle against discrimination, the promotion of equal opportunities, etc.</p> <p>Solvay Way guides and formalizes the Sustainable development strategy for the group and all of its entities. The commitments of the Solvay Way reference framework aim to achieve an optimal level of responsibility towards Solvay's employees. This framework closely links operational performance and behavioral excellence; it is simultaneously a management guide, an improvement tool and a key driver for internal and external commitment and dialogue. Structured by stakeholder groups, the Solvay Way offers a self-assessment checklist enabling the various parts of the Group to position their practices with regard to Solvay's commitments and to define required improvement initiatives.</p>
Written company policy (e.g., in code of conduct) on labour	<p>The <i>Solvay's Code of Conduct</i> includes a chapter on Ethics & Integrity in the workplace. In addition the Code of Conduct is supported by various Human Resources policies that are dedicated to labour like:</p> <ul style="list-style-type: none">• career management;• job evaluation and job families(Hay system) to promote equal opportunities;• compensation to promote equal opportunities;• international mobility policy to promote equal opportunities.

LABOUR PRINCIPLES IMPLEMENTATION



Global Compact best practices

Inclusion of minimum labour standards in contracts with suppliers and other relevant business partners

Solvay's best practices

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 Code of Conduct includes a chapter on Human Rights where Solvay expects from its suppliers to share our belief that respect for human rights is in the interest of everyone – individuals, companies and ultimately society as a whole. Solvay encourages suppliers to hold themselves to the highest standards in ensuring respect for human rights.

The application of minimum labour standards by its suppliers will be verified through the "Together for Sustainability" initiative. A collaborative initiative for the Chemical sector regarding the assessment of the CSR performances of suppliers. These assessments will be made on the basis of standardized criteria and tools for supplier sustainability audits in which human rights issues will be addressed.

Specific commitments and goals for specified years

You can see the five priority objectives in *Solvay Annual Report 2012*, p. 14 and the targets by 2020 in the *Solvay SD Report 2012*, p. 7.



CRITERION 10

Implement effective management systems to integrate the labour Principles

Global Compact best practices	Solvay's best practices
Risk and impact assessments in the area of labour	<p>The main identified risks for Solvay, as a chemical group, is definitely safety and health of the personnel. See <i>Solvay SD Report 2012</i>, p. 98</p> <p>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 <i>Solvay Annual Report 2012</i>, pp. 136-137</p>
Allocation of responsibilities and accountability within the organisation	The allocation of the responsibilities is shared within Solvay between the Human Resources Department, the Sustainable Development Department and the Legal & Compliance Department.
Internal awareness-raising and training on labour principles for management and employees	<p>The Solvay Code of Conduct has a dedicated chapter to ethics & integrity in the Work Place and is accompanied by a permanent training program that includes labour principles.</p> <p>People & Management Model The People Model and the Code of Conduct give employees the framework to act as responsible people.</p> <p>The People Model, which concerns collaborative and collective behavior, is a social contract between the Group and its employee's. It promotes relationships based on dialogue, mutual respect and transparency. It also recognizes the importance of constant people development in order to ensure that the Group has the right competencies skills set to develop its businesses.</p>
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 and encourages its employees through its "Speak Up" campaign to report their concerns or their ethical dilemmas. Solvay has also installed an external reporting "lines", hosted by a third party for reporting concerns and seeking advice. These lines are operated in the majority of the countries in which Solvay is active but not yet in all countries, due to regulatory constraints. It is expected that these lines will be operated in 2014 Groupwide. See the <i>Solvay Annual Report 2012</i> and <i>Solvay SD Report</i>, page 97</p>

LABOUR PRINCIPLES IMPLEMENTATION



CRITERION 11

Describes 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	Solvay Way Self-assessment and continuous improvement steps: a self-assessment checklist enabling the various parts of the Group (GBUs and Functional Divisions) to position their practices with regard to Solvay's commitments and to define required improvement initiatives.
Audits or steps to monitor and improve the labour performance of companies in the supply chain	Key and first line suppliers are subject to regular audits by the Solvay buyers and by internal or external functions independent from the purchasing/supply chain. During these audits the following points are evaluated: finance, health and security, environment. Assessment of the CSR performances of suppliers, including human rights, will also take place through the "Togehter of sustainability" assessments.
Leadership review of monitoring and improvement results	Safety performance is reported to the Executive Committee on a monthly basis and to the Board of Directors. Every year, an assessment will be carried out on a Solvay site chosen by IndustriALL to verify the correct application at a grassroots level of the commitments made by the Group.
Process to deal with incidents	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 "lines", hosted by a third party for reporting concerns and seeking advice. These lines are operated in the majority of the countries in which Solvay is active but not yet in all countries, due to regulatory constraints. It is expected that these lines will be operated in 2014 Groupwide.



