1. **Has the proceeds from the sale of polyamide been received? Will the cash be used to reduce debt?**

- We received approximately €1.2 bn net in January following the sale of Polyamide; €380 million was used to reduce pension obligations in France, and €80 million for pensions in the United States.
- This was in addition to our contribution of 114 million in the UK in the fourth quarter of 2019. These contributions amount to €574 million and this creates a lot of value for us by reducing our annual pension cash spend by over €60 million a year, beginning this year.
- The remainder of the proceeds reduced debt.
- In overall terms, the deployment of the proceeds from the divestment helped us to de-risk by deleveraging debt and pensions and to improve FCF generation substantially, in line with our GROW strategy. These steps also help to generate significant economic value with an Internal Rate of Return exceeding 10% after tax.

2. **We also had some financial questions to address, namely about nonrecurring financial charges?**

- As a general point, many of these movements reflect the fact that Solvay SA finances the Group's affiliates globally and it is normal to periodically adapt the capital structures of affiliates. Such changes are often necessary when for example business activity levels and profits change, when asset values change, when we buy or sell businesses or when local tax rules change.
- On the specifics shared in the detailed question, I will share with you some of the data but these are highly technical and I should add that the matters I indicate do not have an impact on the group consolidated results.
- What you allude to reflects the fact that we recapitalized by €1,6bn to reduce intercompany debt and increased the equity investments by Solvay SA by way of a capital increase. This capital increase was funded through a combination of capital reductions and dividends from other wholly owned entities in Luxembourg and Belgium that decreased the investments by €2,1bn. We also recognised a €1.017m financial loss, and €0,8bn of that relates to an impairment loss related to the investment in affiliates resulting from reduced financial income by lending to our US business, a direct consequence of the recapitalization of our US business. In short, we adapted the capital structure of our US affiliate by converting debt into capital, and this helps to ensure that our local affiliate is sound.

3. **And there was a question if we considered offering shares versus cash for our dividend?**

- To date, Solvay was not able to consider a scrip dividend simply because it had no authorization to trade with its own share.
- However, a resolution to grant this capability was part of the vote at today's AGM. So in the future it can become an option to consider as part of our annual decision process.

4. **And we have a question on the cost of booking this event?**

- In fact this did not cost us anything;
- Our deposit will be carried over and used for next year's event given the virtual format this year.

5. **Moving to strategy, one investor is asking about the evolution of revenues in the past 10 years?**

- Maybe before I pass to Ilham, let me remind everyone that we are a very different company today than we were 10 years ago following a profound portfolio transformation which included several transactions. Revenues increased of course but more importantly ebitda margins from 15% to 23% levels.
- Indeed, we have now a new GROW strategy and innovation platform. My ambition is to unleash the group's full potential. And I have begun by reshaping the group's strategy, structure and culture which I described for you in my presentation today. I'm very excited to lead the company in its next chapter.
- And we will not waste this crisis. It is an opportunity to accelerate our plans--be it our cost initiatives, or better cash generation, or simply preparing the company for the next growth cycle. It will help us emerge stronger, and even better poised for growth when the environment normalizes.

6. **Sticking to the strategy, one investor is saying that Solvay is still considered diversified, and can you comment on why you need the Chemicals businesses?**
- First of all I do not want you to think that there are any judgments about the existing portfolio.
- I have been in the job for one year and my first duty was to make a due diligence like if I would have bought these businesses- we did a bottom up exercise to build a Our new strategy- which I would like you to notice that it is different from the past, in the basis that it has different strategic mandates for each business. The chemical businesses were not really run for cash, nor the solutions businesses were run for optimizing returns. This is the right thing to do- because it is going to create value for shareholders and let the businesses focus on their wekeast and lowest performing KPI which can increase the TSR.
- About chemicals, as you know we have leadership positions, and competitive advantages in these businesses- without exception- we are number one in soda ash- number one in peroxides- number one in Silica HDS for tires- number one in Coatis in LATAM. They have a consistent track record of cash generation - or CASH COWS. Over the past five years these businesses registered an organic growth of 9 percent in cash flow, 79 percent cash conversion, 27 percent EBITDA and returns at WACC.
- For now, we view cash generation from Chemicals as an effective way to fund attractive growth opportunities in Materials, dividends and continue deleveraging the balance sheet.

