

February 24, 2021 at 7 a.m.

Solvay full year 2020 results

Record Free Cash Flow and Cost Reductions

Highlights

- **Net Sales** for the full year 2020 were down 10% organically, due to the impact from Covid on civil aero and oil & gas volumes, which were moderated by resilient demand in healthcare, consumer goods, personal care, and electronics. In the fourth quarter, net sales increased 5% sequentially versus Q3 driven by strong demand in automotive and electronics markets. Full year and fourth quarter sales, excluding civil aero and oil & gas, were down 5% and up 6% respectively, as a result of strong demand in automotive and electronics markets in Q4.
- **Cost savings** of €332 million were delivered in 2020, of which €175 million were structural savings. This result reflects the decisive nature of the Group's response as it also accelerated and deepened the delivery of its strategic cost reduction programs.
- **Underlying EBITDA margin** for 2020 was 21.7%, and the EBITDA reduction was contained to 13.9% organically versus 2019 due to the volume impact from the Covid-19 pandemic. These results illustrate both the quality and resilience of the portfolio, and the delivery of cost mitigation actions.
- **Underlying Net Profit** was €618 million in 2020, with €96 million in the fourth quarter.
- In the face of a challenging 2020, Solvay delivered a **record Free Cash Flow** of €963 million, including around €260 million of one time benefits, reflecting swift actions taken, including disciplined working capital and effective capex management.
- The balance sheet was strengthened in 2020 with the significant reduction in **net debt and provisions** of €1.2 billion and €0.6 billion respectively, following the strong delivery in FCF.
- **Total proposed dividend** of €3.75 per share, subject to Shareholders' approval

Q4 2020	Q4 2019	% yoy	% organic	Underlying, (in € million)	FY 2020	FY 2019	% yoy	% organic
2,214	2,440	-9.3%	-4.1%	Net sales	8,965	10,244	-12.5%	-10.1%
464	525	-11.7%	-6.4%	EBITDA	1,945	2,322	-16.2%	-13.9%
21.0%	21.5%	-0.6pp	-	EBITDA margin	21.7%	22.7%	-1.0pp	-
161	261	-38.3%	-	FCF to shareholders from continuing operations	963	606	+58.8%	-
-	-	-	-	FCF conversion ratio (LTM)	51.1%	27.8%	+23.4pp	-

CEO Quote

"I'm proud of the significant progress we made in 2020. We launched our Group's Purpose and progressed on our ambitious ONE Planet roadmap as we deliver our G.R.O.W. strategy. As the crisis unfolded, we quickly adapted priorities to accelerate our cost and cash delivery, demonstrated the resilience of our business, while supporting our people through the launch of a Solidarity fund. I want to thank our employees for their perseverance, our customers for their valued partnerships, and our investors for their continued support. Building on the Q4 momentum and the strategic foundation now in place, we will emerge leaner and stronger, with innovation fueling our return to top-line growth."

[Register to the webcast scheduled at 14:30 CET here](#) - [Link to financial report](#) - [Link to financial calendar](#)

New Strategic Initiatives

Cost Savings Target Raised to €500 million

In January, Solvay launched a new chapter of its strategic transformation aimed to further align its structure to its [G.R.O.W. strategy](#). This builds on previous plans announced in 2020, and represents a profound simplification of all support functions to serve the business more effectively. The plan will lead to an additional net reduction of approximately 500 roles by the end of 2022 and incremental cost savings of €75 million. Subject to discussions with social partners, this plan together with previously announced plans will increase the mid-term cost savings target from €300 million announced in November 2019 to €500 million by 2024, of which €175 million has been delivered in 2020. As a consequence of the new restructuring plan, a non-cash restructuring provision of around €170 million will be recognized in Q1 2021.

Portfolio and Business Update

As part of the G.R.O.W. strategy, the Materials, Chemicals and Solutions segments were given distinct mandates reflecting different paths to value creation. Building upon this strategy, Solvay is taking steps to organize its Soda Ash & Derivatives business into a separate and fully controlled legal structure. These steps will reinforce internal financial and operational transparency and accountability, in line with its mandate of optimizing cash flow generation and returns, while increasing future strategic flexibility.

Also aligned with its strategic simplification, and following the optimization of several businesses, Solvay has reached agreements¹ to sell its interests in six commodity business lines. To date, these include the recent transactions for barium and strontium products (part of Special Chem), the European sodium percarbonate business (part of Peroxides), and the commodity amphoteric business (part of Novecare), the sodium chlorate business and related assets in Portugal (part of Peroxides), certain fluorine chemicals and its site in Korea (part of Special Chem) and the process materials product line (part of Composites). The Group expects completion of these transactions, which collectively represent annual sales of around €300 million, in the first half of 2021. Solvay will continue to explore other opportunities to further simplify its portfolio.

