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BISTÅNDSNÄMND

# Industri all

## Global Framework Agreements

**Industri all** Global Framework Agreements give us the ideas about the following points:

- How to improve the existing collective agreement.
- Topic and agenda for social dialogue between union and management.
- Contents and policy for corporate social responsibility (CSR) for company.
- Preconditions for democratic and sound labor relations at workplace.

## IndustriALL Global Framework Agreements

**IndustriALL Global Union** represents 50 million workers in 140 countries in the mining, energy and manufacturing sectors and is a new force in global solidarity taking up the fight for better working conditions and trade union rights around the world. **IndustriALL** challenges the power of multinational companies and negotiates with them on a global level. **IndustriALL** fights for another model of globalization and a new economic and social model that puts people first, based on democracy and social justice.

**FNV Mondiaal** is an international arm of FNV (the Federation of Dutch labour Movement). FNV is the largest trade union national centre in the Netherlands with 1.2 million members.

**LO-TCO** is an international cooperation committee working for LO and TCO in Sweden. LO is the largest trade union national centre representing with 1.5 million members in Sweden. TCO is another trade union national centre representing professional employees with 1.2 million members.

**This book is published with the sponsorship of FNV Mondiaal and LO-TCO as part of the IndustriALL Union Building Project.**

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## Introduction on the Global Framework Agreements

### Briefing on International Trade Union Movement

International trade union movement has two pillars. The first pillar is the International Trade Union Confederation (ITUC) and the second one is the Global Union Federations (GUFs). ITUC was established in November 2006 through the merger between the International Confederation of the Free Trade Unions (ICFTU) and the World Confederation of Labour (WCL). Now, ITUC has 325 affiliates in 161 countries, with a total membership of 176 million workers.

The Global Union Federations (GUFs) are international umbrella unions at sector or industry level. There are 9 Global Union Federations as follows:

- **IndustriALL Global Union**
- **BWI (Building and Woodworkers International)**
- **EI (Education International)**
- **IFJ (International Federation of Journalists)**
- **ITF (International Transport Workers' Federation)**
- **IUF (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations)**
- **PSI (Public Services International)**
- **UNI Global Union**
- **IAEA (International Arts & Entertainment Alliance)**

ITUC is an international umbrella union which is affiliated with national centres of trade unions. GUFs are international umbrella unions which are affiliated with industrial/national unions or industrial federations. Of course, IndustriALL Global Union is one of nine Global Union Federations.

### What is Global Framework Agreement

Global Frame Agreement is a kind of "collective agreement" made between Global Union Federation and multinational company (MNC). Global Frame Agreement is called as another name of International Framework

Agreements (IFAs). The main purpose of Global Frame Agreement is to strengthen trade unions' capacity to bargain and organise within multinational companies.

Global Framework Agreements (GFAs) serve to protect the interests of workers across a multinational company's operations. Global Framework Agreements are negotiated on a global level between trade unions and a multinational company. They put in place the very best standards of trade union rights, health, safety and environmental practices, and quality of work principles across a company's global operations, regardless of whether those standards exist in an individual country. IndustriALL prioritizes establishing, monitoring and improving GFAs with multinational companies.

IndustriALL signs Global Framework Agreements in concert with an affiliate or affiliates in the multinational company's home country. Global Framework Agreement does not supplant collective bargaining at a particular worksite, but rather assures that high standards are consistently met in the areas of human rights, trade union rights and health, safety, environmental practices wherever a company has operations.

While there are more than 100 Global Framework Agreement made between Global Union Federations and multinational companies, IndustriALL has existing GFAs with the following 44 multinational corporations: Aker, AngloGold, BMW, Bosch, Brunel, Daimler, EADS, EDF, Electrolux, Endesa, Enel, Eni, Evonik, Ford, Freudenberg, GDF Suez, GEA, Indesit, Inditex, Lafarge, Leoni, Lukoil, MAN, Mann + Hummel, Mizuno, Norsk Hydro, Norske Skog, Petrobras, Prym, PSA Peugeot Citroën, Renault, Rheinmetall, Rhodia, Röchling, Saab, SCA, Siemens, SKF, Statoil, Umicore, Vallourec, Volkswagen, ZF.

While the contents of each Global Framework Agreement are different and diverse among each other, there are common topics and agenda for all the Global Agreements as follows.

- **Freedom of association and the right to organise**
- **The right to collective bargaining**
- **Guarantee of union activities at workplace**

- **No child labour**
- **No forced labour**
- **No discrimination in employment and occupation**
- **Guarantee of living and decent wage, not "minimum" wage**
- **Health and safety at workplace**
- **Good working conditions**
- **Good work hours (no excessive overtime work)**
- **Provision of job training**
- **Environmental protection**

#### **How to utilize Global Framework Agreements**

If your plant belongs to a multinational company who made the Global Framework Agreement with Global Union Federations, you need to compare the situation of your workplace with the Global Framework Agreement and to monitor whether the Global Agreement is properly implemented or not. If you find any problem in implementing the Global Agreement, you must report to IndustriALL through your umbrella union such as an industrial federation or a national union. It is important to keep in mind that Global Framework Agreements can be and must be applied to suppliers, contractors and subcontractors where precarious workers (contract and agency workers) are working. Therefore, you need to check the situation of those business partners of your local company by using the Global Framework Agreement.

Even in case your company does not sign the Global Agreement with Global Union Federations, Global Framework Agreements can be useful for your union activities at workplace. Global Framework Agreements provide you with the main topics and agenda for collective bargaining. So, you need to compare the Global Agreements with your collective agreement. And you need to find strong points and weak points of your collective agreement in comparison with Global Framework Agreements. You can supplement your collective agreement by inserting good points of Global Framework Agreements. Also, you can utilise the main contents of Global Framework Agreements for your dialogue with employers. The main contents can be good topics and agenda for social dialogue

between management and union. Nowadays, many companies are developing their own CSR (corporate social responsibility) policy. It can be said that Global Framework Agreements provide the key components of CSR policy for your company. We strongly believe that the full implementation of Global Framework Agreements are the first step to establish democratic and healthy labour relations at workplace.

Finally, it is important that you can utilize Global Framework Agreements as educational and organizing means by organising study circles for your workers with this book. We hope this book is widely used for worker education and union training by giving basic understanding on workers' rights and union activity to be guaranteed at workplace.

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Agreement  
between  
Fellesforbundet/ Tekna / Nito /  
**Industri all** GlobalUnion and  
Aker ASA

on a Global Framework Agreement for the development  
of good working relations  
in companies that are part of Aker

## 1. PREAMBLE

This agreement has been concluded between Aker ASA, Fellesforbundet (The Norwegian United Federation of Trade Unions), Tekna, Nito and IndustriALL Global Union.

This agreement reflects Aker's commitment to respect basic human and trade union rights in the community, acknowledging the fundamental principals of human rights as defined in the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work and the OECD guidelines on Multinational Companies. The parties also commit themselves to achieving continuous improvements within the areas of working conditions, industrial relations with the employees of Aker, health and safety standards at the workplace and environmental performance.

This agreement relates to all companies that are part of Aker, i.e. companies that have Aker ASA as the leading shareholder. Aker ASA will use its shareholder influence to secure compliance with the standards set out in this agreement. While Aker ASA cannot take legal responsibility for its subsidiaries and other third party business associates, Aker ASA will notify the companies concerned of this agreement and use its influence also with them in order that they adhere to the standards set out in this agreement.

Non compliance with these standards will ultimately result in sanctions and potential termination of contractual relationship.

## 2. CONDITIONS OF EMPLOYMENT

The parties underline the fact that they respect fundamental human rights and trade union rights, both in the community and at the workplace.

Within the company's own field of business the top manager for each business unit is responsible for ensuring that the following minimum rules and ILO conventions are complied with:

### a) Freedom of association and collective bargaining

Aker acknowledges all workers right to form and join trade unions of their own choice. These unions shall have the right to be recognised for the purpose of collective bargaining in conformance with ILO conventions 87 and 98. Workers' representatives shall not be subjected to any discrimination and shall have access to all necessary workplaces in order to carry out their duties as representatives (ILO convention 135 and Recommendation 143). The employer shall take a positive attitude to trade union activities, including organising, through neutrality.

### b) Discrimination

Equality of opportunity and treatment shall be guaranteed regardless of ethnic and cultural origin, gender, religion, political conviction, nationality, sexual orientation, disability or other irrelevant factors (ILO conventions 100 and 111). Aker wish to apply and promote practices beyond what is legally required and to fight intolerance of difference and to ensure respect for the personal lives of employees.

### c) Forced labour

Forced labour, including slave and penal labour shall not be used (ILO conventions 29 and 105). Neither shall employees be required to pay any deposits, or leave their identity papers, unless required by national or regional authorities due to security reasons or procedures.

### d) Child labour

Child labour shall not be used. Only workers over the age of 15 may be employed. Hazardous work may only be performed by workers over legal school age or the age of 18 (ILO conventions 138 and 182). If this commitment is violated by Aker, the company will ensure that adequate educational opportunities and adequate interim financial support will be given.

### e) Health & Safety

The parties believe that every employee has the right to a healthy and safe working environment (ILO conventions 155 and 167). Aker is committed to providing this. To achieve industry best practice

the company will involve and work with the employees, their representatives and trade unions, to continually improve the company's health and safety performance, in compliance with ILO guidelines for occupational Health Managements systems. All workers shall be given training on occupational hazards and their prevention. The aim related to health and safety is to eliminate work-related accidents and injuries throughout the facilities of Aker.

**f) living wages**

The standards for living wages are usually dictated by national law. Wages and benefits paid for a standard working week shall at least be sufficient to cover the basic needs of the worker and his or her family. In no circumstances can wages and benefits be less favourable than those established by national legislation or collective bargaining agreements.

All employees shall receive clear information in writing about the wage scales and deductions from pay before they are employed. Deductions shall not be made from wages as a disciplinary measure. Information regarding pay and deductions should be provided to employees each time wages are paid, and these should not be changed other than by written consent of the individual worker or by collective agreement unless the deduction is made under national law in which case the employee will be informed prior to any such deduction.

**g) Employment conditions**

Aker recognises that its employees are key to its success. Aker is therefore committed to ensuring that both permanent, part time employees and hired-in personnel are treated fairly. Aker recognises that permanent employment is preferable to both parties, and will not use hired-in personnel, part-time and temporary employment to undermine wages and working conditions.

The parties acknowledge that hired-in, part-time and temporary workers occasionally are necessary, and that effective use of such allows Aker to quickly adapt to changing conditions, thereby increasing job security and predictability and permanent employment.

Where hired-in personnel, part-time and temporary employees are used they will receive the necessary training to carry out their function in a safe manner.

**h) Working hours**

Aker actively supports the creation of an appropriate balance between work and life outside work.

Working hours shall comply with appropriate national legislation, national agreements and industry standards. Overtime shall be done voluntarily, shall not be demanded on a regular basis, and shall always be remunerated at a premium rate in accordance with national legislation or collective agreement.

**i) HIV/AIDS**

Aker undertakes to raise awareness of the HIV/AIDS problem and of the prevention programme in compliance with the ILO HIV/AIDS code of practice.

**j) Environmental issues**

Aker ensures that its activities in the best way possible are carried out with the fullest regard for the environment, including taking a precautionary approach to environmental challenges.

**k) Skills Training**

All employees shall have the opportunity to participate in education and training programmes, which are conducted at the respective plant, including training to improve workers skills to use new technology and equipment.

Employee representatives should be involved in designing education and training programs.

**3. IMPLEMENTATION**

- a) Aker will ensure that appropriate translations of the agreement are available at all companies and for all employees. The agreement will also be made public on Akers web site and relevant intranets. This should be done within 90 days of signing the agreement.

- b) Both parties accept that effective local monitoring of this agreement must involve the local management, the workers and their representatives, health and safety representatives and local trade unions.
- c) The workers representatives will be given access to the resources necessary for their involvement in the implementation and monitoring process. The company will ensure that local representatives are provided with information, access to workers, and rights of inspection necessary to effectively monitor compliance with this agreement.

#### 4. INFRINGEMENTS OF THE AGREEMENT

In the event of a complaint or an infringement of the agreement the following procedure will normally apply:

- a) Firstly, the complaint should be raised with the local site management.
- b) If the complaint is not resolved with local management, it should be referred to the appropriate national union who will raise the issue with the company's regional president.
- c) If still unresolved, the complaint will be referred to Aker's Chief Shop Steward who will take the issue to Aker's Chairman and CEO.
- d) Ultimately, if still unresolved, the complaint will be referred to a monitoring group, consisting of an equal number of (company) management and union (including IndustriALL) representatives (3+3). In case of deadlock, arbitration will be handled by the ILO or a neutral party agreed upon by (company) management and the union side.
- e) After this process has been exhausted failure to reach a consensus will mean a termination of the agreement.

#### 5. ANNUAL REVIEW

Each of the signatories to the agreement can ask for a meeting when deemed necessary in order to review the principles, practice,

effectiveness, and impact of the agreement. The aim shall be to exchange views regarding the current situation, and jointly develop further good working relations in Aker. As a minimum, such meetings will be held at least every second year.

At these meetings leading IndustriALL/Fellesforbundet/Tekna/Nito representatives, the Chief Shop Steward and deputy shop steward of Aker and representatives of Aker Corporate Management will participate.

The original English version of this agreement will apply in all parts and to all interpretations of the agreement.

#### 6. INFORMATION

Fellesforbundet/Tekna/Nito/IndustriALL will distribute copies of this agreement to all its member unions that organise employees in Aker companies world wide, and broadly publicise the existence of the agreement.

Likewise, Aker will distribute copies of this agreement to all Aker companies and make it easily available to their partners and contractors.

#### 7. ADMINISTRATION AND INTERPRETATION

Fellesforbundet, Tekna, Nito, IndustriALL and Aker are responsible for the administration of this agreement.

Questions regarding the interpretation of the agreement shall be resolved in accordance with the procedure jointly agreed to by the parties in point 4 above.

The provisions of this agreement represent minimum standards applicable to all Aker operations, and should be improved where possible.

#### 8. DURATION AND RENEGOTIATION

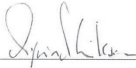
This agreement is applicable for an indeterminate duration if not cancelled or asked renegotiated by one of the parties. Cancellation or

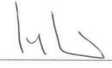


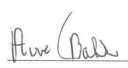
renegotiation must take place with a notice of at least 6 months, and shall be followed by mandatory negotiations initiated by the company.

Oslo 17.12.2012

## BASIC PRINCIPLES OF SOCIAL RESPONSIBILITY AT BOSCH

  
Aker ASA

  
IndustriALL

  
Fellesforbundet

  
Tekna

  
Nito

## Preamble

The assumption of responsibility for society and future generations has a long tradition at Bosch. In the early days of the company, Robert Bosch pioneered the launch of welfare programs for associates and their families; in non-business areas, too, he played an active philanthropic role. Today, the Robert Bosch Foundation promotes health care, international understanding, welfare, education and training, art, culture, and science.

Combining the pursuit of economic objectives with consideration for social and environmental factors is a priority at Bosch. We accept that our actions must accord with the interests of society. Above all else, we place our products and services in the interests of the safety of people, the economic use of resources, and environmental sustainability.

In the following declaration, the Board of Management of Robert Bosch GmbH and the associate representatives affirm their commitment to common principles of social responsibility. The principles described in the following take their lead from the basic labor standards of the International Labor Organization (ILO).

### 1. Human rights

We respect and support compliance with internationally recognized human rights, in particular as regards those of our associates and business partners.

### 2. Equal opportunities

We uphold and affirm equal opportunity among our associates, regardless of the color of their skin, race, gender, age, nationality, social origin, handicap, or sexual preference. We respect the political and religious convictions of our associates as long as they are based on democratic principles and tolerate those of different persuasions.

### 3. Integration of handicapped people

In our view, handicapped people possess equal rights as members of society and business life. Encouraging them, integrating them

into the enterprise, and working with them in an atmosphere of cooperation are pivotal elements of our corporate culture.

### 4. Free choice of jobs

We reject forced labor of any kind and respect the principle of freely chosen employment.

### 5. Rights of children

We condemn child labor and respect the rights of children. All enterprises in the Bosch Group will adhere to the stipulations of ILO Convention no. 138 and no. 182.

### 6. Relations with associate representatives and their institutions

We recognize the fundamental right of all associates to form trade unions and to join these trade unions of their own free will. Associates will neither receive undue advantage nor suffer any disadvantage as a result of their membership in trade unions.

Within the framework of respective legal regulations – insofar as these are in harmony with the ILO Convention no. 98 – we respect the right to collective bargaining for the settlement of disputes pertaining to working conditions, and endeavor together with our partners to work together in a constructive manner marked by mutual confidence and respect.

