

**Speech by Mr. Nicolas Boël**

**Chairman of the Board**

***General Shareholders' Meeting of 8 May 2018***

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Ladies and Gentlemen,

Dear shareholders and friends,

Welcome, all of you, to this 2018 General Meeting. Thank you for your attendance and in such large numbers. Every year your presence testifies to the confidence and interest you put in our Group. A particularly warm welcome to Madame Solvay and our Honorary President, Baron Daniel Janssen.

I am happy to welcome you once again to the NOH campus. This is the last general meeting which will be configured in this way. This is because Solvay is launching a vast renovation project for this site. This will reflect the Group's transformation, its desire to open up to the outside world, and its spirit of collaboration and innovation with which

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it hopes to attract the talents of today and tomorrow. In addition to the Group's headquarters, it will house an R&I center dedicated to advanced materials science in a unique building at the cutting edge of technology. That said, you will have to be patient and wait until 2021 to see the result.

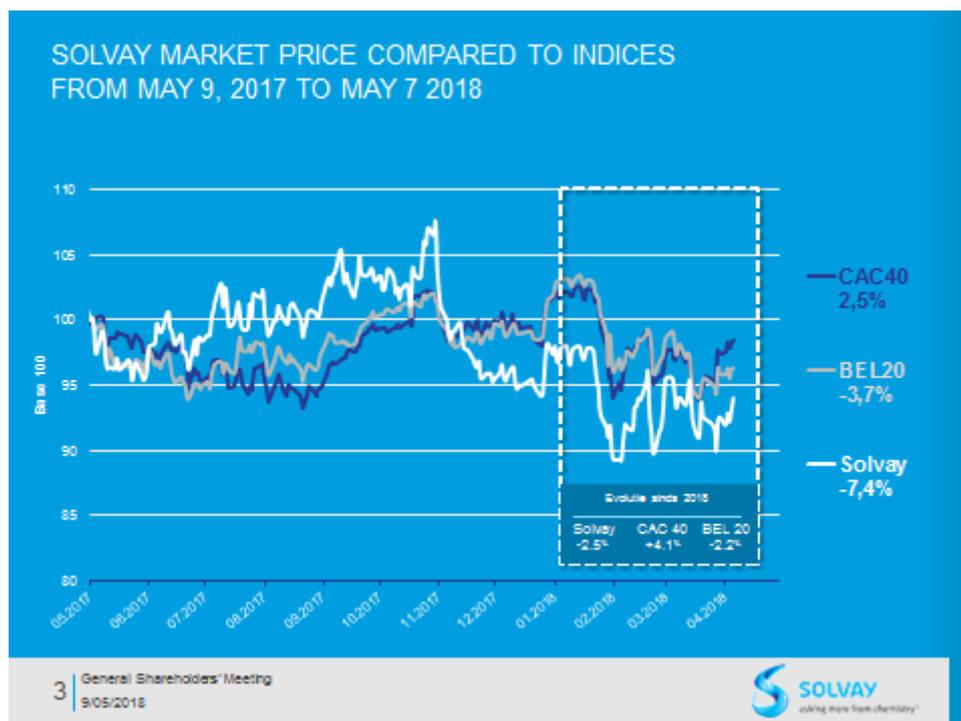
In Lyon, a similar renovation plan has also been launched. This will make the Lyon site, by 2022, the base of Solvay's activities in France. Our existing research center there will be updated and expanded, and we will also have an activity center in Lyon's center.

This AG 2018 is also a special one because it is no doubt the last one in which Jean-Pierre Clamadieu will participate as CEO. I will get back to this later.