Solvay also reached an agreement to purchase a seed coating technology to bolt-on to its existing agro products within the Novecare business. This is a natural extension to Solvay's own AgRHO® family of sustainable seed boosting solutions and supports the drive toward more bio-based, sustainable technologies.

Outlook

First quarter 2021 EBITDA is estimated to be between €520 million and €550 million, and Free Cash Flow is expected to be between €600 and €650 million for full year 2021. Free cash flow indications reflect the benefits of reduced pension and financial charges, higher restructuring costs, reinvestment in working capital and capex to support innovation and growth.

Additional structural cost savings are estimated at €150 million in 2021, more than offsetting fixed cost inflation, expected at around €75 million. This would take cumulative cost reductions over 2 years (2020-2021) to €325 million.

¹ The completion of the transaction would remain subject to prior consultation with employee representatives and/or approval by the relevant regulatory authorities.

Solvay ONE Planet Progress Update

Solvay increased and broadened its [ESG commitments in 2020](#). This is an integral element of the G.R.O.W. strategy and is directly aligned with its Purpose of bonding people, ideas, and elements to reinvent progress. Solvay's ambitions center around three main pillars, including climate change, resource scarcity and promoting a better life. These are fully embedded into Solvay's key decisions. Performance is measured and assessed regularly, and the extent of progress affects Short Term Incentive Plans for both leaders and employees. Solvay made good progress on many of these initiatives during 2020, though results reflect the combination of structural improvements and the temporary decline in economic activity levels.

		2018 baseline	2019	2020	Progress vs 2018	2030 targets vs 2018
Climate	Align greenhouse gas emissions with Paris Agreement and SBTi	12.6* Mt	12.0 Mt	10.1 Mt	-20% (-8% structural)	Reduce by 26% (-2%/yr)
	Phase out coal wherever renewable alternatives exist (PJ = Petajoule)	33 PJ	32 PJ	27 PJ	-18%	Achieve 100%
	Reduce negative pressure on Biodiversity**	121.9	116.2	107	-12%	Reduce by 30%
Resources	Increase sustainable solutions % of Group sales	50%	53%	52%	+2pp	Achieve 65%
	Increase circular economy*** % of Group sales	NA	4%	5%	+1pp	More than double
	Reduce non-recoverable industrial waste	96 kt	96 kt	70 kt	-27%	Reduce by 30%
	Reduce intake of freshwater	330 Mm ³	327 Mm ³	313Mm ³	-5%	Reduce by 25%
Better life	Safety with a zero accident policy (MTAR indicator)	0.54	0.44	0.40	-26%	Aim for zero
	Accelerate inclusion & diversity parity in mid & senior management	23.7%	24.3%	24.6%	+0.9pp	Achieve 50% by 2035
	Gender equality extend maternity leave					16 weeks open to all co-parents

* Restated from 12.3 Mt due to IFRS change in scope

** ReCiPe method for biodiversity impact assessment (under development)

*** Circular economy indicators have been adapted to align with the Circulytics® developed by the Ellen MacArthur Foundation

Climate

Solvay committed to reduce its greenhouse gas emissions in alignment with the Paris agreement (well-below 2°C).". In addition, under SBTi, Solvay is developing plans to further reduce emissions with its customers and suppliers (scope 3) throughout the value chain. Approximately 40% of the improvement in GHG emissions between 2018 and 2020 is related to structural improvements from energy transition projects, the balance reflecting temporarily lower activity levels.

As part of its transition to cleaner energy sources, Solvay initiated 27 emission reduction projects that represent an annual reduction of 1.8 million tons of CO₂ per year, which is the equivalent of taking 1 million cars off the road. Eighteen of these projects are already operational today. The remaining nine projects will be implemented within the next three years. For example, Solvay's soda ash plant in

Rheinberg, Germany, is switching from coal to biomass, reducing the site's CO2 emissions by more than 30%, and will be operational in Q2 2021. Such projects are both value-accretive and further de-risk our operations.

Resources

Solvay is committed to shift its portfolio toward opportunities that increase the amount of sustainable solutions. Growth of sustainable solutions on average are 3% higher than the average growth of the portfolio. In 2020, the evolution of sustainable solutions was affected by the temporary impacts of reduced activity levels in specific markets due to the Covid-19 crisis. Yet, new innovations were launched that include Actizone™ antimicrobial cleaning technology, Aquivion® for hydrogen fuel cell membranes, and Rhodasurf® 6 NAT, a natural-based nonionic surfactant. Solvay will continue to leverage its investments in innovation to develop more sustainable solutions, which is directly aligned with customer requests.

Enabling circularity is a key part of Solvay's resource ambition, including working collaboratively with customers, suppliers and organizations such as the Ellen MacArthur Foundation, amongst others. In 2020, Solvay has established a [partnership with Veolia](#) to enable the recycling of battery materials by developing new chemical recycling processes. Solvay also established a partnership with Mitsubishi Chemical to find solutions for recycling advanced materials, such as Polyetheretherketone (PEEK), which are used in many long-term implantable medical devices.

