

Solvay 2022 Shareholders' meeting  
May 10, 2022

ANNEX TO THE MINUTES OF THE ORDINARY SHAREHOLDERS MEETING  
HELD ON MAY 9, 2023  
MINUTES OF THE WRITTEN AND ORAL QUESTIONS OF THE SHAREHOLDERS AND  
ANSWERS

*Les questions écrites ont été lues dans la langue dans laquelle elles ont été posées. Sauf indication contraire il a été répondu à toutes les questions dans la langue dans laquelle elles ont été posées, dans chaque cas avec traduction simultanée en français, néerlandais et/ou anglais.*

*Schriftelijke vragen werden gelezen in de taal waarin zij werden gesteld. Tenzij anders vermeld, werden alle vragen beantwoord in de taal waarin zij werden gesteld, elke keer met gelijktijdige vertaling naar het Frans, Nederlands en/of Engels.*

*Written questions were read in the language in which they were asked. Unless indicated otherwise, all questions were answered in the language in which they were asked, with simultaneous translation in Dutch, French and/or English.*

Vous avez annoncé un investissement très important aux USA, pour lequel vous avez bénéficié d'une aide du programme américain IRA. La faible réponse européenne vous inquiète-t-elle pour l'industrie européenne? Est-ce que vous prévoyez de diminuer vos investissements en Europe

- Laissez moi d'abord partager le contexte de notre investissement aux Etats Unis:
  - Les experts estiment que plus de la moitié des ventes de nouvelles voitures, aux Etats-Unis, seront électriques d'ici 2030 - avec un niveau d'investissement estimé à 225 milliards de projets liés aux véhicules électriques.
  - Notre projet a le potentiel de fournir suffisamment de PVDF pour alimenter plus de 5 millions de batteries de véhicules électriques par an à pleine capacité, ce qui est essentiel pour répondre aux besoins croissants des marchés nord-américains.
  - Pour cela, nous avons uni nos forces à celles d'Orbia pour créer la plus grande capacité, verticalement intégrée, pour la production de PVDF pour les matériaux de batteries en Amérique du Nord.
  - L'investissement total est estimé entre 800 et 900 millions de dollars.
  - Comme vous le mentionnez, l'investissement de Solvay est partiellement financé par une subvention accordée par le ministère américain de l'énergie (DoE) pour un total de 178 millions de dollars.
  - Solvay et Orbia s'appuieront sur deux sites de production, l'un pour les matières premières et l'autre pour les produits finis et l'usine de Solvay sera située à Augusta, en Géorgie. Les deux usines devraient être pleinement opérationnelles d'ici 2026.
  - Nous prévoyons la création de 500 emplois dans le secteur de la construction

et de 100 emplois dans le secteur de la fabrication.

- La loi sur la réduction de l'inflation (IRA) de Biden attire bien évidemment les investissements; tel que le nôtre
- L'Europe doit réagir et ne pas rester à la traîne. Toutes les entreprises européennes, y compris celles de l'industrie chimique, - avec sa triple transition (décarbonation, digitalisation, transition JUSTE) dans un environnement inflationniste sans précédent - se sont prononcées en faveur de la préservation de conditions de concurrence équitables.
- L'Europe est confrontée à une crise énergétique majeure et à l'inflation. Nous apprenons à vivre avec moins de gaz et devons nous préparer pour l'hiver prochain et investir massivement dans des infrastructures énergétiques propres à moyen terme.
- Néanmoins, nous sommes toujours prêts à faire des investissements significatifs en Europe et je reste optimiste sur l'Europe. C'est le continent de l'industrie, de l'innovation et des talents. Elle a besoin d'une véritable revitalisation industrielle. Cela est nécessaire pour rester pertinent sur le long terme. Et nous avons récemment investi dans nos usines européennes de carbonate de soude, dans nos projets de transition énergétique à Dombasle en France, Rheinberg en Allemagne, Devnya en Bulgarie et dans les terres rares à La Rochelle en France.

Ilham, Karim and to the entire Solvay company, thank you for these wonderful results, you are doing once again, an amazing performance! My question is related to the Po2 (split) and the possible leadership/governance nomination for both entities.

Following up on this question, How soon will it be communicated?

The leadership and governance of both EssentialCo and SpecialtyCo companies will reflect the needs of their distinctive operating models, market needs and stakeholders priorities. We have a thoughtful and robust process, as you can expect from us, whereby the new leadership teams and the companies governance including the new Board of Directors are being designed, reviewed and determined, through approvals by our current board of directors.

What I can tell you is that Solvay today has a best-in-class team. The performance speaks for itself. We have been building-up competencies, reskilling and upskilling at all levels of the organization. Therefore we have what it takes, in terms of leadership, competencies and talent to staff two champions.

As to your specific question about the composition of the Boards and management teams of each company, as well as their names and respective governance structures, that information will all be provided at a later date – As announced on February 23rd, we are planning to host two Capital Market events in the fourth quarter, one for each new company. These will be led

by the new executive leadership teams who will share their respective strategies and mid-term plan. We look forward to sharing further information on these matters in due course.

Les PFAS constituent une famille chimique complexe regroupant plusieurs milliers de composés distincts. Certains ont des effets néfastes graves sur la santé, d'autres présentent une nocivité moindre et d'autres, enfin, ne représentent pas un danger.

