



**GLOBAL FRAMEWORK AGREEMENT**

**ON**

**SUSTAINABLE DEVELOPMENT**

## Preamble

The signatories to this Agreement on sustainable development are:

On the one hand,

Umicore, a global materials technology and recycling group with about 10,400 employees worldwide

and, on the other,

IndustriALL Global Union representing over 50 million workers in the mining, energy and industry sectors, representing the unions concerned in the Group's activities.

Umicore is committed to a sustainable development strategy that embraces economic, environmental and social objectives in a coherent manner.

In this agreement, Umicore intends to bring together the priorities of its global social policy, in order to confirm its principles of sustainable development, as they relate to social aspects.

Umicore employees are crucial for the Group's global success, and it is therefore essential to maintain mutually beneficial relations and dialogue between all the partners contributing to its development.

Umicore recognizes that its commitment to financial success must take into account the broader economic, environmental and social impact of its operations. Its sustainable development policy therefore notably focuses on the priorities of safe and healthy working conditions, continual improvement of its environmental performance, management and remediation of risks that are the result of historical operations, recycling and disposal of its products, and the respect of all ILO core labour standards.

This agreement aims to support Umicore's internationalisation in social matters, in accordance with The Umicore Way, its Code of Conduct and Human Rights Policy, and its Sustainable Procurement Framework for Cobalt.

In order to contribute to the success of this approach, IndustriALL Global Union and its affiliated trade unions will participate constructively with Umicore in seeking and implementing the means to achieve the objectives referred to in this agreement and to respect the agreed commitments, the company's people and assets.

## 1. Human rights

### 1.1. Human rights

In accordance with its Human Rights Policy, Umicore fully supports the United Nations Universal Declaration of Human Rights and commits to respecting all International Labour Organisation (ILO) core labour standards and, more generally, all human rights standards.

Umicore also endorses the OECD Guidelines for Multinational Enterprises, the United Nations' Guiding Principles on business and human rights and the ILO Declaration on Multinational Enterprises.

### 1.2. Banning of child labour

Umicore undertakes not to employ children in compliance with Conventions 138 and 182 of the ILO. In any case, Umicore will apply the age of 18 as the minimum age for employment, except in the framework of internship- or vocational training programmes, organised in co-operation with schools and training institutes or approved by the competent authority. Special care will be taken that these young people, with a minimum age of 15, are fully protected and have received adequate safety training and instructions.

### 1.3. Banning of forced labour

In accordance with ILO Conventions 29 and 105, Umicore will under no circumstances make use of forced or bonded labour, such as forced labour by persons placed in an institution, or compulsory labour including labour as a means of political coercion or education.

### 1.4. Right to organise and collective bargaining

In accordance to ILO Conventions 87 and 98, Umicore recognises and respects the freedom of its employees to choose whether or not to establish or to associate with any employee organisation of their own choosing, including labour unions, without Umicore's prior authorisation.

Umicore will remain neutral concerning employee's free choice to join, remain with, change or abandon their relationship with a trade union of their choice. It shall prohibit any unfair communication aimed at influencing the decision of its employees as regards union representation. Umicore undertakes to ensure reasonable access of union representatives to all relevant workplaces.

The employment of a worker is not contingent upon the condition that he/she joins or not joins a union or be forced to relinquish trade union membership. Furthermore, union membership shall not be the cause for the dismissal of - or otherwise prejudice against - a worker. Umicore will not interfere with or finance labour organisations or take other actions with the intent of placing such organisations under its control.

Umicore subscribes the principles of ILO Convention 135 and Recommendation 143, and recognizes the right of its employees to be represented by labour unions and other employee organisations in order to collectively bargain on employment conditions.

Umicore and the respective employee organisations will co-operate constructively in a spirit of good faith. Even in cases of dispute the goal shall always be to maintain viable co-operation in the long term. This implicates, amongst others, the mutual respect of agreed commitments.

All parties acknowledge that all representative positions defined in the scope of the agreement require that position holders have sufficient knowledge and experience, and correct behaviour to deal with sensitive issues.

#### 1.5. Equal opportunities / Non-discrimination

In accordance with ILO Conventions 100 and 111, Umicore is committed to an inclusive work culture and appreciates and recognizes that every employee should be respected for his or her individual abilities. Umicore does not accept any form of harassment or discrimination on the basis of gender, religion, race, national or ethnic origin, cultural background, social group, disability, sexual orientation, marital status, age or political opinion.

Umicore shall provide equal employment opportunity and treat all employees fairly. Umicore employees and business units shall only use merit, qualifications and other professional criteria as basis for employee-related decisions in Umicore, regarding for instance recruitment, training, compensation and promotion.