7. **Moving to the company's performance, can you comment on your view for 2020 and impact from the pandemic?**
- You have seen strong performance in the first quarter and the impact was limited in Q1. We had to shut down for two weeks in China as the authorities extended the Chinese New Year across the country. This cost us 20million Euros and we guided for 25million. We were very close as we could anticipate the Chinese and Korean shutdowns and re-openings and implications on our businesses. But as you know the impact is yet to come in Q2 and Q3.
- In April we saw a substantial decline in sales and in our order books. Therefore we expect Q2 to be substantially lower. Indeed we are seeing pronounced declines in Aero, O&G and Auto as you would expect. And we are also experiencing some softness in markets that were resilient in Q1 like pulp, glazings for construction. That explains our guidance.
- We do not have enough visibility to offer guidance on the full year, but we expect to provide more direction once visibility improves.

8. **Can we move to the company's performance in terms of KPI's such as TSR (total shareholders return), which appear worse than our peers?**
- Factually, the person asking is right. Solvay's Total Shareholder Returns, which I remind you all comprises dividends and share price movement, have lagged those of its peers for the past 10 years and indeed the EV/EBITDA, or PE/multiple are indicators that would suggest that the share price is undervalued.
- When I listen to investors, it is clear that there is a latent value potential ahead of us. Whilst as you mentioned earlier, EBITDA margins were amongst the best in class, FCF generation and Returns weighed on the value of Solvay. We are not happy with that and I see it as an improvement area.
- This would imply that a strategic focus on improving cash and returns will have a positive impact on the value. The good news is that I saw it as an opportunity from day 1, actually before even I joined the company.
- I also shared that I was not happy with the passing of the FCF generation in the company and with excom and the business presidents we have put much efforts in the past 12m in order to manage with discipline the WC through the year; we also changed incentives accordingly AND it paid-off. There is still a lot we can do to improve cash and returns - and that is indeed the intent of our differentiated segment mandates within the GROW strategy. Also, as we continue to repair the balance sheet and decrease the annual pension cash-out, improve receivables and payables, we will continue improving our FCF generation and its conversion. This is likely to be a multi-year journey with respect to going through the current crisis.

9. **And if we look at the P&L and Balance Sheet we also appear to lag peers? I am not sure about the P&L- but the Balance Sheet, there are some reasons for that, right?**

- Generally, the main reason is that Solvay's cash generation was a laggard, mainly because we have significantly higher cash spend related to financial charges, pensions and environmental liabilities than our peers. This is NOT new, as this IS the outcome of the history of the company and the acquisitions made over time- especially the past 10y. It is going to take time but deleveraging and improving the balance sheet is part of our strategic roadmap.
- I remind you that the total underlying net financial debt + the pension liabilities at the end of 2015 was 9.7 billion, just after the acquisition of Cytec, and now at the end of Q1 2020 it was 6.8 billion, after the sale of PA assets at the end of Jan 2020. This is 30% lower. As you know and for the first time in our history, we have now started to address the more structural pension issues as well. As a result, our cash generation is starting to improve significantly. This will become even more visible as we recover from the crisis.
- We remind you that we made additional voluntary contributions to several plans:
  - in Q1 2020: a total of €460 million in France and the United States, on top of a €114 million in the UK in the Q4 2019
  - These contributions for a total of €574 million are reducing our annual pension cash out by over €60 million a year, beginning this year.
  - The MIRR (it is a modified internal rate of return - reflecting the cost and profitability of a project) of these contributions was compelling, exceeding our WACC of 6.7% (which is a weighted average cost of capital).
- Returns also weigh on the valuation, and this is a topic that is also being addressed by our G.R.O.W strategy. As you know we have created the "Solutions" segment grouping business which will need to import each returns over time.
- In general, we have a number of levers that we can control and we see significant opportunity for improvement across the mid-term.

10. **There was a reference to a specific analyst report regarding Solvay's capital intensity and EBIT margins vs peers--what's your view?**

- We benchmark many aspects of Solvay's performance. As a matter of fact, looking at the last 3 years, Solvay's capital intensity is in line with the average of its peers at around 6 to 7% of sales, and capex to depreciation stands at around 1, in line with peers. These are facts.
- To complete the picture, it is worth noting also that Solvay's EBITDA margins at 22% are around 5% points higher than its peers and its operating cash conversion of 68% is about 2% points better than its peers. However, high pension cash costs weigh on Solvay's FCF conversion at 26%. And our GROW strategy is about fixing that...and we are making progress.