Leur profil toxicologique n'étant pas identique, il n'y a pas lieu, me semble-t-il, de les traiter tous de la même manière.

A l'initiative de quelques Etats membres de l'Union européenne, une proposition de restriction généralisée des PFAS a vu le jour. Elle a été publiée sur le site de l'Agence européenne des produits chimiques (ECHA) et est actuellement soumise à consultation publique.

Une suppression généralisée de tous les PFAS aurait de lourdes conséquences pour Solvay et, demain, pour EssentialCo [SpecialtyCo].

Comment Solvay compte-t-elle se manifester et faire admettre que la santé publique ne requiert pas une suppression généralisée des PFAS ?

Chez Solvay, nous concentrons nos efforts à la mise en place de solutions durables sur le long terme. Les PFAS ne font pas exception et ils ont fait l'objet d'efforts d'innovation et d'amélioration continue ces dernières années, et ce, de 3 manières distinctes:

Premièrement, notre stratégie d'innovation relative aux tensio-actifs fluorés, qui sont les substances PFAS qui suscitent la plus grande inquiétude. Mise en place depuis 2019, multipliant par 4 nos investissements, cette stratégie a permis la mise en place de nouveaux procédés sans tensio-actifs fluorés. Nous avons ainsi pu convertir nos procédés de fabrication aux États-Unis en 2021 et nous travaillons à étendre cette conversion à la fabrication de près de 100 % de nos fluoropolymères à Spinetta Marengo, en Italie, d'ici 2026.

Deuxièmement, nous investissons dans l'étanchéité de nos processus de fabrication. Nous opérons avec les meilleures technologies disponibles, en appliquant des techniques de pointe qui permettront de réduire nos émissions de tensioactifs fluorés à un niveau reconnu de "zéro technique". Et nous assumons les responsabilités associées à nos activités, notamment en nous engageant dans des actions de réhabilitation de l'environnement.

Troisièmement, en innovant dans les technologies de destruction des PFAS. En partenariat avec des institutions académiques, Solvay recherche également des technologies émergentes capables de décomposer les produits chimiques PFAS et de détruire les tensioactifs fluorés présents dans l'environnement. Ceci est un autre exemple de la façon

dont nous construisons une industrie chimique plus durable grâce à l'innovation.

*Je passe à présent la parole à Augusto concernant la proposition de restriction de l'Union Européenne.*

L'Union Européenne travaille en effet sur une proposition très large de restriction des PFAS, qui fera l'objet d'un processus de révision au cours des deux prochaines années. Chez Solvay, nous soutenons des mesures réglementaires claires et fondées sur la science concernant les PFAS, et nous sommes d'avis qu'une segmentation est nécessaire pour différencier les substances en fonction de leurs propriétés intrinsèques, de leur profil toxicologique et de leurs utilisations, ainsi que de leur méthode de fabrication (telle que la production de fluoropolymères avec ou sans tensioactifs fluorés).

Parmi la longue liste de 9 000 substances PFAS répondant à la définition de l'OCDE, certaines sont considérées comme présentant des risques limités. Cela inclut les fluoropolymères, que l'OCDE classe spécifiquement comme des polymères « à faible risque ». Ils ne doivent pas être traités de la même manière que certaines autres substances PFAS présentant des risques plus élevés.

Les fluoropolymères jouent un rôle essentiel dans la société et dans sa transition vers un avenir plus durable - y compris celle vers une Europe sans carbone - notamment, compte tenu de leur rôle dans des applications spécialisées, telles que les batteries haute performance pour les véhicules électriques, les membranes pour les piles à combustible à hydrogène, la fabrication de semi-conducteurs et une large gamme de dispositifs médicaux.

Et comme Ilham l'a mentionné, grâce à l'innovation, nous sommes fiers de pouvoir désormais développer la prochaine génération de fluoropolymères de spécialité en éliminant le besoin de tensioactifs fluorés pour les fabriquer.

En ce qui concerne la proposition de restriction, nous contribuons au processus de consultation en cours avec une approche scientifique. L'objectif est de fournir à l'ECHA les données nécessaires pour lui permettre d'effectuer son évaluation de l'impact environnemental, économique et social de la restriction proposée.

Nous continuerons à promouvoir activement la fabrication, l'utilisation et le placement responsables et sûrs de produits qui sont essentiels à l'industrie européenne et à la décarbonation de l'économie mondiale, tout en étant un acteur industriel responsable.

1.1 Last year you said that the sourcing outside China for rare metals was about 57% in 2021. How has it developed in 2022? Will you commit to publishing this information in your integrated report for 2023?

In 2021, the sourcing of rare metals outside China was about 57%, 3 percentage points up

from the previous year. In 2022, we have continued to actively explore and evaluate new sources from other regions.

Sourcing outside China reached 66% in 2022, up by 9 percentage points compared to 2021. This trend is in line with our ambition to balance our supplier pool.

The content of the integrated 2023 report will be evaluated in due time by the Management team.

1.2 Last year you said: “We continue to explore and evaluate new light & medium rare earths sources from other regions including the Indian subcontinent, South East Asia, as well as Australia.”

What progress have you made to this regard in 2022?

Will you commit to publishing this information in your integrated report for 2023?