In countries that apply “positive action” programmes or quota on certain minority groups Umicore will follow the country legislation.

## 2. Working conditions

The signatories concur that sustainable development cannot be achieved without decent work, fair remuneration, health and safety at work, a working environment free of violence or harassment, and prospects for personal development, all as described in the sections below.

### 2.1. Remuneration

It is acknowledged and agreed that all employees are entitled to adequate remuneration (ILO Convention No. 100). Remuneration and all the other benefits are based on the principle of fairness and comply with the individual national legal standards or the standards of the national branches or company collective labour agreements, whichever is higher. In line with this Convention, the principle of “equal remuneration for men and women workers for work of equal value” shall prevail.

### 2.2. Working time and paid holidays

Umicore makes sure that the national regulations and agreements on working hours and regular paid holiday are adhered to.

### 2.3. Health and safety at work

Umicore does not compromise on a safe and healthy working environment for all employees and is committed to offering safe and healthy workplaces in line with internationally recognised human and labour rights. The aim is to achieve a zero accident workplace.

The protection of workers' health and safety requires effective prevention systems based on respect for three fundamental rights:

- The right to be informed of occupational risks and to receive the appropriate tutoring and training on how to work safely;
- The right to refuse or to stop work in case of serious and imminent danger;
- The right to participate in occupational health and safety discussions and programmes.

Health and safety committees shall be established in compliance with country legislation and at all relevant workplaces. All necessary measures shall be taken to ensure that all employees perfectly understand the safety and work instructions at their workplace, and are protected from the risks associated with their activities. Appropriate training programmes shall be organised accordingly to provide a safe and healthy work environment.

Umicore seeks continuous improvement of its occupational and process health and safety performance. This includes the integration of best practices in the management systems in existing operations, greenfield developments and future acquisitions as well as for contractors.

The company also promotes health and safety culture towards its suppliers and subcontractors. External employees working at Umicore premises have the same rights and obligations as Umicore's employees as regards health and safety.

#### 2.4. Violence and Harassment in the workplace

Umicore does not tolerate violence, harassment, abuse or mobbing of any kind, no matter of the worker's contractual status. In line with ILO Convention 190, the Group commits to creating an environment free of violence or harassment and to taking all appropriate measures, including awareness raising, education and training initiatives, to prevent and, in case of evidence, eliminate violence and harassment at work.

#### 2.5. Qualification

The skills and knowledge of the employees are of outstanding importance to Umicore and its striving to safeguard the future. That is why Umicore is committed to promoting measures aimed at the qualification of employees to the extent that the broadening and consolidation of the professional and technical knowledge is relevant for a particular job. In this context, vocational training and employment training are of particular importance and can be seen as a shared responsibility on one hand for the employer to provide the necessary training, and on the other hand for each employee to take up the offered training.

### 3. Environment

Umicore integrates sustainable development considerations within its decision making processes with the aim of reducing the environmental impact of its products and operations.

It implements risk management strategies based on valid data and sound science, and seeks continual improvement of its environmental performance.

Umicore actively participates in the management and remediation of risks that are the result of historical operations.

It facilitates and encourages responsible design, use, re-use, recycling and disposal of its products.

To achieve the international and individual national environmental standards and to comply with them in practice, Umicore co-operates with the relevant local institutions.

By focussing on recycling, Umicore also strives to make efficient use of natural resources and energy.

#### **4. Relations with suppliers and subcontractors**

Umicore commits to communicate the principles and provisions of this agreement to all its suppliers and subcontractors, and expects them to promote these principles along their own supply chain.

Failure to comply with fundamental labour standards and health and safety rules that is not corrected after repeated warning, observed through the objective evaluations, shall lead to the termination of the contractual relationship.

#### **5. Digitalisation**

Digital transformation is increasingly impacting Umicore's operations, employment, work content and organisation, as well as working conditions and practices.

Umicore therefore undertakes to respect and promote:

- Information and consultation of workers' representatives to better anticipate and manage change;
- Education and training. Umicore shall make best efforts to facilitate reclassification, retraining and upskilling of its employees;
- Appropriate levels of privacy, at work and at home.

#### **6. Implementation of the agreement**

6.1. The Agreement applies to all companies of the group in which Umicore has operational control.

It obliges senior management and employees at all levels to comply with, accept and promote the agreed objectives. The responsibility lies with the management of the individual operations, the employees and with the workers' representatives, insofar as such a body exists.

6.2. In the subsidiaries where Umicore has a significant presence, but does not exercise control, Umicore undertakes to use all the resources at its disposal in order to promote the principles stated in this agreement.