### 7. Fair working conditions

Our remuneration and social benefits conform at the very least to national or local statutory standards, provisions, or respective agreements. We observe the provisions of ILO Convention no. 100 with respect to the principle of "equal remuneration for work of equal value". We comply with national provisions regarding working hours and vacation.

Any associate may complain to their respective line manager or senior management if they believe they have been subject to unfair treatment or have suffered disadvantages with respect to working conditions. Associates will not suffer any disadvantage as a result of lodging such complaints.

## 8. Occupational health and safety

Safety at the workplace and the physical well-being of our associates has top priority. Bosch adheres at the very least to the relevant national standards for a safe, hygienic working environment and takes appropriate action within this framework to ensure its associates' health and safety at their workplace in order to guarantee working conditions which are not harmful to health.

## 9. Qualification

We encourage our associates to train to acquire skills and knowledge and to expand and enhance their professional and specialist know-how.

## 10. Environment

We can look back on a very long tradition of commitment to preserving and protecting the environment. In addition, we contribute to the further improvement of living conditions at our locations. Our basic principles of environmental protection reflect our duty toward the environment and are the basis for many initiatives which are implemented throughout the company.

## 11. Implementation

Our aim is to implement these principles throughout the Bosch Group. These principles will be incorporated into the "Management System Manual for Quality, Environment, Safety, and Security in the Bosch Group". Responsibility for their implementation lies with the senior management of the respective divisions, regional subsidiaries and company locations. Bosch will not work with any suppliers who have demonstrably failed to comply with basic ILO labor standards.

Following consultation with the respective associate representatives, associates will be informed through the proper channels about the content of the above principles.

Complaints regarding possible breaches of the above principles will be investigated; any action required will be discussed and implemented by the senior management and associate representatives responsible. The Executive Committee of the Europa Committee of the Bosch

Group will be informed about any complaints that cannot be dealt with satisfactorily at a national level. If necessary, the implementation of this declaration will be discussed at meetings between the Board of Management and the Europa Committee.

Stuttgart, March 2, 2004

Robert Bosch GmbH (F1) (F13)

Europa Committee of the Bosch Group  
(Bauer)

International Metalworkers' Federation  
(for the IMF member unions represented in the Bosch Group)

# SOCIAL RESPONSIBILITY PRINCIPLES OF DAIMLER

## Preamble

**D**aimler Chrysler acknowledges its social responsibility and the nine principles that form the basis of the *Global Compact*. In order to achieve these shared goals, Daimler Chrysler has agreed upon the following principles with the international employee representatives.

We support the United Nations' initiative and want to work with other companies and institutions to prevent the irreversible process of globalization from causing fear and alarm among the people all over the globe; we want to show the human face of globalization, among other things by creating and preserving jobs.

We are convinced that social responsibility is an important factor for the long-term success of our company. This also applies to our shareholders, business partners, customers and employees. Only then can we contribute towards world peace and prosperity in the future.

Heeding this responsibility, however, requires that we be competitive and remain so in the long term. Taking social responsibility is indispensable for a value-based company management.

The following principles, that are orientated at the Conventions of the International Labor Organization, have been implemented by DaimlerChrysler worldwide, and in establishing them, diversity in culture and social values have been duly acknowledged and heeded.

### Human rights

DaimlerChrysler respects and supports compliance with the internationally accepted human rights.

### Forced Labor

DaimlerChrysler condemns all forms of forced and compulsory labor.

### Child Labor

DaimlerChrysler supports the effective abolition of exploitative child labor.

Children must not be inhibited in their development. Their health and safety must not be adversely affected. Their dignity must be respected.

### Equal opportunities

DaimlerChrysler undertakes to uphold equal opportunities with respect to employment and to refrain from discrimination in any form unless national law expressly provides for selection according to specific criteria. Discrimination against employees based on gender, race, disability, origin, religion, age or sexual orientation is not acceptable.

### Equal pay for equal work

Within the scope of national legislation, DaimlerChrysler respects the principle of "equal pay for work of equal value", e.g. for men and women.

## Relations with employees and employee representatives

- DaimlerChrysler acknowledges the human right to form trade unions. During organization campaigns the company and the executives will remain neutral; the trade unions and the company will comply with basic democratic principles, and thus, they will ensure the employees can make a free decision. DaimlerChrysler respects the right to collective bargaining. Elaboration of this human right is subject to national statutory regulations and existing agreements. Freedom of association will be granted even in those countries in which freedom of association is not protected by law.
- Cooperation with employees, employees' representatives and trade unions will be constructive. The aim of such cooperation will be to seek a fair balance between the commercial interests of the company and the interests of the employees. Even where there

is disagreement, the aim will always be to work out a solution that permits constructive cooperation in the long term.

- It is the aim of the company to involve and inform the individual employees as directly as possible. Conduct towards and communication with employees shall be characterized by respect and fairness.

## Working conditions

DaimlerChrysler is opposed to all exploitative working conditions.

### Protection of health

DaimlerChrysler ensures health and safety at the workplace to a level no less than required by national legislation and supports the continuous improvement of working conditions.

### Compensation

DaimlerChrysler honors the right to reasonable compensation of a level no less than the legally established minimum-wage and the local job market.

### Working hours

DaimlerChrysler guarantees compliance with national provisions and agreements regarding working hours and regular, paid holidays.

### Training

DaimlerChrysler supports training of employees with the aim of good performance and high quality work.

## Suppliers

DaimlerChrysler supports and encourages its suppliers to introduce and implement equivalent principles in their own companies. DaimlerChrysler expects its suppliers to incorporate these principles as a basis for relations with DaimlerChrysler.

DaimlerChrysler regards the above as a favorable basis for enduring business relations.

## Implementation procedure

These principles are binding upon DaimlerChrysler throughout the world. For all employees, including executives, the principles will be set down in the Integrity Code and then implemented.

These principles will be made available to all employees and their representatives in an appropriate form. The methods of communication will be previously discussed with the employee representatives.

The senior managers of each business unit are responsible for ensuring compliance with these principles; they will take appropriate measures in respect of implementation. They will designate contacts to whom business partners, customers and employees can turn in case of difficulty. Any complaint brought to the managers' attention in this way shall not result in adverse consequences for the complainant.

Corporate Audit will also examine compliance with these principles in its reviews and will include them in the audit criteria.

In addition, Corporate Audit has established a general open line. This shall be the point to accept allegation of non-compliance with these principles at a decentralized level. Upon indication of violation, Corporate Audit will take appropriate action.

The corporate management will regularly report to and consult with the international employee representatives on social responsibility of the company and the implementation of these principles.

Auburn Hills, September 2002

DaimlerChrysler

for the DC World Employee  
Committee on behalf of  
the International Metalworkers  
Federation (IMF)

Jürgen E. Schrempp   Günther Fleig   Erich Klemm   Nate Gooden

# INTERNATIONAL FRAMEWORK AGREEMENT BETWEEN AB ELECTROLUX AND EMPLOYEE REPRESENTATIVES OF IF METALL, UNIONEN, IMF AND THE KFD <sup>1</sup> OF THE AB ELECTROLUX BOARD OF DIRECTORS

<sup>1</sup> KFD (*Konzernfacklig delegation*). KFD is the employee representatives on the Board of the AB Electrolux Group.

**T**he Electrolux Group is dedicated to being a responsible employer and a good corporate citizen, with products and solutions that contribute to improving people's lives around the world. We strive for continuous improvement with sustainability as a core concern in all our operations.

All our activities –including the manufacture, distribution and sale of our products –must be conducted with respect and consideration for human rights, for human safety and health and for the environment. The agreement is based on universal standards of business practice, including those of the International Labour Organization and the OECD Guidelines for Multinational Enterprises.

It is the responsibility of all employees and management to ensure compliance with this International Framework Agreement and the Electrolux Workplace Code of Conduct. In incidents of non-compliance, employees are encouraged and expected to report this to relevant internal officers or the Electrolux employee hotline, and are assured that there will be no retaliation or other negative consequences.

This International Framework Agreement contains the following provisions which are a summary of the Electrolux Code of Conduct.

#### **Workplace requirements**

The Electrolux Workplace Code of Conduct is applicable to all locations and units within the Electrolux Group, and compliance is required of our suppliers.

#### **Laws and regulations**

All Electrolux Group units, suppliers and subcontractors shall operate in full compliance with relevant laws and regulations.

#### **Suppliers and subcontractors**

Suppliers shall agree to comply with the Electrolux Workplace Code of Conduct.

#### **Child labor**

Child labor is not tolerated in any form. For authorized minors, management is responsible for providing working conditions, hours

of work and wage appropriate for his or her age and in compliance with applicable local law as a minimum. (*ILO Minimum Age Convention (No. 138) and Worst Forms of Child Labour Convention (No. 182)*)

#### **Forced labor**

Forced or involuntary labor is not tolerated in any form. (*ILO Abolition Forced Labour Convention (No. 105)*)

#### **Health & safety**

All employees shall be provided with a safe and healthy working environment and, when applicable, safe and healthy residential facilities, with applicable local law as a minimum. The employer should take appropriate action to prevent workplace accidents or illnesses.

#### **Non-discrimination**

Electrolux does not accept discrimination. All employees shall be treated strictly according to his or her abilities and qualifications in any employment decisions. (*ILO Discrimination (Employment and Occupation) Convention (No. 111) ILO Equal Remuneration Convention, 1951 (No. 100)*)

#### **Harassment and abuse**

No employee shall be subject to corporal punishment or to physical, sexual, psychological or verbal harassment or abuse. Earned wages shall not be deducted as a fine or penalty under any disciplinary practice unless regulated under a collective bargaining agreement or recognized under laws.

#### **Working hours**

Electrolux recognizes the need for a healthy balance between work and free time for all employees.

#### **Compensation**

Wages, including overtime and benefits, shall equal or exceed the level required by applicable law.



### Freedom of association & right to collective bargaining

All employees are free to exercise their legal rights to form, join, or retrain from joining organizations representing their interests as employees. No employee should be subject to intimidation or harassment in his or her peaceful exercise of these rights. The employer shall also respect the employees' right to collectively bargain. (ILO Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) Right to Organise and Collective Bargaining Convention, 1949 (No. 98).

### Environmental compliance

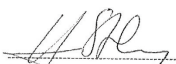
Environmental issues are a core concern for Electrolux. The Group applies a holistic approach with the objective to minimize the environmental impact from production, product use and disposal. All Electrolux Group units and suppliers shall operate in full compliance with applicable environmental legislation and Electrolux-specific requirements.

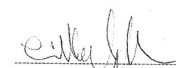
### Monitoring and compliance

Management is responsible for implementing and informing employees of their rights, duties and responsibilities under this International Framework Agreement and Electrolux Workplace Code of Conduct.

Implementation and compliance with these provisions will be reported on and discussed once per year with the employee representatives (KFO) of the AB Electrolux Board of Directors. One representative each from LO and PTK will participate in the committee monitoring compliance of this International Framework Agreement and the Electrolux Code of Conduct. The parties are always entitled to initiate discussions and reports on incidents occurred. For this purpose both parties can involve external expertise should this so be required.

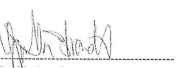
In case of substantial changes in the Electrolux Workplace Code of Conduct the KFD representatives have the right to initiate negotiations regarding this Agreement.

  
Hans Straberg  
Direktur & CEO  
Electrolux AB

  
Carina Malmgren Heander  
SVP HR & Pengembangan Organisasi  
AB Electrolux

  
Stefan Lofven  
atas nama Dewan  
Direksi IMF & Direktur IF Metall

  
Ulf Carlsson  
Ketua KFD  
IF Metall

  
Gunilla Brandt  
Anggota KFD  
Unionen

AGREEMENT BETWEEN AB  
ELECTROLUX AND EMPLOYEE  
REPRESENTATIVES OF  
IF METALL, UNIONEN, IMF  
AND THE KFD<sup>1</sup> OF THE AB  
ELECTROLUX BOARD OF  
DIRECTORS

<sup>1</sup> KFD (Koncerrorhandlings delegation), KFD is the employee representatives on the Board of the AB Electrolux Group.

**E**lectrolux Group, on behalf of all its legal entities, premises, units and managers in all world countries, and in the light of the Elcctrolux Code of Conduct, as well as in the light of the International Framework Agreement with IMF, IF Metall and Unionen, commits itself not to organise and to finance company/"yellow" Unions, not to implement or to support any Union busting activity and not to adopt initiatives capable to discourage workers from forming authentic Unions.

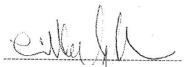
The Electrolux Group, however, will maintain all its right to act and react also versus Trade Unions organisations where these should adopt behaviours and/or actions not in line with legal and contractual rules.



Hans Straberg  
Direktur & CEO  
Electrolux AB



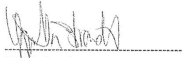
Stefan Lofven  
atas nama Dewan  
Direksi IMF & Direktur IF Metall



Carina Malmgren Heander  
SVP HR & Pengembangan Organisasi  
AB Electrolux



Ulf Carlsson  
Ketua KFD  
IF Metall



Gunilla Brandt  
Anggota KFD  
Unionen

## Text of the Global Agreement between ICEM and Eni

## AGREEMENT ON TRANSNATIONAL INDUSTRIAL RELATIONS AND CORPORATE SOCIAL RESPONSIBILITY

on the day of November 29, 2002 in Rome, between

Eni SpA

and

FILCEA-Cgil, FEMCA-Cisl, UILCEM-Uil, ICEM

the following points were agreed on:

### 1. Introduction

The growing internationalisation of the Eni Group calls for the development of a transnational outlook by the parties involved in this process.

With the European Works Council these parties have already firmly established a positive procedure for information exchange and consultation at European level. At extra-European level, the expansion of Eni makes the topic of socially responsible conduct on the part of the company all the more relevant.

With the signing of a Protocol on Industrial Relations in Rome on 22 June 2001, Eni, Filcea, Femca and Uilcem expressed their intention to conform the development of the Group's activities to fundamental ethical principles based on respect for human rights and social rights as contemplated in international conventions. To this end, the parties, in compliance with their signed commitment to seek adequate procedures for information exchange and periodical consultation with regard to the presence and expansion of Eni throughout the world and to develop a dialogue on the social and economic effects of these operations, have agreed to proceed with the formulation of the present agreement.

### 2. Principles

The signatories agree to the importance of supporting a model of corporate growth that combines the creation of value and innovation with attention to human rights and adequate standards of working conditions and safety, as well as quality of life and eco-compatible development. To this end, they have declared their commitment to work towards the cultivation of working practices capable of promoting economic and social progress.

With the present agreement, Eni confirms its commitment to respect fundamental human and social rights in all the Group's activities and to establish new ways of exchanging information on topics pertaining to industrial relations at world level, for the purpose of improving and promoting good labour practices.

Eni and its companies acknowledge the guiding principles of the “Universal Declaration of Human Rights” of the United Nations and of the fundamental Conventions of the ILO, and declare that they intend to take steps to apply these principles within the context of their activities.

In particular, they confirm:

- The right of association and negotiation (ILO Conventions No. 87 and 98). All workers are entitled to belong to trade unions of their choice and to benefit from fundamental union rights;
- Prohibition of forced labour (ILO Conventions No. 29 and 105). Forced labour is prohibited; whether it be slavery or work performed by inmates;
- Prohibition of child labour (Conventions 138 and 182). Child labour is prohibited, especially in its most strenuous forms, and the right of children to complete their development and education must be safeguarded;
- Non-discrimination in employment (Conventions 100 and 111). Workers cannot be discriminated against on account of their race, sex, religious creed, political opinions or social origin. Men and women must receive equal salary treatment for work of equal value, and the principles of equal opportunity must be applied;
- Non-discrimination against labour representatives (Convention 135). Labour representatives are not to be subjected to any type of discrimination on account of their activities in representing workers;
- Continuing efforts to improve conditions of safety and health at the workplace, including the dissemination of the positive results already achieved within the Group.

Eni reiterates its commitment to optimise and apply the Group's principles:

- **Business ethics**  
all Eni's activities at home and abroad must be carried out honestly, with integrity and in compliance with existing laws.

- **Respect for stakeholders**

Eni respects all stakeholders (employees, shareholders, customers, suppliers, communities, business and financial partners, institutions, public organizations, industry associations, trade unions, and others) with whom it deals when carrying out its business activities, in the belief that they represent an important asset for the company.

- **Protection of workers and equal opportunities**

Eni observes universally accepted labor laws and complies with the “core labor standards” contemplated in the fundamental Conventions of the ILO (International Labor Organization). Therefore the company guarantees freedom of trade union membership and the right to collective bargaining, while it repudiates all forms of forced labor, child labor and discrimination.

Eni also assures equal employment and professional opportunities as well as equal treatment based on merit.

- **Enhancement of professional skills**

Eni acknowledges and promotes the development of individual employees' skills and know-how as well as team work so that individuals can fully express their energy, creativity and potential.

