

Progressing with our stakeholders

Customers

Employees

Investors

HOW WE BOUNDED IN 2022

- Engaging major customers on common high materiality aspects
- Direct contact with GBU teams (management, R&I, sales, supply chain)
- Close collaboration between Key Account Managers and strategic customers
- Rating questionnaires (CDP, EcoVadis)
- Sustainable Portfolio Management (SPM) profiles
- Net Promoter Score (digital surveys every two years)

- Solvay Solidarity Fund enhancing solidarity between employees
- Pulse surveys every six weeks on employee well-being, one survey per year on Diversity, Equity and Inclusion (DEI)
- Regular communication between CEO and employees
- Digital communication with employees
- Regular dialogue between managers and employees
- Labor relations dialogue with employee representative bodies at site, country, European and Group levels. Partnership with IndustriAll Global Union
- Annual Citizen Day

- **48** events with institutional investors (**7** digital roadshows, **37** conferences in Europe, North America and Asia)
- **5** webinars to improve understanding of our key activities
- Responding to rating agency questionnaires, credit rating agencies, proxy voting agencies
- Participation in diverse shareholder events
- One Solvay ESG webinar

HIGH MATERIALITY ASPECTS

- Product design and life cycle management
- Customer welfare
- Hazardous materials

- Employee health and safety
- Inclusion and diversity
- Employee engagement and well-being

- All high materiality aspects

OUR STAKEHOLDERS' EXPECTATIONS

- Increasing number of customers assessing Solvay's performance through EcoVadis, CDP or specific questionnaires, confirming focus on risks and opportunities in supply chain
- Increasing number of customers expressing need for innovative solutions aligned with circular economy

- Employee engagement on sustainability, from top management to shop floor
- Covid-19 crisis management
- Well-being at work
- Impact of inflation on well-being

- Record financial performance and consistent shareholder rewards
- Sustainability and focus on long-term value creation
- Strong focus on innovation, governance, ethics and transparency
- Rapid evolution of sustainability reporting frameworks, including the new International Sustainability Standards Board in the USA and the future European sustainability standards in the CSRD

OUR RESPONSES

- **>150** customers (>25% of sales) require Solvay's EcoVadis evaluation
- Solvay in the top **2%** of companies assessed by EcoVadis in the chemical industry
- Set our goal to reduce Scope 3 GHG emissions by **24%** by 2030. Our Scope 1, 2 and 3 targets validated by SBTi in early 2023
- New growth platform focused on Renewable Materials and Biotechnology
- Partnership with the Ellen MacArthur Foundation

- Solvay One Dignity (**9** DEI objectives and action plans). 2022 achievements include assessing and closing gender pay gaps; a roadmap to improve inclusion for people with disabilities; mentoring programs, including **300** Solvay women participating in A Effect program; **9** active Employee Resource Groups (ERGs) and first ERG convention; partnerships with NGOs (e.g. Disability:IN); more than **100** sites and **40%** employees participating in Citizen Day on DEI
- **~28%** employees shareholders following launch of first employee share plan
- **€9.5M** bonus for employees most affected by inflation
- Global Performance Sharing Plan budget for "non-executive" employees increased to **€15M**
- **267,000** hours of employee training
- Employee Assistance Program offers mental health support and more to employees and relatives: **1,150** employees trained in well-being webinars (**10** languages)
- **100%** employees covered by collective agreement
- Renewal of Solvay Global Forum and Global Framework agreements with IndustriAll Global Union

- Extension of the carbon neutrality targets (Scope 3)
- Roadmap to phase out fluorosurfactants
- Strong investments promoting sustainability of our products and processes
- Success of employee share purchase plan
- Solvay One Dignity DEI roadmap and actions
- Dividend increase of **€0.20** to **€4.05** per share
- Capex of **€1,022M** targeting growth businesses
- Commitment to significantly reduce the amount of limestone residues released directly into the sea at Rosignano, which ended Bluebell Capital Partners' One-Share ESG campaign against Solvay

OUR CHALLENGES

- **360°** EcoVadis screening identified controversies, fines or penalties relating to environmental and social issues in the last five years
- Reducing Scope 3 emissions linked to raw materials and processing, use, and end of life of sold products

- Involving employees in Solvay One Planet initiatives, e.g. Stop Office Waste program
- Po2 project implementation
- Talent recruitment