Another example of circularity is within the Aroma business, where Solvay's natural Rhovanil® brand is derived from rice bran oil by extracting ferulic acid and fermenting it to obtain vanillin, a natural alternative to beans which are limited in supply. The high demand for this ingredient from the food and flavor industry supports our decision to expand production in France (St Fons) by doubling our capacity for the second time.

Better Life

One of the immediate measures taken to adapt to the crisis was a teleworking plan involving more than 10,000 people working remotely to promote a safe working environment. Further, stringent safety protocols were implemented to secure the health of all operatives on industrial sites. More importantly, and in the spirit of Better Life, the Covid-19 pandemic brought out the best of Solvay, as many of its technologies were deemed to be essential during 2020. In addition to supplying critical supplies to communities, Solvay launched a [Solidarity Fund](#) with the financial support of shareholders, directors, CEO and Executive managers, management and employees to support Solvay employees and dependents who experienced hardship due to the impact of the coronavirus pandemic. Together, €15 million was raised. To date, support has been provided to over 1,600 families, including donations to communities in Bulgaria, educational support to women and children, and Guar farmers in India. Solvay uses Guar, a biofriendly ingredient, to develop solutions for the personal care market.

Investing in human capital is a clear priority for Solvay, as it supports all of its stakeholders and as such is one of its greatest investments.

Key figures

<i>Underlying, in € million</i>	Q4 2020	Q4 2019	% yoy	FY 2020	FY 2019	% yoy
Net sales	2,214	2,440	-9.3%	8,965	10,244	-12.5%
EBITDA	464	525	-11.7%	1,945	2,322	-16.2%
<i>EBITDA margin</i>	21.0%	21.5%	-0.6pp	21.7%	22.7%	-1.0pp
EBIT	260	306	-15.1%	1,110	1,503	-26.1%
Net financial charges	-79	-86	+7.3%	-284	-332	-14.5%
Income tax expenses	-76	-74	-3.0%	-195	-305	-36.0%
<i>Tax rate</i>				26%	28%	-2.2pp
Profit / (loss) attributable to Solvay shareholders	96	163	-41.0%	618	1,075	-42.5%
Basic EPS	0.93	1.58	-41.0%	5.99	10.40	-42.4%
Basic EPS from continuing operations (in €)	0.95	1.34	-29.6%	5.81	8.02	-27.5%
Capex in continuing operations	200	255	-21.6%	611	826	-26.1%
FCF to Solvay shareholders from continuing operations	161	261	-38.3%	963	606	+58.8%
FCF to Solvay shareholders (total)	155	274	-43.2%	951	801	+18.8%
FCF conversion ratio (LTM)				51.1%	27.8%	+23.4pp
Net financial debt				4,198	5,386	-22.0%
CFROI				5.5%	6.4%	-0.9pp
ROCE				6.9%	8.1%	-1.2pp

Group performance

Net sales of €8,965 million in 2020 were down 12.5% (10.1% organically) driven mainly by volumes, while pricing was modestly positive. Sales in the fourth quarter improved 5.3% sequentially versus the third quarter as demand improved in certain markets including automotive and electronics. Top line organic growth turned positive in Specialty Polymers, Peroxides, Coatis, Silica, and Special Chem. Sales to China in the fourth quarter increased 5% versus Q4 2019, and for the full year were up by 3%.

Cost savings reached €332 million for full year 2020, of which €175 million are structural savings. In the fourth quarter, a total of €70 million of cost savings were realized, and the majority were structural. Within the structural savings, approximately 50% are related to restructuring initiatives, 35% from indirect spend, and 15% from productivity and efficiency improvements.

Underlying EBITDA of €1,945 million was down 16.2% (14% organically) for the full year 2020 as a result of the lower sales volumes. Underlying EBITDA in the fourth quarter of €464 million declined by 11.7% (6.4% organically) versus the fourth quarter 2019 due mainly to volumes and foreign exchange impact. The EBITDA margin was 21.7% for the year thanks to sustained pricing and delivery of cost measures. The total net impact of COVID-19 on full year 2020 EBITDA is estimated at € (434) million, after mitigation actions related to labor costs (including furloughs) and indirect spend (COVID-19 has triggered some impacts and actions that are described in detail in the quarterly financial reports).

Free cash flow to shareholders from continuing operations reached a record €963 million, a €360 million increase versus 2019, an outstanding performance when considering the €377 million lower EBITDA. Results reflect significant structural improvement and continued discipline in working capital management, reduced cash taxes (including a €78 million one-off reduction), lower capex and pension cash costs of €292 million.

Underlying net financial debt decreased by €1.2 billion in 2020 to €4.2 billion, driven by the closing of the Polyamides sale in the first quarter (€1.3 billion proceeds less voluntary pension contributions of €0.6 billion) and a record free cash flow. Leverage at the end of 2020 was 2.2x versus 2.0x at the end of 2019.