- **Respect for diversity**

Eni draws inspiration for its business conduct from its respect for the cultures, religions, traditions and ethnic diversity of the communities where it operates and is committed to preserving biological, environmental, social, cultural and economic identities.

- **Respect for human rights**

Within its sphere of activities, Eni is everywhere committed to supporting the United Nations “Universal Declaration of Human Rights”.

- **Cooperation**

Eni actively contributes to the improvement of the quality of life and socio-economic development of the communities where the Group is present.

- **Protection of health and safety**

Eni guarantees the highest standards of health and safety for its employees and the communities in all the areas of the world where it operates.

- **Environmental protection**

Eni will pay the utmost attention to the environment and ecosystem affected by its business activities and draws inspiration from the goals contained in international conventions signed by Italy on sustainable development.

### **3. Implementation procedures**

#### **3.1. Monitoring and initiatives**

To ensure application of the principles and conventions referred to above, Eni undertakes to carry out adequate monitoring activities by means of its own control instruments. In the course of the annual meeting, as indicated under point 3.5, appropriate procedures may be agreed on for the involvement of local trade unions or – where these do not exist – of representatives designated by the trade unions signing the present agreement.

When information is received of situations that are out of line with or violate the agreement reached, the parties shall notify each other of the fact in timely fashion. Once the nature of the situation has been determined, Eni shall act to eliminate any anomalies, and inform the union organisations of the initiative.

With regard to activities assigned to contractors, Eni shall formulate suitable guarantees against possible violations within the framework of existing contractual relations.

#### **3.2. Affirmative action**

The parties may agree to carry out programs of affirmative action geared towards promoting fundamental human and social rights, together with good work practices; these programs may consist of activities involving information, training and research.

#### **3.3. Information**

Eni and the signatory union organisations undertake to propagate the present agreement, by publicising its existence and contents.

#### **3.4. Industrial relations**

Within the context of the principles referred to above, the parties acknowledge the importance of developing industrial relations at all levels that take into account the different socio-economic contexts in which the group operates.

In light of the above, Eni and the companies of the Group undertake, within the scope of their responsibilities, to establish a constructive relationship with union organisations and workers' representatives appointed on a democratic basis and recognised by international trade unions.

#### **3.5. Annual meeting**

In May of each year – with the purpose of promoting a system of information, consultation and dialogue with the signatory trade unions – a meeting shall be held involving the national secretariats of the FILCEA, FEMCA and UILCEM, as well as the general secretariat of the ICEM and Eni, with representatives of the competent departments for topics of their concern.

In the course of this meeting, complete information shall be provided on:

- economic-financial topics regarding the ongoing development of Eni at world level;
- current performance and future prospects of the main operating activities, focusing on the most significant geographical areas and the related figures concerning employment;
- ongoing development of the group's industrial relations in the different countries and areas where it operates, with particular attention to potentially critical situations, including the provisions agreed to under point 3.1.;
- the undertaking by Eni of actions and programs of Corporate Social Responsibility, as well as initiatives involving health and safety at the workplace.

## 4. Final provisions

### 4.1. Practices of industrial relations at local and enterprise levels

The agreement does not replace or represent an obstacle to local practices, with the parties recognising the principle according to which problems that arise between workers and their companies must be resolved at the level closest to the workplace.

### 4.2. Organisation

Eni undertakes to sustain, within the bounds of normality, the costs for the organisation of the annual meetings contemplated under point 3.5.

### 4.3. Distribution of information

With the purpose of distributing and exploiting to the fullest possible extent the contents of the agreement, existing communications tools may be utilised, including information networks.

### 4.4. Duration of the agreement

The present agreement is considered valid for two years, at the end of which it shall be revised and/or confirmed for a similar period. The parties may agree in advance to the modifications or additions to be made to its contents.

### 4.5. Management

The management of the present agreement is the responsibility of the general secretariats of the FILCEA, FEMCA and UILCEM, as well as the general secretariat of the ICEM and the Eni Personnel Department.

Eni SpA Renato Roffi

Filcea-Cgil  
Attilio Arseni

Femca-Cisl  
Sergio Gigli

Uilcem-Uil  
Romano Bellissima

ICEM  
Fred Higgs

## Text of the ICEM Global Agreement with Freudenberg



The Board of Management of the Freudenberg Group acting for all companies of the Group in which it exercises corporate leadership ("Freudenberg Group"),

and

The International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM), as well as

Industriegewerkschaft Bergbau, Chemie, Energie ("IG BCE")

Agree on the following principles for cooperation between the parties, which shall have worldwide effect.

## Preamble

This Agreement is - on the basis of long-term economic success in all companies in the Freudenberg Group - aimed at the following:

- to promote cooperation and social responsibility.
- to strengthen social dialogue as well as mutual information and joint consultations.
- to adhere to and continue to develop the required and necessary standards concerning occupational safety, health and environmental protection.

This agreement is intended to create an open level of information exchange between the Board of Management of the Freudenberg Group on the one hand and ICEM and its affiliated organisations on the other hand thereby serving as an important basis for developing labour relations in the company.

This agreement is based on the social commitment that the Freudenberg Group has towards all its employees.

### **Economic Success, Social Progress, Basic Ethical Principles**

The contracting parties agree that on the basis of cooperation geared to the long-term economic success of the Freudenberg Group they wish together to pursue job security and social justice. Even though their interests may sometimes differ, the joint efforts of the contracting parties are aimed at finding mutually viable solutions, also in case of conflicts, on the basis of appropriate dialogue.

In order to guarantee the long-term economic success of the Freudenberg Group and to fulfil its social commitments vis-a-vis its employees a successful development of all corporate functions and business groups and healthy growth are necessary.

Confidence and cooperation between management, employees and their representatives, innovation and flexibility in work organisation are the basis for the employees' future success and that of the Freudenberg Group.

The Freudenberg Group condemns involvement in unethical or illegal business. As a matter of principle no weapons or any kind of war materials similar to weapons shall be produced.

### **Labour Relations – Minimum Standards**

The relationship between employees and the Board of Management of the Freudenberg Group are marked by mutual respect, understanding and confidence. Both contracting parties confirm their support for human rights in society and at the workplace. Existing ILO agreements stipulating these minimum standards are guidelines for the Freudenberg Group. This particularly includes the following conventions banning:

- forced labour according to the definitions included in ILO Conventions 29 and 105;
- child labour according to the definitions included in ILO Convention 138;

as well as the demand to ensure

- equal opportunities and equal treatment on the job in accordance with ILO Conventions 100 and 111;
- safeguarding freedom of association and the respect for basic trade union rights in accordance with ILO Conventions 87 and 98.

### **The Role of Workers' Representatives and Trade Union Rights**

The right of the employees in the Freudenberg Group to freely join trade unions of their choice, to elect workers' representatives and to represent their interests in negotiations concerning collective bargaining agreements is acknowledged.

It is part of the cooperation and confidence between the Board of Management of the Freudenberg Group and employees that wherever the employees wish to organise themselves in trade unions and trade unions apply for recognition, ways are sought to develop good labour relations in joint dialogue. This rules out any kind of

unequal treatment, discrimination or sanctions against trade union organisation. The basis for this is the ban on discrimination against shop-floor or trade union representatives included in ILO Convention 135.

### **Ecological Progress – Occupational Safety and Health and Environmental**

#### **Protection**

Sustainable protection of the environment and natural resources is one of the aims established in the guiding principles for the Freudenberg Group. The Freudenberg Group and its family shareholders are committed to protecting the environment and being responsible corporate citizens in all states, countries and communities in which they do business. They take all possible care to ensure the safety of the workplace and of their products.

#### **Flexibility, new Forms of Work Organisation**

The Board of Management of the Freudenberg Group on the one hand, and ICEM and IG BCE on the other, agree that the long-term and sustainable economic success of the Freudenberg Group, necessary for guaranteeing jobs, depends on the individual business groups' international competitiveness and their ability to maintain and assert themselves on the world market. Every effort shall be made on the local and international level to achieve a consensus about the introduction of flexible, efficient and customer-oriented forms of work organisation. When implementing this, the needs of the employees shall be taken into account while respecting local diversity.

#### **Concluding Remarks**

In order to inform each other of the implementation of the agreement and any issues in connection with it as well as to have an exchange of experience, consultations shall take place once a year. This includes monitoring the agreement reached. Participants shall be the Member of the Freudenberg Board of Management responsible for Personnel and the General Counsel of the Freudenberg Group, a member of ICEM's Secretariat and the Head of the International Department of

IG BCE. Good examples of developing labour relations, improving occupational safety and health and environmental protection and other items particularly worthy of support can be the object of this dialogue in order to possibly utilize them in the cooperation at other corporate levels.

Both sides commit themselves to contact each other directly and immediately in case any conflicts or violations of the agreement arise, in order to seek a common solution.

ICEM will inform its affiliates about the agreement reached. Similarly the Board of Management of the Freudenberg Group will inform the Management of the business groups about this Agreement.

This Agreement enters into force with the signature of both parties and will be valid until 31 December 2001. An extension and further development in the spirit of the Agreement is intended.

This Agreement was originally signed and executed in the German language. In case of any discrepancy between this version and the German version, the German version shall prevail.

Weinheim, 18. August 2000

Freudenberg & Co. Board of Management

International Federation of Chemical, Energy, Mine and General Workers' Unions

(ICEM)

Industriegewerkschaft Bergbau, Chemie, Energie



## GLOBAL AGREEMENT ON FUNDAMENTAL RIGHTS, SOCIAL DIALOGUE AND SUSTAINABLE DEVELOPMENT

## Preamble

**G**DF SUEZ is operating according to a set of principles that reflects its values and that has been transposed in its Ethics Charter. The signatories agree to take this a step further by agreeing a set of common principles.

GDF SUEZ operates in a decentralised manner and respects local legislation, culture and practice; however, the Group expects its operations to respect the principles as laid down in this agreement. GDF SUEZ is a globally operating company split into five operational business lines Energy France, Energy Europe and International, Global Gas & LNG, Infrastructures, Energy Services and Environment. This agreement applies to all present and future GDF SUEZ companies<sup>1</sup>, employees, subcontractors and suppliers.

Where questions are not addressed by this agreement, ethical principles and goals already adopted will continue to be valid. Such principles, also supported by the signatory Global Union Federations, include:

- Full compliance with national laws and regulations as well as with international standards,
- The maintenance of a culture of integrity, trust and honesty (including a zero tolerance policy on fraud and corruption), inside the company as well as with others,
- Keeping commitments, communicating in good faith, providing full and accurate information, and
- Respect for the rights and dignity of people under all circumstances.

The parties to the agreement intend to reach additional, more specific agreements covering areas of further co-operation as well as further processes to ensure that agreements are fully respected and promoted by the negotiating partners. Subsequent agreements will specify their respective fields of application.

<sup>1</sup> Fully consolidated within the GDF SUEZ Group's scope of consolidation and those in which the Group has dominant influence.

GDF SUEZ, through its method of governance and its professional practices, undertakes to comply with this agreement and ensures that the other parties specified in the 2<sup>nd</sup> paragraph comply with it. In order to do this, the signatories provide information, create awareness and develop the necessary training. GDF SUEZ undertakes to circulate information on the agreement in the relevant languages using the most appropriate methods throughout all its sites and with its business partners in order to ensure that the agreement is understood and to encourage compliance with it. The signatory Global Union Federations pledge to disseminate the agreement to their respective affiliated unions and to make every effort to ensure that they are effectively employed to resolve conflicts and to promote co-operation and understanding.

GDF SUEZ fully supports international standards, including the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy and the UN *Global Compact*. These instruments incorporate, among others, the rights elaborated in the ILO Declaration on Fundamental Rights at Work (Freedom of Association and Collective Bargaining, conventions 87 and 98; Discrimination, conventions 100 and 111; Forced Labour, conventions 29 and 105; Child Labour, conventions 138 and 182) and convention 94 concerning Labour Clauses in Public Contracts. The parties agree that the principles contained in all of the listed instruments are considered to be part of this agreement.

## CHAPTER 1

### A SOCIAL PROJECT TO SUPPORT SUSTAINABLE EMPLOYMENT

#### 1.1 Ensuring equal opportunities and treatment

GDF SUEZ fully supports equal opportunities and equal treatment of all employees, male or female – regardless of age, origin, nationality, religion, culture or political or sexual orientation. It is agreed that this policy will be in accordance with the principles of ILO Conventions 100 and 111.

#### 1.2 Respect for Trade Union Rights

There is agreement on full respect for trade union rights based on the principles in ILO Conventions 87, 98, and 135. The rights of workers who wish to form or join trade unions are to be respected and there shall be no discrimination against such workers or against trade union or other employee representatives. To ensure transparency, GDF SUEZ will facilitate access to employees by trade union or other employee representatives under agreed conditions. GDF SUEZ and signatory Global Union Federations will co-operate to promote and encourage positive and constructive industrial relations inside all GDF SUEZ companies and their business partners. GDF SUEZ will provide information on its operations to trade unions in order to facilitate the practice of collective bargaining.

#### 1.3 Training

A subsequent agreement will be discussed and agreed concerning training. It will be based on a joint commitment to ensure that opportunities are provided for workers to upgrade and learn new skills throughout their careers. To that end, the transfer of knowledge from experienced employees to newer ones will be encouraged and special efforts will be made to ensure that women have full access to training, be able to develop competencies and to advance in the company. Training is most effective when combined with fair salaries and good working conditions. Work-based learning, training which alternates between the educational system and the company, will be promoted.

#### 1.4 Health & Safety

Health & safety prevention measures are treated as a priority. Observation of strict standards and training will be used to improve health & safety in the working environment. Best occupational health and safety practice to prevent injuries and ill health shall be promoted and shall be in accordance with the principles of ILO Convention 155 on Occupational Health and Safety, ILO Convention 167 on Safety and Health in Construction and of the ILO Guidelines for Occupational Health Management Systems.

#### 1.5 Stable, sustainable employment

GDF SUEZ recognizes the importance of secure employment for both the individual and for society through a preference for permanent, open-ended and direct employment. GDF SUEZ and all sub-contractors shall take full responsibility for all work being performed under the appropriate legal framework and, in particular, shall not seek to avoid obligations of the employer to dependent workers by disguising what would otherwise be an employment relationship or through the excessive use of temporary or agency labour. GDF SUEZ and all sub-contractors shall respect legal and contractual obligations to all workers under labour and social security laws, regulations, and collective bargaining agreements arising from the regular employment relationship (Social Security Minimum Standards Convention C102). GDF SUEZ and all sub-contractors shall pay social security and pension contributions for their workers where such provisions exist. Companies will ensure that workers are not classified as self-employed when working under conditions of direct employment (bogus self-employment). GDF SUEZ expects its partners to apply comparable principles and regards this to be an important basis for a lasting business relationship.

All employees shall receive a written contract of employment or its equivalent.

## CHAPTER 2

### ENVIRONMENTAL RESPONSIBILITY TO SUPPORT SUSTAINABLE PERFORMANCE

#### 2.1 Combating climate change

In order to master at best its greenhouse gas emissions, GDF SUEZ promotes the most efficient technologies for its own and its clients' plants. He develops a low-carbon energy mix, and encourages research and development as well as the use of economic and other tools available at European and international level. Signatory Global Union Federations support reduction of carbon emissions and will co-operate with GDF SUEZ to ensure that any necessary adaptation takes place in a way that protects the rights and interests of workers and that the impact of any such changes are designed and implemented in an agreed, fair manner; GDF SUEZ actively supports "Just Transition" principles.

#### 2.2 Managing the impact of its activities

As a user or creator of products that can be harmful to the environment and to mankind, GDF SUEZ will continue to use tools to prevent or reduce known and identified risks. In addition, it has a policy for ecological management of waste generated by its plants. It also endeavors to preserve natural resources and protect biodiversity.

## CHAPTER 3

### COMPLIANCE WITH THE COMMITMENTS MADE

- 3.1. This agreement does not invalidate or call into question existing collective agreements at local, national, European or other levels. It is intended to ensure that minimum standards are observed and respected throughout the world without in any way affecting higher or more detailed standards which may already exist.
- 3.2. Each company covered by this agreement will propose its methods of application within the framework of joint action plans. The application is intensely monitored with the trade union partners based on accessible and objective indicators. Where trade union partners cannot be involved, other methods will be examined and jointly agreed.
- 3.3. Global social dialogue will continue based on this agreement. It should lead to subsequent agreements in specific areas, for example, in such areas as training, occupational health and safety, restructuring, and sustainable development/climate change.
- 3.4. In the event that questions or issues develop in connection with this agreement that go beyond sectors or enterprises represented by trade union signatories, the terms of the agreement, established social dialogue and implementation procedures will be made available to Global Union Federations representing workers in those sectors and/or enterprises.