### **"Our ambition: to lead the race"**

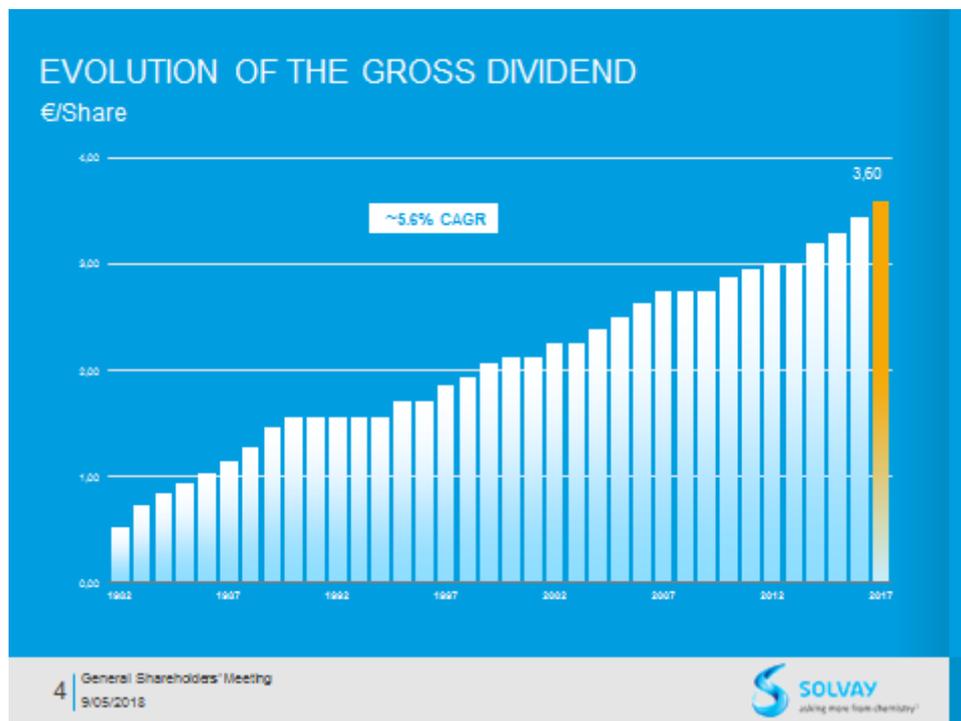
Solvay is solidly anchoring its transformation into an innovative advanced materials and specialty chemicals group. 2017 was a pivotal year in which we demonstrated our ability to generate organic growth despite an environment that grows more volatile by the year and notwithstanding unfavourable exchange rates. The Group is delivering results which match its commitments: its economic performance is growing with rising sales and the entering of new markets. Our financial performance has improved significantly, with record profit margins, growing EBITDA, a high FCF and a declining debt ratio. Lastly, our sustainable development has out-performed the objectives we set ourselves.

### **The share price**



But a lot still remains to be done to consolidate and make these gains permanent, gains which are not yet reflected in our share price. Our share price is important, because of investor confidence and the valuation that the market places on the Group that enable us to have a long term view.

## The dividend



The 2017 results lead us to propose a dividend increase of 0.15EUR gross per share, an increase of 4.3% to 3.6EUR gross per share.

This distribution is in line with our well-known dividend policy.

If this proposal is approved, taking into account the down payment of 1,38EUR gross per share paid in January, a balance of 2,22EUR bruts per share will be payable as of May 23.

## Composition of the Board



Jean-Pierre is not the only one leaving the Group in 2018. Bernhard Scheuble is leaving the Board of Directors. His shrewdness, his knowledge of the Group and his long-term commitment have contributed to stability during a period of intense transformation.

As Chairman of the Audit Committee, he has contributed significantly to the risk management process and has placed a strong emphasis on our financial strength.

Denis Solvay, our key figure on the board of directors, has shared with us 36 years of experience in the Group and in the industry. As Vice Chairman of the Board between 2006 and 2012, he helped us avoid the pitfalls. Long-term value creation has always been paramount. As a member of the nominating committee, his focus has been on getting the right combination of personalities and skills. As a member of the Remuneration Committee, he ensured that the compensation structure was in line with Solvay's long-term vision and values.

On behalf of the Board of Directors, I would like to thank Bernhard and Denis for their outstanding contributions as members of the Board and its committees.

To replace these two members, we propose to you Mr Matti Lievonen and Mr Philippe Tournay.

BOARD OF DIRECTORS  
NOMINATION

Proposal to appoint as  
an Independent  
Directors

Philippe  
Tournay

Matti  
Lievonen

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**SOLVAY**  
making more from chemistry

Matti Lievonen, of Finnish nationality, comes from the world of energy and, like Solvay, has transformed his group, Neste, into the number one in renewable and bio fuels, with a major focus on talent development and innovation. Philippe Tournay, after working in international finance in Japan and the United States, became an entrepreneur in the field of industrial marketing. He will bring us his knowledge of the various enterprise processes.

