

Human Resources policy

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Strategy

- Applying policies on Human Resources similar in all our management units.
- Applying the general policy of Growing our People to Grow our Group, through six specific policies.

Growing our People to Grow our Group: Six priority policies

1. Taking account of the Group's five Values.
2. Identifying Human Resources (HR) needs, in terms of both quality and quantity.
3. Providing all supervisory staff with training through the Solvay Corporate University.
4. Ensuring all the supervisory staff use the HR "tools" and models.
5. Managing HR processes and using a single information-management system.
6. Ensuring excellent performance in HR departments.

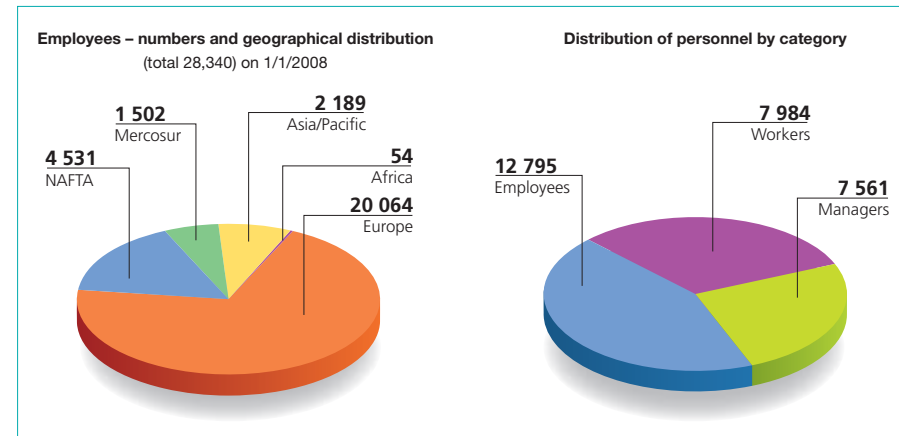
YES! This is a program that encourages the children of employees to visit a foreign country, staying with the family of another Group employee. The child will learn something of another culture and of a new language. YES! is intended to give practical effect to the Group's multicultural character in an occupational and family setting.

Human Resources management has embarked on an episode of major transformation guided by the simple principle of Growing our People to Grow our Group. This perspective is underpinned by formal policies in the areas of:

- organizational performance management;
- personnel and competence planning ;
- recruitment;
- training and development;
- career management;
- international mobility;
- individual performance management;
- job "families" and career ladders;
- total remuneration package;
- social management-worker relationships.

The Renaissance plan aims at enabling this transformation to be carried out efficiently and cost-effectively, and the process will last until 2010. It will implement all the above mentioned policies and ensure they are compatible, drawing on an integrated management system, and the Connect IT system will be common to all.

With regard to organizational performance management, the Group is making use of a network of experts (Business Performance Improvement Managers) who provide their expertise as facilitators. It is also supplying appropriate methods to help the managers improve management processes at all levels (sites, Strategic Business Units, Sectors, Functional Directions, etc.) ■



Targets for 2012

- Strengthening employee engagement to the company and the way it operates at its current high level (≥ 75%) as measured by Solvay People Surveys.
- Carrying out the program to reorganize the main Human Resources management processes (« Renaissance »), and establishing an integrated data-management system (2010).
- Introducing indicators regarding the development of employee skills.
- Making use of the job "families" throughout the Group.
- Identifying staff skills and abilities, and the forecasted needs.
- Strengthening the employee training and development programs.

Industrial relations, and the management of restructuring

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Strategy

- Seeking dialogue with the employees, and being honest and transparent in discussions with personnel representatives.
- When activities are being restructured, encouraging internal reallocation; carrying out mass redundancies only when accompanied by a compensation plan; making use of early retirement as a last resort.
- In our dealings with subcontractors, complying with the Code of Conduct and the Charter in this area.

With respect to industrial and social relations, dialogue comes within the scope of the collective employee representations, wherever such representation exists as a response to national laws, and where our employees have designated their representatives. While such dialogue is considered fundamental, particularly with regard to thoughts on the company's continued existence and performance in the context of overall Sustainable Development, it is not Solvay's role to organize collective employee representation going beyond legal prescriptions. It should be noted that, up to now, Solvay is not involved in any dispute relating to the right of association. Freedom of association is intrinsic to the Group's Values. It may be mentioned that the employee turnover rate in the Solvay Group is particularly low.