## CHAPTER 4 IMPLEMENTATION

- 4.1. In order to ensure that the agreement is effective, mechanisms for implementation are agreed. This does not preclude further agreements on process questions. The purpose of this section is to ensure that there is good communication between Global Union Federations and GDF SUEZ and that conflicts are resolved in a rapid and satisfactory manner.
- 4.2. The signatories recognise the need for effective local measures to ensure that this agreement is respected. This should involve the local management, the workers and their unions and, as appropriate, health and safety representatives. Training may be necessary for both local management and trade union representatives. This will also require that adequate information and access are available.
- 4.3. A reference group shall be set up, composed of representatives of GDF SUEZ, BWI, ICEM, and PSI. Other trade union representatives will also be involved in the reference group as agreed by the parties, with appropriate geographical representation.
- 4.4. The reference group shall meet at least once a year to review the agreement and to discuss further co-operation. All costs for reference group meetings will be paid by GDF SUEZ.
- 4.5. The annual review of the present agreement shall be incorporated into GDF SUEZ reporting with the consent of the signatories.

## CHAPTER 5 CONFLICT RESOLUTION

- 5.1. In the event of a complaint or an alleged violation of the agreement the following procedure will apply :
  - a) Firstly, the complaint will be raised with the local site management. Workers may seek trade union representation.
  - b) If the complaint is not resolved with local management, it should be referred to the appropriate national union who will raise the issue with the company.
  - c) Any infractions which could not be resolved through discussion at the workplace or national level will be addressed by the signatories to the agreement in close cooperation with the GUF affiliates in the country concerned and will be reported to the responsible manager, who will ensure that corrective measures are implemented in a timely manner. This process will take place as needed and may include, but does not require a meeting of the reference group. The reference group can consider the matter and propose appropriate action.
  - d) Informal discussions may also be considered appropriate at the same time as efforts are being made to resolve conflicts at local or national level.
  - e) If agreement is not possible, the signatories may seek mediation based on agreement on the selection of the mediator by the parties.
- 5.2. Signatories agree that any difference arising from the interpretation or implementation of this agreement will be examined jointly, for the purpose of clarification. The English text of this agreement is considered to be authoritative.

## CHAPTER 6 FINAL PROVISIONS

### 6.1. Duration of the Agreement

This agreement is valid for a period of three years. It may be terminated with advance notice from any party six months prior to its expiration. Otherwise it will remain valid for another three-year-period. In case of termination, the signatories agree to meet within the period of notice seeking to replace this agreement by an amended version.

### 6.2. Date of effectiveness

The agreement shall become effective on the day of its signature.

### 6.3. Filing of the Agreement

In accordance with the provisions of Articles L. 2231-6 et D. 2231-4 and following of the Labor Code, the Agreement shall be filed with local unity of Paris (DIRECCTE – Ile-de- France) and the registry of the Paris Industrial Court (“Conseil de Prud’hommes”).

Paris, 16 novembre 2010

For GDF SUEZ S.A. and its subsidiaries meeting the conditions specified in the Preamble, Gérard MESTRALLET

For BWI, Ambet YUSON

For ICEM, Manfred WARDA

For PSI, Peter WALDORFF

## Addendum to the Agreement : GDF SUEZ and the Community

GDF SUEZ has responsibilities to society in addition to its obligations with regard to shareholders and employees and their respective representatives. This addendum outlines some of those responsibilities.

As specified in the agreement, GDF SUEZ will respect national law and regulations. Unfortunately, in too many countries, national laws and regulations are not adequate or are not fully implemented. GDF SUEZ and the signatory Global Union Federations seek good governance and the rule of law. International standards, including those dealing with human and trade union rights, are most effective if adopted by governments and applied at national level.

Social exclusion and discrimination generate injustice, often rob people of their basic human dignity, and deprive society of the contributions of many. It must be overcome, including through education and training. Inside and outside of the enterprise, diversity is positive and to be promoted.

Among its activities, GDF SUEZ distributes energy and water, essential to the health and well-being of society. Access to such vital services is a major priority. GDF SUEZ pledges to co-operate with local initiatives as well as making additional efforts to ensure that the poorest populations have access to energy, water and waste services.

GDF SUEZ will not discriminate against those with disabilities. In addition, it is committed to integrating the disabled, including through providing accessibility and taking specific measures to adapt to employee needs, as reflected in action plans. This commitment goes beyond the enterprise. GDF Suez is also conscious of and concerned about the problems of disabled persons in the larger society

GDF Suez supports government and voluntary action for social and economic progress. It will co-operate with other actors in society to further development. Priority is placed on the areas of health, employment, and education. GDF Suez employees, as members of the community, are encouraged to participate in voluntary solidarity and humanitarian activities.



INTERNATIONAL FRAMEWORK  
AGREEMENT BETWEEN  
INDUSTRIA DE DISEÑO TEXTIL, S.A.  
(INDITEX, S.A.) AND  
THE INTERNATIONAL TEXTILE,  
GARMENT AND LEATHER WORKERS'  
FEDERATION (ITGLWF)

ON THE IMPLEMENTATION OF  
INTERNATIONAL LABOUR STANDARDS  
THROUGHOUT  
THE INDITEX SUPPLY CHAIN

## INTRODUCTION

**F**IRST.- Mr Pablo Isla Álvarez de Tejera, First Deputy Chairman and C.E.O. acting for and on behalf of the INDUSTRIA DE DISEÑO TEXTIL, SOCIEDAD ANONIMA, (hereinafter Inditex), with registered address in Arteixo (A Coruña), Avda. de la Diputación, Edificio Inditex, registered with the Companies Register of the province of A Coruña, on Volume 964 of the File, General Section, Folio 17, Page no. C-3.342, holder of the Tax Identification Number (Spanish C.I.F.) ES- A15075062, on behalf of deed of appointment granted on 27 June 2005, before Mr Francisco Manuel Ordóñez Armán, a Notary Public of A Coruña, record number 2.039.

SECOND.- Mr Neil Kearney, General Secretary of the International Textile, Garment and Leather Workers' Federation (hereinafter ITGLWF), which headquarters are at Rue Joseph Stevens, 8, Brussels, acting on its behalf, by virtue of the powers vested in him by his election at the ITGLWF 9th World Congress on 6 October 2004 and by the Rules of the ITGLWF.

## DECLARATIONS

FIRST.- Whereas, Inditex made up of a group of companies mainly devoted to the manufacture, distribution and sale of apparel and accessories, considers that its Corporate Social Responsibility (hereinafter CSR) includes a commitment to apply Principles and Criteria of sustainable and supportive social development to improve the Fundamental Human, including labour and social, Rights and living conditions of the communities with which it deals, especially through its manufacturing activities.

SECOND.- Whereas, ITGLWF composed of trade unions and trade union federations which organise workers in the textile, garment, shoe, leather and other light industries as appropriate is committed to defending the rights and interests of workers at the global, regional and sub-regional levels including through promoting international labour standards within the CSR strategies of global corporations.

THIRD.- Whereas since February 2001, Inditex has a Code of Conduct for External Manufacturers and Suppliers (as amended July 2007) (Annex I) with which all external suppliers must comply and whose implementation is verified through social audits.

FOURTH.- Whereas, Inditex, in order to exercise its CSR commitments globally, recognises ITGLWF as its global trade union counterpart for workers engaged in the production of textile, garments and footwear.

FIFTH.- Whereas, both Inditex and ITGLWF undertake to collaborate to ensure the application of International Labour Standards, including International Labour Organisation (hereinafter ILO) Conventions No. 29, 87, 98, 100 y 105, 111, 135, 138, 155 and 159 as well as the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child and the OECD Guidelines for Multinational Enterprises.

Consequently Inditex and ITGLWF have agreed to establish a collaborative International Framework Agreement (hereinafter the Agreement) to ensure the effective application of all International Labour Standards throughout the "supply chain" of Inditex as set out below.

## STANDARDS

FIRST.- Inditex and ITGLWF both acknowledge the central role of Freedom of Association and the Right to Bargain Collectively as set out in ILO Conventions No. 87, 98, 135 and Recommendation 143 as the key to ensuring the sustainable and long-term observation of all other International Labour Standards throughout the Inditex "supply chain" because they provide workers with the mechanisms to monitor and enforce their rights at work.

SECOND.- Inditex commits itself to apply and insist on observance of the International Labour Standards mentioned above throughout its "supply chain" including to all workers, whether they be directly employed by Inditex or by its external manufacturers or and suppliers,

THIRD.- The terms and conditions of the Agreement shall apply throughout the Inditex supply chain including in workplaces not represented by ITGLWF affiliated trade unions. ITGLWF and Inditex undertake to inform other trade unions in the latter of the terms and conditions hereunder agreed.

FOURTH.- ITGLWF will work with Inditex to help secure full compliance with the following standards set out in the international instruments mentioned above and the Inditex Code of Conduct for External Manufacturers and Suppliers appended as Annex I:

1. No Forced Labour.
2. No Child Labour.
3. No Discrimination.
4. Respect for Freedom of Association and Collective Bargaining.
5. No Harsh or Inhumane Treatment.
6. Safe and Hygienic Working Conditions.
7. Wages are paid.
8. Working Hours are Not Excessive.
9. Environmental Awareness.
10. Regular Employment.
11. Code Implementation.

#### **IMPLEMENTATION**

FIRST.- Inditex and ITGLWF shall keep under review developments on Freedom of Association and the Right to Bargain Collectively throughout the Inditex "supply chain". Where problems are detected Inditex and ITGLWF will cooperate in finding solutions, including collaborating on training programmes for the managements and workers concerned.

SECOND.- Inditex and ITGLWF agree to an annual review of the application of the Agreement and accordingly will create a committee comprised of three representatives from Inditex and three representatives from ITGLWF to undertake that annual review.

THIRD.- To facilitate the on-going review of Freedom of Association and the Right to Bargain Collectively and the annual review of the Agreement, Inditex undertakes to provide reasonable information on its supply chain to the ITGLWF.

FOURTH.- Inditex and ITGLWF undertake to inform each other of any breach of the Agreement, as soon as the breach is discovered, to enable the earliest possible implementation of a remediation action plan.

FIFTH.- Inditex undertakes to inform its external suppliers of the content and intent of the Agreement while ITGLWF will do likewise with its trade union affiliates and other relevant trade unions as appropriate.

SIXTH.- Inditex and ITGLWF undertake jointly to develop training policies and programmes on labour issues designed to progress the implementation of the Agreement throughout the Inditex "supply chain".

#### **GENERAL**

FIRST.- Inditex and ITGLWF jointly confirm that the Agreement shall become operative from its date of signature and will remain in force for one year after which it shall be deemed to be automatically extended for further periods of one year unless either party gives notice to the other at least three months in advance of its expiry date or date of expiry of its extensions, that it does not wish renewal.

SECOND.- Inditex undertakes to work with its suppliers and ITGLWF with its trade union affiliates, to make all possible efforts to ensure the successful implementation of the Agreement throughout the Inditex "supply chain".

#### **INTERPRETATION**

FIRST.- Questions concerning the interpretation of the Agreement shall be resolved through consultation between Inditex and ITGLWF. Every effort will be made to find common agreement but where this is not possible Inditex and ITGLWF will, in appropriate circumstances, seek the expert advice of the ILO.

SECOND.- The present Agreement is signed both in Spanish and in English language. In case of any discrepancy, the Spanish version shall prevail.

Arteixo (A Coruña), a 4 de octubre de 2007.

Inditex ITWGLF

D. Pablo Isla Álvarez de Tejera D. Neil Kearney

## ANNEX I

### INDITEX CODE OF CONDUCT FOR EXTERNAL MANUFACTURERS AND SUPPLIERS

#### INTRODUCTION.

The Inditex Group (hereinafter, Inditex) is committed to ensuring that:

- All Inditex operations are undertaken in an ethical and responsible manner.
- All those who have, directly or indirectly, any labour, economic, social or industrial relationship with Inditex are treated in a fair and honourable manner.
- All Inditex's activities are carried out in a manner that most respects the environment.
- All Inditex's External Manufacturers and Suppliers (production centres that are not the property of Inditex) fully adhere to these commitments and undertake to ensure that both themselves and all of their subcontractors meet the standards covered by this Code of Conduct for External Manufacturers and Suppliers (here in after, the Code).

#### 1. NO FORCED LABOUR.

Inditex shall not allow any form of forced or involuntary labour in the production centres and/or facilities of its External Manufacturers, Suppliers and their Subcontractors.

External Manufacturers, Suppliers and their Subcontractors may not require their employees to make any kind of "deposits", nor are they entitled to retain their identity papers.

External Manufacturers, Suppliers and their Subcontractors shall acknowledge the right of their employees to leave their employer after reasonable notice.

#### 2. NO CHILD LABOUR.

External Manufacturers, Suppliers and their Subcontractors shall not employ minors. Inditex defines minors as those persons under the age of

16. In the event that local legislation would provide a higher age limit, the company shall respect the local provision.

Persons under 18 shall not be employed in night shifts or in hazardous conditions pursuant to the definition thereof provided under Recommendation 190 of the International Labour Organization.

Where the existence of any form of child labour is detected in the production centres and/or facilities of External Manufacturers, Suppliers and their Subcontractors, protocols designed for the suppression thereof must be applied, and educational programmes ensuring the suppression of any form of exclusion of minors until they attain the minimum labour age required must be developed.

#### 3. NO DISCRIMINATION.

External Manufacturers, Suppliers and their Subcontractors shall not apply any type of discriminatory practice as regards the recruitment, compensation, access to training, promotion, termination of the employment agreement or retirement, based on race, caste, creed, nationality, religion, age, physical or mental disability, gender, marital status, sexual orientation and/or union membership or political affiliation.

#### 4. RESPECT FOR FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING.

External Manufacturers, Suppliers and their Subcontractors shall ensure that their employees, without distinction, have the Right of Association, Union Membership and Collective Bargaining. No retaliation may arise from the exercise of such right and no remuneration or payment whatsoever may be offered to the employees in order to hinder the exercise of such right.

External Manufacturers, Suppliers and their Subcontractors shall adopt an open and collaborative attitude towards the activities of Trade Unions.

Workers' representatives shall be protected from discrimination and shall be free to carry out their representative functions in their workplace.

Where the Rights to Freedom of Association and Collective Bargaining

are restricted under Law, the appropriate channels to ensure a reasonable and independent exercise of such rights must be designed.

#### **5. NO HARSH OR INHUMANE TREATMENT.**

External Manufacturers, Suppliers and their Subcontractors shall treat their employees with dignity and respect. Under no circumstances shall physical punishment, sexual or racial harassment, verbal or power abuse or any other form of harassment or intimidation be permitted.

#### **6. SAFE AND HYGIENIC WORKING CONDITIONS.**

External Manufacturers, Suppliers and their Subcontractors shall provide a safe and healthy workplace to their employees, ensuring minimum conditions of light, ventilation, hygiene, fire prevention, safety measures, and access to a drinking water supply.

Workers shall have access to clean toilets facilities and drinking water. Where necessary, facilities for food storage shall be provided.

Accommodation, where provided, shall be clean and safe.

External Manufacturers, Suppliers and their Subcontractors shall take the required steps to prevent accidents and injuries to health of their workers, by minimizing as much as possible, the risks inherent to work.

External Manufacturers, Suppliers and their Subcontractors shall provide their workers with regular training in the matter of health and safety at work. Inditex shall keep an appropriate record of the training courses done.

External Manufacturers, Suppliers and their Subcontractors shall appoint a person in charge of health and safety within the Management, duly authorised and with the appropriate decision taking power.

#### **7. WAGES ARE PAID.**

External Manufacturers, Suppliers and their Subcontractors shall ensure that wages paid for a standard working week shall meet at least the minimum legal or collective bargain agreement, whichever is higher. In any event, wages should always be enough to meet at least the basic

needs of workers and their families and any other which might be considered as reasonable additional needs.

External Manufacturers, Suppliers and their Subcontractors shall not proceed to any withholdings and/or deductions from wages for disciplinary purposes, nor for any reasons other than those provided in the applicable regulations, without the express authorisation of workers.

External Manufacturers, Suppliers and their Subcontractors shall provide all workers with: written and understandable information about their wages conditions upon their recruitment, and information about the particulars of their wages every time that these are paid.

External Manufacturers, Suppliers and their Subcontractors shall also ensure that wages and any other allowances or benefits are paid on time and rendered in full compliance with all applicable laws and specifically, that payments are made in the manner that best suits the workers.

#### **8. WORKING HOURS ARE NOT EXCESSIVE.**

External Manufacturers, Suppliers and their Subcontractors shall adjust the length of the working day to the provisions of the applicable laws or of the Collective Bargain Agreement for the sector in question, should this latter afford greater protection for the workers.