In 2022, we continued to pursue strategic partnerships with suppliers, notably from Australia and Canada. Memorandums of Understanding were signed with Hastings and Cyclic Materials and can be consulted on our website.

As per the agreements, Hastings will be supplying 2,500 tonnes per annum of Mixed Rare Earth Carbonate while Cyclic Materials will supply us with sustainable rare earth elements from recycled permanent magnets.

Both will be processed at our La Rochelle plant. Other discussions are on-going with other potential suppliers, but remain confidential for now.

These partnerships are part of the announced plans to expand Solvay’s Rare earths operations in La Rochelle and to enter the value chain for the permanent magnets.

Finally, The content of the integrated 2023 report will be evaluated in due time by the Management team.

1.3 Last year you said: “Two suppliers (of rare metals) are now above Ecovadis requirement of 45 and two suppliers have agreed to perform audits in 2022, which will allow us to evaluate the continuation of our relationships. Two suppliers who scored below will be discontinued as soon as contractual arrangements allow that to happen.

How did the two new suppliers who agreed to perform audits scored in 2022?

(1.3.1) When will the suppliers who scored below 45 be discontinued?

(1.3.2) Will you commit to publishing this information in your integrated report for 2023

We work closely with our suppliers both to monitor their progress and to support their sustainability-driven efforts. We believe in a systematic and continuous improvement approach whereby we foster change throughout the value chain and we support our suppliers in their improvement journey.

A total of three Together for Sustainability ('TfS') audits were performed in 2022. These audits were conducted on-site and were led by a certified Third-Party based on a worldwide standard methodology. The results showed significant progress for all suppliers in scope.

Regarding the two suppliers whose Ecovadis score was below 45:

- One of them was part of the three audits that were conducted in 2022. They are now considered in line with the standards as they demonstrated a satisfactory score of 88%.
- For the second supplier, our teams are actively engaged to encourage improvement. A third party expert was hired to develop an action plan, which will be finalized in the course of 2023. If insufficient progress is made, we will consider alternative sources of supply.

The content of the integrated 2023 report will be evaluated in due time by the Management team.

1.4 To what extent (in %) is the environmental and social monitoring of your suppliers of rare earths and rare metals already covering Tier 2 and Tier 3?

It should be noted that 86% of our supply comes from integrated companies which own their own mines.

For the remaining, Solvay is currently implementing a platform, called Risk Methods, to screen ESG risk in the supply chain. When completed, this should help us have visibility on tier 2 suppliers going forward.

1.5 Last year you said: "The due diligence process to address these (i.e. rare metals') specific value chains beyond tier one will be set up according to the guidance and timeframe of the EU regulatory framework. We expect this comprehensive process to conclude during the course of 2023." Are you on track to conclude the process by 2023? Will you commit to publishing information on this in your integrated report for 2023?

Solvay is indeed developing an ESG risk management methodology for its supply chain. This

framework will provide a systematic approach for risk identification and risk severity assessment of more than 62 upstream value chains and will trigger risk mitigation action plans.

Rare metals value chains are very specific and rather complex, thereby requiring an in-depth analysis to inform the steps of a rigorous process.

In 2023, we are initiating a comprehensive mapping of the Tier 2 upstream suppliers for better visibility. As just mentioned, preliminary results suggest that more than 85% of our current rare earth supply comes from integrated players operating their own mines. On the basis of the results of the analysis, we will take actions next year to further refine and complement our processes at each stage of the value chain.

As per the content of the integrated 2023 report, it will be evaluated in due time by the Management team.

1.6 In your Integrated Annual Report for 2022, you state: "Solvay is also investing in a powerful Rare Earths hub in La Rochelle, France to play a proactive role in the recycling of magnets."

Can you update us on the state of this project?

1.6.1 Which are the targets you are setting for the recycling of magnets (how many tonnes and by when)? Will you commit to publishing this information in your integrated report for 2023?

Solvay is proud to invest in the rare earths magnet value chain in Europe, including sourcing from the recycling of used permanent magnets.

The expansion of our rare earth operations in La Rochelle is expected to be at full capacity in 2030 and will play an important role in helping Europe power its new economy with more autonomous and sustainable solutions for these critical materials needed for electric mobility, clean energy generation and electronics applications. As mentioned earlier, Solvay has pursued alliances in this field to support our growth plans. For reasons of commercial sensitivity, we do not disclose details on our capabilities.

2.1 Can Solvay follow the example of its peers, including Givaudan, DSM, Symrise and Covestro, in confirming its intention to transition to 100 per cent renewable energy sources by 2050?

We agree that we are in a climate urgency and our plans prioritize and promote rapid

progress, with carbon neutrality as the ultimate goal.

The companies you named actually mainly committed to convert only the electrical part of their energy supply to renewable energy. In our industry, some processes require a level of temperature that cannot reasonably be provided by electric power. This is the reason why our plan to carbon neutrality relies on a toolbox of multiple technologies and solutions among which:

1. Sourcing electricity power from renewable sources
2. Moving to lower carbon energy sources for current processes for which no relevant electricity-based technologies are currently available
3. Accelerating breakthrough innovation to enable electrification of our production processes

When it comes to renewable electricity sourcing, you will be pleased that we have some striking achievements:

In 2022 we more than doubled our renewable Electricity purchased, from 440 Gwh to 1.1 Twh.