CRITERION 12

The COP describes key outcomes of integration of the labour principles

Global Compact best practices	Solvay's best practices
Outcomes of due diligence and follow-up efforts to uphold the freedom of association right to collective bargaining	80% of Solvay employees are represented by an independent trade union or covered by collective bargaining agreements the worldwide social responsibility agreement signed in 2013 with IndustriALL Global Union which represents 50 million workers in 140 different countries, shows Solvay's determination to ensure that basic labor rights and the Group's social standards in the areas of health, safety and environmental protection are respected on all its sites all over the world. <i>Solvay SD Report 2012, p. 9</i>
Outcomes of due diligence and follow-up efforts to eliminate forced labour	See personnel well-being & stress <i>Solvay SD report 2012, page 84</i>
Outcomes of due diligence and follow-up efforts to abolish child labour	Age pyramid <i>Solvay SD report 2012, page 81</i>
Outcomes of due diligence and follow-up efforts to eliminate discrimination	Diversity and equal opportunity <i>Solvay SD report 2012, page 80-81</i>
Disclosure of main incidents involving company	Disclosure of the number of non-compliance with the Code of Conduct <i>Solvay SD report 2012, page 97</i>

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	<p>The Solvay sustainable development policy is consistent with its commitment to the Responsible Care Global Charter®. Solvay aligns with the OECD Guidelines for Multinational Enterprises and uses as a reference the voluntary international standard ISO 26000.</p> <p><i>Solvay SD Report 2012, page 52</i></p>
Reflection on the relevance of environmental stewardship for the company	<p>Besides the responsibility regarding production activities and their safety, the responsibility for the products Solvay provides to its customers and to society is essential and this all along the life cycle of products, down to their end-of life and recycling. This is reflected in the important efforts to identify and communicate accurately about the potential dangers of some of Solvay products and the ways to manage the associated risks, according to all existing regulations and further.</p>
Written company policy on environmental stewardship	<p>The Company has an environmental policy which includes the following elements:</p> <ul style="list-style-type: none"> • reference to all key issues of energy and water consumption, waste and emissions to air and water; • responsibility at board level - the Company's Sustainable Development strategy is supervised by the Executive Committee; • commitment to use of objectives and targets; • commitment to monitoring and auditing; • commitment to public reporting; • globally applicable corporate operating standards; • commitment to stakeholder involvement; • commitment to address product or service impact; • moves towards sustainability. <p>In addition, the Company has signed or endorsed the following charters or other initiatives: the chemical industry Responsible Care programme - since 1992. It also committed to the new worldwide ICCA global Responsible Charter (in 2007).</p>



Global Compact best practices

Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners

Solvay's best practices

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 Code of Conduct includes a chapter on Environment where Solvay expects from its suppliers to minimize the impact on the environment in all their operations, products and services. This includes but is not limited to the following:

- Suppliers are responsible for managing, measuring and minimizing the environmental impact of their facilities and transportations, including reductions on emissions, waste, energy and water consumption.
- Suppliers shall comply with all local regulations or, in their absence, international standards.
- Suppliers shall carry out initiatives to favor the sustainable use of renewable resources. The application of the environmental standards by its suppliers will be verified through the "Together for Sustainability" initiative.

The Group wishes to involve its suppliers in relationships of trust, based on shared ethical principles established with the goal of creating sustainable value for all. Solvay's commitments are:

- Defining prerequisites and integrating them into the supplier selection process
- Evaluation buyers' CSR performance
- Managing and assessing suppliers' CSR performance, optimizing relationship

Specific commitments and goals for specified years

You can see the five priority objectives in *Solvay Annual Report 2012*, p. 14 and the targets by 2020 in the *Solvay SD Report 2012*, p. 7.