At no event shall External Manufacturers, Suppliers and their Subcontractors require their employees to work, as a rule of thumb, in excess of 48 hours a week and workers shall be granted at least one day off for every 7 calendar day period on average.

Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate, pursuant to the provisions of the prevailing regulations in force.

#### **9. ENVIRONMENTAL AWARENESS.**

External Manufacturers, Suppliers and their Subcontractors shall be duly committed at all times to protect the environment and shall comply, at least, with the standards and requirements of the applicable Local and International Laws and Regulations.

## 10. REGULAR EMPLOYMENT.

External Manufacturers, Suppliers and their Subcontractors undertake that all the employment formulas they use are part of the ordinary labour practice and the applicable local laws.

External Manufacturers, Suppliers and their Subcontractors shall not impair the rights of workers acknowledged under the Labour and Social Security Laws and regulations by using schemes of: subcontracting, homeworking, training and apprenticeship contracts or any other like formula which prevents promotion of regular employment in the framework or regular employment relationships.

## 11. CODE IMPLEMENTATION.

### Subcontracting.

External Manufacturers and Suppliers shall not subcontract any work without the prior written authorisation of Inditex.

External Manufacturers and Suppliers, which subcontract work for Inditex, shall be responsible for the subcontractors' compliance with the Code.

External Manufacturers, Suppliers and their Subcontractors shall apply the principles of the Code to any homewoker involved in their supply chain, and they shall give transparency to the locations and working conditions of said homeworkers.

### Management Systems.

External Manufacturers, Suppliers and their Subcontractors shall implement and maintain programmes to set in train this Code.

External Manufacturers, Suppliers and their Subcontractors shall appoint a senior member of Management who shall be responsible for the implementation and enforcement of this Code.

External Manufacturers and Suppliers and their Subcontractors shall communicate the Code to all employees and to their contractors, sub-contractors, suppliers, agents and homeworkers in any way involved in the Inditex Supply Chain.

## Supervision and Compliance.

External Manufacturers, Suppliers and their Subcontractors shall authorize Inditex and/or any third parties the former might appoint, to carry out inspections and audits in order to verify the appropriate enforcement of the Code. For these purposes, they shall provide the inspectors and/or auditors with the required means and the appropriate access to the facilities and documentation required to ensure this verification.

### Ethical Commitment

External Manufacturers, Suppliers and their Subcontractors shall carry out their activities in a honest, upright and transparent way, keeping for these purposes an appropriate accounting records system, as a preventive measure versus any manner of corruption, bribe and extortion that might arise.

External Manufacturers, Suppliers and their Subcontractors shall not offer, grant, request or accept any gifts or donations to/from Inditex buyers which might infringe the provisions of the "Internal Guidelines for the Responsible Practices of the Inditex Group Personnel".

External Manufacturers, Suppliers and their Subcontractors shall not manipulate or influence their workers, nor shall they forge any files or records in order to alter the verification process regarding compliance with this Code.

External Manufacturers, Suppliers and their Subcontractors shall neither offer nor accept remuneration of any kind which in perception, or in effect, seeks to affect the impartial judgement or the objectivity of such parties appointed by Inditex to carry out inspections and compliance audits in connection with this Code.

### Health and Safety of products

External Manufacturers, Suppliers and their Subcontractors undertake to apply Inditex's health and safety product standards in all manufacturing processes of raw materials, finished products, accessories and footwear that they provide to Inditex.

**Publication of the Code.**

External Manufacturers, Suppliers and Subcontractors' Management teams shall inform their employees about the contents of this Code. A copy of the same, translated into the local language shall be displayed in accessible locations for all workers.

**Reference to national legislation and collective agreements.**

The provisions of this Code constitute only minimum standards.

Should national regulations or any other applicable Law or any other commitments undertaken or applicable, including collective bargaining agreements, govern the same issue that provision which offers greater protection for workers shall apply.



EWI • European and World Workers International  
EWA • European and World Workers International  
ETI • European and World Workers International  
ICM • International de Trabajadores de la Construcción y la Minería



**GLOBAL FRAMEWORK  
AGREEMENT ON CORPORATE  
SOCIAL RESPONSIBILITY  
AND INTERNATIONAL INDUSTRIAL  
RELATIONS**

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## Global framework agreement on corporate social responsibility and international industrial relations

signed between the Lafarge Group and the Global Union Federations BWI and IndustriALL Global Union to promote and protect worker's rights.

The BWI, Building and Wood Workers' International is a Global Union Federation organising more than 12 million members in 320 trade unions in 125 countries around the world in the building, building materials, wood, forestry and allied industries.

The IndustriALL Global Union is a Global Union Federation organising workers in the mining, energy and manufacturing sectors. IndustriALL Global Union unites trade unions from 140 countries representing in total around 50 million workers in these industries.

Lafarge is the world leader in building materials, holds top-ranking positions in all three of its activities: Cement, Aggregates & Concrete. Lafarge employs 65,000 people in 64 countries.

## PREAMBLE

Lafarge believes that there's a link between social and economic progress, this vision is notably translated into the 2020 Sustainability Ambitions issued by the Group.

The interests and success of Lafarge and its employees are interdependent. Lafarge commits itself to involve its employees directly in the Group future through an open dialog; Lafarge recognizes that employees may choose to be represented by elected employees and/or trade union organizations.

The Lafarge philosophy is to develop and maintain positive relationships with its employees in accordance with the Lafarge Principles of Action: "Lafarge responsibility is as much about complying with local and international laws and standards as it is about aligning our actions with our values. Respect for the common interest, openness and dialog, integrity and commitment are the main ethical principles of the Group and of the employees".

Trade unions believe that decent wages and working conditions, a meaningful job with prospects, a safe and healthy working environment, the right to join free trade unions and the right to collective bargaining are preconditions for good industrial relations.

The signatories consider that this agreement is based on the joint commitment to respect human and social rights and to achieve continuous improvement within the areas of working conditions, industrial relations, health and safety standards in the workplace and environmental performance.

The signatories recognize that the subsidiarity principle is a key performance management process within the Group; therefore the signatories respect the principle that industrial relations issues are best resolved as close as possible to the workplaces.





Lafarge considers respect for worker's rights to be a crucial element in sustainable development.

This agreement applies to all the activities of Lafarge and of its subsidiaries. Lafarge will ensure that the principles contained in this agreement are communicated and promoted towards its contractors, sub-contractors and the entire chain of subcontractors, suppliers and joint ventures.

No provision of this agreement reduces or weakens in any way the existing labour relations practices or agreements concerning trade union rights or the trade union structures already established by an affiliate or group of affiliates of the BWI or IndustriALL Global Union whatever they may be, or any other union within Lafarge.

## FUNDAMENTAL PRINCIPLES

Lafarge commits itself to comply with the International Labour Organization (11-0) Declaration on Fundamental Principles and Rights at Work, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the Global Compact and also the Organisation for Economic Cooperation and Development Guidelines for Multinational Enterprises, and recognizes the UN guiding principles on business and human rights related to fundamental social and labour rights and principles.

### No forced labour

It is prohibited to make direct or indirect use of forced labour, including bonded labour and involuntary prison labour (ILO Conventions 29 and 105).

### No discrimination in employment

All workers, whatever their workplace, shall have equality of opportunity and treatment regardless of their ethnic origin, colour, gender, religion, political opinion, nationality, social origin or other distinguishing characteristics. Workers shall receive equal pay for work of equal value (ILO Conventions 100 and 111).

## Diversity Promotion

In countries where a commitment text<sup>1</sup>, condemning discriminations in employment and promoting diversity, is proposed to companies' approval, the Lafarge Group encourages local entities to sign it.

## Protection of migrant workers

If it applies, Lafarge prohibits practices that consist in requiring from workers deposits or other expenses related to immigration procedures and recruitment.

Workers are not asked to surrender their passports or any other travel or identity documents.

Migrant workers are entitled to form unions of their choice as well as to join them.

## No use of child labour

It is prohibited to use child labour in any form whatsoever: only workers above the age of 15 years, or over the compulsory school-leaving age if higher, shall be employed (ILO Convention 138). In view of their age, children under the age of 18 shall not perform work, which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children (ILO Convention 182). Lafarge commits itself to respect the provisions of ILO Convention 182.

## Freedom of association and right to collective bargaining

Lafarge recognizes the freedom of association and the effective recognition of the right to collective bargaining (ILO Conventions 87 and 98) and will engage in good faith bargaining, aim to achieve a collective agreement in a timely manner, and strive to produce a positive and constructive relationship with trade unions.

Lafarge respects the right of its employees to form or to join any trade union of their choice. Lafarge will remain strictly neutral concerning

<sup>1</sup> Examples: Charte de la Diversite in France, Charter de la Diversidad in Spain, Charta der Vielfalt in Germany

employee preference to join, remain with, transfer, or abandon their relationship with a trade union of their choice.

The Lafarge Group guarantees that workers representatives shall not be discriminated against (ILO Convention 135).

Lafarge will refrain from any unfair communication with its employees to influence their decision on trade union representation and will ensure all communications with its employees are factual and non hostile toward the trade union seeking organization.

### Living wages

Workers shall be paid wages and benefits for a standard working week that should be at least at the level of current national legislation or collective agreements, as applied in the industry/sector concerned. All workers must be provided with clear oral and written information about wage conditions in their native language.

Deductions from wages, unless permitted under national law, shall not be made under any circumstances without the express permission of the worker concerned.

### Working hours

Working hours shall comply with appropriate national legislation, national agreements and industry/sector standards. Overtime shall not be excessive and shall always be remunerated at a premium rate. All workers shall be given a minimum of a one day weekly rest period.

### Health, safety and working conditions

A safe and healthy working environment shall be provided (ILO Convention 155). Best occupational health and safety practices shall be followed and shall be in compliance with the ILO Guidelines for Occupational Health Management Systems and the standards and procedures of the Lafarge Group. All workers shall be given

training on occupational hazards and shall have the means of preventing them.

The signatories undertake to raise awareness of the HIV / AIDS problem and of the prevention programme in compliance with the ILO HIV / AIDS code of practice.

Lafarge commits itself to promote health and safety culture towards its suppliers and subcontractors.

### Employment relationship and subcontractors

Lafarge complies with the obligations towards all its employees under labour legislation, social security and regulations deriving from a regular employment relationship (Convention 102 concerning Minimum Standards of Social Security).

The company and all its subcontractors directly employ labour and pay social security and pension contributions for their respective workers.

Lafarge requires from its suppliers and subcontractors to respect the law and statutory regulations, as well as the fundamental human rights mentioned in the present agreement.

Lafarge also requires from its suppliers and subcontractors to give their workers oral and written information regarding their working conditions.

Any serious breach of the legislation concerning the health and safety of direct or indirect employees, the protection of the environment or basic human rights, which is not corrected after a warning, will result in the termination of relations with the concerned enterprise, subject to contractual obligations.

### Skills training

All workers shall have the opportunity to participate in education and training programmes including training to improve workers' level of skills so that they can use new technology and equipment. Whenever possible, the Lafarge Group in cooperation with trade unions shall develop workers' training with a view to improving

their level of skills and ensuring that they participate in their career development and increase their employability.

### IMPLEMENTATION AND FOLLOW UP

The Lafarge Group will provide information concerning this agreement in written or verbal form in all countries where this agreement is applicable.

Lafarge undertakes to ensure that copies of the agreement in various languages are available in workplaces. The agreement will also be published on the Lafarge website and intranet. All signatories are strongly committed to the most widespread dissemination possible of the content of this agreement throughout the Lafarge operations.

The signatories will inform and, if necessary, train workers' representatives and Lafarge management regarding the clauses of the present agreement.

A reference group consisting of representatives of the Lafarge management and of the signatory international federations will meet at least once a year, or whenever necessary, to follow up and review the implementation of this agreement. An observer seat will be allocated to the European Works Council's Secretary during the annual meeting of the reference group.

The Lafarge Group will make available to the reference group the resources needed for its missions.

The annual review of the present agreement should be incorporated into the Lafarge Group's reporting with the consent of all signatories.

### SETTLEMENT OF DISPUTES

In the event of a complaint or breach of a provision of this agreement, the procedure below will normally be followed:

- a) In the first instance, the complaint should be referred to local management.

- b) If the problem is not resolved by local management, it will have to be referred to the appropriate national union, which will raise the issue with the local company.
- c) If the dispute is not resolved, the reference group will address the issue and propose appropriate action in connection with regional coordinators of BWI and IndustriALL Global Union.
- d) If a dispute is not resolved and that the provisions of this agreement continue to be breached, the termination of the GFA will occur only as a last resort.

The signatories agree that any difference arising from the interpretation or application of this agreement will be jointly discussed with a view to its clarification.

### DURATION


This agreement will remain in force unless otherwise indicated by any party giving three calendar month's notice, in writing, to the other.

Place and Date, Geneva, May 21, 2013

The Lafarge Group, Bruno LAFONT



The BWI, Ambet YUSON



The IndustriALL Global Union, Jyrki RAINA



# Global Framework Agreement

Mizuno Corporation

ITGLWF

Mizuno Workers' Union

UI ZENSEN

## Mizuno Corporation, ITGLWF, UI ZENSEN and Mizuno Workers' Union Global Framework Agreement

**T**he company activities include not only pursuit of economic interest but also contribution to society as a good corporate citizen. In order for the company to enjoy sound development, it is indispensable that the workers who bear its operation, should enjoy appropriate labour standards.

Mizuno Corporation, ITGLWF (International Textile; Garment & Leather Workers' Federation), UI ZENSEN (The Japanese Federation of Textile, Chemical, Food, Commercial, Service and General Workers' Unions) and Mizuno Workers' Union recognize each other as legitimate parties to this agreement and pledge to undertake its implementation.

### Article 1: Purpose

The purpose of this agreement is to establish a global relationship, among Mizuno Corporation, ITGLWF and the relevant affiliates, to promote the sound employment relationships within Mizuno Corporation and its relevant companies, to put in Place, mechanisms for the solution and reduction of conflicts.

### Article 2: Standards

All the parties to this agreement (herein after described as "all the parties") recognize the significance of protection of human and basic trade union rights the international Labour standards laid down in the UN's "Fundamental Declaration, of Human Rights" and the existing ILO Conventions, etc. All the parties shall undertake the shared responsibilities especially for appropriate implementation of the following eight ILO core Conventions.

ILO Convention 87 on Freedom of Association and Protection of the Right to organise.

ILO Convention 98 on Right to Organise and Collective Bargaining.

ILO Convention 29 on Forced Labour.

ILO Convention 105 on Abolition of Forced Labour.

ILO Convention 138 on Minimum Age.

ILO Convention 182 on Worst Forms of Child Labour.

ILO Convention 100 on Equal Remuneration.

ILO Convention 111 on Discrimination (Employment and Occupation).

### Article 3: Implementation

In the event that a problem arises in regard to the implementation of this agreement, All the parties will make most efforts among all the parties for immediate common resolution. All the parties will meet regularly as much as possible to exchange information on the implementation of this agreement.

15<sup>th</sup> November, 2011



Akito Mizuno  
President, Representative Director  
Mizuno Corporation



Hisanobu Shimada  
President  
ITGLWF



Tsuyoshi Kurokawa  
President  
Mizuno Worker's Union



Klaus Priegnits  
General Secretary  
ITGLWF



Kiyoshi Ochiai  
President  
UI ZENSEN

## Global Corporate Social Responsibility Agreement between Solvay and **Industri all** Global Union

Version of December 17, 2013



## AGREEMENT ON SOLVAY GROUP SOCIAL RESPONSIBILITY,

Between:

Solvay group, represented by its Chief Executive Officer, Jean-Pierre Clamadieu,

And:

**Industri all** Global Union, represented by  
its General Secretary, Jyrki Raina



## PREAMBLE

**T**he chemical industry can only operate with a strong sense of responsibility. Solvay insists on a spirit of responsibility in its dealings with employees, customers, suppliers, shareholders, communities living near its sites, the environment and natural resources.

The "Solvay Way" approach, of which this agreement is an integral part, feeds into this development model which combines operational performance with high standards of behavior for ever greater responsibility towards all stakeholders.

This responsibility requires considerable involvement on the part of employees, which is why Solvay's desire to maintain a rich, balanced dialog between management and employee representatives is central to Solvay's values and identity.

Such responsibility concerns all of Solvay's activities worldwide and thus requires dialog with an organization operating at an international level.

That is the rationale for this agreement, through which Solvay and IndustriALL Global Union which organizes chemical industry employees worldwide, are creating a structure for information and dialog and affirming their joint commitment to good industrial and labor practices wherever in the world the Group operates.

Solvay makes this commitment voluntarily, over and above its compliance with the statutory and legal obligations in every country where the Group operates. The global standards listed below will be complied with by all Solvay entities worldwide.