Provisions are down by €623 million to €3.1 billion thanks primarily to the €552 million voluntary pension contributions made in 2020 (in addition to the €114m contributions made in December 2019) and to a lesser extent the reduction of environmental liabilities driven mainly by foreign exchange. The €552 million voluntary pension contributions include €95 million contribution to the German plans at the end of December 2020.

Performance by segments

Net sales bridges

(in € million)	FY 2019	Scope	Forex	Volume	Price	FY 2020	Yoy %	Organic %
Materials	3,199	-	-44	-459	-1	2,695	-15.8%	-14.6%
Chemicals	3,328	43	-176	-295	48	2,948	-11.4%	-7.7%
Solutions	3,710	-	-95	-277	-22	3,316	-10.6%	-8.3%
Corporate	6	-	-	-	-	6	-0.3%	+0.7%
Solvay	10,244	43	-315	-1,031	25	8,965	-12.5%	-10.1%

(in € million)	Q4 2019	Scope	Forex	Volume	Price	Q4 2020	Yoy %	Organic %
Materials	747	-	-34	-86	-8	620	-17.1%	-13.1%
Chemicals	816	11	-62	-14	13	764	-6.3%	-0.1%
Solutions	876	-	-46	17	-18	829	-5.5%	-0.2%
Corporate	1	-	-	1	-	2	+53.2%	+67.7%
Solvay	2,440	11	-142	-82	-13	2,214	-9.3%	-4.1%

Materials

Sales in full year 2020 were down 15.8% (14.6% organically) as a result of volume declines in civil aerospace and automotive markets. Full year EBITDA was down 19.3% (18.7% organically), while swift cost actions and sustained pricing protected the segment's 26.4% margins.

In the fourth quarter, segment sales improved by 2.3% versus the third quarter driven by strong demand in the automotive industry. Specialty Polymers sales were up 8% sequentially versus Q3 and up 1.5% year on year. Automotive sales were up 17% versus Q4 2019, led by 50% growth in batteries for hybrid and electric vehicles. Other markets including healthcare, consumer goods, and electronics, continued their solid performance.

Composite Materials sales were down 45.1% in the fourth quarter year on year, marking the low point in civil aerospace demand, while the defense sector remained resilient. The business successfully delivered its cost savings plan, which included the shutdown of two manufacturing facilities and annual cost savings run rate of €70 million beginning in 2021, €10 million higher than planned.

Fourth quarter EBITDA for the segment decreased 15.1% (11.4% organically) as growth in Specialty Polymers could not offset the demand weakness in civil aircraft. Despite the volume reduction, EBITDA margins were up slightly to 26.4% thanks to the significant cost actions and sustained pricing.

Chemicals

Full year 2020 sales in the segment were down 11.4% (7.7% organically) due to lower volumes and currency fluctuations, offset partly by price. EBITDA in 2020 was down 13.7% (9.4% organically), as cost mitigation measures supported a large part of the volume decline and preserved 27.7% EBITDA margin.

Fourth quarter net sales were down 6.3% in the segment including forex and scope, and flat organically due mainly to impact from currency fluctuations.

In Soda Ash, sales improved by 2.6% in Q4 versus Q3 as demand for flat glass used in construction improved in the quarter, while demand for container glass used in the hospitality industry remained weak.

Peroxides sales were up 4.0% in Q4 versus Q3 reflecting improvement in HPPO used in construction, while volumes in pulp and paper markets remain depressed.

Silica sales increased by 11% sequentially versus Q3 and by 1.1% year on year, thanks to the strong rebound in the automotive sector.

Coatis sales also increased sequentially by 11% versus Q3 2020 due to a strong rebound in volumes across all product lines.

Fourth quarter EBITDA in the segment increased sequentially by 4.5% versus the third quarter, but declined 9.8% (2.2% organically) versus Q4 2019 as a result of the lower volumes. Fixed cost reductions and price support across all businesses mitigated much of the impact, leading to 27.4% EBITDA margin in the quarter.

Solutions

Full year 2020 sales were down 10.6% (8.3% organically) due mainly to lower volumes. EBITDA was down by 14.5% (11.8% organically) as cost mitigation offset most of the impact, leading to 17.1% EBITDA margin for the year.

Fourth quarter net sales in the segment were down 5.5% (0.2% organically) with volume growth in the quarter more than offset by currency fluctuations.

Fourth quarter sales in Novacare, excluding oil and gas, increased organically by 8% year on year, with growth in agro, home & personal care and coatings markets. Including oil & gas, Novacare grew organically by 2.7% year on year.

Technology Solutions sales in Q4 increased by 6.8% sequentially versus Q3 driven mainly by mining, yet key customers remain impacted by Covid-related shutdowns.