11. **And can you comment on your process to assess risk in future M&A decisions?**

- First of all, we have a thorough process for evaluating and considering any acquisition opportunity which includes a deep review of the market, secular trends, technology penetration, competitive environment, growth potential and of course sustainability.
- Second as you know me I like to learn from the past to shape the future -- and with more than 50 M&A's as mentioned earlier, there is a lot of learning. I run a post Morten which was shared with the board of directors and there are great things we did and things we could have done better. Going forward, we will be diligent and disciplined in all M&A to ensure alignment with our strategy, the fit to our new culture, and more than ever, the shareholder value will be our guiding post for future decisions.

12. **Regarding your materials platform, do you share Warren Buffett's view that difficult times are ahead for the airline industry? Will you still invest in research and innovation**

- Let me set the stage first. As a group, the aerospace business makes up about 11% of our sales; of this 11%, about 60% represents civil aircraft, 25% defense and 15% industrial.
- Last year we began to make structural improvements to the business, by focusing on improving our operating efficiencies, which increases the leverage between the top and bottom line as we were not happy with how much money flew from the topline to the bottomline. Also, in anticipation of the 737 MAX issues, we had already started to adapt our production in the fourth quarter last year to the changing needs of our customers in the aerospace industry

- I agree with the sentiment of Warren Buffet on the airlines and anticipate additional headwinds. IATA (The International Air Transport Association) forecasts air passenger traffic to decline by 48% in 2020 vs 2019. So we are exploring additional areas of opportunity to optimize our footprint and will continue to act decisively as circumstances dictate.
- As I said earlier, we will drive again, and we will fly again...but recovery will take time. Historically, aerospace has seen cyclical inflection points with a period of approximately 8 years. Over the last decade we have experienced an unprecedented 11 year growth cycle. So cycles in this business are 'no surprise' as the current management team has lived through several of them and came out stronger.
- Our portfolio is well aligned with the new single-aisle aircrafts, such as A220, A320, 737) which should be in higher demand once air travel begins to increase; we do not have as large positions on the wide bodies, such as the A350 or A380, where our competitors have larger share. These aircrafts may be slower to recover as international travel may take longer to return to normal following the crisis.
- Regarding innovation in MATERIALS, we are pleased that we launched 2 platforms, one related to Thermoplastic composites where we have a leading position, and the other in battery materials for electric vehicles where we are making good progress -- and this is well-aligned to our sustainability profile. So yes, we continue to invest in these platforms.

13. Moving to the Solutions segment, there are some questions related to your statement "there is no sacred cow", low performing assets and the future of Novecare, and if a sale is considered?

- Yes, I confirm there are no sacred cows in our business and we will always assess whether we are the right owners of any business we have in hands.
- As long as we believe we are the best owner, the best positioned to generate value from a business, we'll keep it and we will work on improving profitability. The day we do not think this is the case anymore, we will look for strategic options- and we will not shy for it.
- And Remember that we have strong, resilient activities in Novecare, outside O&G, serving other markets such as agro, coatings and home and personal care, and these are high quality resilient growing businesses. They have proven it in H2 last year and certainly in Q1.

14. Sticking with Novecare, there is a question on the investment in Chemlogics in 2013 leading to an impairment.

- As a reminder, Solvay's Oil & Gas activities are made up of activities stemming from the Rhodia acquisition and from the activities of Chemlogics acquired in late 2013. The latter generated economic value between 2011 and 2018, with a return above the group's WACC of 6.7% until market dynamics changed profoundly last year.
- The oil & gas industry as you know has undergone a significant change in the past 18 months. The investment thesis in unconventional O&G weakened and many players in the value chain had experienced lower margins and value chain consolidation.. leading to massive write-offs and increasing levels of unfinished wells, therefore less stimulation and fracking. Also our value proposition with GUAR technologues ex Rhodia along with Chemlogic formulations expertise was not desired anymore and customers were not willing to pay a premium for more environnemental solutions.
- Our response was to initiate a turnaround plan in mid of 2019, which includes restructuring, simplification, cost measures and providing new solutions offering a lower total cost of ownership to our customers.
- We see the cost measures are having an impact as we sustained 17% margins in 2019 and in Q1 ebitda margins in the Solutions segments increased to 17.4%.
- That said, when fundamental changes occur in markets that reduce expected growth rates or profitability, then impairments are recognized and this is what happened. Remember also that, unlike all other asset classes, IFRS does not permit the depreciation of goodwill and thus impairments are the only way to recognise value erosion of goodwill.