ENVIRONMENTAL STEWARDSHIP IMPLEMENTATION



CRITERION 14

Implement effective management systems to integrate the environmental principles

Global Compact best practices	Solvay's best practices
Environmental risk and impact assessments	<p>Environmental risk is Solvay's exposure stemming from the accidental release of a chemical substance following a plant equipment failure, a transport accident or production problems resulting in exceeding permitted emission levels.</p> <p><i>Annual Report 2012, Environmental Risk management, pp. 137-138</i> <i>Solvay SD Report 2012, pp. 53-54</i></p>
Assessments of lifecycle impact of products, ensuring environmentally sound end-of-life management policies	<p>As a manufacturer of products to be used in the manufactured of finished products, Solvay has established detailed ecoprofiles for 95% (of last year revenues) of its portfolio.</p> <p>Ecoprofiles are used to feed the SPM (Sustainability Portfolio Management) assessments.</p> <p><i>Solvay SD Report 2012, p. 116</i></p>
Allocation of responsibilities and accountability within the organisation	<p>Responsibility at board level - the Company's Sustainable Development strategy is supervised by the Executive Committee.</p>
Internal awareness-raising and training on environmental stewardship for management and employees	<p>HSE training in all Solvay sites.</p>
Grievance mechanisms, communication channels and other procedures (whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	<p>A new Crisis Management policy and process have been put in place in 2013. This policy defines the crisis alert process at group level.</p>



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 in our website .
Leadership review of monitoring and improvement results	Solvay applies recognized Environmental Management Systems (EMS) that are based on the principle of continuous improvement. The detection and follow-up of compliance with operating permits and laws, and for environmental performance documentation is an intrinsic part of the systems. EMS are the basis for the deployment of key elements such as risk analysis, monitoring of performance, follow-up of corrective actions, and review of performance, including improvement plans, by the site Management. In 2012, Solvay did not report any significant environmental accident. The Solvay sites were required to maintain or establish, by end 2013, environmental management systems of ISO 14001-type or equivalent at all sites, and to have them certified in respect of activities incurring significant risks of adverse environmental Impact. The Rhodia legacy sites rely on an in-house management system, deployed worldwide. For the future, all sites will be required to have an HSE Management System in line with Group standards (Solvay Care Management System or equivalent: ISO, EMAS, Responsible Care). These systems include provisions for the verification of legal compliance and for performance documentation. Solvay SD Report 2012 , pp. 53-54
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. Solvay SD report 2012 , pp. 53-54
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	All key suppliers and all first line suppliers (number) are subjected to regular spot-checks made by the Solvay buyers. The following points are evaluated: finance, health and security, environment, Moreover, detailed audits are organized in specific sites and specific regions as well as specific activities like transport (with the Safety Quality Assessment System- SQAS of CEFIC).

ENVIRONMENTAL STEWARDSHIP IMPLEMENTATION



CRITERION 16

Describes key outcomes of integration of the environmental principles

Global Compact best practices	Solvay's best practices
Indicators on uses of materials and energy	Energy consumption, Water intake <i>Solvay SD report 2012, pp. 55-56, 68-70</i>
Indicators on emissions, effluents, and waste	<i>Solvay SD report 2012, pp. 56-68, 70-73</i>
Indicators on the company's initiatives to promote greater environmental responsibility	<i>Solvay SD report 2012, pp. 54, 117-120, 101</i>
Indicators on the development and diffusion of environmentally friendly technologies	Alignment of R&D & Innovation projects with megatrends <i>Solvay SD report 2012, pp. 38-45</i>
Disclosure of main incidents involving the company	Incidents during transport, loading, and unloading of Solvay products <i>Solvay SD Report 2012, p. 122</i>

ANTI-CORRUPTION IMPLEMENTATION



CRITERION 17

Formulate robust commitments, strategies or policies in the area of anti corruption