On top, and as Ilham mentioned in her speech:

- 100 % of our Chinese operations are now supplied with renewable electricity
- In the US, 34 of our about 40 plants are now fully supplied by green electricity
- In Europe we continue to make progress, amongst others Power Purchasing Agreement in Italy or our new partnership with Iberdrola for a major solar farm in France.

Secondly, I remind you that the ongoing coal phase-out projects will cut the Group's overall emission by 9.5% by 2025.

Third, Ernest 2.0, if successful, will cut Soda Ash CO2 emissions by 50 % through electrification.

Overall, and in conclusion, we are committed to our Solvay One Planet 2030 goals, and 2050 carbon neutrality objective.

## 2.2 Will the company further commit to phase out biomass as an energy source, both for direct and indirect energy generation, by 2050 at the latest?

First of all, according to the International Energy Agency's Net Zero Scenario by 2050, bioenergy (including biomass and biogas) is expected to represent 10% of total energy supply for the electricity and heat sector by 2050, up from 4% in 2020.

Second, let me share with you two examples, with positive impacts at Solvay:



- In Rheinberg, Germany, we have CUT CO<sub>2</sub> emissions by more than 30% thanks to our first biomass boiler using waste wood chips - from industrial residues and demolition, and with the second boiler in construction, we shall reach a total of 65% emissions reduction
- In Saint-Fons, France, a new biomass boiler fed with locally-sourced wood waste from building demolition combined with the switch to renewable electricity will reduce Site's greenhouse gas emissions by 90% vs. 2018 paving the way for the plant to reach carbon neutrality by 2026.

Finally, we are focusing on the use of wastes as biomass sources, specifically for process application for which electrification solutions are not yet reasonably mature at industrial scale. Equally, we are also focusing on Biomass materials that have reached their end-of-life and cannot be valorized, nor upcycled except as energy, in other words sources that do not compete with ANY other uses.

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### Live questions during the General Meeting

Audience question (Speaker 1):

First, Finance. Own shares, page 114 in the Annual Report, 11% of own shares for long term and employees is that well understood?

Nicolas Boël:

Yes

Audience question (Speaker 1):

My second question is a bit longer. I do not like 100% affiliates, so one 100% affiliate per country is indispensable. This is also well explained. When I see page 385, 388 of the Annual Report. You have more than 100 100% affiliates. Eight in Hanovre. Three in Milan, three in Tokyo... I will skip the rest. Each 100% affiliate is one company, one board, one Works Council, one General Assembly, etc... Not especially a general assembly if you are at 100%. But this is a lot. And if you split the company into two companies, you will have 2 100% affiliates to actually split. So it could be good to tidy up before splitting. You would have 40

in one company and zero in the others.

Nicolas Boël:

I will give the floor to Karim for the answer. But this is a recurring question at Solvay. And when Jean Pierre Clamadiou made it to Solvay: Rodia had a more simple line of thought and Solvay was a bit more complex. And this is something that we do relentlessly, as we put it correctly. But this is not easy work. Karim will certainly tell you more about this.

Karim Hajjar:

This is a very important question, as you said, Mr. Chair. This is something that we've been working on. We've been working for years on the reduction of the number of entities in order to streamline the group and to decrease costs. But we also take into account the need of carve-out to prepare the upcoming split. And so that will be the divestment of 33 to 45 entities. And we fully agree this is a simplification item for a company such as ours. Thank you.

Audience question (Speaker 1):

I was quite surprised in the written questions I read that the last question is talking about phasing out biomass. Is that a cancellation of biomass? But that would be totally absurd because biomass comes from the recycling of waste which according to the question, should be phased out so I did not fully understand the answer but does that make sense? Shouldn't you increase biomass? i.e. recycle as much as you can and transform 100% of the waste into energy

Pascal Chavlon:

Thank you for this question of clarification.

It is the use of biomass to produce energy; some consider that biomass is not an interesting source, and that biomass should not be used to produce energy. My answer was the following: the biomass that we use is actually biomass coming from waste. We're not, of course, going to cut down forests in order to create energy. This is very important.

Ilham Kadri:

Yes. Biomass should not be in any form of competition with anything else. In Rheinberg, for instance, we have wood chips. They're not valued 100 km around the plant and around the country up to the Dutch border. So we're not asking people to waste their energy, but we want to use as much biomass as possible to produce energy. Our strategy is very clear and the Dombasle project is also extraordinary. This is the largest project ever built in the Hexagon, in France, and in Europe is going to use refuse-derived fuel wastes in order to make sure that Dombasle is fully green. Thank you for the question.

Audience question (Speaker 1):

Russia. What about Russia?

Ilham Kadri:

We have carved out the joint venture with RusVinyl. You've heard the news during the first quarter. But this is something that we did immediately when war raged in Ukraine. We have stopped businesses with Russia. We have stopped any direct contact with Russia. We deem ourselves as very responsible. We have helped customers outside Russia because Russia was also managing other countries. But this is something that we manage outside Russia. And the last step was to carve out and to get out of Russia. And we have just done it. We have sold our shares in RusVinyl. We have done it responsibly and in all respect to the Russian employees that are going to be transferred to Sibur, who used to be our partner.

