

16th director's position was empty, following the unexpected death of Mr. Karel Van Miert in June 2009. This number of Directors is justified by the diversified nature of the Group's activities and its international character.

4.3.2. During 2009, the Board of Directors was chaired by Mr. Alois Michielsens, with Mr. Denis Solvay as Vice-Chairman.

At the Ordinary Shareholders' Meeting of May 12, 2009:

- the directorships of Messrs. Alois Michielsens, Christian Jourquin, Bernard de Laguiche, and Chevalier Guy de Selliers de Moranville were renewed for four-year terms;
- the independent directorships of Messrs. Nicolas Boël and Karel Van Miert were renewed for four-year terms;
- Baron Hervé Coppens d'Eeckenbrugge was appointed a director for a four-year term, replacing Baron Hubert de Wangen;
- Ms. Petra Mateos-Aparicio Morales was appointed an independent director for a four-year term, replacing Mr Uwe-Ernst Bufe.

At the Ordinary Shareholders' Meeting on May 11, 2010, the Board of Directors will propose

- to renew for four-year terms the directorships of Messrs. Denis Solvay, Jean van Zeebroeck, Jean-Martin Folz, Anton van Rossum and Prof. Dr. Bernhard Scheuble. It will propose to confirm their independent status, with the exception of Mr. Denis Solvay who, at the date of the Shareholders' Meeting, will have exercised such a mandate for 12 years (see criteria of independence under item 4.3.4. below);
- to appoint as Director Evelyn du Monceau, who will resign her position as an independent director of Solvac at this company's Shareholders' Meeting in May 2010, to replace Mr. Karel Van Miert, who died on June 22, 2009.

Her curriculum vitae will be included with the notice convening the Ordinary Shareholders' Meeting;

- to appoint Mr. Yves-Thibault de Silguy as an independent director to replace Mr. Whitson Sadler who, approaching the age of 70, does not wish to complete his full term of office as a director until 2011. Mr. de Silguy's curriculum will be included with the notice convening the Ordinary Shareholders' Meeting;
- to decide on the independence, under the new law of December 17, 2008, of Mr. Charles Casimir-Lambert and Baron Hervé Coppens d'Eeckenbrugge, both of whom ceased to be non-executive directors of Solvac SA more than one year ago (see criteria of independence under item 4.3.4. below).

Terms of office and age limit

Directors are appointed by the Shareholders' Meeting for 4 years. They may be reappointed.

To avoid simultaneous expiration of all directorships, a rotation was established by lot when the company was converted into a société anonyme over 40 years ago.

The age limit for membership on the Board is the annual Shareholders' Meeting following the member's 70th birthday. In this case, the director in question resigns, and is replaced, for his remaining term of office, by a successor appointed by the Shareholders' Meeting.

4.3.3. Criteria for appointment

The Board of Directors applies the following primary criteria when proposing candidates for election to directorships by the Ordinary Shareholders' Meeting:

- ensuring that a substantial majority of directors on the Board are non-executive. At January 1, 2010, 13 out of 15 directors were non-executive, and two belonged to the Executive Committee

(Mr. Christian Jourquin and Mr. Bernard de Laguiche);

- ensuring that a large majority of non-executive directors are independent according to the criteria, defined by law and further tightened by the Board of Directors (see "criteria of independence" below). In this respect, the independent status of 9 out of 13 non-executive directors has been recognized by the Ordinary Shareholders' Meeting;
- ensuring that the members of the Board of Directors together reflect the shareholder structure and possess the wide range of competences and experience required by the Group's activities;
- ensuring that the Board of Directors' international composition appropriately reflects the geographic extent of its activities. At January 1, 2010 the Board included members of seven different nationalities;
- ensuring that the candidates it presents commit to devoting sufficient time to the task entrusted to them. In this respect, attendance at Board Meetings was very high in 2009;
- ensuring, finally, that it does not select any candidate holding an executive position in a competing company or who is or was involved in the external audit of the Group
- Belgian law and the by-laws of the company permit spontaneous candidacies for the post of director, providing that these are addressed to the company in writing at least 30 days before the Ordinary Shareholders' Meeting. Exercise of this right is not encouraged.