Global Compact best practices	Solvay's best practices
Publicly stated formal policy of zero-tolerance of corruption	Solvay's Code of Conduct expressly states that the Group prohibits bribery in any form. Solvay and its employees do not use gifts or entertainment to gain competitive advantage. Facilitation payments are not permitted by Solvay. Disguising gifts or entertainment as charitable donations is equally a violation of the Code of Conduct. Solvay is a member of Transparency International Belgium. the global Corporate Social and Environmental Agreement with IndustriALL Global Union applies to the whole Group. It reaffirms the commitment of the Group to especially work against corruption in all its forms, including extortion and bribery.
Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes	In addition the Code of Conduct is supported by various policies including a policy on Gifts, Entertainment and anti-bribery. The function "Ethics & Compliance" has the objective of straightening a culture based on ethics and compliance. This organization is also responsible to know the law, create awareness, train the employees and develop procedure.
Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption	Solvay expects from its employees to comply with all applicable laws and regulations.
Carrying out risk assessment of potential areas of corruption	This is work in progress. Solvay will systematically incorporate the issue of corruption in its risk assessment.
Detailed policies for high risks areas of corruption	Solvay's Policy to prevent corruption covers all forms of corruption (public and private) in all geographic areas.
Policy on anti-corruption regarding business partners	Solvay strongly encourages its joint venture parties to put in place a similar ethics & compliance program including anti-corruption. Solvay's Supplier Code of Conduct expressly states that Suppliers shall not engage in or tolerate any form of corruption, bribery, extortion or fraud. Suppliers shall not offer any gifts or other benefits to Solvay employees that could improperly influence the Solvay employee.

ANTI-CORRUPTION IMPLEMENTATION



CRITERION 18

Describe effective management systems to integrate the anti-corruption principle

Global Compact best practices	Solvay's best practices
Support by the organization's leadership for anti-corruption	Solvay's Code of Conduct as well as the policy on Gifts, Entertainment and Anti-Bribery has been approved by Solvay's Executive Committee. is strongly supported by Solvay's management.
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees	In 2013, a groupwide training program on corruption and bribery will be reinforced targeting the employees that might be exposed to corruption risks.
Internal checks and balances to ensure consistency with the anti-corruption commitment	Solvay requests from its employees to obtain prior managerial approval to accept or give gifts or entertainment above a certain nominal value. Management is request to keep records of these requests and their responses.
Actions taken to encourage business partners to implement anti-corruption commitments	Solvay's Supplier Code of Conduct expressly states that Suppliers shall not engage in or tolerate any form of corruption, bribery, extortion or fraud. Suppliers shall not offer any gifts or other benefits to Solvay employees that could improperly influence the Solvay employee.chain.
Management responsibility and accountability for implementation of the anti-corruption commitment or policy	Solvay has a compliance organization under the leadership of the Group General Counsel in place to enhance a groupwide ethics and compliance-based culture to ensure compliance with applicable laws and regulations and compliance with Solvay's Code of Conduct, values and corporate policies. The compliance officer report directly to the Group General Counsel.
Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice	Solvay has a "Speak Up" program to encourage its employees to report when they are faced with concerns or ethical dilemma's. Solvay encourages its employees to discuss these issues in the first place with their managers or dedicated internal organization. Solvay has also installed an external reporting ethicsline, hosted by a third party for reporting concerns and sealing advice. Speak Up is being deployed in the majority of the countries in which Solvay is active but not yet in all countries due to the regulatory concerns.
Internal accounting and auditing procedures related to anticorruption	Auditing on corruption or any other form of fraud is part of the mission of Solvay's internal audit function.



CRITERION 19

Describe effective monitoring and evaluation mechanisms for the integration of anti-corruption

Global Compact best practices	Solvay's best practices
Leadership review of monitoring and improvement results	On an annual basis a Compliance report will be issued to the Board of Director.
Process to deal with incidents	Any report or request for advice will be dealt with by the dedicated compliance organization. In 2012, 18 reports were registered through the Speak Up campaign, all 18 reports were further investigated.
Public legal cases regarding corruption	Solvay has nothing to report. See also <i>Solvay Annual Report</i> , pp. 138-140
Use of independent external assurance of anti-corruption programmes	Solvay is a member of Transparency International Belgium and works closely together with various non-financial rating agencies.

ANTI-CORRUPTION IMPLEMENTATION



CRITERION 20

Describes key outcomes of integration of the anti-corruption principle

Global Compact best practices	Solvay's best practices
Outcomes of assessments of potential areas of corruption, where appropriate	Risk assessment is a work in progress.
Outcomes of mechanisms for reporting concerns or seeking advice	Any report or request for advice will be dealt with by the dedicated compliance organization. In 2012, 18 reports were registered through the Speak Up campaign, all 18 reports were further investigated.
Indicators Human Resources procedures supporting the anti-corruption commitment or policy	<i>Solvay SD report 2012, page 97-99</i>
Disclosure of main incidents involving the company	<i>Solvay SD Report 2012, page 97</i>