## BOARD OF DIRECTORS MANDATE RENEWAL

Proposal to renew  
the term of  
Directors



Rosemary  
Thorne



Gilles  
Michel

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Finally, we propose to renew the mandates of Rosemary Thorne and Gilles Michel as members of the Board of Directors. Rosemary will also become Chair of the Audit Committee while Gilles will serve on the Nomination and Compensation Committees.

2018 will be a major year. On a day-to-day basis, we need to continue growing our volumes despite adverse currency effects, increasing state protectionism, fierce competition, and a world that promotes individual rather than common interests. In this complex environment, we continue to build the future of the Group with humility, objectivity and determination. Because we cannot be satisfied with the progress we have been making year after year. Despite our successful change process and our leadership positions, we see that there is still some way to go when we compare ourselves to the best. Our ambition is to lead the race! To achieve this, we have transparently analysed our strengths and weaknesses. This has led the Group to rethink its way of operating, its organization, and also and above all its mindset and culture. We need to become simpler, more innovative, more collaborative. The Group fully assumes the difficult decisions that this entails. They are an essential part of its meeting the challenges of growth. But Solvay is providing the necessary resources and time to manage the difficult situations that some of its employees could face. Let's never

forget that mutual trust and respect are the guiding thread of this Group - and are indispensable for a successful transformation.

### **Succession process**

Another major fact: the figure who initiated and has led the ongoing transformation is leaving us around the end of this year. We have the time we need to complete the succession process, which began as soon as Jean-Pierre's scheduled departure was announced. We are ambitious in what we set out to achieve and we are just as ambitious about the person who will steer the Group into the future. Our future CEO will need to have a strong industrial background and to be a team leader with solid leadership qualities, able to carry Solvay farther and to new heights. He, or she, will also need to be able to capitalize on the dynamic of change that has already been set in motion, focused on development and on collaboration with our customers, and passionate about innovation. Finally, he or she will need to have the human qualities required to reflect the energy and enthusiasm of the Group, in line with our values, that is, our European, shareholder and social values.

His or her roadmap will be clear and simple: to deliver profitable and sustainable growth for the Group and prepare the next stages of the Group's transformation. He or she will be able to count on the Board of Directors to play the role of guarantor of the long-term vision, of the go-between between the present and the future.

On behalf of the Board, thank you.

Before giving Jean-Pierre the floor, and although he will continue to accompany us throughout the year, I cannot finish my speech without mentioning his career at Solvay and the mark he will leave on the Group.

Let me cite a few figures that speak for themselves:

- 50 acquisitions and disposals for an amount of 13.5 billion euros
- The repositioning of the Group, with over 70% of sales income now generated by our growth engines
- 10,000 new employees
- Nearly 50% of turnover achieved with sustainable solutions
- A very strong cash generation, which has grown by an average of 14% a year since 2012. The dividend has increased by 19.7% over the same period
- A slightly increasing CFROI despite the impact of the goodwill from our acquisitions
- A share price that has risen from 82,44 euros in 2012 to 113 today.

Beyond the numbers, the success of Solvay's transformation with the arrival of the new CEO depended on our ability to work together. Very quickly, in at times a complex context, we learned to sing together from the same hymn sheet, with openness, trust, the right tone and practicing between ourselves the principle of "no surprises".

Jean-Pierre, you have brought to the Group your demanding approach, your determination, a strategic vision of the challenges coupled with a talent for implementation down to the smallest detail. We have benefited from your sense of communication, your concern for clear messages that everyone understands and which get everyone on board, and your desire for openness to ensure high quality social dialogue. And also from your conviction that business cannot be to be content just to do business, but they need to commit to working alongside the communities. This is part of - a societal commitment dear to Solvay.

As you know, we are not looking for a Jean-Pierre Clamadieu clone to lead us into the next stages, but your example has made us very demanding in our search for your successor. For these years of working together and for the mark you have left on the Group, let me, in my name and that of the Board, thank you sincerely.