15. and can you comment on the deterioration of oil prices and its impact?

- Indeed oil prices ended 2019 around \$60/barrel; and now ~25/barrel following the historic plummet, and IHS forecasts Brent prices in the \$10–30/barrel range for the rest of 2020

- As I mentioned before, this business has been in turnaround since mid 2019; I am glad we started this process before the significant price decline. It now represents ~4% of group sales and has less impact into our bottom line.
- Again, there are no sacred cows in our business and we will always assess whether we are the right owners. We remain open in that regard.

16. And on the sustainability aspect of being in an Oil & Gas business given Solvay's ambitions? Some are asking if unconventional O&G business fits to the Solvay portfolio?

- Sustainability is a strong element of our new purpose and vision, as reflected in the ONE Planet objectives I shared with you.
- I will make no judgement on the past M&A, the way I see it is simply I inherited assets and these are part of Solvay today. My role is to make the best out of them and extract best value for shareholders.
- On O&G, as I mentioned earlier we began a turnaround plan at the fall last year, to mitigate the headwinds.
- Also, fundamentally, to sell a business that is facing economic challenges or is operating in an uncertain macro context is a sure way to destroy shareholder value in a divestment - if only because the discount will be significant. Our Investors expect us to maximise value and we will not disappoint them. We are not forced sellers. And as I just mentioned, it is good for any company to continuously ask themselves if they are the best owners, and we remain open in that regard.
- Going forward sustainability remains a priority for Solvay.. and more than ever, I call on ESG, Sustainability investors to look in detail to our Solvay One Planet. We are serious about it.

17. We have a question on Solvay's Net Promoter Score and why we think it is a good indicator of customer loyalty?

- The Net Promoter Score is an indicator used since about 15 years to measure customer loyalty in BtoB and BtoC environments. It is used in both commodities and specialties markets/industries and aims at identifying the true differentiators vs competition. Solvay has been using the NPS metric since 2014. The Group score is the average of the NPS's of each GBU weighted by their revenue.
- For a lot of specialties, there is more "inter-dependency", however, quality of technical service, efficiency in co-innovation and the level of logistic services as well are elements on which several competitors are "fighting" to increase their share of wallet.
- For commodities, supply chain quality is playing a crucial role beyond pricing. Hence, in all industries, the NPS question is relevant and helps really to select the right battles to differentiate and to reinforce our value proposition based on true customer expectations as switching opportunities are always there
- NPS is based on one single question : how likely is it that you would recommend Solvay to a colleague or a friend on a scale from 0 to 10. The NPS is the difference between the % of promoters (those who answered 9 or 10) minus the percentage of detractors (those who answered between 0 and 6).
- The NPS of the group increased from 14% in 2014 (first measurement) upto 42% in 2018.

18. So why did our score decline in 2019 from 42% to 33%?

- In 2019, the group decided to raise the bar by asking more questions from more customers, so the two results are no longer directly comparable. We are now at the next level in terms of monitoring customer loyalty and satisfaction by implementing the Net Promoter System (Bain methodology). In a nutshell, this approach is based on a) a very broad spectrum of customers (much broader than in the past surveys), b) a very compact "digital" questionnaire focusing on the NPS basic question followed by the "why" question in an open "box" where the customers can elaborate on the rationale behind their given score. There is also a second part of the methodology focusing on the quality of the interactions between our Frontline employees and their customer counterpart.
- The deployment of this new methodology triggered somehow a reduction in score (33% in 2019) , as a much broader sample of customers was surveyed for the first time. The economical environment was also creating some pressure on our relationship with our customers.
- Each GBU is putting robust action plans in place to adapt our value proposition and further reinforce customer loyalty.