Special Chem sales increased 19% sequentially versus Q3 thanks to strong demand in the automotive and electronics markets and share gain in China.

Aroma Performance sales decreased by 2.0% in Q4 versus Q3 following several quarters of strong growth, due to phasing for vanillin demand and weakness in other industrial markets.

Fourth quarter EBITDA in the segment was down 2.8% organically, reflecting the improvements across most markets, and most notably in automotive and electronics. Continued cost mitigation measures supported EBITDA margin of 16.6% in the segment.

Key segment figures

Segment review (in € million)	Underlying							
	Q4 2020	Q4 2019	% yoy	% organic	FY 2020	FY 2019	% yoy	% organic
Net sales	2,214	2,440	-9.3%	-4.1%	8,965	10,244	-12.5%	-10.1%
Materials	620	747	-17.1%	-13.1%	2,695	3,199	-15.8%	-14.6%
Specialty Polymers	456	449	+1.5%	-	1,820	1,927	-5.5%	-
Composite Materials	164	298	-45.1%	-	875	1,272	-31.2%	-
Chemicals	764	816	-6.3%	-0.1%	2,948	3,328	-11.4%	-7.7%
Soda Ash & Derivatives	359	412	-12.7%	-	1,450	1,661	-12.7%	-
Peroxides	164	168	-2.6%	-	642	683	-6.0%	-
Coatis	132	128	+3.1%	-	470	535	-12.1%	-
Silica	110	109	+1.1%	-	386	449	-13.9%	-
Solutions	829	876	-5.5%	-0.2%	3,316	3,710	-10.6%	-8.3%
Novacare	382	399	-4.3%	-	1,566	1,789	-12.5%	-
Special Chem	207	213	-2.9%	-	761	864	-11.9%	-
Technology Solutions	141	158	-10.9%	-	555	632	-12.2%	-
Aroma Performance	99	106	-6.8%	-	435	425	+2.2%	-
Corporate & Business Services	2	1	+53.2%	-	6	6	-0.3%	-
EBITDA	464	525	-11.7%	-6.4%	1,945	2,322	-16.2%	-13.9%
Materials	153	180	-15.1%	-11.4%	712	883	-19.3%	-18.7%
Chemicals	209	232	-9.8%	-2.2%	816	945	-13.7%	-9.4%
Solutions	137	150	-8.5%	-2.8%	566	663	-14.5%	-11.8%
Corporate & Business Services	-36	-37	+2.6%	-	-149	-169	-11.4%	-
EBITDA margin	21.0%	21.5%	-0.6pp	-	21.7%	22.7%	-1.0pp	-
Materials	24.6%	24.1%	+0.6pp	-	26.4%	27.6%	-1.2pp	-
Chemicals	27.4%	28.5%	-1.1pp	-	27.7%	28.4%	-0.7pp	-
Solutions	16.6%	17.1%	-0.6pp	-	17.1%	17.9%	-0.8pp	-

Key IFRS figures

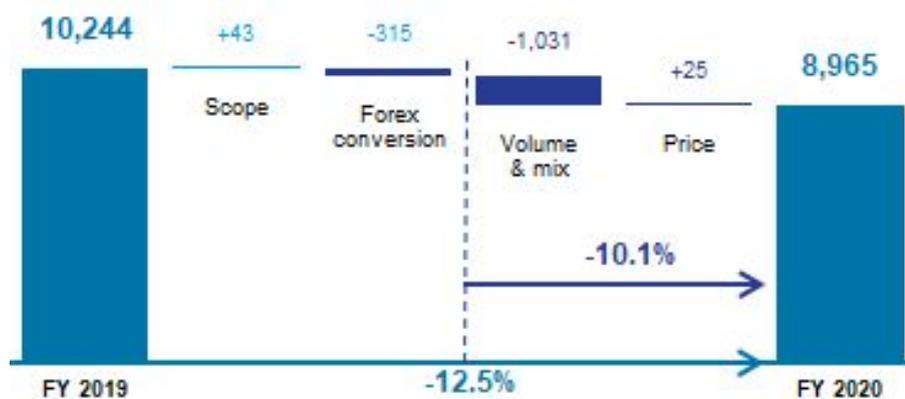
As announced on June 24, 2020, a non-cash impairment charge of €1.46 billion was recorded in Q2 2020. As a result, the underlying profit/(loss) attributable to Solvay shareholders for FY 2020 was €618 million, whereas it totaled €-962 million on an IFRS basis. Further details are available in the financial report.

