

SOLVAY SA/NV
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RPM Brussels

SPECIAL REPORT OF THE BOARD OF DIRECTORS PREPARED IN ACCORDANCE WITH ARTICLE 7:199 OF THE CODE OF COMPANIES AND ASSOCIATIONS

This report has been prepared in accordance with Article 7:199 of the Code of companies and associations (“CCA”) and relates to the proposal to be made to the Extraordinary Shareholders’ Meeting of Solvay SA/NV (“Solvay” or the “Company”) to be held on December 8, 2023 to grant a new authorization to the board of directors of Solvay (the “Board of Directors”) to increase the capital of the Company, in one or several instances, within the framework of the authorized capital.

The Board of Directors already has the power to increase the capital, by virtue of an authorization from the Shareholders’ Meeting of May 12, 2020. Within the framework of the partial demerger of Solvay whereby the assets and liabilities related to the so-called “Specialty” activities of Solvay would be demerged and contributed to Syensqo SA/NV, a limited liability company incorporated under Belgian law, having its registered office at Rue de la Fusée 98, 1130 Brussels, and registered with the legal entities registry under number 0798.896.453 (Brussels RPM) (the “Partial Demerger”), it is proposed to cancel the existing authorization and replace it with a new authorization.

The specific circumstances in which the authorized capital may be used and the objectives pursued are described in point 1 below, and the parameters of the proposed authorization are described in point 2.

1. Objectives and circumstances of use

- 1.1. In principle, increasing the Company’s capital requires convening an Extraordinary Shareholders’ Meeting. However, the procedures for convening and organizing an Extraordinary Shareholders’ Meeting are relatively lengthy, complex and costly. In some cases, applying these procedures may not allow the Company to react swiftly to fluctuations in the capital markets, seize certain opportunities on the market or meet financing requirements within a timeframe taking into account the Company’s financial calendar. Market conditions may indeed change rapidly and significantly, to the detriment of the Company’s interests, during the period of more than one month required to convene an Extraordinary Shareholders’ Meeting.
- 1.2. In that context, the authorized capital powers would increase the Company’s financial flexibility, by allowing the Board of Directors to increase the capital with the flexibility and speed required to meet the Company’s capital needs. The circumstances in which the authorized capital could be used would include cases in which the Company seeks to:
- seize strategic opportunities, including investments in third-party companies;
 - respond to financing opportunities on the market on favorable terms;

- strengthen its equity;
- make it possible to pay a dividend in shares if the Board of Directors so wishes;
- incentivize all or part of the management and personnel of Solvay or of the Solvay Group;
- cover commitments to be made by the Board of Directors in connection with the issuance of financial instruments; and/or
- cover any other circumstances or objectives that the Board of Directors may deem appropriate, including in the context of a takeover bid launched on the Company as the case may be.

2. Authorized capital parameters

(a) Amount

- 2.1. The purpose of the requested authorization is to allow the Board of Directors to increase Solvay's capital, in one or several instances, by a maximum amount of EUR 23,650,000 (excluding any share issuance premium), which corresponds to approximately 10% of Solvay's capital as it will exist following the contemplated Partial Demerger.

(b) Forms of capital increase

- 2.2. Any capital increase carried out pursuant to the requested authorization could take any form whatsoever, in particular by contribution in cash, contribution in kind, incorporation of available or unavailable reserves, issue premiums or profits carried forward, with or without the issuance of new shares, whether preferred or not, with or without voting rights, within the limits permitted by the CCA.
- 2.3. Pursuant to the terms of the authorization, the Board of Directors could issue subscription rights, convertible bonds or other securities in accordance with the provisions of the CCA.

(c) Preferential subscription right of shareholders

- 2.4. To meet the objective of increasing the Company's financial flexibility, the proposed authorization would allow the Board of Directors to carry out various types of transactions in the Company's interest.
- 2.5. The authorization would among others allow the Board of Directors to limit or cancel shareholders' preferential subscription rights, whether or not in favor of one or more specified persons other than employees of the Company or its subsidiaries. This would allow the Company to consider, in addition to capital increases where the legal preferential subscription right of shareholders would be maintained ("rights issues"), other transactions, such as a capital increase with a so-called "synthetic" or "extralegal" preferential subscription right (*i.e.*, a preferential subscription right reintroduced by the Company on a voluntary basis, the characteristics of which differ from the legal preferential subscription right in certain respects,

including the subscription period, which is typically shorter than the subscription foreseen by law), a reserved capital increase (or a capital increase with a reserved tranche) for one or more investors and/or a placement with institutional investors through a bookbuilding process, possibly accelerated.

- 2.6. If it were to decide to limit or cancel the preferential rights of shareholders, the Board of Directors would prepare a special report setting out the reasons for its decision and the consequences for the shareholders' rights, and describing, where applicable, the identity of the specific persons in whose favor the preferential rights of existing shareholders are limited or cancelled.
- 2.7. In accordance with Article 7:203 of the CCA, the management report of the Board of Directors will contain a description of capital increases carried out within the framework of the authorized capital with, where appropriate, an appropriate commentary on the conditions and actual consequences of capital increases or issues of convertible bonds or subscription rights as part of which the Board of Directors has limited or waived shareholders' preferential subscription rights.

(d) Duration

- 2.8. The Board of Directors proposes that the authorization takes effect from the date of publication in the appendices to the Belgian Official Gazette (*Moniteur belge*) of an extract from the resolution of the Extraordinary Shareholders' Meeting approving the authorized capital and the resulting amendment to the Articles of Association, and that it be granted for a period of five years from that date.

(e) Use of the authorized capital

- 2.9. Any decision by the Board of Directors to use authorized capital will require a majority of three-quarters (rounded up to the nearest unit) of the votes of directors present or represented who can participate to the vote.

(f) Takeover bids

- 2.10. Subject to express approval by the Extraordinary Shareholders' Meeting, the authorization would allow the Company, in the event that it receives a communication from the Financial Services and Markets Authority informing it that it has received notice of a takeover bid on the Company, to make use of the authorized capital. Any such capital increase would be carried out on the same conditions as those applicable to the general authorization described in this report. In addition, in accordance with Article 7:202 of the CCA:

- the shares issued pursuant to the capital increase should be fully paid up as soon as they are issued; and
- the issue price of the shares issued pursuant to the capital increase may not be lower than the offer price.

- 2.11. This special authorization would be valid for two years from the date of the Extraordinary Shareholders' Meeting which approves it.

Done in Brussels, on October 20, 2023

For the Board of Directors,

By: /s/ Nicolas Boël
Name: Mr. Nicolas Boël
Title: Chairman of the Board of Directors

By: /s/ Ilham Kadri
Name: Dr. Ilham Kadri
Title: Chief Executive Officer and Director