



Progress beyond

Additional information on performance metrics within the remuneration policy

Short Term Incentives (STI)

Performance Measures

Measures can change from year to year considering the strategic priorities of the Group. The weighting of each measure should fall within the set parameters below:

- Financial: 60%-70%
- One Planet: 10%-20%
- Individual: 10%-20%
- One Planet aspirations and goals form an important part of Solvay's strategy. To drive progress toward these challenging and aspirational objectives One Planet (extra-financial) KPIs are included in the STI plan. KPIs do include dimensions of Climate, Resource efficiency, Better life and others.

As the policy covers a four year period, specific KPIs linked to these measures and weightings are not included in the policy, but rather are shared retrospectively in the Remuneration Report - pages 112 to 113 for the corporate KPIs and performance; and page 114 for the performance of the CEO against the prior year's individual KPIs.

As with most other companies, Solvay considers that our specific annual KPIs are commercially sensitive and as a consequence we report on them retrospectively in the remuneration report. In setting KPIs, the Board continues to carefully monitor and define financial targets that are well aligned with short term priorities, business forecasts and long term sustained value creation plan for each financial year and adjusts targets from year to year.

Targets are set and approved in Q1 of each year and since publication of the Annual Report, the following objectives have been approved for 2022:

SUMMARY OF CEO Goals for 2022

Objectives	Repartition	KPI	Impact
Financial	65%	EBITDA	70%
		Free Cash Flow	30%
ESG	15%	One Planet	15%
Individual non-financial	20%	Solvay 2030	5%
		GROW 2.0	5%
		Pursue Solvay's transformation (culture and structure)	5%
		Define the Human Capital for Essential and Speciality Cos	5%



Progress beyond

Long-Term Incentive (LTI)

Regarding the Performance Share Plan, targets and their weight are set in alignment with the mid- and long-term strategy of the Group, before grants are offered to the LTI beneficiaries. Targets are set and approved, before grants are offered to the ELT Members, by the Board of Directors.

Performance measures:

- Financial criteria account for 60% to 80% of the award
- One Planet objectives have a weight of 20% to 40%

Outcomes are subject to a further linear adjustment upwards or downwards dependent on the Group’s performance against the median of Total Shareholders Return (TSR) of the Stoxx 600 Index peer group.

In 2021, the performance objectives attached to the performance shares were underlying EBITDA growth, ROCE and GHG emissions reduction. Full retrospective disclosure is provided in the Remuneration Report with respect to targets set and achievement levels.

As you will see from the table below, Solvay has maintained similar performance measures year-on-year and set challenging targets as demonstrated by the payouts over the past three years.

For the upcoming year, we can confirm that the LTI would be measured on:

Year	2022	2021	2020
Award Cycle	2019-2021	2018-2020	2017-2019
Criteria	<ul style="list-style-type: none"> • Sum of underlying EBITDA growth % (40%) • ROCE base point variation (40%) • Greenhouse gas intensity (20%) 	<ul style="list-style-type: none"> • Sum of underlying EBITDA growth % (40%) • CFROI base point variation (40%) • Greenhouse gas intensity (20%) 	<ul style="list-style-type: none"> • Sum of underlying EBITDA growth % (40%) • CFROI base point variation (40%) • Greenhouse gas intensity (20%)
% of vested awards	n/a	18%	54%