FY key figures (in € million)	IFRS			Underlying		
	FY 2020	FY 2019	% yoy	FY 2020	FY 2019	% yoy
Net sales	8,965	10,244	-12.5%	8,965	10,244	-12.5%
EBITDA	1,751	2,222	-21.2%	1,945	2,322	-16.2%
<i>EBITDA margin</i>				21.7%	22.7%	-1.0pp
EBIT	-665	316	n.m.	1,110	1,503	-26.1%
Net financial charges	-179	-242	+26.3%	-284	-332	+14.5%
Income tax expenses	-248	-153	-61.5%	-195	-305	+36.0%
<i>Tax rate</i>				26%	28%	-2.2pp
Profit / (loss) attributable to Solvay shareholders	-962	118	n.m.	618	1,075	-42.5%
Basic EPS (in €)	-9.32	1.15	n.m.	5.99	10.40	-42.4%
Basic EPS, from continuing operations (in €)	-10.90	-1.14	n.m.	5.81	8.02	-27.5%
Gross dividend (in €)	3.75	3.75	-	3.75	3.75	-
Capex in continuing operations				611	826	-26.1%
FCF to Solvay shareholders, continuing operations				963	606	+58.8%
FCF to Solvay shareholders				951	801	+18.8%
FCF conversion ratio (LTM)				51.1%	27.8%	+23.4pp
Net financial debt				4,198	5,386	-22.0%
CFROI				5.5%	6.4%	-0.9pp
ROCE				6.9%	8.1%	-1.2pp

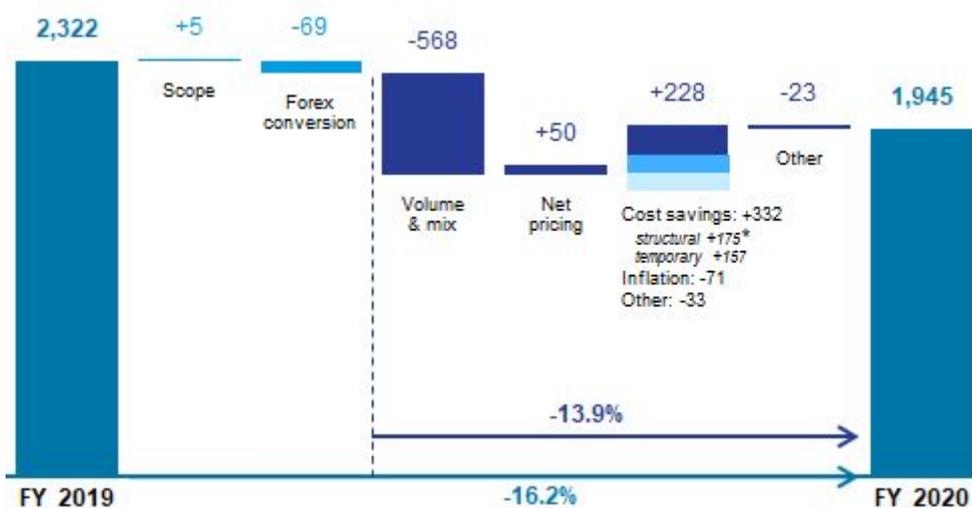
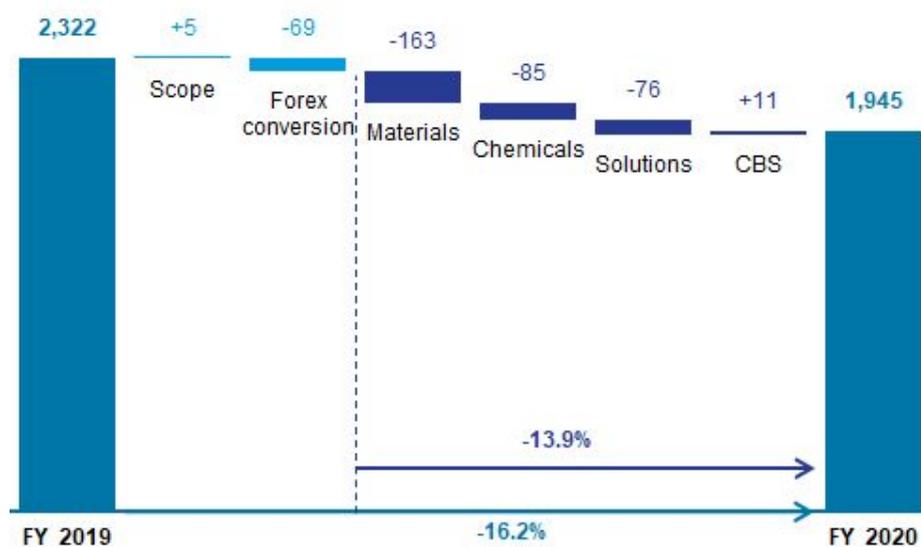
Q4 key figures (in € million)	IFRS			Underlying		
	Q4 2020	Q4 2019	% yoy	Q4 2020	Q4 2019	% yoy
Net sales	2,214	2,440	-9.3%	2,214	2,440	-9.3%
EBITDA	416	516	-19.3%	464	525	-11.7%
<i>EBITDA margin</i>				21.0%	21.5%	-0.6pp
EBIT	187	202	-7.6%	260	306	-15.1%
Net financial charges	-67	-67	+0.5%	-79	-86	+7.3%
Income tax expenses	-41	-146	+72.3%	-76	-74	-3.0%
Profit / (loss) attributable to Solvay shareholders	77	9	n.m.	96	163	-41.0%
Basic EPS(in €)	0.75	0.08	n.m.	0.93	1.58	-41.0%
Basic EPS, from continuing operations (in €)	0.70	-0.18	n.m.	0.95	1.34	-29.6%
Capex in continuing operations				200	255	-21.6%
FCF to Solvay shareholders, continuing operations				161	261	-38.3%
FCF to Solvay shareholders				155	274	-43.2%