19. Switching topics, we have a question about the "revaluation of pension annuities".

- The subject matter is not new; it actually dates back to the implementation of the new retirement pension regulations for executives over 30 years ago, and more specifically this subject of "revaluation of pension annuities".
- Since that time, over all these years he has had many contacts, addressed numerous letters to leaders of the Group, past or present, and also to its Board of Directors, which has been kept informed. He also spoke on the same subject more than 20 years ago, in 1997, during the General Assembly of SOLVAY, and the company replied to him. The subject was once again raised by Mr. Weekers during the Q&A session at the 2018 General Assembly. On each of these occasions, he was told that there was no subject at Solvay relating to the "revaluation of retirement pensions". This is particularly true for his intervention at the 2018 GA where I publicly confirmed the thing. I understood that he was very dissatisfied with the fact that the text of his speech, as is the case with all the questions asked in the Assembly, was not annexed to the minutes of this meeting. Since then, we have remained in contact and following a new meeting in February 2019, Mr. Weekers told me by letter to put an end to this question on his side.
- I must admit that this is not the case and I regret it.

20. How does solvay drive the new culture you are proposing? With your talents ?

- Making our purpose alive has always been the priority. We have defined 7 behaviours to support our raison d'être: 4 for all Solvay employees and 3 for managers and executives. These are very concrete things, and because we are obsessed with customers, we learn, unlearn and then relearn.
- We coach people with passion to develop their full potential, or we lead to give meaning with courage, intelligence and heart.
- We have prepared 7 training modules for all employees.
- These behaviours are the cardinal points of our compass and are used to recruit and develop our talents. They are also benchmarks for our recognition policy and to promote meritocracy.

21. Let us move to a topic that is close to your heart: sustainability. Do people associate Solvay with plastics and do our products end up in the oceans?

- Yes indeed: Sustainability is key at Solvay and important to me personally
- I remind everyone that Solvay is not involved in single-use plastics; you may remember we divested polyolefins, PVC and polyamide plastics.
- Solvay's polymers and composite materials are used in high-performing applications driven by megatrends as I explained in my presentation including lightweighting, electrification, resource efficiency and eco-friendly chemistries.
- These applications are used in applications like under the hood autoparts and have longevity. One example is our technologies used in electrification. This saves weight, and therefore reduces fuel consumption, all things good for our planet.
- We are making progress, namely through new technologies such as thermoplastics (a combination of high end polymers and composite materials) where we clearly aim at improving recyclability and circularity.

22. Some people must find it strange that our products are used in cars and planes yet we get such high sustainability rankings? Can you convince them Solvay is indeed a sustainable company?

- Let me step back and tell you HOW we do it- before what we do:
- Solvay's SPM methodology….which stands for Sustainable Portfolio Management, is becoming a known standard...and is now being taught at Harvard as a case study. In fact it is part of our management incentives.
- Our methodology analyzes every business including its environmental footprint and its benefits for the planet in order to ensure we prioritize investments mainly in sustainable solutions. (today c.50% of our portfolio).
- Let me give now give our investors, few examples:
- 1/ in transportation. I used to say I like metal because we can replace it.. Our polymers are used to lightweight ALL forms of transportation.
  - In an ICE car, you can find 8KG of our polymers- moving to a pure electric vehicle you find 9 Kg of our material, and in a hybrid engine, you can find 12kg -- so moving toward EV's is

good for sustainability and it is good for Solvay's growth. Now, do you know that a 10% reduction in vehicle weight can result in a 8% fuel economy improvement.
  - In Aerospace, Solvay's resin infusion technology is used in aircraft engines and reduces fuel consumption and CO2 emissions by 15% versus previous engine technology.
- 2/ in healthcare, our materials provide comfort for over 2 million patients undergoing dialysis, or orthopedic procedures.
- 3/ another example is our Bicarbonate technology called Solvair which is used in shipping boats. La Méridionale was the first shipping company to use it and it removed more than 99% of SOx particles contained in its fumes.
- I stop here but I could go on and on...
- And finally Let me remind you that with the launch of Solvay ONE Planet, we have a number of bold initiatives that are a key part of our company's sustainability strategy.