A very active European Works Council has been operating since 1996, in application of a European Union Directive. In collaboration with Group Management, this drew up a first Charter relating to employee health and safety, a second Charter concerning guidelines on social policy in joint ventures, and a third Charter defining rules of practice in relation to subcontracting.

The European Works Council's permanent working group on Sustainable Development started operating in 2005. It enters into discussions with Group management on such matters. At the request of customers, the pharmaceutical production sites at Weesp and Olst (in the Netherlands) carried out their own assessments in 2004, using a social responsibility schedule reflecting guidelines (OECD, UNO and ILO) recommending how multinational companies should conduct themselves.

Solvay devotes considerable resources to managing restructuring. There is financial compensation, accompanied by internal mobility programs, outplacement services and retraining courses.

In recent years, restructuring has mainly concerned the 2005 sale of our polyolefins activities in Europe and of the industrial (plastic) sheets business to Renolit, closure and conversion of the production facilities at Ebensee (in Austria) and acquisition of the pharmaceutical company Fournier in 2006. There has also been the recent restructuring of our fluorinated products activities, as a response to competition from emerging countries and regulatory restrictions on these products. Everything possible is done to minimize adverse social effects, including early retirements and reassignments of staff to different jobs or different sites. Each situation is handled on an individual basis ■

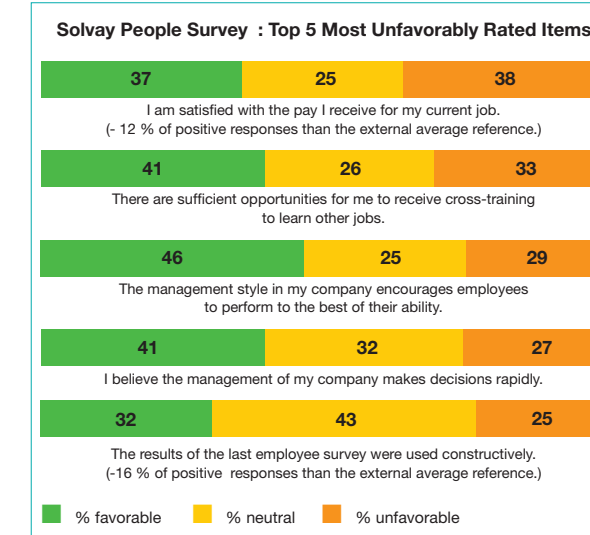
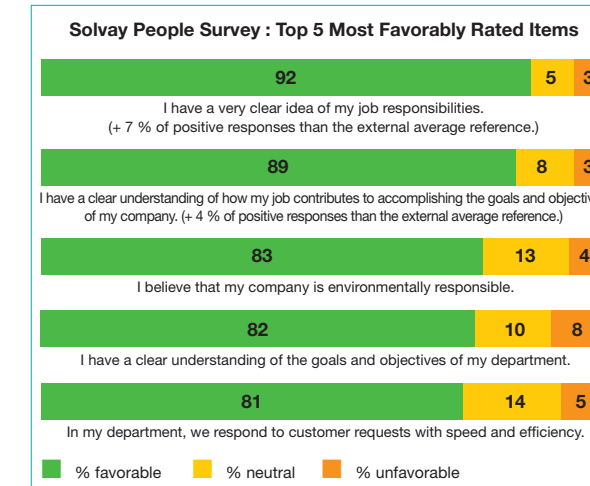
Solvay People Survey: a worldwide opinion survey carried out among all the employees

In November 2006, the third Solvay People Survey was carried out, assessing employees (all personnel in consolidated Group companies) opinions on working conditions, to create the basis for a continuous improvement process.

Over 20,000 members of staff (nearly 78%) replied, which is six percentage points higher than in 2003. The response rate exceeded 90% at over 40 sites, which constitutes much higher participation than found in similar international surveys. All the management units communicated the results to their own personnel and worked out their own improvement plans. The improvement proposals were consolidated, and their implementation is being monitored.

Targets for 2012

- Strengthening the quality of social dialogue with the employees and their representatives.
- Monitoring the improvements decided on following the 2006 Solvay People Survey, and carrying out another survey in 2008-2009.



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