Supplemental information: bridges

Net Sales

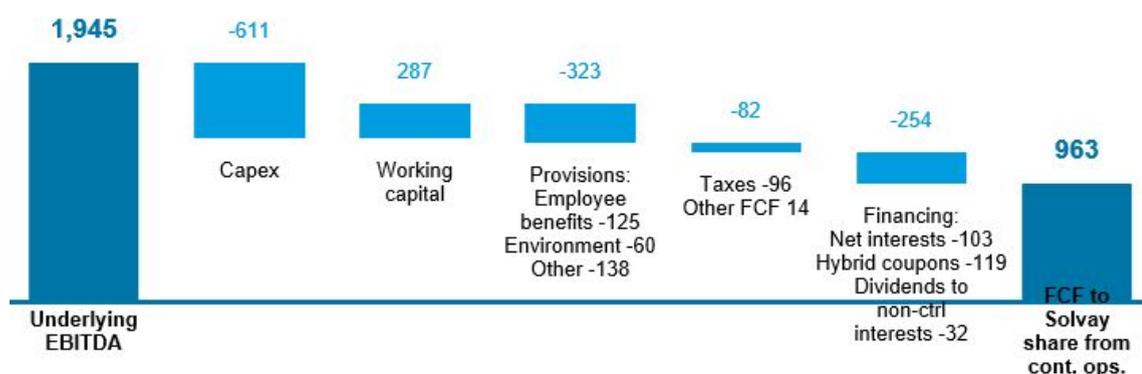


Underlying EBITDA

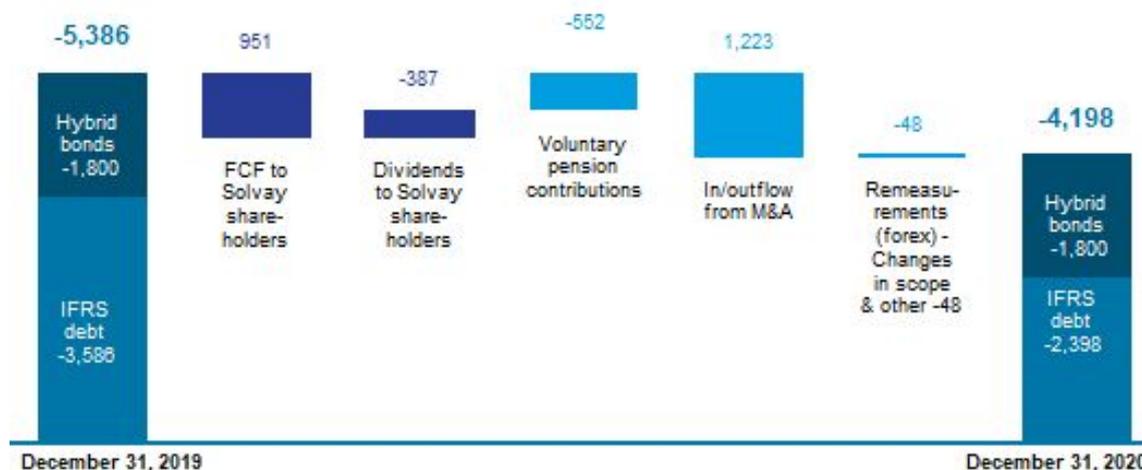


* includes €19 million of variable costs savings

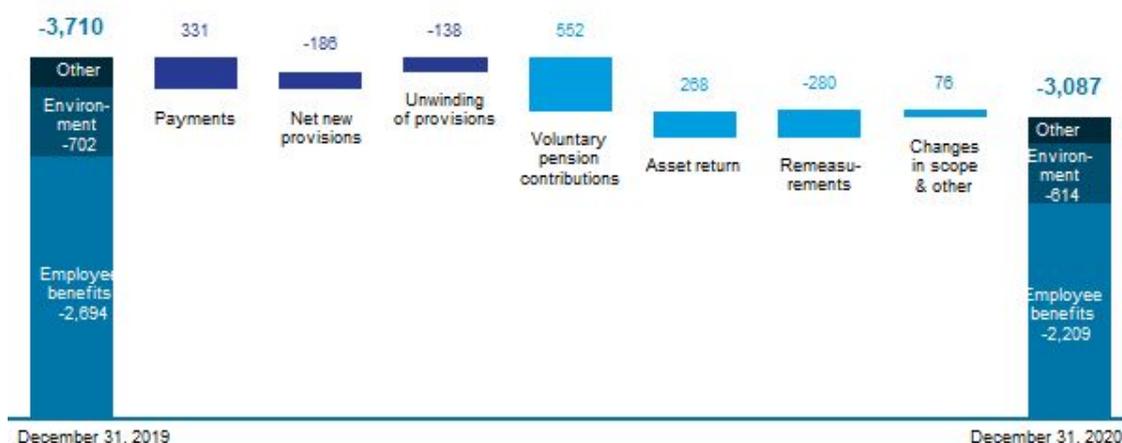
Free cash flow



Underlying net debt



Provisions



	FY 2019	Payments	Net new liabilities	Unwinding of provisions	Additional pension contributions	Asset return	Remeasurements	Changes in scope & other	FY 2020
Employee benefits	-2,694	126	-58	-112	552	268	-329	38	-2,209
Environment	-702	67	-15	-25	-	-	36	26	-614
Restructuring and other provisions	-313	138	-113	-1	-	-	13	11	-264
Total	-3,710	331	-186	-138	552	268	-280	75	-3,087

Glossary

EPS is earnings per share.

Extra-financial indicators: Indicators used that measure the sustainability performance of the company in complement to financial indicators. Solvay has selected 10 indicators that are included in the ONE Planet initiative. For more information, we refer to the last available annual report available on www.solvay.com.

Free cash flow to Solvay shareholders is the free cash flow after payment of net interests, coupons of perpetual hybrid bonds and dividends to non-controlling interests. This represents the cash flow available to Solvay shareholders, to pay their dividend and/or to reduce the net financial debt.

Free cash flow conversion ratio is calculated as the ratio between the free cash flow to Solvay shareholders of the last rolling 12 months (before netting of dividends paid to non-controlling interest) and the underlying EBITDA of the last rolling 12 months.

Organic growth excludes forex (foreign exchange conversion) and scope effects related to small M&A not leading to restatements.

SBTi - Science-based target initiative

Underlying figures adjust IFRS figures for the non-cash Purchase Price Allocation (PPA) accounting impacts related to acquisitions, for the coupons of perpetual hybrid bonds classified as equity under IFRS but treated as debt in the underlying statements, and for other elements to generate a measure that avoids distortion and facilitates the appreciation of performance and comparability of results over time.

Underlying net financial charges include the coupons on perpetual hybrid bonds (accounted as dividends under IFRS, and thereby excluded from the income statement), as well as the financial charges and realized foreign exchange losses from the RusVinyl joint venture (part of earnings from associates under IFRS, and thereby included in the IFRS EBITDA).