VALUE CHAIN IMPLEMENTATION



CRITERION 21

Describes implementation of the Global Compact principles in the value chain

Global Compact best practices	Solvay's best practices
Analysis of sustainability risks, opportunity and impact in the value chain, both upstream and downstream	Supply Chain and Manufacturing Risk in production units is Solvay's exposure to risks with raw material, suppliers, production and storage units and transportation, such as risks of major equipment failure or damage, transportation accidents, drastic shortages of raw materials or energy, natural disasters or transportation strikes. <i>See Solvay Annual Report 2012, p. 131-132</i>
Policy on value chain, including a policy for suppliers and subcontractors	Solvay has recently developed a specific Supplier's Code of Conduct that will be gradually deployed amongst all its suppliers and sub-contractors.
Communication of policies and expectations to suppliers and other business partners	The Procurement Function continues to implement long-lasting and responsible relationships with their suppliers, via information campaigns, regular interactions, training, evaluations and innovations, in-line with socially and environmentally responsible principles established by Solvay Way. <i>Solvay SD Report 2012, p. 123</i>
Monitoring and assurance mechanisms (e.g. audits/screenings) for compliance in the value chain	Since 2012, Solvay is taking part in a new collaborative initiative for the Chemical sector regarding the assessment of the CSR performances of suppliers: "Together for Sustainability". These assessments will be made on the basis of standardized criteria and tools for supplier sustainability audits in which human rights issues will be addressed. The participants to this initiative will share the supplier sustainability assessments and audits data. Nevertheless, the participants will keep responsibility for their own operations. <i>Solvay SD Report 2012, p. 23</i>
Awareness-raising, training and other types of capacity building with suppliers and other business partners	The Group wishes to involve its suppliers in relationships of trust, based on shared ethical principles established with the goal of creating sustainable value for all. Sustainability is an integral part of the Solvay Group strategy. The Solvay Way Corporate Social Responsibility is integrated into the Solvay Purchasing Process. Solvay is committed to: <ul style="list-style-type: none"> • Define prerequisites and integrate them into the supplier selection process • Evaluate buyer's CSR performance • Manage and assess supplier's CSR performance, optimizing relationships. <i>Solvay SD Report 2012, pp. 12, 123</i>

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 <i>Solvay Annual Report 2012</i> .
Countries where the organisation operates, with either major operations or operations that are specifically relevant to sustainability	See <i>Solvay Annual Report 2012</i> , p 139.
Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	See <i>Solvay Annual Report 2012</i> .
Primary brands, products, and/or services	In the <i>Solvay website</i>
Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.)	Sustainable development part of the <i>Annual Report 2012</i> <i>Solvay SD Report 2012</i>



CRITERION 23

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 and UN Global Compact is used in <i>Solvay SD Report 2012</i> , pp. 126-131
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 for the previous 2-3 years	This is usually the case for the KPIs selected and reported by Solvay. See the <i>Sustainability indicators 2010</i> .
Board, where permissible, approves COP and other formal reporting on corporate sustainability	To be implemented.
Relevant sustainability information from COP is included in annual financial report and fillings	<i>Solvay Annual Report</i> includes information relating to sustainability issues.

VERIFICATION AND TRANSPARENCY



CRITERION 24

Independently verified by a credible third party

Global Compact best practices	Solvay's best practices
Accuracy of information in COP is verified against assurance standard (e.g. AA1000, ISAE 3000)	<p>To ensure the reliability and credibility of its extra-financial reporting, Solvay commissioned Ernst & Young Company Auditors (E&Y) to audit and ensure the reliability of key elements of its Sustainable development reporting system.</p> <p>In addition to the audit elements of previous years, E&Y certified the data consolidation in 2012. Indeed, E&Y verified the processes for energy, greenhouse gas, and environmental emissions. Also, E&Y certified the information of the Product Portfolio (SPM) presented in the <i>SD Report 2012</i>, pp. 39-43.</p> <p>See also <i>Solvay SD report 2012</i>, p. 30-31, pp. 132-133</p>
Accuracy of information in COP is verified by independent auditors (e.g. accounting firm)	<p>Assurance report</p> <p>See also <i>Solvay SD report 2012</i>, p. 30-31, pp. 132-133</p>
Content of COP is independently verified against content standards (e.g. GRI Check)	Solvay will use the new GRI.4 frame for reporting.
COP is reviewed by a multi-stakeholder panel or by peers (e.g. Global Compact Local Network)	To be discussed.

NOTES

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