The Group's subsidiaries, while taking the economic, social and cultural realities specific to their own country into account, will do their best to ensure that this agreement is applied in a spirit of continuous progress based on the provisions stipulated in this agreement.



Both parties to this agreement agree that the internationally recognized standards and principles contained within this Agreement will be applied at all Solvay sites throughout the world, regardless of whether or not they are required by national law or regulations.

Solvay and IndustriALL Global Union are committed to developing trusting and constructive relations to ensure effective application of this agreement.

## I - SCOPE OF THE AGREEMENT

This agreement applies to companies over which Solvay group exercises direct control.

These companies in the Group undertake to comply strictly with local and national laws. In the event that local and national laws are more favorable, these shall apply.

In the event of merger, acquisition or corporate restructuring of any kind leading to the creation of new entities controlled by Solvay or in the event of similar changes affecting IndustriALL Global Union, these new entities shall automatically be deemed party to the global agreement and subject to its provisions until such time as the agreement is renegotiated.

## II - GLOBAL STANDARDS

### Article 1

Solvay and IndustriALL Global Union affirm their adherence to texts governing basic labor rights and trade union rights in society and the company.

#### 1.1. ILO Conventions

Solvay asserts its compliance with the International Labor Organization conventions on basic human rights.

- **Conventions 87, 98 and 135**

Within the framework of fundamental rights to freedom of association, including the right to engage in collective bargaining, employees have the right to be represented by freely elected delegates, to form organizations of their choice and to join them.

- **Conventions 29 and 105**

Commitment not to employ forced or compulsory labor.

- **Convention 138 and 182**

Commitment not to employ child labor.

- **Conventions 100 and 111**

Commitment to ensure equality of opportunity and treatment in employment, including equal remuneration for men and women for work of equal value, and the prevention of discrimination in respect of employment and occupation.

- **Convention 156**

Commitment to ensure rights and equality of opportunity for employees of both genders with family responsibilities and for pregnant and nursing women.

#### 1.2. UN Global Compact

As a signatory to the United Nations Global Compact, Solvay undertakes to respect its 10 principles:

#### HUMAN RIGHTS

- **Principle No. 1**

Businesses should support and respect the protection of international labor law relating to human rights in their sphere of influence.

- **Principle No. 2**

Make sure that they are not complicit in human rights abuses.



## LABOR STANDARDS

- **Principle No. 3**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

- **Principle No. 4**

The elimination of all forms of forced and compulsory labor.

- **Principle No. 5**

The effective abolition of child labor.

- **Principle No. 6**

The elimination of discrimination in respect of employment and occupation.

## ENVIRONMENT

- **Principle No. 7**

Businesses should support a precautionary approach to environmental challenges.

- **Principle No. 8**

Undertake initiatives to promote greater environmental responsibility.

- **Principle No. 9**

Encourage the development and diffusion of environmentally friendly technologies.

## ANTI-CORRUPTION

- **Principle No. 10**

Businesses should work against corruption in all its forms, including extortion and bribery.



## III - COMMITMENTS SPECIFIC TO THE SOLVAY GROUP

### 1. HEALTH AND SAFETY

- The health and safety of its employees is a priority for Solvay. Ensuring good working conditions and managing risk are daily concerns for the Group. Solvay has enacted demanding internal policies and insists on their stringent application. Its goal is to continually improve safety performance and regularly monitor assessment indicators for its own employees and the employees of subcontractors.
- Solvay is committed to creating healthy working conditions for all personnel, regardless of the job they perform and its related risks.
- Solvay pledges that right from the outset, investment projects shall not compromise the health and safety of personnel or nearby residents. In addition, Solvay supports solutions likely to improve existing situations.
- Solvay agrees to take into account the principles in the "ILO Code of Practice on HIV/Aids and the world of work", and work together with the IndustriALL Global Union to inform employees and their representatives about this epidemic.

#### 1.2. Global Safety Panel

The role assigned to the Global Safety Panel is to monitor the safety situation within the Group.

For this purpose, the Panel enjoys access to indicators regularly observed by the Group. The parties to this agreement may agree, if required, to supplement these indicators with other specific information.

The work of the Panel is grounded on a continuous progress approach. As such, the Panel reports its observations and recommendations for improvement.

The Global Safety Panel will gradually expand the scope of its remit to include Industrial Hygiene and the Environment.



## MEMBERSHIP OF THE PANEL

- 3 representatives from the Solvay appointed by the Group General Management
- 2 representatives from IndustriALL Global Union's central body
- 1 representative per geographical region chosen by IndustriALL Global Union from among Solvay employees in the region in question.
- The geographical regions concerned are: North America, South America, Europe and Asia.

## TERMS OF ORGANIZATION

The Panel convenes a meeting at least once a year. The parties may decide to convene additional meetings, if necessary.

The Panel's annual meeting is convened on one of the Group's sites chosen by the parties to this agreement. On this occasion, the Panel organizes a site visit to check the safety and working conditions as well as the effective compliance with the Group's policies in these areas.

Solvay shall pay traveling and accommodation expenses incurred by the members of the Panel in addition to those related to the organization of meetings.

## 2. MOBILITY AND EMPLOYABILITY

- Solvay favors the direct employment of people under open-ended work contracts.
- Solvay undertakes to apply a fair wage policy comparable with good standards in the profession for the country concerned.
- In the event of a restructuring of its activities or any other managerial decision having a major collective impact on employees, Solvay, in compliance with legal requirements and local practices, pledges to



inform employees and their representatives as soon as possible and to give priority to efforts likely to minimize the impact on employment and working conditions.

- Solvay believes that the autonomy and responsibility of each of its employees play a key role in the company's performance. For that reason, the company encourages internal mobility, both geographic and for career advancement, to increase the employability of its personnel.

Solvay subsidiaries strive to provide employees with the following services throughout their career at the company:

- information about available jobs, particularly through placement centers (when they exist).
- training to prepare them for new occupations and new technologies.
- knowledge and skills development.
- Solvay supports employee mobility through coordinated management of its occupational families, at an international level for managers and at national level for other employees.
- Solvay strives to maintain a balanced age distribution among its workforce and pays particular attention to the working and performance conditions of older employees.

## 3. EMPLOYEES BENEFITS

Solvay ensures that its employees are covered by welfare protection schemes that provide benefits in the event of illness, maternity, or after their retirement, in compliance with local laws, regulations and practices and develops whenever needed its own complementary benefit plans.



#### 4. ANTI-DISCRIMINATION

- Solvay rejects any form of discrimination and is committed to respecting diversity and promoting equality of opportunity. The company is a signatory to the Diversity Charter in France and transforms the provisions of ILO Convention 111 into company policy. This convention rejects any alteration of equal opportunity or fair treatment in employment on the basis of race, sex, skin color, religion, political or union opinion, national extraction or social origin. Solvay is particularly supportive of its employees with family responsibilities and conforms with the provisions of ILO Convention 156 as stated in chapter II - Article 1 1.1 of this agreement.
- This approach includes specific efforts to promote employee diversity.

#### 5. RESPONSIBLE RELATIONS WITH SUPPLIERS AND SUBCONTRACTORS

- Solvay expects its suppliers and subcontractors to comply with the law and with statutory regulations, as well as basic human rights stipulated by international agreements and standards, and therefore contribute to Solvay's compliance with the provisions of this agreement. Solvay will encourage them in this and offer the benefit of its expertise in these areas whenever needed.
- Any serious violation of employee health and safety legislation, environmental protection or basic human rights that is not remedied despite previous warning shall lead to termination of relations with the company concerned in compliance with contractual obligations.

#### 6. RISK MANAGEMENT AND ENVIRONMENTAL PROTECTION

##### • Process and product risks

Risk management is a priority for Solvay, whose guiding principle is the application of the best standards.



Within the framework of its policies and procedures, Solvay undertakes to develop:

- a preventive approach with regard to known and identified risks.
- a precautionary approach characterized by a proactive, forward-looking and intelligence-gathering approach to science and technology as regards the issue of risks affecting the company's activities.

Within the context of its product stewardship policy, Solvay pledges to support its products throughout their life cycle, including via the provision of support to its customers.

Solvay is developing a specific approach for products classified as "very high concern", including CMRs. (carcinogenic, mutagenic and toxic to reproduction). Solvay has implemented specific recommendations that encourage the substitution of these substances and strict controls over their use when there is no possible substitute.

##### • Environment

Solvay complies with national and international environmental laws and regulations and adheres to "the chemical industry's commitment to progress in environmental protection". The company applies these principles as part of its ongoing commitment to improve safety and also health and environmental protection, and to preserve natural resources.

As such, Solvay will do its utmost to use, whenever possible, the best existing technologies allowing it to reduce greenhouse gas emissions from its production processes.

Employee awareness of the relevant environmental standards and group policies plays an important role in Solvay's approach at both the international and local levels. Solvay and IndustriALL Global Union will pool their efforts to enhance employee awareness and expertise to that respect.



## 7. SOCIAL DIALOG

- Solvay and IndustriALL Global Union share the same commitment to a rich, balanced social dialog. This dialog, which is part of Solvay's culture, takes the form of various initiatives involving employee participation, as well as regular negotiations with staff representatives.
- Solvay and IndustriALL Global Union will work together to increase the involvement of employees and their representatives in this dialog and to develop it at an international level.

In this respect and in compliance with national laws and the company's local practices, Solvay will communicate the necessary information to employee representatives for them to learn about and understand relevant issues. Employee representatives pledge to respect the confidentiality of such information.

- Solvay respects the right of its employees for form or joins any trade union of their choice. Solvay will remain strictly neutral concerning employee preference to join, remain with, transfer, or abandon their relationship with a trade union of their choice.

Solvay will refrain from any unfair communication with its employees to influence their decision on trade union representation and will ensure all communications with its employees are factual and non-hostile toward the trade union seeking organization.

- Solvay pledges not to practice any discrimination due to trade union activities either when hiring or when managing employees' careers.
- Solvay prohibits any discrimination against employees or their representatives who claim rights stipulated in this agreement or act in accordance with its provisions.
- Solvay and IndustriALL Global Union will jointly monitor indicators that assess the company's existing dialog structures.



## 8. CIVIL DIALOG

- Solvay attaches great importance to having a regular and trustful dialog with the communities neighboring its sites. For this purpose, the company is developing a dialog policy that takes into account local laws, regulations and practices.
- Solvay asserts its willingness to develop, as needed, a constructive and responsible dialog with non-governmental organizations active in its industry.

## 9. RIGHT TO RAISE CONCERNS

- All employees are responsible for complying with the law and with the company's undertakings and rules of conduct. They may alert their supervisors to violations and may also refer matters to the local representative of the Human Resources or Legal department. Solvay is committed to setting up a special mechanism that will ensure employees' concerns are heard in the event that the usual means of dialog are not functioning properly.

## IV - PERFORMANCE INDICATORS

Solvay and IndustriALL Global Union will carry out an annual review of this agreement on the basis of indicators reported by the group as regards the commitments stipulated by the agreement.

### Health, safety, environment

- Percentage of sites audited in terms of hygiene, safety and the environment over the past three years, in accordance with the company's reference framework.
- **TF1:** accident frequency rate with lost working time, expressed in terms of the number of accidents per million hours worked.



- **TF2:** accident frequency rate with/without lost working time, expressed per million hours worked.
- Impact on the environment and natural resources:
  - water
  - air
  - energy consumption
  - waste management

### Employees and social dialog

- Number of employees (total headcount, per geographical region and per site).
- Employment structure (direct employment, temporary employment) Group policy regarding subcontracting.
- Existing social protection schemes and number or category of employees covered.
- Mobility : number of jobs filled by internal candidates.
- Job training, existing dialog structures.

Solvay and IndustriALL Global Union jointly monitor ways to optimize the currently reported social indicators and to identify new areas of need.

### Relations with suppliers and subcontractors

- Review of compliance with Solvay standards and any corrective measures that may be required.
- Review of complaints lodged by suppliers and the processing of these complaints by Solvay.

### Solvay Way

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



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

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

23 commitments have been defined for all the stakeholders and 48 key practices enabling these commitments to be satisfied have been classified according to four stages of implementation:

#### 1. Launch

The entity is basically meeting stakeholders' expectations. An inventory has been made.

#### 2. Deployment

The entity has implemented a structured progress approach internally and with stakeholders. Methods are in place to establish priorities, resources have been deployed, managers have initiated action plans.

#### 3. Maturity

The entity has successfully instigated action plans. These have been implemented and monitored across the board with initial feedback of experience. Employees are involved in their deployment.

#### 4. Performance

The entity is on a part with benchmarks in the sector. The improvement approach is durable and the results demonstrate a sustainable level of improvement. The entity is recognized as exemplary, all stakeholders approve of the approach.



**Commitments:**

**1. Customers**

- 1.1. Integrating our CSR commitments into our customer relationships.
- 1.2. Controlling product-related risks.
- 1.3. Innovation in integrating CSR.
- 1.4. Analyzing and developing our markets, while integrating CSR.

**2. Employees**

- 2.1. Guaranteeing health and safety of employees.
- 2.2. Respecting employees' fundamental human rights and guaranteeing their social rights.
- 2.3. Ensuring quality social dialogue.
- 2.4. Developing employability.
- 2.5. Mobilizing employees.

**3. Planet**

- 3.1. Promoting environmental management.
- 3.2. Preserving natural resources.
- 3.3. Limiting environmental impact, preserving biodiversity.
- 3.4. Exercising responsible influence.

**4. Investors**

- 4.1. Generating value in a responsible way.
- 4.2. Ensuring risk management.

- 4.3. Ensuring dissemination of and compliance with good management and governance practices.
- 4.4. Communicating in an ethical and transparent manner.

**5. Suppliers**

- 5.1. Defining prerequisites and integrating them into the supplier selection process.
- 5.2. Evaluating buyers' CSR performance.
- 5.3. Managing and assessing suppliers' CSR performance, optimizing relationships.

**6. Communities**

- 6.1. Ensuring the integration of entities within their territories.
- 6.2. Controlling industrial risks related to entities' presence in their territories.
- 6.3. Controlling supply chain risks and preventing accidents.

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

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

Solvay and IndustriALL Global Union consider that the Solvay Way approach makes a very major contribution to the dynamic application of this agreement and have agreed to combine their efforts to ensure its complete success.



## V - APPLICATION OF THE AGREEMENT: METHODOLOGY

This agreement, which applies to all Solvay activities worldwide, strengthens and extends the company's labor practices and is not intended to replace or interfere with local dialog and negotiation practices.

Solvay pledges to provide management with copies of this agreement and to inform employees of its existence and the commitments it entails. This agreement will be translated into the languages of the different countries concerned in agreement with IndustriALL Global Union and will be available on the Group's website in the "sustainable development" section.

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

Solvay and IndustriALL Global Union will cooperate to ensure the optimum circulation and understanding of this agreement by employee representatives on its sites. In this respect, Solvay will facilitate the participation of these delegates in meetings that may be organized locally by IndustriALL Global Union to help develop the social dialog required by this agreement.

Solvay and IndustriALL Global Union agree that they will be mutually available on an ongoing basis to inform each other of any problems encountered and to determine the best solutions.

Solvay and IndustriALL Global Union both believe that problems are best resolved as close as possible to the location where they have arisen.

Nonetheless, Solvay and IndustriALL Global Union agree that in the event of difficulties which cannot be resolved or failure to apply the terms of this agreement, the Group General Management may be asked to intervene.

## VI - MONITORING AND ANNUAL REVIEW

Solvay and IndustriALL Global Union will continuously monitor the correct application of this agreement and in this respect they will conduct an assessment once a year in a jointly defined country or zone.

Any problems encountered with the application of this agreement will be outlined in a report that will also discuss the solutions brought to bear. If the difficulties are observed locally this report will be written jointly by management and employee representatives at the site concerned and will be included in the overall review.

Solvay and IndustriALL Global Union will review the application of this agreement on a yearly basis during a formal meeting convened in the first quarter of the year.

On this occasion, Solvay will present a review document on the basis of the agreed indicators and the results of the joint assessments conducted by IndustriALL Global Union and Solvay in the countries provided for under the terms of this agreement (assessment of the global agreement and meeting of the Global Safety Panel).

Solvay will be responsible for organizational expenses, such as travel, accommodation and translation services.

Solvay and IndustriALL Global Union agree to carry out a joint review before the end of the agreement in order to prepare for its possible renewal. Conducted towards the end of validity of the agreement, this review may be entrusted to an external expert chosen by both parties, with the cost being covered by Solvay.

Solvay and IndustriALL Global Union are the only parties authorized to answer any questions raised by the application of this agreement.

Solvay and IndustriALL Global Union agree about the advantages of developing a worldwide social dialog within the Group and will pursue

reflection on this matter. Once they have been decided, the terms and conditions of this dialog will be the subject of an amendment to this agreement.

## VII - VALIDITY OF THE AGREEMENT

This agreement is renewed for a period of three years.

