

# **Global Framework Agreement**

between

**Norsk Hydro ASA**

and

**IMF/ICEM**

**Fellesforbundet and IndustriEnergi**

for

**the development of good working relations  
in Norsk Hydro ASA operations worldwide.**

## **1. PREAMBLE**

The parties to this Agreement are Norsk Hydro ASA, hereinafter referred to as Hydro, Fellesforbundet (The Norwegian United Federation of Trade Unions) and IndustriEnergi, hereafter referred to as the Norwegian Union Partners, the IMF (the International Metalworkers' Union) and ICEM (the International Federation of Chemical, Energy, Mine and General Workers' Union), hereafter referred to as IMF/ICEM. Hereinafter, all parties to this Agreement shall be referred to as Parties.

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

The principles described in this Agreement take into consideration, but are not limited to, the International Labour Organisation's 1998 Declaration on Fundamental Principles and Rights at Work, certain ILO Conventions and Recommendations, the United Nations Global Compact, the United Nations Universal Declaration on Human Rights and the OECD Guidelines for Multinational Enterprises, as well as Hydro's own policies that derive from its corporate social responsibility initiative.

Hydro is committed to sustainable value-creation for its shareholders, other stakeholders, and the communities where Hydro operates. As an international industrial and natural resources company, Hydro's operations impact the lives of a large number of people around the world. Hydro pursues opportunities while managing risks taking the social impact of its business operations into consideration. In furtherance of its commitment, Hydro has a comprehensive program for corporate social responsibility that has produced a variety of policies that embody

the company's values worldwide. Hydro strives to abide by the principles set forth in those policies and to continuously improve and develop good work practices.

This agreement covers all activities where Hydro has direct control, the realization of which shall be in accordance with national law and practice of the host country within which Hydro is located. Where Hydro does not have overall control, it will exercise its best efforts in order to secure compliance with the standards set out in this agreement. Hydro will make this agreement available to all Hydro companies, partners and contractors.

## **2. BASIC PRINCIPLES**

The Parties affirm their support for fundamental human rights in the community and place of work. The parties also recognise the importance of protecting safety, health and well being at work.

To the extent the basic principles outlined here are not in accordance with national law and practise in the host country within which Hydro is located, Hydro aspires to find local solutions in accordance with applicable national legislation and Hydro's own CSR policies.

The fundamental human rights include:

**a) Freedom of association and collective bargaining;**

respecting the right of employees to be represented by a union of their own choice and the basic trade union rights as defined by ILO Convention 87 and 98, covering the freedom of association and the rights to organize and to engage in collective bargaining.

The workers local representatives shall not be subject to any discrimination and shall have access to all necessary workplaces in order to carry out their duties as representatives according to ILO convention 135 and recommendation 143.

Regarding 2a above: Both parties agree that the protocol of 17.12.2010 applies.

Hydro values its ability to communicate with its employees and to dialogue with them individually and through their representatives.

**b) Discrimination;**

providing equality of opportunity and treatment in recruitment, employment, training and career development, regardless of race, colour, gender, membership or affiliation with a trade union, religion, political conviction, nationality or cultural origin, as required by ILO Conventions 100 and 111 respectively. This includes equal remuneration for men and women for work of equal value.

**c) Forced labour;**

not employing forced or bonded labour as proscribed by ILO Conventions 29 and 105 or otherwise.

Neither shall any employees be required to pay any deposits, or leave their identity papers, unless required by national or regional authorities.

**d) Child labour;**

not employing child labour as proscribed by ILO Convention 138 and 182.

**e) Health & Safety;**

providing employees with a healthy and safe working environment recognizing the importance of involving and working with its employees, their representatives and trade unions, to continually improve health and safety performance, ref ILO Convention 155.

Both parties recognize that all employees have responsibilities regarding their own health, security and safety and commit to keeping the work place drug free. Hydro is committed to providing both permanent and temporary workers with training on occupational hazards and their prevention. Through this commitment, Hydro aspires to eliminate accidents and injuries throughout its operations.

**f) Wages;**

the principle of paying fair wages and benefits according to good industry standards in the country concerned with due regard to the basic needs of the worker.

All employees shall receive information about wages and deductions, both when hired and regularly during employment. Deductions shall not be made from wages as a disciplinary measure. The pay-slip shall reflect any deductions.

**g) Working hours;**

complying with appropriate applicable national law and practice, and national collective agreements and industry standards.

**h) Employment conditions;**

Hydro recognizes that permanent employment is preferable and will not use hired-in personnel, part-time and temporary employment to undermine wages and working conditions.

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

Temporary and part-time employees should receive the same training, follow up and necessary equipment to carry out their functions in a safe manner.

### **3. SKILLS TRAINING**

Hydro aspires to provide all workers the opportunity to participate in education and training programmes including training to improve workers skills to use new technology and equipment.

#### **4. HIV/AIDS**

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

#### **5. ENVIRONMENTAL CONDITIONS**

Hydro recognizes the importance of carrying out activities and operations with due respect for the environment, including taking a precautionary approach to environmental challenges. Hydro will comply with national environmental legislation, and will work to minimise harmful discharge, emissions and waste production.

#### **6. IMPLEMENTATION**

- a) The Norwegian Union Partners and IMF/ICEM will distribute copies of this agreement to all their members unions that organise employees in Hydro's companies worldwide. Hydro will make this agreement available to all Hydro companies, partners and contractors.
- b) The Parties acknowledge that monitoring this Agreement will involve the local management, workers, their representatives, health and safety representatives and local trade unions.
- c) Within the context of Hydro's operations at the local level and national law and practice, unions or employee representatives shall have the right to inform their respective members of the workforce of the provisions of this Agreement.
- d) Hydro supports and encourages its contractors, suppliers and customers to take the principles set out in this Agreement into consideration when developing or implementing their own corporate policies.

#### **7. INFRINGEMENTS OF THE AGREEMENT**

In the event of a complaint arising under this Agreement the following procedure will normally apply:

- a) The complaint should be raised with the local site management. Both parties shall encourage and promote a local resolution pursuant to national law and practice.
- b) If the complaint is not resolved with local management, it may be referred to the appropriate national union who will raise the issue with Hydro at the national or regional level.
- c) If still unresolved, the complaint will be referred to the IMF/ICEM head offices, which will raise the matter with the company's Corporate Management. The Parties agree to engage in a dialogue regarding the complaint and if necessary, agree upon appropriate measures.
- d) After this process has been exhausted, failure to reach a consensus will mean a termination of this agreement.

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

## 8. PERIODIC REVIEW

The Parties agree to meet annually at a mutually convenient time and location, 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 Hydro. No party shall be obliged to engage in periodic reporting or required to meet more often than once a year with respect to this Agreement.

The Parties shall designate their own representatives for participation in this meeting.

The original English version of this agreement shall be the official version of this Agreement.

## 9. DURATION AND RENEGOTIATION

This Agreement shall be valid for a period of 2 years, after which it may be prolonged or renegotiated. Either party may terminate this Agreement, or any successor agreements to this Agreement by providing the other party thirty (30) days advanced notice in writing of its intention to terminate the Agreement.

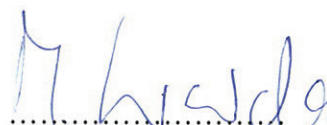
Oslo, March 15<sup>th</sup>. 2010



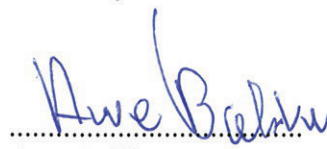
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