The Chairman of the Board gathers the information allowing the Board of Directors to verify that the selected criteria have been met at the time of appointment, renewal and during the term of office.

4.3.4. Criteria for independence

Based on Belgian law, the Board of Directors sets the criteria for determining directors' independence. Each director fulfilling these criteria

is presented to the Ordinary Shareholders' Meeting for confirmation.

The independence criteria are now regulated more strictly since the publication of the law of December 17, 2008. These new legislative provisions apply on the occasion of renewals or new directorships, and no later than July 1, 2011.

The new legal criteria, as contained in article 526ter of the Companies' Code (introduced by the law of December 17, 2008 (art. 16)), are as follows:

1. During a period of five years before appointment, not having exercised a mandate as an executive member of the management body or a function of member of the executive committee or managing director in the company or in a company or person affiliated with the same within the meaning of article 11 of the Companies' Code. The Board of Directors has added to this criterion a minimum one-year waiting period for the Shareholders' Meeting to recognize the independence of a non-executive director of Solvac leaving its Board of Directors to join the Solvay Board of Directors.
2. Not having sat on the board of directors in the capacity of a non-executive director for more than three successive terms of office or more than twelve years;
3. During three years prior to appointment, not having been part of the senior management, within the meaning of article 19.2 of the law of September 20, 1948 on the organization of the economy, of the company or of a company or an affiliated person within the meaning of article 11 of the Companies' Code;
4. Not having received compensation or any other significant benefit of a patrimonial nature from the company or an affiliated company or person within the meaning of article 11 of the Companies' Code, with the exception of any profit percentages (*tantièmes*) or fees received in the capacity of non-executive member of the management body or a member of the supervisory body;
5. a) Not holding any ownership rights in the company representing a tenth or more of the capital, or the company equity, or a category of shares of the company;
 - b) Where the person in question holds ownership rights of under 10%:
 - a) When these ownership rights are added to those held in the same company by companies over which the independent director has control, these ownership rights may not reach one tenth of the capital, of the company equity, or a category of shares of the company;
 - or
 - b) The use of these shares or the exercise of the rights attached to the same may not be subject to contract stipulations or to unilateral commitments to which the independent member of the management body has subscribed;
 - c) Not to represent in any way a shareholder meeting the conditions of this item;
6. Not maintaining, or having maintained during the past financial year, a significant business relationship with the company or with an affiliated company or person within the meaning of article 11 of the Companies' Code, either directly or in the capacity of partner, shareholder, member of the management body or of member of senior management, within the meaning of article 19.2 of the law of September 20, 1948 on the organization of the economy, of a company or a person maintaining such relationship;
7. Not having been, during the past three years, a partner or salaried employee of the current or previous external auditor of the company or

of an affiliated company or person within the meaning of article 11 of the Companies' Code;

8. Not being an executive member of the management body of another company in which an executive director of the company acts as a non-executive member of the management body or member of the supervisory body, nor maintaining other major connections with the executive directors of the company as a result of functions exercised in other companies or bodies;
9. Not having, either within the company or within an affiliated company or person within the meaning of article 11 of the Companies' Code, a spouse or legally cohabiting partner, or parents or relations up to the second degree of kinship exercising the position of member of the management body, of member of the executive committee, of a day-to-day executive manager or of member of senior management, within the meaning of article 19.2 of the law of September 20, 1948 on the organization of the economy, or falling under one of the other cases defined in items 1 to 8.

Readers are reminded that, prior to the publication of the law of December 17, 2008, the following criteria of independence in particular were applied:

- Not having exercised a significant executive function within the Solvay group or have been an executive or non-executive director of Solvac SA during the previous three years at least. In this respect the Board of Directors was stricter than the law, which set a limit of only two years. The fact of being a non-executive director of a local Group holding or administrative company was not considered as an obstacle to independence, as local services provided by such companies are not matters falling within the remit of the Board of Directors.