23. 23. Is Solvay one planet on hold in the current, more complex environment?
- Not at all. Solvay ONE Planet is a long-term plan that is a critical part of our strategy. I am very proud and excited within the new plan. It is unique because it is holistic,
- On the top of the climate: the alignment with Paris agreement, the exit from coal and engage in the BIODIVERSITY chapter- and we believe we are the first one starting that chapter.. as I mentioned in my speech
- The Better resources is ON.. from less fresh water intake to less waste are in progress
- Finally the Better life pillar is ON… you can see it through a number of recent actions including our co-parental leave policy, the new inclusion and diversity targets and our most recent solidarity fund.
- So we will absolutely continue to take actions necessary to achieve our ONE planet objectives.

24. Switching gears again to COVID-19, which part of Solvay's activities are considered essential?
- As you've seen in the presentation, we have been considered by the authorities as essential across the globe, leading to limited shutdowns. Our activities do provide clean water, hemodialysis membranes, food, feed, pharmaceutical packaging or ingredients, clean the air, or shampoo/soaps/ gels for hygiene and cleaning (27 to 28% - including: Care, detergent, Agro, Feed, Food, Food packaging, Water Treatment, Pulp & Paper, Lubricants for ventilators + 5% if you want to add Electronic related activities (Consumer Electronic and Electronic Industry).
- Also, you have heard countless examples of our support against COVID-19.

25. Can you comment on Solvay Way and the specific auditor note showing room for improvement?
- Actually, the full comment of Deloitte is: Although the process, definition, and underlying control environment of the Solvay Way self-assessments have been significantly revised in 2019 compared to 2018, they show room for improvement. They need to be reinforced in 2020.
- It's an observation from auditors, not a qualification
- In a limited number of sites, the self assessment was sometimes considered to be optimistic and sometimes considered to be pessimistic, and the impact on consolidated group score was less than 1%. Which is why this is an observation and not a qualification.
- The evolution of Solvay Way, in the frame of Solvay One Planet, is on the agenda in 2020, 2020 will be a transition year. What is important is that we continue to improve.

26. How do you intend to bring continued growth in a sustainable way in line with the non-growing size of our planet?
- This is an excellent and highly relevant question. We ALL agree that we have only one planet with limited resources. I agree we need to do more with less.
- And that is why we launched Solvay One Planet strategy. We set bold and ambitious goals including:
  - **Eliminating the use of coal.** Solvay will not build new coal-powered plants and commits to phase out coal usage in energy production wherever renewable alternatives exist.
  - **Increasing waste recovery.** We will reduce by a third our non-recoverable industrial waste, such as landfill and incineration, without energy recovery.
  - And I shared other targets with you in my presentation related in biodiversity and circularity.

We are in business to grow value, and we are very conscious of the need to do so in a responsible and sustainable way.

27. Moving to Solvay's solidarity fund, you have been congratulated on the launch of this action from a private investor who also encourages his sister and other companies to do the same… any reaction?

- I would like to thank our investor warmly for appreciating and donating to the fund, and we welcome your sister too.
- The Fund will be administered by the King Baudouin Foundation with an aim to support Solvay employees and their dependents worldwide through hardship due to the coronavirus pandemic.
- Thank you for recognizing and promoting Solvay's initiative with others.
- I would like also and again to appreciate our reference shareholder, Solvac, and many private shareholders for their generous contributions; Indeed we encourage and invite all shareholders to join in this effort.

28. And our last question is about the value we place on physical meetings with shareholders, especially private ones?

- We too find great value in face to face meetings with shareholders. We have a sustained program of activities over the year in normal times (VFB Happening, Finance Avenue, amongst others, in Belgium). In fact, about 10 events of this nature were planned in 2020 for private shareholders.
- And we do the same for our institutional investors; in fact we completed a big roadshow spanning New York, Boston, Brussels, Paris, and London just before the lockdown occurred in March.
- Since my start as CEO, we met with about 300 investors (19 investor conferences and 7 roadshows across 9 cities)
- We will carefully follow the recommendations of the different countries where we organize these meetings and will make decisions keeping the health and safety of all participants in mind.
- In the current environment we invite such meetings in a virtual format to stay engaged with our valued investors, as we did since the earning call last week and I met with Karim more than 10 investors virtually.

[END]