- Climate action confirmed as priority topic
- Facing challenging environment in key markets
- Impact of inflation
- Dividend increase of **€0.20** to **€4.05** per share
- Project to separate Solvay into two independent listed companies (Po2)

We continued to accelerate on the priorities of our Solvay One Planet sustainability roadmap in 2022. This included strengthening bonds with our stakeholders – our customers, employees, investors, suppliers, local communities and the planet (governments and NGOs). We listened to their needs and built on their feedback, raising the bar to address our collective impact on climate change, natural resources and quality of life. This included working with customers and suppliers to reduce our carbon footprint and developing collaborations to create more sustainable and circular solutions.

Suppliers

Local Communities

Planet (NGOs & Government)

HOW WE BOUNDED IN 2022

- Supplier Key Account Management
- Supplier commitment to Supplier Code of Business Integrity
- Corporate Social Responsibility questionnaire
- Third party assessments through EcoVadis and TFS
- Supplier Days: a series of events to engage suppliers

- Engagement at site level through the Star Factory program and Solvay One Planet initiatives (biodiversity, Stop Office Waste program): developing and managing relationships with local stakeholders
- Annual Citizen Day at Group level
- Partnership with Wildlife Habitat Council

- Constructive dialogue with public authorities on issues of legitimate interest to Solvay
- Participation in global and regional trade associations (WBCSD, ICCA, BusinessEurope, CEFIC) and scientific organizations (IUCN, SETAC)
- Partnership with the Solar Impulse Foundation

HIGH MATERIALITY ASPECTS

- Supply chain and procurement
- Sourcing of materials and efficiency

- Air quality
- Water and wastewater
- Waste
- Corporate citizenship
- Critical incident risk management
- Hazardous materials
- Biodiversity

- Greenhouse gas emissions
- Energy
- Biodiversity
- Management of the legal, ethics and regulatory framework

STAKEHOLDERS' EXPECTATIONS

- Increased collaboration on goal setting, strategic thinking and sustainability

- Contribution to local material aspects
- Sensitivity to local environmental and social issues

- Acceleration of actions to reduce greenhouse gas emissions and address climate change
- Confirmation of United Nations Sustainable Development Goals (SDGs) as reference for sustainability priorities at planetary scale
- Introduction of metrics describing sustainable value creation, as per the World Economic Forum's International Business Council (IBC) work on "Toward Common Metrics and Consistent Reporting of Sustainable Value Creation"

OUR RESPONSES

- **2,250** suppliers assessed via EcoVadis TFS Audit Program
- Supplier Engagement Program: **60** collaborative projects collected, **>20** underway focused on sustainability topics
- Partnering with industry leaders to develop the next generation of product carbon footprint (PCF) assessments and accelerate transparency in the value chain with customers and suppliers, e.g. initiatives from WBCSD PACT and TFS
- Partnership with the Ellen MacArthur Foundation

- Citizen Day 2022 on DEI: **>40%** workforce and **>100 sites** globally participated, with **€50,000** donated to local NGOs
- Solvay Solidarity Fund supported **>50** projects related to urgent needs (e.g., flooding) in **14** countries and donated **€1.5M** to initiatives in Ukraine
- Protector & Gamble joined our Sustainable Guar Initiative
- Signed a Memorandum of Understanding with local authorities in Rosignano, to improve the footprint and integration of our site in the surrounding area

- Confirmation of SDGs where Solvay can have most impact across the value chain:
 - **SDGs 7, 13, 14 & 15 on Climate;**
 - **SDG 12 on Resources;**
 - **SDGs 3, 6, 8 & 17 on Better Life**
- **10** ambitious goals defined through Solvay One Planet sustainability roadmap
- Announced plans for carbon neutrality by 2050
- Unveiled Scope 3 target of **-24%**

OUR CHALLENGES

- Mitigate CSR risks in our supply chain through due diligence and traceability
- Reduce Scope 3 greenhouse gas emissions linked to raw material extraction and processing

- Sensitive handling of social media, which can make a local issue global
- Controversies related to effluents or emissions
- Increased sensitivity to potential exposure to substances of concern

- Solvay One Planet targets
- Carbon neutrality before 2050: GHG emissions in Scope 1, 2 and 3
- Reporting of corporate metrics in line with UN SDGs (WEF initiative)