- Not being a significant shareholder. The law considered a shareholding to be significant when it reached or exceeded 10%.
- Not having business or other relations with the Solvay group, for example as a customer or supplier, the nature or size of which could potentially affect the independence of his judgment.

At January 1, 2010, 9 out of 15 directors fulfilled the criteria of independence, as confirmed by a vote of the Ordinary Shareholders' Meeting of May 12, 2009.

- Mr. Aloïs Michielsens, having been Chairman of the Executive Committee of Solvay until May 9, 2006, was not recognized as independent at the time of renewal of his directorship in May 2009 (new criterion no. 1);
- Messrs. Christian Jourquin and Bernard de Laguiche, Chairman and Member of the Executive Committee respectively, were not recognized as independent at the time of renewal of their directorships in May 2009 (new criterion no. 1);
- Chevalier Guy de Selliers de Moranville, a Director of the company for over 12 years, was not recognized as independent for this reason at the time of renewal of his directorship in May 2009 (new criterion no. 2);
- Baron Hervé Coppens d'Eeckenbrugge was not recognized as independent at the time of his appointment as Director in May 2009, his non-executive directorship of Solvac SA having ended at the same date (new criterion no. 1);
- Mr. Charles Casimir-Lambert was not considered as independent at the time of his appointment in 2007 under the criteria of independence applicable prior to the publication of the law of 17 December 2008. This is because, prior to this appointment to the Board of Directors of Solvay SA, he had been a non-executive Director of Solvac SA within the previous 3 years.

Readers are reminded that the Board of Directors will propose to the Shareholders' Meeting of May 11, 2010 that it decide on the independence, under the terms of the new law of December 17, 2008, (criterion no. 1), of Mr. Charles Casimir-Lambert and Baron Hervé Coppens d'Eeckenbrugge, both former non-executive Directors of Solvac SA more than one year ago. Additionally, on the occasion of the renewal of his directorship, Mr. Denis Solvay, who at the date of the Shareholders' Meeting will have exercised his term of office for 12 years, will no longer be presented as independent (criterion no. 2).

4.3.5. Appointment, renewal, resignation and dismissal of Directors

The Board of Directors submits directors' appointments, renewals, resignations or dismissals to the Ordinary Shareholders' Meeting for approval. It also submits to it the vote on the independence of the Directors fulfilling the related criteria, after informing the Works' Council of the same. It also seeks first the opinion of the Compensation and Appointments Committee, which is tasked with defining and assessing the profile of any new candidate using the criteria of appointment and of specific competences set by itself. The Ordinary Shareholders' Meeting decides on proposals made by the Board of Directors in this area by a simple majority.

When a directorship becomes vacant during a term of office, the Board of Directors may appoint a new member, subject to ratification by the next following Ordinary Shareholders' Meeting.

4.3.6. Frequency, preparation and holding of Board meetings

The Board of Directors met 9 times in 2009 (five ordinary and four extraordinary meetings). Five ordinary meetings are planned in 2010.

The dates of ordinary meetings are set by the Board of Directors itself, more than one year before the start of the financial year. Additional meetings can, if needed, be called by the Chairman of the Board of Directors, after consulting with the Chairman of the Executive Committee.

The agenda for each meeting is set by the Chairman of the Board of Directors after consulting with the Chairman of the Executive Committee.

The Corporate Secretary is charged, under the supervision of the Chairman of the Board of Directors, with organizing meetings, and sending notices of meetings, agendas and the dossier containing the item-by-item information required for decision-making.

To the extent possible, he ensures that directors receive notices of meetings and complete files at least five days before the meeting. The Corporate Secretary prepares the minutes of the Board Meetings, presenting the draft to the Chairman and then to all members. Finalized minutes that have been approved at the following Board meeting are signed by all directors having taken part in the deliberations.

The Board of Directors takes its decisions in a collegial fashion by a simple majority of votes. Certain decisions that are considered particularly important by the company's by-laws require a three quarters majority of its members. This was the case in 2009 for the decision to sell the Group's Pharmaceuticals activities. The Board may not validly transact its business unless half of its members are present or represented. Given the very high level of attendance, the Board of Directors has never been unable to transact its business.