Underlying net financial debt includes the perpetual hybrid bonds, accounted for as equity under IFRS.

Contacts

Investor relations

Jodi Allen
+1 609 860 4608

Geoffroy d'Oultremont
+32 2 264 29 97

Bisser Alexandrov
+32 2 264 36 87
investor.relations@solvay.com

Media relations

Nathalie Van Ypersele
+32 478 20 10 62
nathalie.vanypersede@solvay.com

Brian Carroll
+32 471 70 54 72
brian.carroll@solvay.com

Peter Boelaert
+32 479 30 91 59
peter.boelaert@solvay.com

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This press release may contain forward-looking information. Forward-looking statements describe expectations, plans, strategies, goals, future events or intentions. The achievement of forward-looking statements contained in this press release is subject to risks and uncertainties relating to a number of factors, including general economic factors, interest rate and foreign currency exchange rate fluctuations, changing market conditions, product competition, the nature of product development, impact of acquisitions and divestitures, restructurings, products withdrawals, regulatory approval processes, all-in scenario of R&I projects and other unusual items. Consequently, actual results or future events may differ materially from those expressed or implied by such forward-looking statements. Should known or unknown risks or uncertainties materialize, or should our assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly update or revise any forward-looking statements.

About Solvay

Solvay is a science company whose technologies bring benefits to many aspects of daily life. With more than 23,000 employees in 64 countries, Solvay bonds people, ideas and elements to reinvent progress. The Group seeks to create sustainable shared value for all, notably through its Solvay One Planet plan crafted around three pillars: protecting the climate, preserving resources and fostering better life. The Group's innovative solutions contribute to safer, cleaner, and more sustainable products found in homes, food and consumer goods, planes, cars, batteries, smart devices, health care applications, water and air purification systems. Founded in 1863, Solvay today ranks among the world's top three companies for the vast majority of its activities and delivered net sales of €8.9 billion in 2020. Solvay is listed on Euronext Brussels (SOLB) and Paris and in the United States, where its shares (SOLVY) are traded through a Level I ADR program. Learn more at www.solvay.com.

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