Audience question (Speaker 1):

The Ukrainian refugees suggestion from last year. We expected this to be a temporary situation last year and this might still not be over tomorrow. Last year we actually saw that those refugees are very competent and very motivated. Could you maybe hire those? Because there is a war on talent, as we can read a bit everywhere, I've seen that Actiris had set up a unit with very low results. I think that only 30% of the refugees have found a job, in your plans in Poland, would you maybe offer a job to those people and be useful? Plus the fact that you're actually looking for people?

Ilham Kadri:

Yes, good question. We do have the human resources. Hervé, you might actually talk about this. We have initiatives. I think it is in Portugal, if I'm not mistaken. We have one such initiative.

Hervé Tiberghien:

Yes, indeed. In our service center in Portugal we have hired Ukrainian refugees. We do have a center down there and we are working with local organizations to hire Ukrainian refugees.

Audience question (Speaker 1):

Every year I ask this question ESG. Triodos regrets not being able to buy Solvay shares despite all your efforts, because you still have products used for the fracking activities, you said that you're not a big fan of keeping that company, but you cannot actually get rid of it like this.

Ilham Kadri:

Oh, this is not a question of being a fan. This is purely analytical. The business was not doing well when I made it to this position. I'm very proud of all the teams who have actually reestablished and recovered all the activities in oil and gas. Business is now doing well. We are very close to the customer and we are still looking at these strategic options and

alternatives.

And we will let you know as soon as we have more clarity on this as to what the options are in order to get that business to live on its own and have its own life.

Audience question (Speaker 1):

Well, the advantage of the divestment, one of the two companies will not have this legacy and Triodos will be able to invest.

Regarding the knowledge that you have of your company, the General Assembly, is it freely accessible or is it just for the shareholders?

Nicolas Boël:

It is only for the shareholders.

Audience question (Speaker 1):

It would be good to have it freely accessible, as Engie is doing, or Monsieur Clamadieu did it, and Total and Proximus are also doing this. It is a very good occasion for the people who do not know the company to actually discover.

Nicolas Boël:

Noted. done. But I would also like to remind you that on Solvay website, there is free access to all the webinars, all the conferences. So I do think that outside the General Assembly we have made so many efforts to increase visibility of this company and to make people able to actually get to know the company.

Audience question (Speaker 1):

Could you please be careful when you select the date and set the date for the General Assembly of the new company because you will have two companies and two General Assembly. Many people have a diversified portfolio. We do not want to choose between the General Assemblies, but I would actually like to take part in the other General Assemblies. You can ask Lumi. They have a list of all the General Assemblies of the Belgian companies occurring since the 31<sup>st</sup> of March come until end of June

Nicolas Boël:

Okay, noted. Done.

Audience question (Speaker 1):

Second bonus question. Ms. Ilham Kadri, of which company are you going to be the CEO? Are you going to be the CEO of both those companies? Which would be a bit contradictory.

Nicolas Boël:

I'm going to take that one. I'm going to answer it for Ilham. They asked the question last year. This will be the last question to which we would answer. In the frame of power of two, we have in this study, we have three conditions that we need to fulfill. First condition is for both companies to have a start-off structure that is solid and that is fit for the future in terms of dividend policy, but also financial purity, the ratio, debt ratio.

We should not give priority to one company or another. And this is also what Ilham explained earlier in her intervention, the choice in terms of staff, in terms of employees that are going to work for each one of those companies. And third condition, we want to ensure a long term future in a macro context that makes it possible. So all those questions are being studied systematically as we go, by the board, by the management, and this dealing with the day to day functioning of the company, and we need to be efficient. So the answers to all those questions will come as we go in 2023. Those items are very important, of course, but our key objective is to have two champion companies and not one company that would be better considered than the other. We have used the terms good co and bad co, but we don't want it. We want to have two companies that are solid. They're solid in financial terms, in terms of framework, structural and in industrial terms.

Audience question (Speaker 1):

You're going to give cold sweat to 3 Bel20 companies, because after the split, you will be the two companies that will be listed on the Bel20 marketplace. Meaning to say that coming from December, the Bel20 will be 21. Meaning to say that there will be three outgoing companies rather than 20. And I'm sure that they consider themselves as being in the hot seat.

So you celebrate the 160th anniversary. Congratulations. What about a party? I remember the party that you organized at the occasion of the 150th anniversary. We still have fond memories of this party. What about organizing yet another party?

Ilham Kadri:

This is really something that is close to my heart. I'm frugal, you know me. I don't like to waste the money of the shareholders. But I invite you to stay and you will see what happens.

Audience question (Speaker 1):

And what about the shareholders club? There used to be a Solvay Shareholders club. It has

been latent for the past a couple of years and that is how I was invited as a shareholder. And I haven't heard from this club of late.

Nicolas Boël:

I'm sure that they will reach out to you. This has been duly noted.

Many thanks to you. Microphone number three. There's a gentleman there. Thank you. Thank you very much.

Audience question (Speaker 2):

A pretty straightforward question. EssentialCo , SpecialtyCo. But what about the Solvay name? Solvay must be rolling in his grave, like those who for the past 160 years have been working for the Solvay companies. So what about the name of Solvay?

Ilham Kadri:

Thank you very much for this question. I should have said it and I realized that I forgot to talk about it. EssentialCo and SpecialtyCo are not the names of the two entities. So we're working on it. I know that choosing a name is something very emotional. So we're going through an in house process. Our employees, the board of directors, with our reference shareholders are working on it, so be patient. By fall, you will get some visibility as to the name of these companies and who the management team members are going to be. So be patient.