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

In the year preceding the agreement's expiration date, and no later than three months before this date, the signatories will meet to prepare an overall review of the application of the agreement, with a view to its possible renewal.

Either signatory may withdraw from this agreement, provided it gives six months' notice.

This agreement will be translated, according to a list jointly defined with IndustriALL Global Union, into each of the languages of the countries where Solvay production sites are based. The French version of the agreement shall have legal force for the signatories.



Jean-Pierre Clamadieu, Chief Executive Officer

And



IndustriALL Global Union, represented by Jyrki Raina, General Secretary

Brussels, December 17, 2013

# International Framework Agreement between Siemens AG, the Central Works Council of Siemens AG, the IG Metall and the **Industri all** Global Union



## 1. Preamble

Siemens has a long and successful history stretching back over 165 years. Our achievements around the world stem from our sound fundamentals: technological expertise and ability, innovation, quality, reliability, social partnership and the honesty and integrity of our employees and their managers. It is our intention that the Company continues to live by these values in the future and it is against the background of this commitment that the following global principles have been agreed.

Profitable long-term worldwide growth is our aim, responsible value creation our means of achieving it. Responsible creation of value in practice at Siemens means establishing and maintaining a responsible, diversity-oriented approach to management and an associated corporate culture in keeping with the principles of social responsibility and occupational health and safety. Moreover we require our suppliers to abide by our own high standards, and insist on uncompromising compliance with the law.

Siemens signed up to the United Nations Global Compact in 2003 and intends to continue applying these principles consistently in future. The power they wield through their innovation and investment activities gives commercial enterprises in particular great responsibility for sustainable global development and employment. Siemens explicitly supports and acknowledges the ten principles of the Global Compact: fundamental employee and human rights, environmental protection and anti-corruption. The Global Compact builds on the UN's Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the Rio Declaration on Environment and Development. These elementary principles are also reflected in the Siemens Business Conduct Guidelines.

With this background Siemens accordingly accepts the social responsibility principles referred to and explicitly acknowledges the fundamental employee rights defined in the relevant international conventions, the fundamental conventions of the International Labour

Organization (ILO) and the UN Global Compact initiative:

- the elimination of all forms of forced and compulsory labour (2.1).
- equality and prohibition of discrimination (2.2).
- prohibition of child labour and introduction of a minimum age of employment (2.3).
- freedom of association and the right to collective bargaining (2.4).

These principles listed above are our common understanding.

The international dialogue has to respect and balance both the local legal requirements and processes of every jurisdiction as well as the diversity and global presence of Siemens. In cases of disagreement we will look for solutions together with the works council and the regional company.

### 2.1. Free choice of employment

Nobody should be employed or forced to work against his or her will (see principles of ILO Conventions 29 and 105). Any form of forced labour is unacceptable (see also the criteria referred to by the ILO<sup>1</sup>).

### 2.2. No discrimination or intimidation in employment

The principles of equality of opportunity and equal treatment apply irrespective of skin color, ethnic or social background, religion, age, disability, sexual identity, world view and gender. Consistent with our Business Conduct Guidelines and employment laws in the countries in which we operate, we do not tolerate discrimination in any form on the basis of any of these characteristics, nor do we tolerate sexual harassment or any other form of personal attack on individuals. Employees are always sought, employed, promoted and rewarded according to their qualifications and abilities (see principles of ILO Conventions 100 and 111). If the level of protection granted to employees in a country in which Siemens operates essentially fails to reflect these principles, Siemens will nevertheless apply these higher standards to its employees.

<sup>1</sup> in the "Global report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work", 2005, p.6

### 2.3. Prohibition of child labour

Child labour is absolutely prohibited. Siemens acknowledges the provisions relating to the minimum age at which a person may be permitted to work defined in ILO Convention 138 and will accordingly refrain from employing any person who cannot demonstrate that he or she is at least 15 years of age. The minimum age may be reduced to 14 in countries subject to the developing country exception contained in ILO Convention 138.

If statutory laws within a country or relevant collective agreements set higher limits for the minimum age of employment, these more stringent regulations will be applied.

The regulations defined in ILO Convention 182 should be applied insofar as they are feasible for a commercial enterprise.

### 2.4. Freedom of association and the right to collective bargaining

The right of employees to form labour unions, join existing labour unions and conduct collective negotiations, is acknowledged. Members of employee organizations or unions will be neither advantaged nor disadvantaged on account of their membership (see principles of ILO Conventions 87 and 98). A constructive approach will be taken to cooperation with employees, employee representatives and unions on the basis of local law. Even in contentious disputes, the continuing objective will be to maintain effective constructive cooperation and to seek solutions with the aim of balancing our commercial interests and the interest of our employees.

If the level of protection granted to employees in a country in which Siemens operates fails essentially to reflect these principles, Siemens will nevertheless apply these higher standards to its employees.

Employee representatives must be protected against any form of prejudicial treatment.

### 2.5. Appropriate remuneration

Appropriate compensation (basic requirement) at least as specified in applicable national minimum wage legislation is assured.

Siemens applies the principle of "equal remuneration for work of equal value", for example for men and women, in line with national provisions.

### 2.6. Working time

The maximum working time legally defined in each country will be respected, as will the corresponding agreements. Regular working time, overtime hours and paid leave will also at the least comply with the statutory provisions in cases in which there are no collective bargaining agreements.

Overtime hours will not be used to compensate for inadequate basic pay and will comply with the applicable occupational health and safety regulations.

As a general rule, over time work is voluntary. However employees may be instructed to work overtime provided that this does not contravene national law, applicable collective bargaining agreements, works agreements or the individual contract of employment.

### 2.7. Occupational health and safety

The level of occupational health and safety ensured will be at least that specified in the applicable statutory provisions. Responsibility for the health and safety of employees is acknowledged, risks should be countered and the best possible measures should be taken to prevent accidents and occupational diseases.

Siemens supports the continuous development of occupational health and safety in order to improve the working environment.

### 2.8. Vocational training

Siemens will support employees' personal development where appropriate, in order to prepare them with knowledge and skills for current and future tasks.

## 2.9. Suppliers

The principles of this agreement are reflected in the Siemens Code of Conduct for Suppliers. Thus Siemens also actively endeavors to have these principles incorporated into the business policy of its suppliers. Siemens regards the application of these principles to supplier and contractor companies as a positive prerequisite for mutual business relationships.

## 2.10. Monitoring compliance

- 2.10.1. Employees will be informed verbally or in writing of this agreement in accordance with the applicable statutory provisions and/or local customs. The regional business units must ensure that the agreement is also translated into additional languages where this is necessary for proper understanding.
- 2.10.2. Reports of possible breaches of these rules can be submitted via the company's internal communication channels (for example "Tell-us"). Persons making such reports may not be disadvantaged in any way as a result.
- 2.10.3. Responsibility for complying with the aforementioned principles rests with the Siemens regional business units. Consistent compliance with the obligations and principles of social responsibility at Siemens is monitored through internal company controlling mechanisms such as self-assessments.
- 2.10.4. In the event of grievances, employees and employee representative bodies should first exhaust the internal and local/national complaint and arbitration facilities.
- 2.10.5. The "Verhandlungsdelegation" (Central Works Council negotiating team) has the task of supporting the worldwide implementation of the agreement and advising on suitable measures. This task includes pursuing serious reports and complaints that cannot be resolved through the local and national complaint and arbitration facilities in

order to prevent external legal disputes. To this end the "Verhandlungsdelegation" meets with employees or employee representatives, after agreement with the company, once a year on an alternating rolling basis in the Metaclusters.

The timing and location of these meetings are agreed in consultation with the company and the Central Works Council. The meeting is arranged by the company and is conducted in English. The IGM company officer for Siemens may attend and the consultation of external experts is permitted.

- 2.10.6. The company will bear the costs necessarily incurred in supporting this agreement.

## 3. Effective date

This declaration comes into effect on signing. No individual or third party claims may be based on clauses in this declaration. Only the German version of this declaration has a binding effect.

Munich, July xx, 2012

Siemens AG

Peter Löscher

Brigitte Ederer

Central Works Council of Siemens AG

Lothar Adler

Birgit Steinborn

IG Metall / IndustriAll - Global Union

Berthold Huber

Jürgen Kerner

## SKF Code of Conduct

**F**or an international company like SKF to be consistently successful, it is vital that the organization, and every single employee in the performance of his/her duties, is seen and perceived as economically, socially and ethically responsible. This is the only way to ensure lasting, positive and acceptable, financial and social development.

SKF has defined four key areas of responsibility, towards customers, towards employees, towards shareholders and towards society. Furthermore, SKF encourages its suppliers to adhere to similar codes of conduct. For the purpose of this agreement we have below copied the part of the SKF Code of Conduct that covers the responsibilities towards employees.

## Responsibility towards employees

### Working ethics

Leadership and relationship between employees within SKF are based on our four core values. Among other things these values require that

- all employees be treated equally, fairly and with respect regardless of race, gender, age, national origin, disability, caste, religion, social orientation, union membership or political affiliation.
- SKF does not engage in or support the use of forced labour, nor shall any employee be required to lodge "deposits" or identity papers when commencing employment with SKF.
- SKF does not engage in or tolerate the use of child labour. We define as child any person less than 15 years, unless local minimum-age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. If, however, local minimum-age law is set at 14 years in accordance with
- developing country exceptions under ILO Convention 138, the lower age will apply.
- SKF respects the right of all employees to form and join trade unions of their choice and to bargain collectively. SKF will ensure that official representatives of such trade unions are not subject to discrimination and that such representatives have access to the union members and their work place.

- SKF ensures that wages and other related benefits meet at least the legal or industry minimum standard in the country in question.
- SKF complies with applicable laws and industry standard on working hours in each country where we operate.
- SKF is committed to offering safe and healthy workplaces for all employees. SKF is certified to ISO14001. The Group's aim, related to health and safety, is to eliminate rather than just reduce work-related accidents and injuries throughout its facilities. (See SKF Group Policy – Environment, Health and Safety).
- SKF strives to give employees good opportunities to train for job enrichment and wider responsibility, as expressed in the Individual Development Plan.
- SKF will give all employees a fair chance to compete for job opportunities.

Unless overridden by national legislation, only relevant skills and competencies shall be the differentiating factors in selecting the right person for the job.

- SKF ensures that registration, filing and use of employee data is treated with strict confidentiality and in accordance with local legislation.

All employees have the obligation to follow the Code of Conduct, Group Management and the World Works Council presidium will regularly supervise the observance of the Code of Conduct.

Göteborg 1<sup>st</sup> November, 2003

#### Bengt Olof Hansson

Senior Vice President  
Group Quality & Human Resources  
AB SKF

#### Kennet Carlsson

Chairman of the SKF branches of the European  
Metalworkers' Federation the  
International Metalworkers' Federation

Agreement between Industri Energi/IndustriALL Global Union and Statoil:  
"The exchange of information and the development of good working practice within  
Statoil worldwide operations"

## The Exchange of Information and the Development of Good Working Practice within Statoil Worldwide Operations

## 1. PREAMBLE

The parties to this agreement are Statoil, herein referred to as Statoil, Industri Energi, the Norwegian Union Partner herein referred to as Industri Energi and IndustriALL Global Union, herein referred to as IndustriALL. Hereinafter, all parties to this Agreement shall be referred to as Parties.

The purpose of the agreement is to create an open channel of information between the Parties about industrial relations issues in order to continuously improve and develop good work practices in Statoil's worldwide operations.

This agreement covers all activities where Statoil has direct control, the realisation of which shall be in accordance with the national law and practice of the host country within which Statoil is located. Where Statoil does not have overall control, it will exercise its best efforts in order to secure compliance with the standards set out in this agreement. Statoil will encourage compliance with the standards towards its subcontractors and licensees

Based on the Parties' common recognition of fundamental human rights and Statoil's own values, the purpose is to monitor the practical application of the agreed principles and to discuss any improvements in the working practices or any other positive contribution the Parties may have.

## 2 HUMAN RIGHTS, INDUSTRIAL RELATIONS AND HSE ISSUES

Statoil and Industri Energi/IndustriALL affirm their support for fundamental human rights in the community and in the place of work. Furthermore, the Parties recognise the importance of protecting safety, health and well being at work and share the concern about the impact of exploitation

that production, use and disposal may have upon the natural and human environment. This agreement is intended to ensure the best possible standards of protection for those employed in our business.

The respect of human rights includes:

- The right of every employee to be represented by a union of his or her own choice and the basic trade union rights as defined by ILO Convention 87 and 98 covering freedom of association and the right to organise, as well as the right to engage in collective bargaining. Statoil therefore agrees not to oppose efforts to unionise its employees.
  - A commitment not to employ forced or bonded labour as proscribed in the ILO Conventions 29 and 105 or otherwise.
  - A commitment to employ no child labour as proscribed by ILO Convention 138.
  - A commitment to exercise equality of opportunity and treatment in recruitment, employment, training and career development, including equal remuneration for men and women for work of equal value, and the prevention of discrimination\*, in respect of employment and occupation as required by the ILO Conventions 100 and 111 respectively.
  - A commitment to pay fair wages and benefits according to good industry standards in the country concerned.
  - A commitment to provide a safe and healthy work environment, deploying common "best practice" standards.
- \* *Discrimination is defined as any distinction, exclusion, or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment.*

### 3. ENVIRONMENTAL ISSUES

Statoil and Industri Energi/IndustriALL will cooperate to ensure that Statoil activities are carried out with the fullest possible regard for the environment in particular this will include:

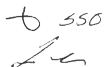
- Supporting a precautionary approach to environmental challenges .
- Undertaking initiatives to promote greater environmental responsibility .
- Encouraging the development and diffusion of environmentally friendly technologies .

### 4. IMPLEMENTATION

#### 4.1. Annual Meeting

Statoil and Industri Energi/IndustriALL will meet annually to review practice in the area of the agreed principles and follow up this Agreement. The purpose shall be to discuss the issues covered by this agreement with a view to jointly agreeing actions that will further develop good working practices. In addition to the general industrial issues and HSE-matters, the following topics may be addressed:

- General corporate policy on employment, occupational health, safety and environmental issues affecting within the company and, as appropriate, between the company and its related companies including suppliers and subcontractors.
- The economic and financial position of the company and the development of its business and related activities.
- Training matters.
- Issues affecting the exercise of trade union rights.
- Any other issues mutually agreed upon.

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Participants at these annual meetings will normally be 4-5 senior officials from Industri Energi / IndustriALL and relevant managers from Statoil.

#### 4.2. Local Industrial Relations practice

The agreement between the Parties shall be applied consistently throughout Statoil operations but is not intended to replace or interfere with local industrial relations practice related to information, problem solving and negotiations. The Parties to the agreement respect the principle that industrial relations issues are best resolved as close as possible to the place of work.

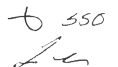
#### 4.3. Training Programmes

Industri Energi/IndustriALL and Statoil will cooperate in developing joint training arrangements covering those issues - and their implementation - dealt with in this agreement. This will include appropriate training in health, safety and environmental best practice for union delegates from countries where Statoil is the operator. It will also include Management training programmes within Statoil. The cost of Industri Energi/ IndustriALL involvement in Statoil training programmes may be covered by Statoil, subject to agreement.

#### 4.4 Union delegates

Statoil will refrain from dismissing or otherwise discriminating against union delegates, identified as such by the Parties, or employees providing information relevant to the observance and implementation of this Agreement. All union delegates must agree to respect the commercial confidentiality of information disclosed in the exercise of their duties.

Statoil will assist union delegates in the performance of their functions by making available relevant information and other agreed facilities. When it is necessary to take time off from work to perform these functions this

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will be agreed upon locally and may be given as paid time off within the framework of local agreements.

Statoil may also facilitate the opportunity for union representatives from Statoil operations to meet as necessary to discuss the application and future development of this agreement.

#### 4.5. Information

Industri Energi/IndustriALL will distribute copies of this agreement to all its member unions that organise employees in Statoil companies around the world and will broadly publicise the existence of the agreement and explain its implications to its unions in the Company.

Statoil will in the same manner distribute copies of this agreement to all Statoil offices and will inform local management of the existence and contents of this Agreement.

Any external information about this agreement shall be mutually agreed by the Parties.

#### 4.6. Administration

The President of Industri Energi on behalf of IndustriALL or person authorised by him and the Vice President Employee Relations in Statoil are responsible for the administration of this agreement.

#### 4.7. Infringements of the agreement

The Parties agree that neither the Parties nor third parties may derive or enforce any legal rights from this agreement.

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## 5. DURATION AND EVALUATION

The duration of this agreement is two years, until 11<sup>th</sup> December 2014, after which this agreement will be evaluated and may be prolonged for a new period.

