



Additional Information on performance measures within the Remuneration Policy

2022 Annual Integrated Report

Introduction

As in previous years, Solvay's Board of Directors (the "Board") has decided to provide additional clarity as to the operation of both the Short Term Incentive (STI) and the Long Term Incentive (LTI) to demonstrate that variable remuneration at Solvay is based on the achievement of strategic objectives, including driving sustainable performance, and recognizes excellent results once delivered.

Short Term Incentives (STI)

Performance Measures

Performance measures selected for the Short Term Incentive (STI) can change from year to year considering the strategic priorities of the Group. As per the Remuneration Policy approved by shareholders at the 2022 Annual General Meeting (AGM), the weighting of each performance measure would fall within the parameters below:

- Financial: 60%-70%;
- One Planet: 10%-20%; and
- Individual: 10%-20%

One Planet aspirations and goals form an important part of Solvay's strategy; as such, to drive progress toward these challenging and aspirational objectives, One Planet KPIs have been included in the STI plan. KPIs are composed of three major categories of climate, resources and better life, and serve as our roadmap toward a sustainable future.

As the approved Remuneration Policy covers a four-year period, specific KPIs linked to these performance measures and weightings are not included in the Policy, but shared retrospectively in the Remuneration Report. More specifically, the CEO's performance against Group KPIs (i.e. Financial and One Planet) are disclosed on pages 140 to 141, and the CEO's performance against individual objectives are disclosed on page 139.

As with most other companies, Solvay considers the disclosure of annual performance targets on a prospective basis to be commercially sensitive. As such, the Board has decided to report on them, in a transparent manner, on a retrospective basis in the Remuneration Report. In setting performance targets, 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. The performance measures and the associated targets are continuously reviewed by the Board.

In line with our approach to be transparent with all of our stakeholders, Solvay is disclosing the performance measures selected, as well as their associated weightings, for the 2023 financial year:

CEO's Performance Measures and Weightings for the 2023 Financial Year

Objectives	Performance Measures	Weighting	Sub-Weighting
Group	EBITDA	65%	70%
	Free Cash Flow		30%
	One Planet	15%	15%
Individual	Execute the project of separation into two leading companies	20%	5%
	Pave the way of strategic and cultural direction for EcO and ScO		5%
	Build two strong organization with the right Leadership teams		5%
	Be a leading Ambassador for Solvay and the Chemical Industry		5%

Long-Term Incentive (LTI)

Regarding the Performance Share Plan, targets and their associated weighting 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 Executive Leadership Team (ELT) Members, by the Board. As per the Remuneration Policy approved by shareholders at the 2022 AGM, the weighting of each performance measure would fall within the parameters below:

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



Outcomes are subject to a further linear adjustment upwards or downwards dependent on the Group's performance against the median of Total Shareholder Return (TSR) of the Stoxx 600 Index peer group (as disclosed in the Remuneration Policy).

For the awards vesting in 2022, the performance measures selected were underlying EBITDA growth, ROCE and GHG emissions reduction. Full retrospective disclosure is provided in the Remuneration Report (see page 143) with respect to targets set by the Board and the ELT's achievement levels against these targets.

As you will see from the table below, Solvay has maintained similar performance measures year-on-year whilst setting challenging performance targets as demonstrated by the payouts over recent years.

The Board can confirm that LTI awards will remain subject to similar performance measures for any new awards, and the targets attached to be as stretching as set in previous years. At the time of vesting, as done in previous years, Solvay will disclose the level of achievement against the targets set for each performance measure.

LTI – Performance Measures Selected (including their weights) and Level of Vesting

Payout Year	2023	2022	2021
Performance Period	2020-2022	2019-2021	2018-2020
Performance Measures (and associated weights)	<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%) ROCE base point variation (40%) Greenhouse gas intensity (20%) 	<ul style="list-style-type: none"> Sum of underlying EBITDA growth % (40%) ROCE base point variation (40%) Greenhouse gas intensity (20%)
% of vested awards	n/a	24%	18%