Audience question (Speaker 3):

Good morning, Mrs. Kadri. Could you please tell me what you think about the share price evolution after the Q 1 results were shared?

Nicolas Boël:

If I may, I would like to speak before you do, Ilham, because I'm a real compass and I'm showing you the way to the south, not the way to the north, because we've got plenty on our plate. And on that night, when finishing the board of directors meeting, I saw the reaction of the market and I did not perceive this as being cause for concern. I sent a text message to Ilham telling her I would be the compass showing the way to the south, that we should continue aiming for the long term. But Ilham, a more rational answer.

Ilham Kadri:

Thank you for this very relevant question. The chairman told you that our share price is doing well ever since the beginning of the year and over the past couple of years, compared to our peers on Stock 600. So there's nothing to complain about. I must say that on that day it was quite weird, even though it went back to normal the day after. So what I think is that the Fed and the ECB interest rate hikes impacted the investors, not even investors, it's analysts,

rather. Analysts are looking into the stickiness of share prices. It's true that we were not known for increasing our prices. Is it there to stay? They're looking into the commodities that are managed by supply, more than the specialty part. I told you that this is actually changing. We now offer a value proposal, and the increase in prices was really a surprise to a number of people. Future will tell what's going to happen. During Q1 we've demonstrated that even though there was a drop in volumes, the prices are still there. And then we'll see what's going to come out of the next quarter. Just like Nicolas said, we didn't like what happened on that day, but it's only one day out of the life of a company. You have given me a mandate. The board of directors gave me a mandate of turning this company over, of turning the Sleeping Beauty over. And I must say that I'm extremely proud of the people working for us. I got a question during the call earlier in the year. I was asked, Mrs. Kadri, you did €1 billion. How come you didn't know? Well, you know, in March last year, given the inflation, given the war at our doorstep, we didn't know. What I knew is that we had trained and educated 1000 sales people in the autumn of 2021. And as I told you in my speech, they trained in the fall of 2021, at the time of the onset of the war and we had already prepared a renegotiation of more than 1000 contracts. They were ready for the central core business and for Specialty Co. I am really proud of them. I was a sales assistant myself. You are always afraid of losing the customer. But we did it. And we're still fighting tooth and nail for the company and for the value proposition. We are sales people, not of products, but of value proposition. It's a vehicle, it's an aero plane, it's a battery, we replace metal, we offer a lightweight solution. If you take a car, if you take an aero plane, it uses less fuel, it releases less CO2. We are synonymous with sustainability. So it's really a change in the mindset. And this is something that we've done deliberately. We have revisited our customer relations. We here talk about a very deep transformation and well, be patient, this will be coming. Number two.

Audience question (Speaker 3: Marco Roumen)

I'm Marco Roumen, the secretary of the European Works Council. And also I'm the coordinator of the Solvay Global Forum, which is the World Works Council. I would like to take this opportunity to give you an update on the social proceedings regarding the Power of Two. End of April, we finished the so-called information and consultation phase, which is the formal end, normally. In many other companies, our role would have ended at that point, not in Solvay. And as Ilham already said, Solvay is special. And I can concur because we are still on a very regular basis discussing employees who are impacted by this project to find a suitable solution for all of them. And I can tell you also, even after the split, so when we are two different companies, we are still discussing some special employees who work for both companies till the end of that agreement. So I would like to express our gratitude that we can do this. Thank you very much.

Ilham Kadri:

If I may say something, I would like to thank you, Marco, and obviously the European Work Council, the IndustriALL, you are here again. I think it was overwhelming. Well, I mean last

year when you joined us and supported us in different contexts of hundreds of questions, rights and mobilization. And I must say, at Solvay and I gave tribute to our founder, Ernest Solvay with the social care mindset, I've never seen in my whole career such social dialogue and the quality of the social dialogue. And I can tell you, each year when I joined the company, your predecessor challenged me on the employee shareholding program. It was one of the unmet needs, which was a dream. The dream came true. But not only that. Behind the curtain we signed digitalization, how to upskill our people in manufacturing, starting with our blue collars. It was not a walk in the park. The past four years, we've done a lot of tough reforms, including painfully closing some manufacturing assets and I think the quality of the dialogue, the honesty, the transparency in the relationship has been just amazing. I've never seen it in my career. So this is thanks to Solvay DNA, but this is thanks to the new generation of leaders who are here in the room.

Audience question (Speaker 4):

Thank you very much. There's something that I wish to talk about. This is the use of raw materials coming from recycling. If I'm not mistaken, in Italy, we heard a description of measures about carbon neutrality. We heard you speak about recycling. And I must say that we would certainly need massive amounts of raw materials and feedstocks. There are some parts that we do not need. And sometimes there are substances that are released in the ocean. And this is still rare, fortunately enough, but it still happens. I think there are still concerns, there are still difficulties, and it's really a matter of the materials that we use for the manufacturing. And what about this Italian factory? And my guess is that there are other activities. There are also other processes which are not yet circular processes. I guess that there are some processes for which recycling is not an option.

