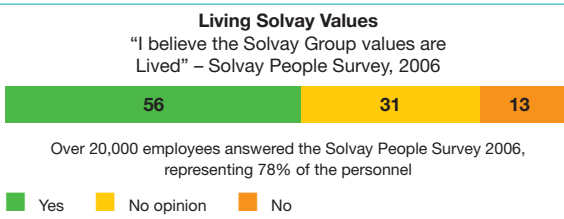


4 Practical application of ethics and Values

4

Strategy

- Ensuring that relationships between employees are founded on trust, courtesy and mutual respect, with application of the five Solvay Group Values: ethical behavior, empowerment, respect for people, customer care, and teamwork.
- Shaping work relationships in accordance with the new Code of Conduct.



The Group's five Values underlie all of the processes for Human Resources management, in recruitment and annual employee appraisals, for example. In late 2007, 80% of the employees in Europe, NAFTA, Mercosur and Asia had taken part in the internal "Living the Values" seminar aimed at encouraging application of the Values and ensuring they are completely adopted by each person, with interactive workshops in each local language. The participants reacted positively, as is evidenced by the responses to feedback requests. In the previous year, the internal Solvay People Survey had shown 80% of the respondents saying they were familiar with the Group's five Values, and 56% considered that the Values really "lived", 13% holding the opposite opinion.

The new Code of Conduct is being applied to relationships at work. It was updated in 2006 in close collaboration with the employees' representatives, and is based on respect for the law, humanity, loyalty, equity and responsibility. It draws on documents of international renown, such as the Universal Declaration of Human Rights, the Convention on the Rights of the Child and various other agreements.

The new Code of Conduct lays down practical and precise rules, and applies to all aspects of work relationships, including respect for private life, equal opportunities and non-discrimination. It includes relationships with suppliers and customers, human rights, rights of children and commercial ethics. Training is provided for each person, to encourage all employees to apply the Code of Conduct, and violations of the Code can lead to the application of penalties

Targets for 2012

- Completing (by 2008) the "Living the Values" training program.
- Applying the Code of Conduct systematically.
- Strengthening the legal training of all relevant employees.



Solvay Química's program "Direção em Boas Mãos" awards the best truck drivers suppliers



In 2007, the Executive Committee adopted a plan ("One Group, One Code, One Path") for all members of the personnel to be trained in the Code of Conduct.

Anticompetitive practices: learning from the past as a basis for the future

"Solvay activities must comply strictly with the laws in force regarding competition. The Group expects its employees to scrupulously respect this policy and also the accompanying recommendations." (excerpt from the Code of Conduct)

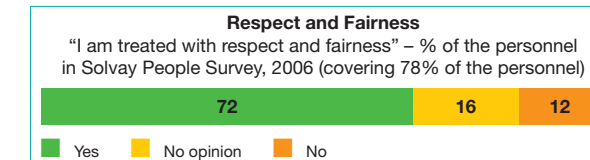
The Solvay Group has been punished heavily a number of times for participating in the past in agreements on prices. In 2006, the European Commission ordered seven European producers of hydrogen peroxide, including Solvay, to pay fines with a total value of 388 million euros. Quite separately, Solvay had to pay a fine of 35 million euros in the United States. Such situations are unacceptable and must not, in any circumstances, be allowed to recur. A legal training program (Online Competition Awareness Program) on the Intranet gives Group employees access to practical lines of behavior in order to avoid engaging in illegal practices. The Legal Affairs Competence Center has designated "Compliance Sponsors" in each of the Regions.

5 Equity, diversity and non-discrimination

5

Strategy

- Throughout the Group, fixing remuneration based on objective and fair systems (such as the Hay system), thus ensuring the total payment is related to the content of each job.
- Ensuring equitable career development for each occupational category, based on a "skills dictionary" and clearly described "families" of jobs.
- Applying rules set by the Code of Conduct for non-discrimination and equitable treatment.
- Appraise how the employees perceive the policy of non-discrimination and equitable treatment.



The Group applies its non-discrimination policy - covering race, sex, religious convictions, nationality and opinions - universally. Recruitment is on the basis of the candidates' skills and abilities.

Each employee is remunerated according to that person's responsibilities and conditions in the local market. For supervisory staff, there has been a comprehensive classification into job "families" since 2004. Use of these "families" enables a more focused management of human resources. This approach makes clear the functions involved in each occupation by relating it to its key tasks and responsibilities, and also to the skills and abilities required. The existence of career ladders linked to job "families" ensures transparency for all the supervisory staff, and greater internal equity. These career ladders are validated using the Hay method of job evaluation, which makes possible comparisons with the market. These systems apply to all Solvay staff members, including those in joint ventures where Solvay owns the controlling majority.

In addition, comparative studies (benchmarks) are carried out in the employment markets to ensure that the Group is an attractive employer, while remaining competitive. The comparative studies relate to both the levels of the jobs and the total remuneration associated with them.

Female employees account for 10% of the total personnel in the Group. The proportion of managerial posts ("supervisory staff") held by women is also 10%.

Solvay takes care to ensure that all employees have access to possibilities for lifelong education and training, whatever their age

Career management

Solvay undertakes to offer everyone a sequence of development experiences that will maximize their potential in terms of productivity, satisfaction and engagement. This approach applies even when development does not necessarily mean promotion, to ensure that each employee is motivated, encouraged and given every opportunity to use his or her talents.

Career management includes consideration of the present and future needs for Solvay activities, and also of the employees' aspirations. This is done through two distinct procedures: succession planning and career development.

Career management is linked with workforce planning, performance and development appraisal, training, development of key competencies and adherence to the Group Values.

Employability is another fundamental objective in the policy for training and development. This is aimed at facilitating internal or external redeployment in the event of a business upheaval, and avoiding the need for early retirement.



Targets for 2012

- Providing each employee with information on his or her total remuneration package and on his or her position relative to the relevant market.
- Increasing cultural diversity wherever possible in recruitment, and in the levels with greatest responsibility..
- Encouraging the employment of older employees, following a detailed study.