6.3. Umicore seeks business partners whose policies regarding ethical, social and environmental issues are consistent with its own Sustainable Procurement Charter, which is complementary to this agreement. Umicore requires its business partners (subcontractors and suppliers) to adhere and comply with the ILO core labour standards in their own corporate policy. Umicore takes the view that in doing so it lays the basis for promising future business relations.

6.4. This Agreement will be translated into Chinese, Dutch, French, German, Japanese, Korean, Portuguese and the languages of the countries where Umicore employs more than

100 workers, and widely disseminated among workers. It will be made available to the management, the workers' representatives and employees of all operations throughout the Group. It is communicated via the intranet and via the Business Group - Business Unit reporting lines and published on the website of IndustriALL Global Union.

All units and sites ensure that all employees and managers are properly informed about the content and implementation of the Agreement. Adequate training will be organised on matters covered in this Agreement.

## **7. Due diligence practices in the Cobalt supply chain**

In accordance with the OECD Due Diligence Guidance for Responsible Supply chains of Minerals, Umicore has developed a Sustainable Procurement Framework for Cobalt that takes into account the specific risks linked to the mining of cobalt. The aim is to minimise the risk of any possible connection between the cobalt in its supply chain and human right issues and/or unethical business practices.

A due diligence process has been put in place to regularly review and reassess suppliers as to their social and environmental performance. Risk identification in cobalt supply is a key element in this process. Non-compliance with the principles spelled out in this Agreement that is not remedied after repeated notification shall lead to the termination of the business relationship with the supplier concerned.

Umicore has mandated independent third parties to verify its due diligence practices.

## **8. Monitoring the agreement**

8.1 The unit/site management is responsible for implementing and assuring that the site adheres to this agreement.

8.2. According to Umicore's Code of Conduct, all employees have the right and duty to address issues and problems related to this agreement to their superior or, if they deem this is not to be appropriate, to the local or regional head of Human Resources or the heads of the Corporate Legal or Internal Audit Departments. They may also raise any implementation-related issue with the union representation. This will not be to their detriment neither will it entail any sanctions.

The concerns or complaints may be reported in the preferred language.

8.3. At Group level, a specific joint committee is responsible for monitoring the implementation of this agreement. Within this committee, the management will be represented by the Senior Vice President Human Resources and the Senior Vice President Environment, Health and Safety acting under the guidance of the Chief Executive Officer. Regarding the employees' representatives, they will be represented by one representative from IndustriALL Global Union and by the Chairman of the European Works Council.



IndustriALL Global Union shall provide continuity of its representative. Umicore shall be responsible for expenses of these monitoring committee members in performing their duties.

8.4 The joint monitoring committee will meet once a year. At this annual meeting, the external verifier of the sustainable development report will present its verification report. Major complaints about the implementation of this agreement, addressed to or about local and corporate management or employees' representatives, will be reviewed, as well as corrective measures taken.

8.5. As part of their monitoring competencies, the employee representatives of the monitoring committee can have every year a meeting with the employee representatives of one Umicore site, where employees are represented by delegates of union organizations affiliated to IndustriALL Global Union. During the monitoring visits, the compliance with the agreement is verified and reviewed. Following such joint mission, the monitoring committee shall prepare a joint report.

## **9. Dispute resolution**

In the event of failure to implement this agreement, the following procedure shall apply:

- Difficulties that are specifically related to the implementation of this agreement shall be dealt with locally between the union(s) and management. The joint monitoring committee shall be kept informed of the development of the discussions and their result;
- If the issue cannot be resolved locally, it should be referred to the national level and handled between the union(s) and management;
- If no satisfactory solution is found, the issue should be referred to the joint monitoring committee.

In case of a deadlock, Umicore or IndustriALL Global Union may as the last resort terminate the agreement.

## **10. Validity of the agreement**

This agreement enters into force as from 17 October 2019 for a limited duration of 4 years.

It can be terminated at the end of the 4-year term by any of the signatory parties by registered letter, subject to an advance notice of at least six months.

Unless terminated as indicated above, the agreement is automatically extended for another 4 years.

In case of merger of the signing employee organisations or merger of one of the signing employee organisations with another employee organisation, the new entity/entities shall

automatically be deemed as party to this agreement and subject to its provision until such time as the agreement is renegotiated.

In the event of differences between the various language versions, the English version will be deemed authentic.

This agreement is governed by Belgian law. Consequently, any disputes will fall within the exclusive competence of the Belgian courts.

Given at Geneva on October 17, 2019, in as many copies as there are signatory parties.

For Umicore

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For IndustriALL Global Union

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