And then what about animal testing? I think that this is something that you've referred to. I think that some tests are due to take place. Would it be possible to no longer have animal testing taking place? I know that rules can be imposed, and I think that we can also consider lobbying the authorities. Do you think it is essential to continue performing tests on animals?

And then what about the corporate transformation? The split that you've talked about? Two companies will come out of this group. You could do like Unilever did. Unilever sold the entities that had no growth. They decided to divest these entities from the group. And not so long ago, they sold the tea made by Lipton. So this is something that you may also consider. It could be that one day you are going to decide that you are going to divest like you did for pharmaceuticals. This is something that you could also consider for other parts of Solvay. It would also be a way of transforming the company. And such a transformation could happen very fast. This has been my experience at Unilever. I'm also a shareholder with Unilever. And this is how they did it. They became very big with vitamins. Vitamins were not even in their portfolio 30 years ago. This is also a way to transform the company. What do you think? Do you think it is useful? Do you think we could speed up the process? So these are my three little points for today. And thank you already in advance for your reaction questions.



Ilham Kadri:

So I think you had three questions. I will address maybe circularity and Pascal can get to the animal testing. And then you talked about the power of two and splitting versus divesting.

I think circularity and you've seen, we are one of the few companies in the world who publicize and we publish our circular sales, our circular economy inside the company. And when I joined the company, we used, by the way, the Ellen McCarthy Foundation metrics, because there is no common harmonized language. So that's what we follow inside the company. And we moved from mid single digit to 9% now, and we hope to continue putting that. And you say this very well. I think circularity is not just recycling, right? It's a change in the way we innovate, we craft the molecules. When I was a student or chemist in my 20s, a long time ago, I used to innovate a product and think about the end of life. So it goes to the landfill. And by the way, today it's still cheaper to waste in the landfill than to recycle. So there is a policy makers challenge there to really upgrade the recycling to its own merits.

So circularity now is about thinking of a product in a way that it has a second life, because I'm not going to throw away my costume tonight, right? I really think it's a new era for our chemists. Our innovators at Solvay are so excited about that. You need to think about the end of first usage, second usage, third usage. So if you think about it this way, you are going to start enabling this circular economy. So we have some good businesses. It's not an anecdote anymore. You've seen us a leader in natural vanillin, which is coming from the rice brand. This is thrown in the bin normally. So in your chocolate cake, it replaced vanilla, by the way, which is a nice thing, but it's not sustainable. It comes from Madagascar. Shipment is not sustainable. The other one is guar, which is a plant which is not competing with food. Again, it's important to us.

I believe it's a new era for solving and for really building differentiated value propositions in the future. And it's part of the Biomatech platform. So the last platform we launched, it has a potential of more than a billion. And I truly believe that this will help us as a company to really leapfrog and cannibalize our own products. But we like that.

The second question about the Power of two, I think we are not dogmatic in the company and this board of directors with our president Nicolas Boël. In December 2021, we started looking at our strategy G.R.O.W and as we told you, we delivered a strategy three years ahead of time, in every aspect of the KPI of the strategy. So we start asking ourselves what is growth 2.0? As simple as that. And we look at all the optionalities, including divestiture.

I mean, we are not dogmatic people. It's whatever has to be on the table, we will consider, because my only interest and obsession is the value creation for the shareholders and actually the value creation for all, as our mission states for all stakeholders. So I think with the board of directors we looked at all options. We saw that now, which is probably an option we didn't have before, because now specialty polymers, to give you an idea, produce as much cash as soda ash. It was not the case a few years back. So now we saw that we have two sets of businesses which need to follow different operating models. One has the mandate to maximize the cash and be resilient through the cycle, which you know very well, and the other one to grow to x market at high returns. And we are demonstrating it, including the story of the share price, the stickiness of the pricing, because it's a specialty, because the

customer doesn't buy a product, they buy a value proposition like lightweight electrification, digitalization. So with that, I think we proposed last March the proposal to investigate the split, as Nicolas always says, when we investigate, is not going to fail.

So we've been working very hard into making it happen and at the same time facing a crisis which shows you as an investor that while we are working on these projects and bringing it to you to vote, save the dates in December, we continue delivering on our promise and of the market. So the last question, which is close to our heart and it's a good question, and you mentioned one of our customers. Let's talk about animal testing.

Pascal Chavlon:

I take that Ilham. Yeah, indeed, this is a very serious question, an important one. Indeed, Solvay avoids animal testing whenever possible, but in some cases the regulation itself is requiring us to do that. And what we are doing is that we carry tests which are really required for regulations, but we apply only once. We advocate for the reuse of data each time this is possible. We have, let's say, a policy, internal policy, which is the Solvay Animal care and use procedure. In order to be always compliant with all the regulations and especially with the OECD. And in order to perform these tests, and that's an important point, we always use the labs, which are accredited by the Association for Assessment and Accreditation of Laboratory Animal Care International. It is a worldwide organization which sets the quality standards for testing and ensures responsible and human treatment of laboratory animals.

Nicolas Boël:

Thank you. Pascal, we have a question.

