Transnational Company agreements

European Commission
Employment, Social affairs and Inclusion DG
May 3th, 2011

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Etex Group
Etex Group

- Etex Group is an international industrial holding company located in Brussels
- Etex is still Belgian and not on the stock-exchange market
- Its affiliated companies are specialised in building materials and passive fire protection systems
Historical background

• Creation of the group and its geographical expansion

- **1905**: Creation of the Group in Belgium. First fibre cement plant.
- **1937**: Foundation of fibre cement plants in Europe and Latin America.
- **1949**: First fibre cement plant in Africa.
- **1950**: First fibre cement plant in Asia.
Historical background

- Diversification of technologies and products

- 1951: Vinyl floor coverings
- 1957: Plasterboard
- 1969: Passive fire protection
- 1972: Concrete tiles
- 1978: Plastics
- 1985: Ceramic floor tiles
- 1988: Clay tiles

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Historical background

• Major acquisitions in the core businesses

- **1990**: Eternit (Germany)
  - Fibre cement products, concrete tiles, flat roof elements

- **1994**: Etex (France)
  - Plastic pipe fittings, fibre cement products

- **1999**: Marley Ltd (United Kingdom)
  - Concrete tiles, plastic pipe fittings, vinyl floor coverings

- **2001**: Glynwed Pipe Systems (United Kingdom)
  - Plastic pipe fittings
Historical background

• Split of the Group in 2003

The recent rapid growth of the business leads to the formation of two important divisions, Building Materials and Plastics, both of them having a significant critical mass and a focussed industrial profile.

**Etex Group** retaining all the Roofing and Boards activities as well as Floors and Walls activities and **Aliaxis** groups the activities in plastics for the plumbing sector.

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Etex Group today

- International industrial group
- Core businesses:
  - Roofing material
  - Cladding and Building Boards
  - Passive fire production systems
  - Floor and wall covering material
- 92 companies specialised in building material
- Present in 40 countries on all continents
Etex Group today

- Leader in its markets
- Consolidated turnover of €2 billion
- 13,500 people employed worldwide
- 4 divisions:
  - EBM West – European Building Materials West
  - EBM East – European Building Materials East
  - IBM – International Building Materials
  - FPI – Fire Protection & Insulation
Present in 40 countries

- **Europe**: 25 countries, 45 factories
- **Asia**: 6 countries, 5 factories
- **North America**: 2 countries, 1 factory
- **Latin America**: 4 countries, 21 factories
- **Africa**: 2 countries, 7 factories
- **Oceania**: 1 country, 1 factory

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EHS CHARTER 2010

NEGOTIATION

- Upon request of employee representatives
- Positive response of top mngt
- Difficult past (asbestos)
- EHS defined as top priority by top mngt throughout the Etex Group
- Social dialogue as a principle in Social charter
EHS CHARTER

NEGOTIATION

- Negotiation group identified
- Mngt : EHS and HR Group Director
- Workers representatives : 3 dedicated + secretary + 1 of European Federation of building and woodworkers (specialist EHS)
EHS CHARTER

INVolVEMENT

- ≠ discussions in negotiation group
- Feedback to Mngt/ local reps
- Draft text (worked out by GY rep)
  - review by EG Mngt
  - 'testing' with local EHS operational managers
  - local workers representatives
EHS CHARTER

SCOPE

- All companies of Etex Group in the EU for which EG is majority shareholder
- Charter = framework
- Local Management remains solely responsible for EHS in their operations
EHS CHARTER

EXPECTED RESULT

- Joint Working Committee with competent members (3/3) as a platform for better
  - Information on EHS results of EG
  - Exchange and discussion on best practices
  - Discussion on 'issues' and concerns
  - Improvement of the communication
  - Reflection on how to improve awareness

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EHS CHARTER

WHAT IT IS NOT

- Decision making instrument replacing local mngt
- Mediation platform /organ to solve local problems
EHS CHARTER

MEETINGS

- 1 meeting per year
- Fixed agenda
- Report to EWC

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EHS CHARTER

IMPLEMENTATION

- Translation into 5 languages
- EHS Etex Group and HR informed local EU MD's of signed Charter with request to take action to implement
- Through local committees / representatives
- First follow-up in 2011
EHS CHARTER

LEGAL EFFECTS

- ?
- Not tested
- No specific clauses
- Strong moral commitment
Social CHARTER

- Scope: EU
- Recommendation of Executive Committee to take principles into account in other countries outside EU
- Not very 'alive'
Code of Conduct 2011

• Developed at Group level early 2011
• Approved by Executive Committee
• Send by CEO to all MD's for implementation WW
• Guidelines by HR to help implement

• Recent request from Union to consider to make an international framework agreement

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