Geneve, Dec 11<sup>th</sup> 2012

  
Siv Oftedal  
Statoil

  
Jyrki Raina  
Industri ALL Global Union

# Declaration on Social Rights and Industrial Relationships at Volkswagen

## Preamble

Volkswagen documents fundamental social rights and principles with this declaration. The social rights and principles described in this declaration represent the basis of Volkswagen Corporate Policy. The social rights and principles described in this declaration take the Conventions of the International Labour Organisation concerned into consideration.

The future security of the Volkswagen Group and its employees ensues from the spirit of co-operative conflict management and social commitment, on the basis and with goal of ensuring economic and technological competitiveness. A particular expression of social commitment is in the security and development of employment opportunities

The globalisation of Volkswagen is essential to secure the future of the company and its employees.

Volkswagen and its employees face the challenges of globalisation together. Together they should utilise the opportunities for the success of the company and the workforce, while limiting potential risks.

Volkswagen AG, the Group Global Works Council of Volkswagen AG and the International Metalworkers' Federation agree on the following goals for the countries and regions represented in the Group Global Works Council. The realisation of the following goals ensues under the consideration of applicable law and prevailing customs in the different countries and locations.

## § 1 – Basic Goals

### 1.1. Freedom of association

The basic right of all employees to establish and join unions and employee representations is acknowledged. Volkswagen, the unions and employee representatives respectively work together openly and in the spirit of constructive and co-operative conflict management.

### 1.2. No Discrimination

Equal opportunity and treatment, regardless of race, skin colour, sex, religion, citizenship, sexual orientation, social origin or political persuasion (as far as it is based on democratic principles and tolerance towards persons thinking differently) is assured.

Employees will be chosen, hired and promoted only based on their qualifications and abilities.

### 1.3. Free Choice of Employment

Volkswagen rejects any knowing use of forced labour and indentured as well as debtor servitude or involuntary prison labour.

### 1.4. No Child Labour

Child labour is prohibited. The minimum age for acceptance for employment in accordance with governmental regulations will be observed.

### 1.5. Compensation

The compensation and benefits paid or received for a normal work week correspond at least to the respective national legal minimum requirements or those of the respective economic sectors.

### 1.6. Work Hours

The work hours correspond at least to the respective national legal requirements or to the minimum standards of the respective economic sectors.

### 1.7. Occupational Safety and Health Protection

Volkswagen meets at least the respective national standards for a safe and hygienic working environment and in this context will undertake appropriate measures to assure health and safety in the work place so that healthy employment conditions are assured.

### § 2. Realisation

- 2.1. The employees of Volkswagen will be informed about all of the provisions of this declaration. Within the context of the respective plant practice, unions or existing elected employee representatives will have the possibility to inform the workforce together with representatives of management.
- 2.2. Volkswagen supports and expressly encourages its contractors to take this declaration into account in their own respective corporate policy. It views this as an advantageous basis for mutual relationships.
- 2.3. At the suggestion of the Board of Management of Volkswagen AG or the Volkswagen Group Global Works Council, this declaration and its realisation will be discussed and considered with representatives of management of Volkswagen AG within the framework of the meeting of the Group Global Works Council. If necessary, appropriate measures will be agreed upon.
- 2.4. Third parties cannot drive or enforce any rights from this declaration. This declaration enters in to force on the day it is signed. It has no retroactive effects.

Bratislava, 6<sup>th</sup> June 2002

for  
the Group Global  
Works Council

for  
Volkswagen AG

for  
International  
Metalworkers' Federation

MAY 13, 2013

## Accord on Fire and Building Safety in Bangladesh

**T**he undersigned parties are committed to the goal of a safe and sustainable Bangladeshi Ready- Made Garment (“RMG”) industry in which no worker needs to fear fires, building collapses, or other accidents that could be prevented with reasonable health and safety measures.

The signatories to this Agreement agree to establish a fire and building safety program in Bangladesh for a period of five years.

The programme will build on the National Action Plan on Fire Safety (NAP), which expressly welcomes the development and implementation by any stakeholder of any other activities that would constitute a meaningful contribution to improving fire safety in Bangladesh. The signatories commit to align this programme and its activities with the NAP and to ensure a close collaboration, including for example by establishing common programme, liaison and advisory structures.

The signatories also welcome a strong role for the International Labour Organization (ILO), through the Bangladesh office as well as through international programmes, to ensure that both the National Action Plan, and the programme foreseen by the signatories of this Agreement, get implemented.

The signatories shall develop and agree an Implementation Plan within 45 days of signing this Agreement. The nongovernmental organisations which are signatories to the Joint Memorandum of Understanding on Fire and Building Safety (dated March 15, 2012), having stated their intention to support the implementation of this programme, shall, at their own election, be signed witnesses to this Agreement.

This Agreement commits the signatories to finance and implement a programme that will take cognizance of the Practical Activities described in the NAP involving, at minimum, the following elements:

**SCOPE:** The agreement covers all suppliers producing products for the signatory companies. The signatories shall designate these suppliers as falling into the following categories, according to which they shall require these supplier to accept inspections and implement remediation measures in their factories according to the following breakdown:

1. Safety inspections, remediation and fire safety training at facilities representing, in the aggregate, not less than 30%, approximately, of each signatory company's annual production in Bangladesh by volume (“Tier 1 factories”).
2. Inspection and remediation at any remaining major or long-term suppliers to each company (“Tier 2 factories”). Together, Tier 1 and Tier 2 factories shall represent not less than 65%, approximately, of each signatory company's production in Bangladesh by volume.
3. Limited initial inspections to identify high risks at facilities with occasional orders, one- time orders or those for which a company's orders represent less than 10% of the factory's production in Bangladesh by volume (“Tier 3 factories”). Nothing in this paragraph shall be deemed to alleviate the obligation of each signatory company to ensure that those factories it designates as Tier 3 represent, in the aggregate, no more than 35%, approximately, of its production in Bangladesh by volume. Facilities determined, as a result of initial inspection, to be high risk shall be subject to the same treatment as if they were Tier 2 factories.

#### **GOVERNANCE:**

4. The signatories shall appoint a Steering Committee (SC) with equal representation chosen by the trade union signatories and company signatories (maximum 3 seats each) and a representative from and chosen by the International Labour Organization (ILO) as a neutral chair. The SC shall have responsibility for the selection, contracting, compensation and review of the performance of a Safety Inspector and a Training Coordinator; oversight and approval of the programme budget; oversight of financial reporting and hiring of auditors; and such other management duties as may be required. The SC will strive to reach decision by consensus, but, in the absence of consensus, decisions will be made by majority vote. In order to develop the activity of the SC, a Governance regulation will be developed.
5. Dispute resolution. Any dispute between the parties to, and arising under, the terms of this Agreement shall first be presented to and

decided by the SC, which shall decide the dispute by majority vote of the SC within a maximum of 21 days of a petition being filed by one of the parties. Upon request of either party, the decision of the SC may be appealed to a final and binding arbitration process. Any arbitration award shall be enforceable in a court of law of the domicile of the signatory against whom enforcement is sought and shall be subject to The Convention on the Recognition and Enforcement of Foreign Arbitral Awards (The New York Convention), where applicable. The process for binding arbitration, including, but not limited to, the allocation of costs relating to any arbitration and the process for selection of the Arbitrator, shall be governed by the UNCITRAL Model Law on International Commercial Arbitration 1985 (with amendments as adopted in 2006).

6. The signatories shall appoint an Advisory Board involving brands and retailers, suppliers, government institutions, trade unions, and NGOs. The advisory board will ensure all stakeholders, local and international, can engage in constructive dialogue with each other and provide feedback and input to the SC, thereby enhancing quality, efficiency, credibility and synergy. The SC will consult the parties to the NAP to determine the feasibility of a shared advisory structure.
7. Administration and management of the programme will be developed by the SC in consultation with the 'High-Level Tripartite Committee' established to implement and oversee the National Action Plan on Fire Safety, as well as with the Ministry of Labour and Employment of Bangladesh (MoLE), the ILO and the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), to maximize synergy at operational level; and the SC may make use of the offices of GIZ for administrative coordination and support.

#### **CREDIBLE INSPECTIONS:**

8. A qualified Safety Inspector, with fire and building safety expertise and impeccable credentials, and who is independent of and not concurrently employed by companies, trade unions or factories, shall be appointed by the SC. Providing the Chief Inspector acts in a

manner consistent with his or her mandate under the provisions of this Agreement, and unless there is clear evidence of malfeasance or incompetence on his or her part, the SC shall not restrict or otherwise interfere with the Chief Inspector's performance of the duties set forth in the Agreement as he or she sees fit, including the scheduling of inspections and the publishing of reports.

9. Thorough and credible safety inspections of Tier 1, 2 and 3 factories shall be carried out by skilled personnel selected by and acting under the direction of the Safety Inspector, based on internationally recognized workplace safety standards and/or national standards (once the review foreseen under the NAP is completed in June 2013). The Safety Inspector shall make all reasonable efforts to ensure that an initial inspection of each factory covered by this Agreement shall be carried out within the first two years of the term of this Agreement. The Safety Inspector will be available to provide input into the NAP legislative review and to support capacity building work regarding inspections by the MoLE foreseen under the NAP.
10. Where a signatory company's inspection programme, in the opinion of the Safety Inspector, meets or exceeds the standards of thorough and credible inspections, as defined by the Safety Inspector, it will be considered an integral part of the programme activities set forth in this Agreement. Signatory companies wishing to have their inspection programme so considered shall provide the Safety Inspector full access to the findings of their inspections and he or she will integrate these into reporting and remediation activities. Notwithstanding this provision, all factories within the scope of this Agreement shall still be subject to all the provisions of this Agreement, including but not limited to a least one safety inspection carried out by personnel acting under the direction of the Safety Inspector.
11. Written Inspection Reports of all factories inspected under the programme shall be prepared by the Safety Inspector within two (2) weeks of the date of inspection and shared upon completion with factory management, the factory's health and safety committee, worker representatives (where one or more unions are present), signatory companies and the SC. Where, in the opinion of the Safety

Inspector, there is not a functioning health and safety committee at the factory, the report will be shared with the unions which are the signatories to this Agreement. Within a timeline agreed by the SC, but no greater than six weeks, the Safety Inspector shall disclose the Inspection Report to the public, accompanied by the factory's remediation plan, if any. In the event that, in the opinion of the Safety Inspector, the inspection identifies a severe and imminent danger to worker safety, he or she shall immediately inform factory management, the factory's health and safety committee, worker representatives (where one or more unions are present), the Steering Committee and unions which are signatories to this Agreement, and direct a remediation plan.

#### **REMEDIATION:**

12. Where corrective actions are identified by the Safety Inspector as necessary to bring a factory into compliance with building, fire and electrical safety standards, the signatory company or companies that have designated that factory as a Tier 1, 2, or 3 supplier, shall require that factory to implement these corrective actions, according to a schedule that is mandatory and time-bound, with sufficient time allotted for all major renovations.
13. Signatory companies shall require their supplier factories that are inspected under the Program to maintain workers' employment relationship and regular income during any period that a factory (or portion of a factory) is closed for renovations necessary to complete such Corrective Actions for a period of no longer than six months. Failure to do so may trigger a notice, warning and ultimately termination of the business relationship as described in paragraph 21.
14. Signatory companies shall make reasonable efforts to ensure that any workers whose employment is terminated as a result of any loss of orders at a factory are offered employment with safe suppliers, if necessary by actively working with other suppliers to provide hiring preferences to these workers.
15. Signatory companies shall require their supplier factories to respect the right of a worker to refuse work that he or she has reasonable

justification to believe is unsafe, without suffering discrimination or loss of pay, including the right to refuse to enter or to remain inside a building that he or she has reasonable justification to believe is unsafe for occupation.

#### **TRAINING:**

16. The Training Coordinator appointed by the SC shall establish an extensive fire and building safety training program. The training program shall be delivered by a selected skilled personnel by the Training Coordinator at Tier 1 facilities for workers, managers and security staff to be delivered with involvement of trade unions and specialized local experts. These training programmes shall cover basic safety procedures and precautions, as well as enable workers to voice concerns and actively participate in activities to ensure their own safety. Signatory companies shall require their suppliers to provide access to their factories to training teams designated by the Training Coordinator that include safety training experts as well as qualified union representatives to provide safety training to workers and management on a regular basis.
17. Health and Safety Committees shall be required by the signatory companies in all Bangladesh factories that supply them, which shall function in accordance with Bangladeshi law, and be comprised of workers and managers from the applicable factory. Worker members shall comprise no less than 50% of the committee and shall be chosen by the factory's trade union, if present, and by democratic election among the workers where there is no trade union present.

#### **COMPLAINTS PROCESS:**

18. The Safety Inspector shall establish a worker complaint process and mechanism that ensures that workers from factories supplying signatory companies can raise in a timely fashion concerns about health and safety risks, safely and confidentially, with the Safety Inspector. This should be aligned with the Hotline to be established under the NAP.



## TRANSPARENCY AND REPORTING:

19. The SC shall make publicly available and regularly update information on key aspects of the programme, including:
- a single aggregated list of all suppliers in Bangladesh (including sub-contractors) used by the signatory companies, based on data which shall be provided to the SC and regularly updated by each of the signatory companies, and which shall indicate which factories on this list have been designated by that company as Tier 1 factories and which have been designated by that company as Tier 2 factories, however volume data and information linking specific companies to specific factories will be kept confidential.
  - Written Inspection Reports, which shall be developed by the Safety Inspector for all factories inspected under this programme, shall be disclosed to interested parties and the public as set forth in paragraph 11 of this Agreement.  
  
Public statements by the Safety Inspector identifying any factory that is not acting expeditiously to implement remedial recommendations.
  - Quarterly Aggregate Reports that summarize both aggregated industry compliance data as well as a detailed review of findings, remedial recommendations, and progress on remediation to date for all factories at which inspections have been completed.
20. The signatories to this Agreement shall work together with other organizations such as ILO and the High-Level Tripartite Committee and the Bangladeshi Government to encourage the establishment of a protocol seeking to ensure that suppliers which participate fully in the inspection and remediation activities of this Agreement shall not be penalised as a result of the transparency provisions of this Agreement. The objectives of the protocol are to (i) support and motivate the employer to take remediation efforts in the interest of the workforce and the sector and (ii) expedite prompt legal action where the supplier refuses to undertake the remedial action required to become compliant with national law.

## SUPPLIER INCENTIVES:

21. Each signatory company shall require that its suppliers in Bangladesh participate fully in the inspection, remediation, health and safety and, where applicable, training activities, as described in the Agreement. If a supplier fails to do so, the signatory will promptly implement a notice and warning process leading to termination of the business relationship if these efforts do not succeed.
22. In order to induce Tier 1 and Tier 2 factories to comply with upgrade and remediation requirements of the program, participating brands and retailers will negotiate commercial terms with their suppliers which ensure that it is financially feasible for the factories to maintain safe workplaces and comply with upgrade and remediation requirements instituted by the Safety Inspector. Each signatory company may, at its option, use alternative means to ensure factories have the financial capacity to comply with remediation requirements, including but not limited to joint investments, providing loans, accessing donor or government support, through offering business incentives or through paying for renovations directly.
23. Signatory companies to this agreement are committed to maintaining long-term sourcing relationships with Bangladesh, as is demonstrated by their commitment to this five-year programme. Signatory companies shall continue business at order volumes comparable to or greater than those that existed in the year preceding the inception of this Agreement with Tier 1 and Tier 2 factories at least through the first two years of the term of this Agreement, provided that (a) such business is commercially viable for each company and (b) the factory continues to substantially meet the company's terms and comply with the company's requirements of its supplier factories under this agreement.

**FINANCIAL SUPPORT:**

- 24. In addition to their obligations pursuant to this Agreement, signatory companies shall also assume responsibility for funding the activities of the SC, Safety Inspector and Training Coordinator as set forth in this Agreement, with each company contributing its equitable share of the funding in accordance with a formula to be established in the Implementation Plan. The SC shall be empowered to seek contributions from governmental and other donors to contribute to costs. Each signatory company shall contribute funding for these activities in proportion to the annual volume of each company's garment production in Bangladesh relative to the respective annual volumes of garment production of the other signatory companies, subject to a maximum contribution of \$500,000 per year for each year of the term of this Agreement. A sliding scale of minimum contributions based on factors such as revenues and annual volume in Bangladesh will be defined in the Implementation Plan with annual revisions, while ensuring sufficient funding for the adequate implementation of the Accord and the Plan.
- 25. The SC shall ensure that there are credible, robust, and transparent procedures for the accounting and oversight of all contributed funds.

Trade Union Signatories



Jyrki Raina  
General Secretary  
IndustriAll Global Union  
15.5.2013  
Geneva, Switzerland

Company Signatory



Philip Jennings  
General Secretary  
UNI Global Union  
15.5.2013  
Geneva, Switzerland