Audience question (Speaker 5):

Good morning. I'm a French shareholder. It is my great pleasure to be here with you. Welcome to you, sir. I would have a total of three questions or three points. First of all, congratulations for your splendid result in 2022 and for your splendid result for 2023 Q1. Without calling into question the Q1 results, I think that those results have been favorably impacted by a decision that was favorable to you concerning a conflict with Edison, an EDF subsidiary, which meant €92 million for you. Is this something that you expected? And I was wondering about why the process is going to be a two-stage process. Because in the future, I think that we can expect a second wave of decisions. We'll now move on to my second question. It's about HQ. You didn't talk about the headquarters, so I will seize the opportunity of asking you a question about the HQ of Solvay. You're in the process of selling the headquarters and you're in the process of buying a new HQ. Will it be the headquarters of EssentialCo or SpecialtyCo, or both? And finally, my third question. Thank you very much to the first speaker. He took the words out of my mouth. But talking about the balance sheet,

I don't think that this is the rationale. One of the two cos is going to be a cash co, whereas the other company is going to be an innovation company. But innovation is expensive. Money flows or does not flow from innovation. So I think it might be more appropriate to give more cash to the SpecialtyCo so that it is not experiencing too many problems in the future.

Nicolas Boël:

Thank you. About the third question. When I told you about the different conditions that we were in, the processes of green lighting with a management team and the board of directors, it goes without saying that all of these elements are given due consideration, the debt level of one company compared to another. The principle is to have two strong and robust companies over the long term while giving due consideration to the specificities of these two companies. So, in short, my answer to your question is yes.

Ilham Kadri:

And to pick up on what you've heard from the chairman. We are working on the capital structures. This is still work in progress. Nothing has been published yet. This is work that we do together with the board of directors. We are even working with the rating agencies in order to establish what our credit rating is going to be. I shared the timeline with you. I've given you an idea of what's going to take place between now and December. We're going to communicate to you on the capital structure. But as Nicolas told you, our legacy is not to have a bad Co and a good Co. As I told you, SpecialtyCo has as much cash as soda ash. As you were talking about a cash Co. There are several cash cos. They've got enough money for their needs. And four years ago, we decided to stop the dependency link between the cash co companies and the non cash co companies. This has given the board of directors the possibility of exploring options which were not on the table four years ago. And this is something very important. I'm really excited and over the moon to see these two companies having such a growth potential. You were talking about innovation. It's true that the SpecialtyCo is very much product driven, but EssentialCo is also involved in innovation. This is the famous Ernest 2.0 process. These two businesses wanted to become the best in class when it comes to cost and processes. And this is what they've demonstrated for years and will continue to demonstrate in the years to come.

Before talking about Edison, a couple of words about HQ. We've got a very nice headquarters in Neder-over-Heembeek, close to Brussels airport. But this is a very old venue. We started developing and modernizing the infrastructure. We wanted to do some plug and play, but it was really very hard because we've got a lot of industrial needs. There is a lot of research and innovation taking place there. There are a lot of applications' work being done. This is where our aerospace work is actually taking place. There is a center closer to our headquarters where the thermoplastics products are tested. These are products used in aviation. And we really wanted a pure play specialized in this kind of infrastructure. I thought that we would never find something, but we managed to find something, and it's going to

be a plug and play experience. And it goes without saying that all doors will be wide open to you.

We will certainly invite you and the investors to come and have a look at it. It's going to be compatible with Power of two, and we will look after the two companies. Regarding Edison. We had positive cash after Q1.

Karim Hajjar:

Karim. Yes. And this is fully in line with the expectation. This is what we said in page 364 of the report in the English version. It makes an indication of the period going all the way to 2016. And we think that by 2024 the final solution will be found. It was compensation for the impact in 2016 and 2022.

Ilham Kadri:

And if I may, I would like to bring to your attention that this is emblematic of the philosophy at Solvay. Because we bought this site, we did all of the environmental remediation that we were expected to do. The site was cleared. And it took as many as ten years to come to this situation. And we are extremely proud of it.

Nicolas Boël:

Perfect. If there are no more questions ...oh, there is another lady who wants to take the floor.

Audience question (Speaker 6):

Thank you. Thank you very much. I would like to thank Ilham for confirming the Solvay heart, the well-being of its employees at heart. But what about the retirees? In 1987, when the company modified the regulation for the pensions of the retirees, the managers were promised that if they wanted to receive the whole amount, these amounts would be revalued. Based on these promises, few managers have decided to receive their whole retirement and pension package. For 15 years those pensions are not valued or not adapted. Of course, we're living older and older at Solvay, and some managers have decided to actually benefit from these systems based on the promises that were made in 1987 in this place. Not exactly in the same room, but at the same place. So what about this scheme?

Nicolas Boël:

I do think that the last update was more recent than this. I think this is well taken. And Dominique, we will come back to you with an answer.

Dominique Golsong:

Of course, we're in a process where we update and we adapt pensions. We're also looking at those with our financial teams, how to move on and move forward. But there is no specific commitment to update those pension schemes right now. This is according to the needs, and we're looking at this with the specific services and teams.

Ilham Kadri:

Yes, we will come back to you. A Solvay employee is always a Solvay employee, including the retirees. We have also used the pension funds. And this is what I was saying. This is something that I was not doing before making it to this company. We really wanted to capitalize on different funds, English, French, US, German and United Kingdom - this is pending - also Belgium. It shows we have reduced it by 1.6 billion. As I said in my presentation. This is also something that shows that we're, of course, very aware of the well being of the employees and we'll come back with more information.

Nicolas Boël:

Thank you. I confirm we replied to all questions.

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